

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1118*

20 December 1985

Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Bilateral Agreement between the United States and Malaysia

The Textiles Surveillance Body has received a notification from the United States of a new bilateral agreement with Malaysia, concluded under Article 4 of the MFA, valid for the period 1 January 1985 to 31 December 1989.¹

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.

¹The previous agreement, modification and extensions are contained in COM.TEX/SB/711, 1010, 1052 and 1117

²See COM.TEX/SB/35, Annex B

* English only/Anglais seulement/Inglés solamente

THE UNITED STATES AND MALAYSIA SIGN
NEW BILATERAL TEXTILE AGREEMENT

The United States and Malaysia exchanged diplomatic notes in Kuala Lumpur dated 1 July and 11 July 1985, respectively, to constitute an agreement regarding trade in cotton, wool and man-made fibre textiles and textile products manufactured in Malaysia and exported to the United States. Texts of the notes follow.

UNITED STATES NOTE

Kuala Lumpur, 1 July 1985

YB Datuk Azizan bin Zainul Abidin
Secretary-General of Trade and Industry
Jalan Duta,
Kuala Lumpur

Dear Sir,

I have the honour to refer to the Arrangement Regarding International Trade in Textiles, with annexes, done at Geneva on 20 December 1973, and extended by the Protocol adopted on 22 December 1981. I also have the honour to refer to the Agreement on textiles between the Government of the United States and the Government of Malaysia dated 5 December 1980 (hereinafter referred to as the Agreement), and consultations held in Kuala Lumpur 21-23 January 1985 between representatives of our two governments.

Under Article 4 of, and in conformity with, the Arrangement and the consultations of 21-23 January 1985, on behalf of my government I propose the replacement of the bilateral agreement of 5 December 1980 as amended, with the following agreement.

Agreement term

1. The term of this Agreement will be the period from 1 January 1985 through 31 December 1989. Each "Agreement year" shall be a twelve-month period from 1 January of a given year to 31 December of the same year.

Coverage of Agreement

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

(B) Tops, yarns, piece goods, made-up articles, garments, and other textile products which derived their chief characteristics from the textiles components as described below are subject to this Agreement. 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 component exceeds by weight the wool and/or the 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
- (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. (A) The system of categories and the rates of conversion into square yards equivalent listed in Annex A shall apply in implementing this Agreement.

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

(C) For purposes of this Agreement, the categories listed below are merged and treated as single categories and sub-categories as indicated:

<u>Categories Merged</u>	<u>Designation in Agreement</u>	<u>Sub-Categories</u>
333, 334, 335	333/334/335	333, 334, 335
638, 639	638/639	None
338, 339	338/339	339
347, 348	347/348	348
445, 446	445/446	None

4. Commencing with the first agreement year, and during the subsequent term of this Agreement, the Government of Malaysia shall limit annual shipments of exports which are the products of Malaysia 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.

Flexibility adjustments

5. (A) (i) The specific limits set out in Annex B do not include any adjustments permitted under paragraph 5.

(ii) During any agreement year, the specific limits set out in Annex B may be increased by not more than 5 per cent (swing) provided that a corresponding reduction in square yards equivalent is made in one or more other specific limits in the same group during the same agreement year.

(iii) The Government of Malaysia shall indicate to the Government of the United States the specific limits or sub-limits it would like to increase and which it would like decreased.

(B) (i) The extent to which any specific limit set out in Annex B may be exceeded in any agreement year by carry forward (borrowing a portion of the corresponding specific limit from the succeeding agreement year) and/or carryover (the use of any unused yardage (shortfall) of the corresponding specific limit for the previous agreement year) is 11 per cent, of which carry forward shall not constitute more than 6 per cent.

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

(C) For the purposes of the Agreement, a shortfall occurs when exports of textiles or textile products from Malaysia to the United States during any 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.

(D) The Government of Malaysia will notify the Government of the United States when it wishes to use unused yardage (shortfall) available in categories for carryover, or for use by other categories for swing; subject to the provisions set out above. However, the Government of the United States may apply adjustments under this paragraph to any specific limit whenever that adjustment appears appropriate to facilitate the flow of trade and the sound administration of the Agreement. To the extent that such adjustments are actually utilized, they will be implemented by means of carryover and carry forward, in that order. Any unused carry forward will be re-credited to the following period's limit. In case of such adjustments, the United States would immediately notify the Government of Malaysia. This procedure will not prejudice the outcome of any consultations that may be held between our governments concerning the amounts of available carryover and carry forward.

