

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/970*
16 July 1984

Special Distribution

Textiles Surveillance Body

Original: English

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Bilateral Agreement between
the United States and the Dominican Republic

The Textiles Surveillance Body has received from the United States a notification of a new bilateral agreement with the Dominican Republic, concluded under Article 4 of the MFA, valid for the period 1 June 1983 to 31 May 1988.¹

The TSB, pursuant to its procedures regarding bilateral agreements notified under Article 4², has examined the relevant documentation and is forwarding the text of the notification to participating countries for their information.³

¹The previous bilateral agreement is contained in COM.TEX/SB/472.

²See COM.TEX/SB/35, Annex B.

³For the TSB's observations on this notification, see COM.TEX/SB/975.

*English only/anglais seulement/inglés solamente

UNITED STATES NOTE

Santo Domingo
December 30, 1983

Excellency:

I have the honor to refer to the Arrangement regarding International Trade in Textiles, with annexes, (hereinafter referred to as the Arrangement) done at Geneva on December 20, 1973 and extended by protocol on December 22, 1981. I have also the honor to refer to discussions between representatives of the Government of the United States of America and the Government of the Dominican Republic in Santo Domingo May 2-6, 1983, and in Washington, D.C. July 14-15 and August 19, 1983, concerning exports to the United States of cotton, wool and man-made fiber textiles and textile products manufactured in the Dominican Republic. As a result of these discussions, and in conformity with Article 4 of the

Arrangement, I have the honor to propose the following Agreement relating to trade in cotton, wool and man-made fiber textiles and textile products between the Dominican Republic and the United States of America.

1. The term of the Agreement will be the five-year period from June 1, 1983 through May 31, 1988. Each "Agreement Year" shall commence on June 1 and end on May 31.

2. The system of categories and the rates of conversion into square yards equivalent listed in Annex A shall apply in implementing this Agreement.

3. Commencing with the first Agreement Year, and during the subsequent term of this Agreement, the Government of the Dominican Republic shall limit annual exports from the Dominican Republic to the United States of cotton, wool and man-made fiber textiles and textile products to the specific limits set out in Annex B, subject to adjustments as provided in Paragraphs 4 and 5. The specific limits set out in Annex B include growth, but do not include adjustments under any other provisions of this Agreement.

4. Any specific limit may be exceeded in any Agreement Year by not more than 7 percent (5 percent for wool categories) of the receiving category's square yards equivalent (SYE) total, provided that the amount of the increase is compensated for by an equivalent decrease in one or more other specific limits for the same Agreement

Year. When informing the Government of the United States of adjustments under the provisions of this Paragraph, the Government of the Dominican Republic shall indicate the category or categories to be increased and the category or categories to be decreased by commensurate quantities.

5. (A) In any Agreement Year, in addition to any adjustment pursuant to Paragraph 4, exports may exceed by a maximum of 11 percent any specific limit by allocating to such limit for that Agreement Year an unused portion of the corresponding limit for the previous Agreement Year ("carryover of shortfall") or a portion of the corresponding limit for the succeeding Agreement Year ("carryforward") subject to the following conditions:

- (I) Carryover of shortfall may be used as available up to 11 percent of the receiving Agreement Year's specific limit;
- (II) The combination of carryover and carryforward shall not exceed 11 percent of the receiving Agreement Year's specific limit in any Agreement Year;
- (III) Carryforward may be used up to 7 percent of the receiving Agreement Year's specific limit; the immediately following Agreement Year's corresponding limit will be adjusted downward by the amount of the carryforward used; no

carryforward shall be available for application during the fifth Agreement Year;

(B) For purposes of this Agreement, a shortfall occurs when exports of textiles or textile products from the Dominican Republic to the United States during an Agreement Year (including charges for overshipments made in preceding Agreement Years) are below any applicable specific limit as adjusted downward pursuant to Paragraph 5 (A) (III) or other mutually agreed upon changes. In the Agreement Year following the shortfall, such exports from the Dominican Republic to the United States may be permitted to exceed the specific limits, subject to the conditions set forth above, by carryover of shortfall in the following manner.

- (I) The carryover shall not exceed the amount of shortfall in that specific limit;
- (II) The shortfall shall be used in the category in which the shortfall occurred;
- (III) Carryover may be utilized in each Agreement Year.

(C) The limits referred to in Sub-Paragraphs 5 (A) and (B) are the specific limits listed in Annex B.

6. For categories not subject to specific limits, each party reserves its rights to take action in accordance with the Arrangement regarding International Trade in Textiles of December 20, 1973, as extended by the protocol of extension of December 22, 1981, agreed to in Geneva, Switzerland and signed by the Dominican Republic and the United States of America.

