

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

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ARRANGEMENT REGARDING INTERNATIONAL TRADE IN COTTON TEXTILES

Bilateral Agreement between the United States and Romania¹

Attached is the text of the United States note relating to a new cotton textiles agreement between Romania and the United States.

The text of this note has been transmitted to the Director-General by the United States mission for notification to the Cotton Textiles Committee.

¹Not party to the Cotton Textiles Arrangement

31 December 1970

Sir:

I refer to the Long-Term Arrangement Regarding International Trade in Cotton Textiles (hereinafter referred to as the Long-Term Arrangement), done in Geneva on 9 February 1962, as extended until 30 September 1973.

I also refer to recent discussions between our two Governments concerning the export of cotton textiles from Romania to the United States. As a result of these discussions, I have the honour to propose the following agreement relating to trade in cotton textiles between Romania and the United States.

1. The term of this agreement shall be from 1 January 1971 through 31 December 1975. During the term of this agreement the Government of the Socialist Republic of Romania shall limit annual exports of cotton textiles from Romania to the United States to aggregate and specific limits at the levels specified in the following paragraphs.
2. For the first agreement year, constituting the twelve-month period beginning 1 January 1971, the aggregate limit shall be 9 million square yards equivalent.
3. Within this aggregate limit, the following specific limits shall apply:

<u>Category</u>	<u>Quantity</u>	<u>Equivalent square yards</u>
19	1,100,000 square yards	
26	2,200,000 square yards (with duck not to exceed 500,000)	
47	40,566 dozen	900,000
49	21,538 dozen	700,000
55	13,725 dozen	700,000
60	19,246 dozen	1,000,000
63	347,826 lb.	1,600,000

4. Within the aggregate limit, the specific limits for categories 19, 26, 47, 49, 55, 60 and 63 may be exceeded by not more than 5 per cent.
5. Categories not given specific limits are subject to consultation levels and to the aggregate limit. In the event Romania wishes to export in any category in excess of the applicable consultation level during any agreement year, the Government of the Socialist Republic of Romania shall request consultations with the Government of the United States of America on this question and the Government of the United States of America shall enter into such consultations. Until agreement on a

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of the Socialist Republic of Romania.

different level of exports is reached, the Government of the Socialist Republic of Romania shall limit exports in the category in question to the consultation level. For the first agreement year, the consultation level for each category not given a specific limit shall be 500,000 square yards equivalent in categories 1-38 and category 64 and 350,000 square yards equivalent in categories 39-63.

6. In the second and succeeding twelve-month period for which this agreement is in effect, the level of exports permitted under each limitation in the agreement shall be increased by 5 per cent of the corresponding level for the preceding twelve-month period, the latter level not to include any adjustments under paragraph 4 or 7.

7. (a) For any agreement year immediately following a year of shortfall (i.e., a year in which cotton textile exports from Romania to the United States were below the aggregate limit and any specific limit applicable to the category concerned) the Government of the Socialist Republic of Romania may permit exports to exceed these limits by carry-over in the following amounts and manner:

- (i) The carry-over shall not exceed the amount of shortfall in either the aggregate limit or any applicable specific limit, and shall not exceed 5 per cent of the aggregate limit applicable to the year of the shortfall;
- (ii) in the case of shortfalls in categories subject to specific limits, the carry-over shall be used in the same category in which the shortfall occurred, shall not exceed 5 per cent of the specific limit applicable to the category in the year of the shortfall, and shall be in addition to the exports permitted by paragraph 4.
- (iii) In the case of shortfalls not attributable to categories subject to specific limits, the carry-over shall not be used to exceed any applicable specific limit except in accordance with the provisions of paragraph 4 and shall be subject to the provisions of paragraph 5.

(b) The limits referred to in sub-paragraph (a) of this paragraph are without any adjustments under this paragraph or paragraph 4.

8. The Government of the Socialist Republic of Romania shall use its best efforts to space exports from Romania to the United States within each category evenly throughout the agreement year, taking into consideration normal seasonal factors.

9. The Government of the United States of America shall promptly supply the Government of the Socialist Republic of Romania with data on monthly imports of cotton textiles from Romania; and the Government of the Socialist Republic of Romania shall promptly supply the Government of the United States of America with quarterly

data on exports of cotton textiles to the United States. Each Government agrees to supply promptly any other pertinent and readily available statistical data requested by the other Government.

10. In implementing this agreement, the system of categories and the rates of conversion into square yard equivalents listed in the annex hereto shall apply. In any situation where the determination of an article to be a cotton textile would be affected by whether the criterion provided for in Article 9 of the Long-Term Arrangement or the criterion provided for in paragraph 2 of Annex E of the Long-Term Arrangement is used, the chief value criterion used by the Government of the United States of America in accordance with paragraph 2 of Annex E shall apply.

11. The Government of the Socialist Republic of Romania and the Government of the United States of America agree to consult on any question arising in the implementation of this agreement.

12. Mutually satisfactory administrative arrangements or adjustments may be made to resolve minor problems arising in the implementation of this agreement, including differences in points of procedure or operation.

13. If the Government of the Socialist Republic of Romania considers that, as a result of limitations specified in this agreement, Romania is being placed in an inequitable position vis-à-vis a third country, the Government of the Socialist Republic of Romania may request consultation with the Government of the United States of America with a view to taking appropriate remedial action such as reasonable modification of this agreement.