Consultation Mechanism

6. (A) In the event that the Government of the United States believes that imports of cotton, wool or man-made fibre textiles or textile products from Malaysia, in any category or product not covered by specific limits are, due to market disruption or the real risk thereof, threatening to impede the orderly development of trade between the two countries, the

Government of the United States may request consultations with the Government of Malaysia with a view to eliminating market disruption or the real risk of market disruption. The Government of the United States will provide the Government of Malaysia, at the time of the request, with a statement of reasons for its request for consultations which, in the view of the Government of the United States, demonstrate:

- (i) the existence of the real risk of market disruption; and
- (ii) the rôle of exports from Malaysia in that disruption or risk of disruption.

(B) The Government of Malaysia agrees to consult with the Government of the United States within thirty days of the receipt of the request for consultations. Both sides agree to make every effort to reach agreement on a mutually satisfactory resolution of the issue within ninety days of the receipt of such request, unless extended by mutual agreement.

(C) During the ninety days consultation period, the Government of Malaysia agrees to hold its shipments whether direct or indirect to the United States of cotton, wool or man-made fibre textiles or textile products in the category or categories subject to these consultations to a level no greater than 35 per cent of the amount entered, as reported in U.S. General Import statistics, during the first twelve of the recent fourteen months preceding the month in which the request for consultations was made.

(D) If no mutually satisfactory solution is reached during the ninety days consultation period, the Government of the United States may establish annual specific limits for shipments of cotton, wool, or man-made fibre products in the product or categories concerned for the duration of this Agreement. The amount will not be less than the amount, as reported in U.S. General Import statistics, entered during the first twelve of the most recent fourteen months preceding the month in which the request for consultations was made, plus 20 per cent for cotton and man-made fibre product categories, and 6 per cent for wool product categories.

(E) The first term of any specific limit established under sub-paragraph 6(D) will be effective for the period beginning on the first day following the conclusion of the ninety days consultation period and ending on the last day of the agreement year in which the specific limit was established. If a specific limit is established, the specific limit and any available swing/carry forward will be prorated to correspond to the period of time remaining in the existing agreement year. Carryover will not be available in the first agreement year following the ninety days consultation period. For each remaining agreement year the specific limit established under sub-paragraph 6(D) will be increased by 6 per cent annual growth per year in the case of cotton and man-made fibre categories and by 1 per cent per year in the case of wool categories.

Overshipment charges

7. (A) Products of Malaysia 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 charged to the applicable limit in the succeeding agreement year.

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

(C) Any action taken pursuant to sub-paragraph 7(A) and 7(B) above, will not prejudice the rights of either side regarding consultations.

Category 333/334/335

8. Within the specific limit for merged Category 333/334/335, including any adjustments made pursuant to paragraphs 5 and 6, shipments under any of the individual sub-categories within any agreement year shall not exceed 50, 45, 50 per cent respectively of the specific limit as it may be adjusted for this merged category.

Exports of certified hand-loomed folklore products

9. In accordance with Article 12, paragraph 3 of the Agreement, and subject to the visa certification system, Malaysian exports of hand-loomed fabrics of the cottage industry or hand-made cottage industry products made of such hand-loomed fabrics, or traditional folklore handicraft textile products, will not be subject to the provisions of the Agreement.

Spacing provisions

10. The Government of Malaysia shall, to the best of its abilities, space exports from Malaysia to the United States within each category, sub-category or part-category evenly throughout each agreement year, taking into consideration normal seasonal factors.

Implementation of the limitation provisions

11. The Government of Malaysia shall administer its export control system under this Agreement. The Government of the United States may assist the Government of Malaysia in implementing the limitation provisions of this Agreement by controlling imports of textiles and textile products covered by this Agreement.

Exchange of information

12. With regard to fraud and circumvention, each government agrees to supply to the other government any information within its possession which it reasonably believes to be necessary for the enforcement of this Agreement.

Exchange of data

13. (A) The Government of the United States shall promptly supply the Government of Malaysia with data on monthly imports of cotton, man-made fibre, and wool textiles and textile products into the United States from Malaysia.

(B) The Government of Malaysia shall promptly supply the Government of the United States with data on monthly exports of cotton, man-made fibre, and wool textiles and textile products from Malaysia to the United States.

(C) Each government agrees to supply any other available statistical data necessary to the implementation of this Agreement requested by the other government.

Mutually satisfactory administrative arrangement

14. 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.

Consultation on implementation question

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

Right to propose revisions to the Agreement

16. The Government of the United States and the Government of Malaysia 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.