7. In accordance with Article 12, Paragraph 3 of the Arrangement, exports from the Dominican Republic of handloom fabrics of the cottage industry, or handmade cottage industry products made of such handloom fabrics or traditional folklore handicraft textile products shall not be subject to the provisions of this Agreement, provided that such products are properly certified under arrangements established between the importing and exporting participating countries concerned.

8. The Government of the Dominican Republic shall use its best efforts to space exports from the Dominican Republic 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 shall promptly supply the Government of the Dominican Republic with data on monthly imports of textiles from the Dominican Republic, and the Government of the Dominican Republic shall promptly supply the Government of the United States of America with data on monthly exports of

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. (A) Tops, yarns, piece goods, made-up articles, garments, and other textile manufactured products (being products which derive their chief characteristics from their textile components) of cotton, wool, man-made fibers, or blends thereof, in which any or all of these fibers in combination represent either the chief value of the fibers or 50 percent or more by weight (or 17 percent or more by weight of wool) of the product, are subject to this Agreement.

(B) For purposes of this Agreement, textiles and textile products shall be classified as cotton, wool or man-made fiber textiles if wholly or in chief value of any of these fibers. Any products covered by Sub-Paragraph 10 (A) but not in chief value of cotton, wool or man-made fiber shall be classified as:

- (I) Cotton textiles if containing 50 percent or more by weight of cotton, or if the cotton component exceeds by weight the wool and the man-made fiber component;
- (II) Wool textiles, if not cotton, and the wool equals or exceeds 17 percent by weight of all component fibers; and
- (III) man-made fiber textiles if neither of the foregoing applies.

11. The Government of the United States of America and the Government of the Dominican Republic agree to consult on any question or difficulty arising in the implementation of this Agreement. If the two governments are unable to reach a mutually satisfactory solution within a reasonable period of time on problems which have been the subject of consultations under this Agreement, either government may, after notification to the other government, refer such problems to the textile surveillance body in accordance with Article 11 of the Arrangement.

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 Dominican Republic considers that, as a result of a limitation specified in this Agreement, the Dominican Republic is being placed in an inequitable position vis-a-vis a third country, the Government of the Dominican Republic may request consultations with the United States of America with a view to taking appropriate remedial action such as reasonable modification of this Agreement.

14. The Government of the United States of America may assist the Government of the Dominican Republic in implementing the limitation provisions of this Agreement by controlling its imports of the textiles covered by this Agreement.

15. (A) Exports from the Dominican Republic in excess of authorized limits in any Agreement Year may be denied entry into the United States. Any such shipments denied entry, may be permitted entry into the United States and be charged to the applicable limit in the succeeding Agreement Year.

(B) If, during an Agreement Year, exports from the Dominican Republic are allowed entry into the United States in excess of authorized limits, the applicable limits in the succeeding Agreement Year will be adjusted downward by the amount of the excess shipments.

(C) Any action taken pursuant to Sub-Paragraphs 15 (A) and 15 (B) above, will not prejudice the rights of either side regarding consultations.

16. The visa system established by letters dated December 24, 1980 and January 9, 1981 between the Government of the United States of America and the Government of the Dominican Republic will remain in force subject to Paragraph 12 of this Agreement.

17. In conformity with Article 8 of the Arrangement, the Government of the United States of America and the Government of the Dominican Republic shall cooperate to avoid circumvention of the Agreement.

18. Either government may at any time propose revisions in the terms of this Agreement. Each agrees to consult promptly with the other about such proposals with a view to making such revisions to this Agreement, or taking such other appropriate action as may be mutually agreed upon.

19. 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 90 days prior to the end of such Agreement Year.

If the foregoing conforms with the understanding of the Government of the Dominican Republic, this Note and Your Excellency's Note of confirmation on behalf of the Government of the Dominican Republic shall constitute an agreement between our two governments.

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

Embassy of the United States of America,

Santo Domingo, December 30, 1983

ANNEX A

CATEGORY	DESCRIPTION	CONVERSION FACTOR	UNIT OF MEASURE
YARN			
COTTON			
300	CARDED	4.6	LB.
301	COMBED	4.6	LB.
WOOL			
400	TOPS AND YARNS	2.0	LB.
MAN-MADE FIBER			
600	TEXTURED	3.5	LB.
601	CONT. CELLULOSIC	5.2	LB.
602	CONT. NONCELLULOSIC	11.6	LB.
603	SPUN CELLULOSIC	3.4	LB.
604	SPUN NONCELLULOSIC	4.1	LB.
605	OTHER YARNS	3.5	LB.
FABRIC			
COTTON			
310	GINGHAMS	1.0	SYD.
311	VELVETEENS	1.0	SYD.
312	CORDUROY	1.0	SYD.
313	SHEETING	1.0	SYD.
314	BROADCLOTH	1.0	SYD.
315	PRINTCLOTHS	1.0	SYD.
316	SHIRTINGS	1.0	SYD.
317	TWILLS AND SATEENS	1.0	SYD.
318	YARN-DYED	1.0	SYD.
319	DUCK	1.0	SYD.
320	OTHER FABRICS. N.K.	1.0	SYD.
WOOL			
410	WOOLENS AND WORSTED	1.0	SYD.
411	TAPESTRIES AND UPHOLSTERY	1.0	SYD.
425	KNIT	2.0	LB.
429	OTHER FABRICS	1.0	SYD.

