

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

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LONG-TERM ARRANGEMENT REGARDING INTERNATIONAL TRADE
IN COTTON TEXTILES

Bilateral Agreement between the United States and Pakistan

Attached are exchanged notes effecting a bilateral agreement between the Governments of the United States and Pakistan concerning cotton textile trade in certain fabric categories.

The text of this agreement has been transmitted by the United States mission for notification to the Cotton Textiles Committee.

Note No. 1

26 February 1965

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 Pakistan concerning exports of cotton textiles from Pakistan to the United States and to the Long-Term Arrangement Regarding International Trade in Cotton Textiles done in Geneva on 9 February 1962.

As a result of these discussions, I have the honour to propose the following Agreement relating to trade in cotton textiles between Pakistan and the United States:

1. The Government of Pakistan shall limit exports in categories 9, 18, 19, 22 and the parts of 26 listed in Annex A for the first agreement year beginning 1 July 1964, to an aggregate limit of 25 million square yards. Within this aggregate limit the following specific ceilings shall apply:

<u>Category</u>	<u>Million Square Yards</u>
9	16.0
22	2.0
Printcloth (18/19 and parts of cat. 26 so designated in Annex A)	7.0
Barkcloth-type fabrics (parts of cat. 26 so designated in Annex A)	3.0

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

3. All relevant provisions of the Long-Term Arrangement shall remain in effect between the two Governments except that for the duration of this Agreement the Government of the United States shall not request restraint under Article 3 of the Long-Term Arrangement Regarding International Trade in Cotton Textiles on the export of cotton textiles from Pakistan to the United States in categories 9, 18, 19, 22 and the parts of 26 listed in Annex A.

His Excellency
Ghulam Ahmed,
Ambassador of Pakistan

4. The aggregate limit and specific ceilings established in paragraph 1 shall be increased by 5 per cent for the second agreement year beginning 1 July 1965. For the third agreement year the aggregate limit and the specific ceilings shall be increased by a further 5 per cent over the levels for the second agreement year.

5. To make allowances for the termination of restraint actions under Article 3 of the Long-Term Arrangement and for goods imported into the United States under these restraints prior to the signing of this Agreement, the following one-time adjustments shall apply to the specific ceilings enumerated in paragraph 1 above:

(a) Category 9 - A deduction of 7.6 million square yards shall be made from the ceiling applicable to the first agreement year;

(b) Category 22 - Imports shall be counted against the ceiling regardless of the date of export but only if entered for consumption on or after 31 October 1964;

(c) Printcloth - Imports shall be counted against the ceiling if exported on or after 1 July 1964;

(d) Barkcloth-type fabrics - Imports shall be counted against the ceiling only if exported on or after 18 September 1964.

6. All cotton textiles classified in Category 9 and exported prior to 1 March 1965 shall be entered for consumption under the following provisions:

(a) Five million square yards shall be entered without charge against the ceiling applicable to this category;

(b) The balance shall be charged 50 per cent against the ceiling applicable to this category for the first agreement year as adjusted under paragraph 5 above, and the remaining 50 per cent against the ceiling applicable to this category for the second agreement year;

(c) To the extent that balances remaining under the adjusted export ceiling for the first agreement year are insufficient, the excess shall be charged against the ceiling for the second agreement year.

7. The Governments agree to consult on any questions arising in the implementation of this Agreement.

8. The Government of Pakistan shall use its best efforts to space its annual exports evenly within each category enumerated in paragraph 1 above.

9. In the implementation of this Agreement the system of categories and the rates of conversion into square yard equivalents listed in Annex B hereto shall apply.

10. This Agreement shall continue in force through 30 June 1967; provided that either Government may propose revisions in the terms of the Agreement no later than ninety days prior to the beginning of each agreement year and provided further that either Government may terminate this Agreement effective at the beginning of any agreement year by written notice to the other Government to be given at least ninety days prior to such date.

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

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

For the Secretary of State:

Enclosures:

Annex A and Annex B

ANNEX A

I. Printcloth

Printcloth is a term applied to a plain woven fabric made of single uncombed yarns. The fabric is not napped, not fancy and not figured. The difference in the yarns per inch of the warp and of the filling does not usually exceed fifteen. The average yarn number ranges between twenty-seven and forty-four per inch.