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

17. If the Government of Malaysia considers that as a result of provisions specified in this Agreement, it is being placed in an inequitable position in relation to a third country, the Government of Malaysia may request consultations with the Government of the United States with a view to taking appropriate remedial actions, such as reasonable modification of this Agreement. The Government of the United States shall consult with the Government of Malaysia in the event of such a request.

Article 3 procedures

18. For the duration of this Agreement, the Government of the United States shall not invoke the procedures of Article 3 of the Arrangement to request restraint on the export of cotton, wool and man-made fibre textiles and textile products covered by this Agreement from Malaysia to the United States. The Government of the United States and the Government of Malaysia reserve their rights under the Arrangement with respect to textiles and textile products not subject to this Agreement.

Correct category/quantity visa system

19. The provisions of the visa agreement as listed in Annex C between the Government of the United States and the Government of Malaysia will govern the certification of exports from Malaysia.

Provisions for textile agreements Harmonized Commodity Code

20. (A) Both parties recognize that the United States adoption of the Harmonized Commodity Code will result in some changes in the United States categorization of textile products covered by current categories under this Agreement. If such changes are made during the term of this Agreement, the Government of the United States and the Government of Malaysia will consult with the view of reaching a satisfactory resolution of issues concerning categories covered by this Agreement. The Government of Malaysia recognizes that should there be no resolution in such consultations, the Government of the United States reserves its rights to make such adjustments to Annexes A and B as necessary to bring it into conformity with the new category system and with the Harmonized Commodity Code. The intent of this conversion on the part of the Government of the United States will not be to diminish overall trade with Malaysia.

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

Agreement circumvention

21. Both governments shall take actions as are necessary to prevent circumvention of this Agreement.

Right to terminate the Agreement

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

Closing paragraph

23. If the foregoing confirms with the understanding of the Government of Malaysia, this note and your note of confirmation on behalf of the Government of Malaysia shall constitute an Agreement between our two governments.

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

ANNEX A

Category	Description	Conversion Factor ^{1/}	Unit of Measure
Yarn			
- cotton			
300	Cotton carded yarn	4.6	lb.
301	Cotton combed yarn	4.6	lb.
- wool			
400	Tops and yarns	2.0	lb.
- man-made fibre			
600	Textured	3.5	lb.
601	Continuous cellulosic	5.2	lb.
602	Continuous non-cellulosic	11.6	lb.
603	Spun cellulosic	3.4	lb.
604	Spun non-cellulosic	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	Shirting	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	Woollen and worsted	1.0	syd
411	Tapestries and upholstery	1.0	syd
425	Knit	2.0	lb.
429	Other fabrics	1.0	syd

^{1/} Conversion factor is used to convert unit of measure (e.g., pounds (lb.), dozens (doz.), dozen pairs (dpr.), square feet (sft.) or numbers (no.)) to its equivalent in square yards (syd).

Category	Description	Conversion Factor	Unit of Measure
Fabric (cont'd)			
- man-made fibre			
610	Continuous cellulosic, n.k.	1.0	syd
611	Spun cellulosic, n.k.	1.0	syd
612	Continuous non-cellulosic, n.k.	1.0	syd
613	Spun non-cellulosic, n.k.	1.0	syd
614	Other fabrics, n.k.	1.0	syd
625	Knit	7.8	lb.
626	File and tufted	1.0	syd
627	Speciality	7.8	lb.
Apparel			
- cotton			
330	Handkerchieves	1.7	doz.
331	Gloves	3.5	dpr
332	Hosiery	4.6	dpr
333	Suit-type coats, M and B	36.2	doz.
334	Other coats, M and B	41.3	doz.
335	Coats, W, G and I	41.3	doz.
336	Dresses (incl. uniforms)	45.3	doz.
337	Playsuits, sunsuits, washsuits, creepers	25.0	doz.
338	Knit shirts (incl. T-shirts, other, and sweatshirts), M and B	7.2	doz.
339	Knit shirts and blouses (incl. T-shirts, other, and sweatshirts), W, G and I	7.2	doz.
340	Shirts, n.k.	24.0	doz.
341	Blouses, n.k.	14.5	doz.
342	Skirts	17.8	doz.
345	Sweaters	36.8	doz.
347	Trousers, slacks and shorts (outer) M and B	17.8	doz.
348	Trousers, slacks and shorts (outer) W, G and I	17.8	doz.
349	Brassières, etc.	4.8	doz.
350	Dressing gowns, incl. bathrobes, beach robes, lounging gowns, house coats and dusters	51.0	doz.

