

GENERAL AGREEMENT ON TARIFFS AND TRADE

COT/91/Add.1
20 April 1970
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ARRANGEMENT REGARDING INTERNATIONAL TRADE IN COTTON TEXTILES

Bilateral Agreement between the United States and Poland

Addendum

Attached is the text of the notes exchanged between the Government of the United States and the Government of Poland effecting an agreement concerning trade in cotton textiles between the two countries. The agreement essentially continues the provisions of the 1967/70 bilateral agreement (COT/91) and adds certain new features.

The text of the diplomatic notes constituting the new agreement has been transmitted to the Director-General by the United States mission for notification to the Cotton Textiles Committee.

Note No. 1

Excellency,

I have the honour to refer to the cotton textile agreement between our two Governments effected by an exchange of notes dated 15 March 1967 and to recent discussions in Washington between representatives of our two Governments concerning exports of cotton textiles from Poland to the United States.

As a result of these discussions, I have the honour to propose that the above-mentioned agreement be amended as provided in the following paragraphs:

A. Paragraphs 1 through 4 are amended to read as follows:

"1. The term of this agreement shall be from 1 March 1970 through 28 February 1975. During the term of this agreement, the Government of the Polish People's Republic shall limit annual exports of cotton textiles from Poland to the United States to aggregate, group and specific limits at the levels specified in the following paragraphs.

"2. For the first agreement year, constituting the twelve-month period beginning 1 March 1970, the aggregate limit shall be 6.4 million square yards equivalent.

"3. Within the aggregate limit, the following group limits shall apply for the first agreement year:

		<u>In million square yards equivalent</u>
Group I	Apparel (Categories 39-63)	3.4
Group II	Other (Categories 1-38 and 64)	3.0

His Excellency Jerzy Michalowski,
Ambassador of the Polish People's Republic

"4. Within the aggregate limit and the applicable group limits, the following specific limits shall apply for the first agreement year:

Group I

Category 42	30,000 dozen
Category 43	60,000 dozen
Category 46	5,000 dozen
Category 53	3,000 dozen
Category 60	15,628 dozen
Category 62	170,000 pounds

Group II

Category 19	1,000,000 square yards
Category 26	1,200,000 square yards (of which not more than 150,000 square yards may be in duck)
Category 28	275,000 pieces"

B. The third sentence of paragraph 6 is amended to read as follows:

"6. ... For the first agreement year, the level of the consultation limit for each category in Group I not having a specific limit shall be 405,169 square yards equivalent, and for each category in Group II not having a specific limit shall be 578,813 square yards equivalent."

C. Paragraph 11 is amended to read as follows:

"11. The Government of the United States of America and the Government of the Polish People's Republic agree to consult on any question arising in the implementation of the agreement. At the request of either Government, a review of the agreement, confined to consideration of possible adjustments of limits in specific categories, will be held during the third year of the agreement."

D. Paragraph 17 is added to read as follows:

"17. (a) For any agreement year immediately following a year of shortfall (i.e., a year in which cotton textile exports under this agreement from the Polish People's Republic to the United States were below the aggregate limit and any group or specific limit applicable to the category concerned) the Government of the Polish People's Republic may permit exports to exceed limits in this agreement by carryover in the following amounts and manner:

- (i) the carryover shall not exceed the amount of the shortfall in either the aggregate limit or any applicable group or specific limit and shall not exceed 5 per cent of the aggregate limit or 5 per cent of the applicable group limit in the year of the shortfall;

- (ii) in the case of shortfalls in the categories subject to specific limits, the carryover shall not exceed 5 per cent of the specific limit in the year of the shortfall and shall be used in the same category in which the shortfall occurred; and
 - (iii) in the case of shortfalls not attributable to categories subject to specific limits, the carryover shall not be used to exceed any applicable specific limit except in accordance with the provisions of paragraph 5 and shall be subject to the provisions of paragraph 6.
- (b) The limits referred to in sub-paragraph (a) of this paragraph are without any adjustments under this paragraph or paragraph 5.
- (c) The carryover shall be in addition to the exports permitted by paragraph 5."

If this proposal is acceptable to the Government of the Polish People's Republic, I have the honour to propose that this note and your note of acceptance on behalf of the Government of the Polish People's Republic shall constitute an agreement between our Governments which will enter into force 1 March 1970.

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

For the Secretary of State

Note No. 2

Embassy of the Polish People's Republic,
Washington, D.C.

24 February 1970

Excellency,

I have the honour to acknowledge the receipt of your note of 24 February 1970 relating to exports of cotton textiles from Poland to the United States, which reads as follows:

(See Note No. 1)

I have the honour of confirming that the Government of the Polish People's Republic agrees to the proposal set forth in your note and that Your Excellency's note and this reply, constitute an agreement between our Governments.

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

Jerzy Michalowski
Ambassador

His Excellency Philip H. Trezise,
Assistant Secretary of State of
the United States of America