

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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## ARRANGEMENT REGARDING INTERNATIONAL TRADE IN COTTON TEXTILES

### Action Taken by the United States Under Articles 3 and 6(c)

The following communication has been received by the Director-General from the United States Mission:

There follows, for notification to the Cotton Textiles Committee, a summary statement of the actions taken by the Government of the United States under Articles 3 and 6(c) of the Long-Term Arrangement Regarding International Trade in Cotton Textiles in relation to restraints of cotton textile exports from Malaysia to the United States.

On 28 April 1967 the Government of the United States requested consultations with the Government of Malaysia, consistent with procedures of Articles 3 and 6(c) of the Long-Term Arrangement Regarding Trade in Cotton Textiles, with the view to removing or avoiding disruption caused or threatened in the United States market by exports in Category 9. In the absence of a reply from the Government of Malaysia within a period of sixty days as stipulated in Article 3, paragraph 3 of the Long-Term Arrangement Regarding Trade in Cotton Textiles, the Government of the United States imposed restraint at the level of 400,000 square yards for the twelve-month period following the date on which the request for consultations was made, namely 28 April 1967. Restraint was renewed on 25 April 1968 for a twelve-month period effective 28 April 1968 at a level of 420,000 square yards, which includes a growth factor of 5 per cent over the previous year's restraint level.

Similar requests for consultations with the Government of Malaysia were made on 24 May 1967 (for restraints on Category 22), on 23 February 1967 (on Category 46), and on 20 March 1967 (for Categories 50 and 51)..

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In the absence of replies from the Government of Malaysia, the Government of the United States imposed under Articles 3 and 6(c) restraints on these categories, effective for a twelve-month period following the date of the request for consultations, at the following levels:

Category 22 - 220,000 square yards  
Category 46 - 18,000 dozen  
Category 50 - 5,000 dozen  
Category 51 - 8,800 dozen

These restraints were renewed for another twelve-month period following their respective expiration dates at levels 5 per cent higher than those of the previous year. Consequently, existing restraints on these categories are presently at the following levels:

<u>Category</u>	<u>Time Period</u>	<u>Level</u>
22	24 May 1968-23 May 1969	231,000 square yards
46	23 February 1968-22 February 1969	18,900 dozen
50	20 March 1968-19 March 1969	5,250 dozen
51	20 March 1968-19 March 1969	9,240 dozen