Printcloth falls under Category 18 "Printcloth, shirting type, 80 x 80 type, carded"; Category 19 "Printcloth, shirting type, other than 80 x 80 type, carded"; and under the TSUS numbers of Category 26 "Woven fabric, not elsewhere specified, other, carded" listed below:

TSUS Numbers

320. xx34	Printcloth other than printcloth type shirting, not combed, wholly of cotton, not fancy or figured, not bleached or coloured
326. xx34	Printcloth other than printcloth type shirting, not combed, chief value, but not wholly of cotton, containing silk or man-made or both, not fancy or figured, not bleached or coloured

The foregoing TSUS numbers correspond precisely with TQM No. 261070 "Cotton printcloth, not elsewhere specified, unbleached, carded," which is used by the Bureau of the Census in the preparation of its special reports on cotton textile imports.

II. Barkcloth

Barkcloth is a term applied to a fabric most commonly used in the drapery and upholstery fields. The fabric is often made with heavy filling yarns and fine warp yarns with two or three times as many warp threads as filling threads per inch, or with heavy warp and filling yarns with a fairly even number of warp and filling threads per inch. The weave is of an irregular design with long warp and filling floats resulting in a rough or barklike fabric surface. Barkcloth is most commonly woven with six harnesses but should it be advantageous to do so, could easily be produced with eight or more harnesses.

Barkcloth-type fabrics are those fabrics classified as "Woven fabrics, not elsewhere specified, other, carded" and which fall under the numbers of the Tariff Schedule of the United States (TSUS) listed below. For administrative purposes, barkcloth-type fabrics shall be considered as including all fabrics falling under these numbers. Schedule 3 of the TSUS, including revisions through supplement No. 4, which gives the complete definitions applicable to these numbers is attached. All yarn counts, represented by the fourth and fifth digits ("xx") of the following numbers and specifically described in Schedule 3 of the TSUS, are included in the restraint action.

TSUS Numbers

320. xx88
 321. xx88
 322. xx88
 323. xx88
 324. xx88
 325. xx88
 326. xx88
 327. xx88
 328. xx88
 329. xx88
 330. xx88
 331. xx88
 320. xx92
 321. xx92
 322. xx92
 323. xx92
 324. xx92
 325. xx92
 326. xx92
 327. xx92
 328. xx92
 329. xx92
 330. xx92
 331. xx92

The foregoing TSUS numbers in turn correspond precisely with the following TQM numbers used by the Bureau of the Census in the preparation of its special reports on cotton textile imports:

<u>TQM No.</u>	<u>Description</u>	<u>Component TSUS Nos.</u>
261080	Fabrics, not elsewhere specified, chief value cotton, unbleached, carded	320. xx88 320. xx92
		323. xx88 323. xx92
		326. xx88 326. xx92
		329. xx88 329. xx92
262080	Fabrics, not elsewhere specified, chief value cotton, bleached, carded	321. xx88 321. xx92
		324. xx88 324. xx92
		327. xx88 327. xx92
		330. xx88 330. xx92

<u>TQM No.</u>	<u>Description</u>	<u>Component TSUS Nos.</u>
263080	Fabrics, not elsewhere specified, chief value cotton. coloured, carded	322. xx88 322. xx92 325. xx88 325. xx92 328. xx88 328. xx92 331. xx88 331. xx92

Should the Government of Pakistan have further questions concerning the fabrics covered described herein, the United States Government would be pleased to consult on this problem.

ANNEX B

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

<u>Category Number</u>	<u>Description</u>	<u>Unit</u>	<u>Conversion 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, shirting 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.	

<u>Category Number</u>	<u>Description</u>	<u>Unit</u>	<u>Conversion Factor</u>
<u>Fabrics</u>			
26	Fabrics, n.e.s., carded yarn	sq. yds.	
27	Fabrics, n.e.s., combed yarn	sq. yds.	
<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 No. 2

EMBASSY OF PAKISTAN
Washington, DC

26 February 1965

Excellency:

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

(See Note No. 1)

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

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

(signed) G. Ahmed

His Excellency Dean Rusk,
Secretary of State
of the United States