Category	Description	Conversion Factor	Unit of Measure
Apparel (cont'd)			
351	Pyjamas and other nightwear	52.0	doz.
352	Underwear (incl. union suits)	11.0	doz.
353	Down and featherfilled coats, jackets and vests, M and B	41.3	doz.
354	Down and featherfilled coats, jackets and vests, W, G and I	41.3	doz.
359	Other apparel	4.6	lb.
- wool			
431	Gloves	2.1	dpr
432	Hosiery	2.8	dpr
433	Suit-type coats, M and B	36.0	doz.
434	Other coats, M and B	54.0	doz.
435	Coats, W, G and I	54.0	doz.
436	Dresses	49.2	doz.
438	Knit shirts and blouses	15.0	doz.
440	Shirts and blouses, n.k.	24.0	doz.
442	Skirts	18.0	doz.
443	Suits, M and B	54.0	doz.
444	Suits, W, G and I	54.0	doz.
445	Sweaters, M and B	14.88	doz.
446	Sweaters, W, G and I	14.88	doz.
447	Trousers, slacks and shorts (outer) M and B	18.0	doz.
448	Trousers, slacks and shorts (outer) W, G and I	18.0	doz.
459	Other wool apparel	2.0	lb.
- man-made fibre			
630	Handkerchieves	1.7	doz.
631	Gloves	3.5	dpr
632	Hosiery	4.6	dpr
633	Suit-type coats, M and B	36.2	doz.
634	Other coats, M and B	41.3	doz.
635	Coats, W, G and I	41.3	doz.
636	Dresses	45.3	doz.

Category	Description	Conversion Factor	Unit of Measure
Apparel (cont'd)			
637	Playsuits, sunsuits, washsuits, etc.	21.3	doz.
638	Knit shirts, (incl. T-shirts) M and B	18.0	doz.
639	Knit shirts and blouses (incl. T-shirts) W, G and I	15.0	doz.
640	Shirts, n.k.	24.0	doz.
641	Blouses, n.k.	14.5	doz.
642	Skirts	17.8	doz.
643	Suits, M and B	54.0	doz.
644	Suits, W, G and I	54.0	doz.
645	Sweaters, M and B	36.8	doz.
646	Sweaters, W, G and I	36.8	doz.
647	Trousers, slacks and shorts (outer), M and B	17.8	doz.
648	Trousers, slacks and shorts (outer), W, G and I	17.8	doz.
649	Brassières, etc.	4.8	doz.
650	Dressing gowns (incl. bath and beach robes)	51.0	doz.
651	Pyjamas and other nightwear	52.0	doz.
652	Underwear	16.0	doz.
653	Down and featherfilled coats, jackets and vests, M and B	41.3	doz.
654	Down and featherfilled coats, jackets and vests, W, G and I	41.3	doz.
659	Other apparel	7.8	lb.
Made-ups and miscellaneous			
- cotton			
360	Pillowcases	1.1	no.
361	Sheets	6.2	no.
362	Bedspreads and quilts	6.2	no.
363	Terry and other pile towels	0.5	no.
369	Other cotton manufactures	4.6	lb.

Category	Description	Conversion Factor	Unit of Measure
- wool			
464	Blankets and auto robes	1.3	lb.
465	Floor coverings	0.1	sft.
469	Other wool manufactures	2.0	lb.
- man-made fibre			
665	Floor coverings	0.1	sft.
666	Other furnishings	7.8	lb.
669	Other man-made manufactures	7.8	lb.
670	mmf flat goods, handbags and luggage	2.0	lb.

ANNEX B

Specific Limits (and Sub-Limits)

<u>Category</u>	<u>Units</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>
313	Sq. yds.	13,000,000	13,780,000	14,606,800	15,483,208	16,412,200
331	Doz. prs.	620,100	657,306	696,744	738,549	782,862
333/3347335 (not more than 50 per cent of each annual total may be used in 333 or 335; not more than 45 per cent in 334).	Doz.	100,228	106,242	112,617	119,374	126,536
336	Doz.	65,000	68,900	73,034	77,416	82,061
338/339 (339)	Doz. Doz.	510,000 199,402	540,600 211,366	573,036 224,048	607,418 237,491	643,863 251,740
340	Doz.	348,162	369,052	391,195	414,667	439,547
341	Doz.	254,000	269,240	285,394	302,518	320,669
345	Doz.	74,250	78,705	83,427	88,433	93,739
347/348 (348)	Doz. Doz.	208,850 109,203	221,381 115,755	234,664 122,700	248,744 130,063	263,668 137,866
438 part (womens)	Doz.	11,000	11,110	11,221	11,333	11,447
445/446	Doz.	26,000	26,260	26,523	26,788	27,056
604	Sq. Yds. Equivalent	5,600,000	5,936,000	6,292,160	6,669,690	7,069,871
638/639	Doz.	222,263	235,599	249,735	264,719	280,602
640	Doz.	260,000	275,600	292,136	309,664	328,244

