

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1092*
23 September 1985

Special Distribution

Textiles Surveillance Body

Original: English

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Articles 7 and 8

Bilateral Agreement between the United States and Mauritius

The Textiles Surveillance Body has received from the United States a notification, under Articles 7 and 8 of the MFA, of a new bilateral agreement concluded with Mauritius, valid for the period 1 October 1984 to 30 September 1990.¹

This notification has been made in accordance with the request by the Textiles Committee that agreements concluded with countries, non-participants in the Arrangement, should be notified.

The TSB is circulating the agreement to participating countries for their information.

¹The previous bilateral agreement is contained in COM.TEX/SB/747

*English only/Anglais seulement/Inglés solamente

UNITED STATES AND MAURITIUS SIGN
NEW BILATERAL TEXTILE AGREEMENT

The United States and Mauritius effected a new bilateral textile agreement concerning export of cotton, wool and man-made fibre textiles and apparel. Texts of the letters exchanged in Port Louis follow:

UNITED STATES LETTER

Port Louis, 3 June 1985

His Excellency
Abdool Kader Ahmed Bhayat
Minister of Trade and Shipping
Port Louis

Excellency

I have the honour to refer to consultations held 28 February through 4 March 1985 between representatives of the Government of the United States and the Government of Mauritius in Port Louis concerning export from Mauritius of cotton, wool and man-made fibre textiles and apparel.

1. Agreement term

(A) The term of this agreement will be the period from 1 October 1984 through 30 September 1990, except that the agreement term for Category 340 shall commence on 1 November 1984 and Categories 338, 339, 638 and 639 shall commence on 1 March 1985. Each full "agreement period" shall be a twelve-month period from 1 October of a given year to 30 September of the following year.

(B) This agreement replaces and supersedes the textile agreement which was to expire on 30 September 1985.

2. Coverage of Agreement

(A) Textiles and textile products covered by this agreement are those summarized in Annex A.

(B) The knit group limit covers Categories 338, 339, 345, 438, 445, 446, 638, 639, 645 and 646 during 1 October 1984 to 28 February 1985, and Categories 345, 438, 445, 446, 645 and 646 for exports after 1 March 1985.

Classification

(C) For the purposes of this agreement, textile products shall be classified as cotton, wool or man-made fibre textiles if wholly or in chief value of any of these fibres. Products covered by this sub-paragraph but not in chief value of cotton, wool or man-made fibre shall be classified as:

(i) cotton textiles if containing 50 per cent or more by weight of cotton, or if the cotton with wool and/or man-made fibres in the aggregate equal or exceed 50 per cent by weight and the cotton component equals or exceeds the weight of each of the total wool and/or man-made fibre components;

(ii) wool textiles if not cotton, and wool equals or exceeds 17 per cent by weight of all component fibres; and

(D) The system of categories and the rate of conversion into square yards equivalent listed in Annex A shall apply in implementing this agreement.

(E) For purposes of computing limits and charges the rates of conversion for individual categories set out in Annex A shall be applied.

(iii) man-made fibre textiles if not cotton or wool as described in (i) or (ii) above and containing 50 per cent or more by weight of man-made fibre, or if man-made fibre in combination with cotton and/or wool in the aggregate equal or exceed 50 per cent by weight of the component fibres and the man-made fibre component exceeds the weight of the total wool and/or total cotton component.

3. Handloom-Folklore-Cottage Industry Exemption

This agreement shall not apply to exports of handloom fabrics of the cottage industry, or hand-made (cut, sewn, or otherwise fabricated by hand) cottage industry products made of such handloom fabrics, or to traditional folklore handicraft textile products of Mauritius, when such products are properly certified under an arrangement to be established between the two governments.

4. Specific Limits

Commencing with the first agreement period and during the subsequent term of this agreement, the Government of Mauritius shall limit annual exports from Mauritius to the United States of cotton, wool and man-made fibre textiles and textile products to the specific limits set out in Annex B, as such specific limits may be adjusted in accordance with paragraph 5.