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CATEGORY	DESCRIPTION	CONVERSION FACTOR	UNIT OF MEASURE
<u>MAN-MADE FIBER</u>			
610	CONTINUOUS CELLULOSIC, N.K.	1.0	SYD.
—	SPUN CELLULOSIC, N.K.	1.0	SYD.
611	CONTINUOUS	1.0	SYD.
612	NON-CELLULOSIC, N.K.	1.0	SYD.
—	SPUN NON-CELLULOSIC,	1.0	SYD.
613	N.K.	1.0	SYD.
—	OTHER FABRICS, N.K.	7.8	LB.
614	KNIT		
625			
626	PILE AND TUFTED	1.0	SYD.
627	SPECIALTY	7.8	LB.
<u>APPAREL</u>			
<u>COTTON</u>			
330	HANDKERCHIEFS	1.7	DZ.
331	GLOVES	3.5	DPR.
332	HOSERY	4.6	DPR.
333	SUIT-TYPE COATS, M AND B	36.2	DZ.
—	OTHER COATS, M AND B	41.3	DZ.
334	COATS, W, G AND I	41.3	DZ.
335	DRESSES (INCLUDING		
336	UNIFORMS)	45.3	DZ.
—	PLAYSUITS, SUNSUITS, WASHSUITS, CREEPERS, ROMPERS, ETC.	25.0	DZ.
337	KNIT SHIRTS (INCLUDING T-SHIRTS, OTHER AND SWEATSHIRTS) M AND B	7.2	DZ.
—	KNIT SHIRTS AND BLOUSES (INCLUDING T-SHIRTS OTHER AND SWEATSHIRTS W, G AND I	7.2	DZ.
338	SHIRTS, N.K., M AND B	24.0	DZ.
—	BLOUSES, N.K., W, G AND I	14.5	DZ.
339	SKIRTS	17.8	DZ.
—	SWEATERS	36.8	DZ.
340	TROUSERS, SLACKS AND SHORTS (OUTER) M AND B	17.8	DZ.
341			
342			
345			
347			
—			
—			

ANNEX A

CATEGORY	DESCRIPTION	CONVERSION FACTOR	UNIT OF MEASURE
348	TROUSERS, SLACKS AND SHORTS (OUTER) W, G AND I	17.8	DZ.
349	BRASSIERES	4.8	DZ.
350	DRESSING GOWNS, INCLUDING BATHROBES AND BEACH ROBES, LOUNGING GOWNS, HOUSE COATS AND DUSTERS	51.0	DZ.
351	PAJAMAS AND OTHER NIGHTWEAR	52.0	DZ.
352	UNDERWEAR (INCLUDING UNION SUITS)	11.0	DZ.
353	DOWN AND FEATHER-FILLED COATS; JACKETS, VESTS, M AND B	41.3	DZ.
354	DOWN AND FEATHER-FILLED COATS; JACKETS, VESTS, W, G AND I	41.3	DZ.
359	OTHER APPAREL	4.6	LBS.
652	UNDERWEAR	16.0	DZ.
653	DOWN AND FEATHER-FILLED COATS, JACKETS VESTS, M AND B	41.3	DZ.
654	DOWN AND FEATHER-FILLED COATS, JACKETS VESTS, W, G AND I	41.3	DZ.
659	OTHER APPAREL	7.8	LB.
MADE-UPS AND MISC.			
COTTON			
360	PILLOWCASES	1.1	NO.
361	SHEETS-	6.2	NO.
362	BEADSPREADS AND QUILTS	6.9	NO.
363	TERRY AND OTHER PILE TOWELS	0.5	NO.
369	OTHER COTTON MANUFACTURES	4.6	LB.
WOOL			
464	BLANKETS AND AUTO ROBES	1.3	LB.
465	FLOOR COVERINGS	0.1	SFT.
469	OTHER WOOL MANUFACTURES	2.0	LB.