ANNEX C

Visa and Exempt Certification Arrangement
Between the Government of the United States
and the Government of Malaysia

1. Each shipment of textiles and textile products, other than exempt items, produced or manufactured in Malaysia and exported to the United States of America shall be accompanied by an export visa issued by the Government of Malaysia. Each visa will show the correct categories and quantities in the shipment in applicable categories and units. The export visa will be signed by an authorized official of the Government of Malaysia and will appear as a stamped marking in blue ink on the front of the invoice (Special Customs Invoice Form 5515, successor document, or commercial invoice when such form is used).
2. Certified hand printed batik, defined as fabric to which the design has been applied by hand in units of the Malaysian cottage industry, shall be exempt from the levels of the bilateral agreement. Each shipment of items to be exempted from the limitations of the Bilateral Agreement shall be accompanied by a certification issued by the Government of Malaysia. The certification shall be a stamped marking in blue ink on the front of the invoice. Each certification will include the authorized signature and title of the official issuing the certification; identify the items exempted; indicate the date the certification was signed and certified; and carry the certified number. In the space marked "Description" on the certification stamp the Government of Malaysia will indicate that the shipment is either hand printed batik or the name of the particular Malaysian traditional folklore product as cited in an agreed list. An export visa will not be issued to shipments of certified exempt items. A list of any further exempt Malaysian items (i.e. traditional Malaysian folklore handicraft textile products) will be agreed upon by the Government of the United States of America and the Government of Malaysia.
3. The names and facsimile signatures of the officials authorized to issue textile export visas and certifications will be supplied by the Government of Malaysia. The Government of Malaysia will notify the Government of the United States of America of any changes of authorized officials, and will provide facsimiles of newly authorized officials' signatures. A number of officials, not to exceed ten, will be authorized to issue visas and certifications.

4. Textiles and textile products, excluding certified exempt items, exported from Malaysia to the United States of America that are not accompanied by a valid and correct visa or certification in accordance with the foregoing provisions shall be denied entry by the U.S. Government on or after the date specified in the Federal Register notice unless the Government of Malaysia authorizes entry and charges to agreement levels. The foregoing notwithstanding, if the quantity indicated on the export visa is more than that of the shipment, entry shall be permitted despite the inaccuracy. The visa and certification requirement shall not apply to textile and apparel products exported prior to the date specified in the Federal Register notice.
5. Invoices for certified exempt items will not include any textile products that are not agreed to be exempt. Shipments listed on any invoice which has a certification but contains both certified exempt items as well as items subject to agreement levels, may be denied entry by the United States of America.
6. The Government of Malaysia shall each month provide the Government of the United States of America with a list of all shipments of certified exempt items which were certified exempt by the Government of Malaysia during the previous month. The list shall contain the following information for each shipment: category, description of items, units, quantity, vessel, value and date of export.
7. In the event the Government of the United States of America finds that any items imported from Malaysia as a certified exempt item should not be properly classified as such, the Government of the United States of America will deny entry unless requested by the Government of Malaysia to release such items and charge to appropriate levels of the bilateral Agreement.
8. The Government of the United States of America shall publish in the Federal Register the visa and certification systems as described herein upon receipt of the authorized visa and certification stamps and signatures from the Government of Malaysia. The visa and certification stamps will be similar to the examples furnished by the Government of the United States of America. The visa and certification system will become effective thirty (30) days after the date of publication for textiles and textile products shipped from Malaysia on and after the date and ninety (90) days after the date of publication for textiles and textile products shipped from Malaysia before that date.
9. Either Government may terminate, in whole or in part, this administrative arrangement by giving ninety (90) days written notice thereof to the other.

MALAYSIA NOTE

Kuala Lumpur, 11 July 1985

H.E. Thomas P. Shoesmith
Ambassador of the United States
Embassy of the United States
376 Jalan Tun Abdul Razak
Kuala Lumpur

Excellency,

I have the honour to acknowledge receipt of your Note No. 188 dated 1 July 1985 regarding the exports of cotton, wool and man-made fibre textiles and textile products from Malaysia to the United States, which reads as follows:

UNITED STATES NOTE

I have further the honour to confirm that the proposal in your note is acceptable to the Government of Malaysia and Your Excellency's note and this reply on behalf of my government shall constitute an Agreement between our two governments.

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