

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

COT/178

17 February 1971

Special Distribution

Original: English

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN COTTON TEXTILES

Bilateral Agreement between the United States and the Republic of China

Attached is the text of the United States diplomatic note relating to an interim extension of the bilateral cotton textiles agreement between the United States and the Republic of China.¹

This information has been transmitted to the Director-General by the United States mission for notification to the Cotton Textiles Committee.

¹See COT/8/Add. 5.

22 December 1970

Excellency:

I have the honour to refer to the Cotton Textile Agreement between our two Governments effected by exchange of notes on 12 October 1967 and to recent discussions between representatives of our two Governments concerning exports of cotton textiles from the Republic of China to the United States.

As a result of these discussions, I have the honour to propose that the aforementioned agreement be amended and extended as provided in the following paragraphs:

- A. Paragraph 1 is amended by changing the first sentence of the paragraph to read as follows: "This agreement shall extend through 30 June 1971."
- B. Paragraph 7 is amended by the addition of the following sentence at the end of the paragraph: "In the six-month period extending from 1 January through 30 June 1971, the level of exports permitted under such limitation shall be one half of the corresponding level for the preceding twelve-month period, increased by 5 per cent, the level for the preceding twelve-month period not to include any adjustments under paragraphs 5 or 15."
- C. Paragraph 15 is amended by the addition of the following sub-paragraph: "(d) In the event of shortfall in the agreement year ending 31 December 1970, one half of the carry-over that would be permitted for an agreement year by sub-paragraphs (a) through (c) shall be permitted for the six-month period beginning 1 January 1971."
- D. The following new paragraph is added after paragraph 16: "17: The Government of the United States of America may take necessary actions to assist the Government of the Republic of China in implementing the limitations of this agreement."
- E. The term "Long-Term Arrangement" in the numbered paragraphs of the agreement, as amended, shall mean the Long-Term Arrangement Regarding International Trade in Cotton Textiles, done in Geneva on 9 February 1962, as extended through 30 September 1973.

If the foregoing proposal is acceptable to your Government, this note and your Excellency's note of acceptance on behalf of the Government of the Republic of China shall constitute an amendment and extension of the Cotton Textile Agreement effected by exchange of notes 12 October, 1967.

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

For the Secretary of State:

Philip H. Trezise

His Excellency Chow Shu-Kai
Chinese Ambassador