5. Flexibility (swing)

(A) During any agreement period, the specific limits set out in Annex B excluding the group limit and Category 340, may be exceeded by not more than the 7 per cent swing (5 per cent for wool categories), provided that a corresponding reduction in square yards equivalent is made in one or more other specific limits during the same agreement year. For Category 340 swing has been built into the limit, and no additional swing is available.

(B) The Government of Mauritius shall indicate to the Government of the United States the specific limit it intends to increase and which it wishes to decrease.

6. The extent to which any specific limit set out in Annex B may be exceeded in any agreement period by carry forward (borrowing a portion of the corresponding specific limit from the succeeding agreement period) and/or carryover (the use of unused yardage-shortfall of the corresponding specific limit for the previous agreement period) is 10 per cent, of which carry forward shall not constitute more than 5 per cent.

(A) For the purposes of the agreement, a shortfall occurs when exports of textiles or textile products from Mauritius to the United States during an agreement year are below any specific limit as set out in Annex B or, in the case of any limit decreased pursuant to paragraph 5, when such exports are below the limit as decreased.

(B) No carryover shall be available for application in the first agreement period. No carry forward shall be available for application in the final agreement period.

(C) The Government of Mauritius will notify the Government of the United States when it wishes to use unused yardage (shortfall) available in categories for carryover or when it wishes to use carry forward, subject to the provisions set out above.

7. Overshipment charges

(A) Exports from Mauritius in excess of authorized limits in any agreement period may be denied entry into the United States. Any such shipments denied entry may be permitted entry into the United States and charged to the application limit in the succeeding agreement period. The Government of the United States shall inform the Government of Mauritius of any such charges.

(B) Exports from Mauritius in excess of authorized limits in any agreement period will, if allowed entry into the United States during that agreement period be charged to the applicable limit in the succeeding agreement period.

(C) Any action taken pursuant to this paragraph will not prejudice the rights of either side regarding consultations.

8. Spacing provisions

The Government of Mauritius shall use its best efforts to space exports to the United States within each category, sub-category or part category evenly throughout each agreement period, taking into consideration normal seasonal factors.

9. United States assistance in implementation of the limitation provisions

The Government of Mauritius shall administer its export control system under this agreement. The Government of the United States may assist the Government of Mauritius in implementing the limitation provision of this agreement by controlling imports, by the date of export, of textiles and textile products covered by this agreement.

10. Exchange of data

The Government of the United States shall promptly supply the Government of Mauritius with data on monthly imports of cotton, man-made fibre, and wool textiles and textile products into the United States from Mauritius. The Government of Mauritius shall promptly supply the Government of the United States with data on monthly exports of cotton, man-made fibre, wool textiles and textile products from Mauritius to the United States. Each government agrees to supply promptly any other available statistical data necessary to the implementation of this agreement.

11. Mutually satisfactory administrative arrangement

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

12. Consultation on implementation questions

The Government of the United States and the Government of Mauritius agree, upon the request of the other, to consult on any question arising in the implementation of this agreement.

13. Right to propose revisions to the Agreement

The Government of the United States and the Government of Mauritius 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.

14. Consultations in case of inequity vis-à-vis a third country

If the Government of Mauritius considers that as a result of limitations specified in this agreement, it is being placed in an inequitable position in relation to a third country, the Government of Mauritius may request consultation with the Government of the United States with a view to taking appropriate remedial actions, such as a reasonable modification of this agreement.

15. The Government of the United States and the Government of Mauritius reserve their rights with respect to textiles and textile products not covered by this agreement.

16. Visa system

Both governments agree to establish a correct category/correct quantity visa system.

17. Provision for textile agreements Harmonized Commodity Code

Both parties recognize that adoption by the Government of the United States of the Harmonized Commodity Code may result in some changes in the United States category system of textile products as presently covered by this agreement. If such changes are made during the term of this agreement the Government of the United States and the Government of Mauritius will consult with the view of reaching a satisfactory resolution of issues concerning categories covered by this agreement. The Government of Mauritius recognizes that, should there be no resolution in such consultations, the Government of the United States reserves its rights to make such adjustments to the Annexes A and B as necessary to bring it into conformity with the new category systems and with the Harmonized Commodity Code. The intent of this conversion on the part of the Government of the United States is solely to align the current category system with the Harmonized Commodity Code; it is not to diminish or alter overall trade in textiles and apparel with Mauritius.