14. For the duration of this agreement, the Government of the United States of America shall not invoke the procedures of Article 3 or 6(c) of the Long-Term Arrangement to request restraint on the export of cotton textiles from Romania to the United States.

15. The Government of the United States may assist the Government of the Socialist Republic of Romania in implementing the limitation provisions of this agreement by controlling imports of cotton textiles covered by the agreement.

16. Either Government may terminate this agreement effective at the end of any agreement year by written notice to the other Government to be given at least ninety days prior to the end of such agreement year. Either Government may at any time propose revisions in the terms of this agreement.

If the foregoing proposal is acceptable to the Government of the Socialist Republic of Romania, this note and your note of confirmation on behalf of the Government of the Socialist Republic of Romania shall constitute an agreement between the Government of the Socialist Republic of Romania and the Government of the United States of America.

Accept, Sir, the renewed assurances of my high consideration.

For the Secretary of State:

(Signed:)

Julius L. Katz

ANNEX

Category number	Description	Unit	Conversion factor to square yards
1	Cotton yarn, carded, singles	lb.	4.6
2	Cotton yarn, carded, plied	lb.	4.6
3	Cotton yarn, combed, singles	lb.	4.6
4	Cotton yarn, combed, plied	lb.	4.6
5	Gingham, carded	Square yards	Not required
6	Gingham, combed	Square yards	Not required
7	Velveteen	Square yards	Not required
8	Corduroy	Square yards	Not required
9	Sheeting, carded	Square yards	Not required
10	Sheeting, combed	Square yards	Not required
11	Lawns, carded	Square yards	Not required
12	Lawns, combed	Square yards	Not required
13	Voile, carded	Square yards	Not required
14	Voile, combed	Square yards	Not required
15	Poplin and broadcloth, carded	Square yards	Not required
16	Poplin and broadcloth, combed	Square yards	Not required
17	Typewriter ribbon cloth	Square yards	Not required
18	Print cloth, shirting type, 80 x 80 type, carded	Square yards	Not required
19	Print cloth, shirting type, other than 80 x 80 type, carded	Square yards	Not required
20	Shirting, jacquard or dobby, carded	Square yards	Not required
21	Shirting, jacquard or dobby, combed	Square yards	Not required
22	Twill and sateen, carded	Square yards	Not required
23	Twill and sateen, combed	Square yards	Not required
24	Woven fabric, n.e.s., yarn dyed, carded	Square yards	Not required
25	Woven fabric, n.e.s., yarn dyed, combed	Square yards	Not required
26	Woven fabric, n.e.s., other, carded	Square yards	Not required
27	Woven fabric, n.e.s., other, combed	Square yards	Not required
28	Pillowcases, not ornamented, carded	Numbers	1.084
29	Pillowcases, not ornamented, combed	Numbers	1.084
30	Towels, dish	Numbers	.348
31	Towels, other	Numbers	.348
32	Handkerchiefs, whether or not in the piece	Dozen	1.66
33	Table damask and manufactures	lb.	3.17
34	Sheets, carded	Numbers	6.2
35	Sheets, combed	Numbers	6.2
36	Bedspreads and quilts	Numbers	6.9
37	Braided and woven elastic	lb.	4.6
38	Fishing nets and fish netting	lb.	4.6

Category number	Description	Unit	Conversion factor to square yards
39	Gloves and mittens	Dozen	3.527
40	Hose and half hose	Dozen pairs	4.6
41	T-shirts, all white, knit, men's and boys'	Dozen	7.234
42	T-shirts, other knit	Dozen	7.234
43	Shirts, knit, other than T-shirts and sweatshirts	Dozen	7.234
44	Sweaters and cardigans	Dozen	36.8
45	Shirts, dress, not knit, men's and boys'	Dozen	22.186
46	Shirts, sport, not knit, men's and boys'	Dozen	24.457
47	Shirts, work, not knit, men's and boys'	Dozen	22.186
48	Raincoats, 3/4 length or longer, not knit	Dozen	50.0
49	Coats, other, not knit	Dozen	32.5
50	Trousers, slacks, and shorts (outer), not knit, men's and boys'	Dozen	17.797
51	Trousers, slacks and shorts (outer), not knit, women's, girls' and infants'	Dozen	17.797
52	Blouses, not knit	Dozen	14.53
53	Dresses (including uniforms) not knit	Dozen	45.3
54	Playsuits, sunsuits, washsuits, creepers, rompers, etc., not knit, n.e.s.	Dozen	25.0
55	Dressing gowns, including bathrobes and beachrobes, lounging gowns, house-coats, and dusters, not knit	Dozen	51.0
56	Undershirts, knit, men's and boys'	Dozen	9.2
57	Briefs and undershorts, men's and boys'	Dozen	11.25
58	Drawers, shorts and briefs, knit, n.e.s.	Dozen	5.0
59	All other underwear, not knit	Dozen	16.0
60	Pajamas and other nightwear	Dozen	51.95
61	Brassieres and other body supporting garments	Dozen	4.75
62	Wearing apparel, knit, n.e.s.	lb.	4.6
63	Wearing apparel, not knit, n.e.s.	lb.	4.6
64	All other cotton textiles	lb.	4.6