

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

COT/28

8 June 1964

Special Distribution

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LONG-TERM ARRANGEMENT REGARDING INTERNATIONAL TRADE
IN COTTON TEXTILES

Agreement Between the United States and India

Attached are notes and annex comprising the text of the recently concluded Agreement between the Governments of India and the United States concerning cotton textile exports to the United States.

The text of this Agreement has been transmitted to the secretariat by the United States in accordance with Article 4 of the Long-Term Arrangement.

Note 1

Excellency:

I have the honour to refer to recent discussions in Washington between representatives of the Government of the United States of America and the Government of India concerning exports of cotton textiles from India to the United States and to the conclusions reached by the Cotton Textiles Committee of GATT at its meeting in December of 1963.

As a result of these discussions and in furtherance of the conclusions of the GATT Cotton Textiles Committee, I have the honour to propose the following Agreement relating to trade in cotton textile fabrics and made-up goods between India and the United States.

1. The Government of India shall limit exports in categories 9, 18, 19, 22 and 26 for the twelve-month period beginning 1 October 1964 to an aggregate limit of 37 million square yards. Within this aggregate limit the following specific ceilings shall apply:

<u>Category</u>	<u>Million Square Yards</u>
9	12.0
18/19	6.0
22	4.5
26 (duck only)	2.2
26 (other than duck)	17.0

2. The Government of India shall limit exports in category 31 for the twelve-month period beginning 1 October 1964 to 2.65 million pieces.

3. Each Government agrees to supply promptly any available statistical data requested by the other Government. In particular, the Government of India shall supply the most current export data to the Government of the United States, and the Government of the United States shall supply the most current import data to the Government of India.

4. For the duration of this Agreement the Government of the United States shall not exercise its rights under Article 3 of the Long-Term Arrangement Regarding International Trade in Cotton Textiles to request restraints on the export of cotton textiles in categories 9, 18, 19, 22, 26 and 31 from India to the United States. All other relevant provisions of the Long-Term Arrangement shall remain in effect between the two Governments.

5. The levies specified in paragraphs 1 and 2 for the twelve-month period beginning 1 October 1964 may be increased by 2.5 per cent.

6. The limitations on exports established in paragraphs 1 and 2, as modified by paragraph 5, shall be increased by 5 per cent for the twelve-month period beginning 1 October 1965.
7. The Governments agree to consult on any questions arising in the implementation of this Agreement.
8. The Government of India shall use its best efforts to space evenly annual exports within each category enumerated in paragraphs 1 and 2.
9. In the implementation of this Agreement, the system of categories and the rates of conversion into square yard equivalents listed in the annex hereto shall apply.
10. From 1 April 1964 until 1 October 1964, the Government of India shall maintain exports from India in categories 9, 18, 19, 22, 26 and 31 within the following levels:

<u>Category</u>	<u>Ceiling</u>
9	6 million square yards
18/19	3 " " "
22	2.25 " " "
26 (duck only)	1.1 " " "
26 (other than duck)	8.5 " " "
Aggregate ceiling, categories 9, 18, 19, 22 and 26	18.5 " " "
31	1.325 million pieces

11. The levels specified in paragraph 10 for the period from 1 April 1964 until 1 October 1964 may be increased by 1.25 per cent.
12. This Agreement shall continue through 30 September 1966, provided that either Government may propose revisions in the terms of this Agreement no later than 30 September 1965 and provided, further, that either Government may terminate this Agreement effective 30 September 1965 by written notice to the other Government given no later than 30 June 1965.