Consultations under this provision shall be conducted no later than ninety days before final adoption of the Harmonized Commodity Code by the Government of the United States.

18. Exchange of information

Each government agrees to supply promptly to the other party any information within its possession reasonably believed to be necessary to the enforcement of this agreement.

19. Right to terminate the agreement

Either government may terminate this agreement, effective at the end of an agreement period, by written notice to the other government, to be given at least ninety days prior to the end of such agreement period.

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

Accept, Excellency, the assurances of my highest consideration.

ANNEX A

| <u>Category</u> | <u>Description</u> | <u>Conversion Factor</u> | <u>Unit of Measure</u> |
|-----------------------|---|--------------------------|------------------------|
| <u>Cotton</u> | | | |
| 338 | Knit shirts (inc. T-shirts, other and sweatshirts) M and B | 7.2 | dozen |
| 339 | Knit shirts and blouses (inc. T-shirts, other and sweatshirts) W, G and I | 7.2 | dozen |
| 338/339 | | 7.2 | dozen |
| 340 | Shirts, not-knit, men's and boys' | 24.0 | dozen |
| 345 | Sweaters | 36.8 | dozen |
| <u>Wool</u> | | | |
| 438 | Knit shirts | 15.0 | dozen |
| 445 | Sweaters, M and B | 14.88 | dozen |
| 446 | Sweaters, W, G and I | 14.88 | dozen |
| <u>Man-made fibre</u> | | | |
| 638 | Knit shirts (inc. T-shirts) M and B | 18.0 | dozen |
| 639 | Knit shirts and blouses (inc. T-shirts) W, G and I | 15.0 | dozen |
| 638/639 | | 16.5 | dozen |
| 645 | Sweaters, M and B | 36.8 | dozen |
| 646 | Sweaters, W, G and I | 36.8 | dozen |

ANNEX B

| <u>Category</u> | <u>Unit</u> | <u>1 Oct. 1984- 30 Sept. 1985</u> | <u>1 Mar. 1985- 30 Sept. 1985</u> | <u>1 Nov. 1984- 30 Sept. 1985</u> |
|----------------------------------|-------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Knit Group Limit ¹ | dozen | 115,000 | | |
| 338/339 | dozen | | 116,667 | |
| 638/639 | dozen | | 134,167 | |
| 340 | dozen | | | 183,333 |

| <u>Category</u> | <u>Unit</u> | <u>October 1985- September 1986</u> | <u>October 1986- September 1987</u> | <u>October 1987- September 1988</u> |
|----------------------------------|-------------|---|---|---|
| Knit Group Limit ¹ | dozen | 116,150 | 117,312 | 118,485 |
| 338/339 | dozen | 200,000 | 212,000 | 224,720 |
| 638/639 | dozen | 230,000 | 243,800 | 258,428 |
| 340 | dozen | 212,000 | 224,720 | 238,203 |

| <u>Category</u> | <u>Unit</u> | <u>October 1988- September 1989</u> | <u>October 1989- September 1990</u> |
|----------------------------------|-------------|---|---|
| Knit Group Limit ¹ | dozen | 119,669 | 120,866 |
| 338/339 | dozen | 238,203 | 252,495 |
| 638/639 | dozen | 273,934 | 290,370 |
| 340 | dozen | 252,495 | 267,645 |

¹ Covers Categories 338, 339, 345, 438, 445, 446, 638, 639, 645 and 646 for exports during 1 October 1984-28 February 1985; Categories 345, 438, 445, 446, 645 and 646 for exports after 1 March 1985.

MAURITIUS LETTER

Port Louis, 4 June 1985

His Excellency
The US Ambassador
Embassy of the United States
Port Louis

Excellency,

I have the honour to refer to your letter dated 3 June 1985 and annexes relating to the consultations held on 28 February through 4 March 1985 between representatives of the Government of Mauritius and the Government of the United States on the subject of export from Mauritius of cotton, wool and man-made fibre textile apparels.

I am pleased to state that the content of your letter of 3 June 1985 conforms with the understanding of the Government of Mauritius.

Yours sincerely,

(Abdool Kader Ahmed Bhayat)
Minister