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CATEGORY	DESCRIPTION	CONVERSION FACTOR	UNIT OF MEASURE
WOOL			
431	GLOVES	2.1	DPR.
432	HOSIERY	2.8	DPR.
433	SUIT-TYPE COATS, M AND B	36.0	DZ.
434	OTHER COATS, M AND B	54.0	DZ.
435	COATS, W, G AND I	54.0	DZ.
436	DRESSES	49.2	DZ.
438	KNIT SHIRTS AND BLOUSES	15.0	DZ.
440	SHIRTS AND BLOUSES, N.K.	24.0	DZ.
442	SKIRTS	18.0	DZ.
443	SUITS, M AND B	54.0	DZ.
444	SUITS, W, G AND I	54.0	DZ.
445	SWEATERS, M AND B	14.88	DZ.
446	SWEATERS, W, G AND I	14.88	DZ.
447	TROUSERS SLACKS AND SHORTS (OUTER)		
—	M AND B	18.0	DZ.
448	TROUSERS, SLACKS AND SHORTS (OUTER) W,		
—	G AND I	18.0	DZ.
459	OTHER WOOL APPAREL	2.0	LB.
MAN MADE FIBER			
630	HANDKERCHIEFS	1.7	DZ.
631	GLOVES	3.5	DPR.
632	HOSIERY	4.6	DPR.
633	SUIT TYPE COATS M AND B	36.2	DZ.
634	OTHER COATS, M AND B	41.3	DZ.
635	COATS, W, G AND I	41.3	DZ.
636	DRESSES	45.3	DZ.
637	PLAYSUITS, SUNSUITS, WASHSUITS, ETC.	21.3	DZ.
638	KNIT SHIRTS (INCLUDING T-SHIRTS), M AND B	18.0	DZ.
639	KNIT SHIRTS AND BLOUSES (INCLUDING T-SHIRTS),		
—	W, G AND I	15.0	DZ.
640	SHIRTS, N.K., M AND B	24.0	DZ.
641	BLOUSES, N.K.	14.5	DZ.
642	SKIRTS	17.8	DZ.
643	SUITS, M AND B	54.0	DZ.
644	SUITS, W, G AND I	54.0	DZ.
645	SWEATERS, M AND B	36.8	DZ.
646	SWEATERS, W, G AND I	36.8	DZ.
647	TROUSERS, SLACKS AND SHORTS (OUTER) M AND B	17.8	DZ.

ANNEX A

CATEGORY	DESCRIPTION	CONVERSION FACTOR	UNIT OF MEASURE
648 —	TROUSERS, SLACKS AND SHORTS (OUTER) W, G AND I	17.8	DZ.
649	BRASSIERES, ETC.	4.8	DZ.
650 —	DRESSING GOWNS, INCLUDING BATH AND BEACH ROBES	51.0	DZ.
651 —	PAJAMAS AND OTHER NIGHTWEAR	52.0	DZ.
MAN-MADE FIBER			
665	FLOOR COVERINGS	0.1	SFT.
666	OTHER FURNISHINGS	7.8	LB.
669 —	OTHER MAN-MADE MANUFACTURES	7.8	LB.

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- M AND B MEN'S AND BOY'S
 - W, G AND I WOMEN'S, GIRLS' AND INFANTS'
 - N.K. NOT KNIT-

ANNEX B

SPECIFIC LIMITS

CATEGORY	UNIT	6/01/83	6/01/84	6/01/85
		5/31/84 LIMIT	5/31/85 LIMIT	5/31/86 LIMIT
340	DOZ.	160,000	171,200	183,184
351	DOZ.	372,000	398,040	425,903
639	DOZ.	361,000	386,270	413,309
649	DOZ.	1,850,000	1,979,500	2,118,065
		6/01/86- 5/31/87 LIMIT	6/01/87- 5/31/88 LIMIT	
340	DOZ.	196,007	209,727	
351	DOZ.	455,716	487,616	
639	DOZ.	442,241	473,197	
649	DOZ.	2,266,330	2,424,972	

DOMINICAN NOTE

Santo Domingo
December 30, 1983

Dominican Republic
Department of Foreign Relations

No. DSHS.-2100

Excellency:

I have the honor to refer to your note No. 184 dated December 30, 1983, in which you refer to the Arrangement regarding international trade in textiles, with annexes (Multifibers Agreement), and in which you also propose an agreement between the Dominican Republic and the United States of America relating to trade in cotton, wool, and man-made textile fibers and textile products, as negotiated by representatives of both Governments at two sessions: one held at Santo Domingo May 2-6, 1983, and the other held at Washington, D.C. July 14-15, 1983. These talks concluded with the Memorandum of Understanding signed at Washington on August 19, 1983.

On behalf of the Government of the Dominican Republic, I have the honor to confirm that the terms contained in the aforementioned note, in conformity with the agreements that were reached during the negotiations to which Your Excellency refers, are acceptable to my Government.

Consequently, your note and this note in confirmation thereof shall constitute an agreement between our two Governments.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

[Signature]

Santo Domingo, D.N., December 30, 1983