If those proposals are acceptable to your Government, this note and Your Excellency's note of acceptance on behalf of the Government of India shall constitute an agreement between our Governments.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Acting Secretary of State:

George W. Ball

15 April 1964

ANNEX

LIST OF COTTON TEXTILE CATEGORIES
AND CONVERSION FACTORS FOR FABRICS
AND MADE UP GOODS

<u>Category</u> <u>Number</u>	<u>Description</u>	<u>Unit</u>	<u>Conversion</u> <u>Factor</u>
<u>Fabrics</u>			
5	Ginghams, carded yarn	sq. yds.	
6	Ginghams, combed yarn	sq. yds.	
7	Velveteens	sq. yds.	
8	Corduroy	sq. yds.	
9	Sheeting, carded yarn	sq. yds.	
10	Sheeting, combed yarn	sq. yds.	
11	Lawns, carded yarn	sq. yds.	
12	Lawns, combed yarn	sq. yds.	
13	Voiles, carded yarn	sq. yds.	
14	Voiles, combed yarn	sq. yds.	
15	Poplin and broadcloth, carded yarn	sq. yds.	
16	Poplin and broadcloth, combed yarn	sq. yds.	
17	Typewriter ribbon cloth	sq. yds.	
18	Print cloth, shirting type, 80 x 80 type, carded yarn	sq. yds.	
19	Print cloth, snirting type, other than 80 x 80 type, carded yarn	sq. yds.	
20	Shirting, carded yarn	sq. yds.	
21	Shirting, combed yarn	sq. yds.	
22	Twill and sateen, carded yarn	sq. yds.	
23	Twill and sateen, combed yarn	sq. yds.	
24	Yarn-dyed fabrics, n.e.s. carded yarn	sq. yds.	
25	Yarn-dyed fabrics, n.e.s. combed yarn	sq. yds.	
26	Fabrics, n.e.s., carded yarn	sq. yds.	
27	Fabrics, n.e.s., combed yarn	sq. yds.	

<u>Category Number</u>	<u>Description</u>	<u>Unit</u>	<u>Conversion Factor</u>
<u>Made up Goods</u>			
28	Pillowcases, plain carded yarn	numbers	1,084
29	Pillowcases, plain, combed yarn	numbers	1,084
30	Dish towels	numbers	.348
31	Towels, other than dish towels	numbers	.348
32	Handkerchiefs	dozen	1.66
33	Table damasks and manufactures	pounds	3.17
34	Sheets, carded yarn	numbers	6.2
35	Sheets, combed yarn	numbers	6.2
36	Bedspreads, including quilts	numbers	6.9
37	Braided and woven elastics	pounds	4.6
38	Fishing nets	pounds	4.6

Note 2

15 April 1964

Excellency:

I have the honour to acknowledge receipt of your note of today's date concerning trade in cotton textiles between India and the United States which reads as follows:

See Note 1

I have the honour to confirm the foregoing understandings on behalf of the Government of India.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Ambassador:

K. S. Sundara Rajan.

His Excellency
George W. Ball,
Acting Secretary of State
of the United States of America.

Note 3

15 April 1964

Dear Mr. Ambassador:

In the Agreement concluded today by our two Governments concerning exports of cotton fabrics and made-up goods from India to the United States, no provisions were made concerning exports in category 36 from India to the United States. During the course of the discussions between representatives of the two Governments, it was observed that exports from India in this category have risen gradually since 1958. However, for the year ending December 1963, Indian exports expanded in excess of this historical trend. While the United States does not desire to request the Government of India to restrain these exports at this time, it wishes to advise the Government of India of its concern over the rapid expansion of imports in the latter part of 1963, and to advise the Government of India that should the rate of increase in these exports continue to increase substantially, the United States may request consultations under Article 3 of the Long-Term Arrangement.

I would be grateful if you would confirm these understandings if they are acceptable to your Government.

Sincerely yours,

For the Acting Secretary of State:

Philip M. Trezise
Acting Assistant Secretary of State
for Economic Affairs

His Excellency
Braj Kumar Nehru,
Ambassador of India.

Note 4

15 April 1964

Dear Mr. Trezise,

I acknowledge the receipt of your note of 15 April 1964 which reads as follows:

See Note 3

I wish to confirm on behalf of my Government the understandings set forth in the note quoted above.

Sincerely yours,
For the Ambassador:

K.S. Sundara Rajan
Minister (Economic)

The Honourable
Philip H. Trezise,
Acting Assistant Secretary of State
for Economic Affairs,
Department of State.