

# GENERAL AGREEMENT ON

## TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1301\*

28 September 1987

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Textiles Surveillance Body

### ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

#### Notification under Article 4:4

#### Amendment of the Bilateral Agreement between the United States and Hungary

The Textiles Surveillance Body received a notification from the United States of an amendment of its selective bilateral agreement with Hungary. Restraints were agreed on Categories 434 (other wool coats, MB) and 645/646 (man-made fibre sweaters) effective for the period 1 November 1986 to 31 December 1988.

The TSB, pursuant to its procedures regarding notifications made under Article 4, has examined the relevant documentation and is forwarding the text of the notification to participating countries for their information.

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<sup>1</sup>The bilateral agreement, previous modifications and an extension are contained in COM.TEX/SB/864, 972, 1063 and 1194.

\*English only/Anglais seulement/Inglés solamente

**UNITED STATES AND HUNGARY AMENDS  
BILATERAL TEXTILE AGREEMENT**

The United States and Hungary exchanged notes in Budapest on January 30, 1986 and January 6, 1987, to amend their bilateral textile agreement. The text of the notes follow:

UNITED STATES NOTE

Budapest, December 30, 1986

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Trade of the People's Republic of Hungary and has the honor to refer to the bilateral agreement in trade in wool textile products between the Government of the Hungarian People's Republic and the Government of the United States of America, with annexes, done at Budapest February 15 and 25, 1983, as amended (the Agreement). The Embassy also refers to the discussions between representatives of the Governments of the United States and Hungary in Washington, D.C., December 11, 12, 18 and 22, 1986.

The Embassy of the United States of America has the honor to propose, on behalf of the Government of the United States of America, that the agreement be amended as follows:

- The last sentence of paragraph 2 of the Agreement shall be amended to read as follows:

"The determination of whether a textile product is of wool or of man-made fiber shall be made in accordance with the terms of paragraph 6."

- The paragraph 4 of the agreement shall be amended by adding the following:

"(C) In the case of Category 645/646, the specific limit may not be increased by the adjustment provision in sub-paragraph (A) of this paragraph. However, the specific limit for this Category may be decreased to compensate for a corresponding increase in another Category according to the provisions in sub-paragraph (A) of this paragraph."

- Paragraph 6 of the agreement shall be amended to read as follows:

"6. (A) For the purposes of this agreement, textile products listed in Annex A which derive their chief characteristics from their textile components of wool, man-made fiber, or blends thereof, in which any or all of those fibers in combination represent either the chief value of the fibers or 17 per cent or more by weight of the product in the case of wool products or 50 per cent or more by weight of the product in the case of man-made fiber products, are subject to this agreement.

(B) For the purposes of this agreement, textile products shall be classified as wool or man-made fiber textiles if wholly or in chief value of any of these fibers. Any product covered by sub-paragraph (A) above but not in chief value of wool or man-made fiber shall be classified as:

(I) wool textiles if not containing 50 per cent or more by weight of cotton, or if the cotton component exceeds by weight the total wool and/or man-made fiber components and if wool equals or exceeds 17 per cent by weight of all component fibers;

(II) man-made fiber textiles if not containing 50 per cent or more by weight of cotton, or if the cotton component exceeds by weight the total wool and/or man-made fiber components and if not classified as wool under (B)(I) of this paragraph."

- The following categories shall be added to Annex A of the agreement:

<u>Category</u>	<u>Description</u>	<u>Conversion Factor</u>	<u>Unit of Measure</u>
434	Other wool coats for MB	54	doz
645/6	Man-made fiber sweaters	36.8	doz

-- The following restraints shall be added to Annex B of the agreement:

<u>Category</u>	<u>Unit</u>	<u>11.1.86- 12.31.87</u>	<u>1.01.88- 12.31.88</u>
434	doz	8,750	7,500
		<u>1.01.87- 12.31.87</u>	<u>1.01.88- 12.31.88</u>
645/646	doz	85,000	90,100

HUNGARY NOTE

The Ministry of Foreign Trade of the Hungarian People's Republic presents its compliments to the Embassy of the United States and has the honour to refer to the Embassy's note No.710, which read as follows:

UNITED STATES NOTE

The Ministry of Foreign Trade has the honour to confirm on behalf of the Government of the Hungarian People's Republic that the foregoing proposal is acceptable to the Government of the Hungarian People's Republic and that the Embassy's note and this reply thereto shall constitute an agreement between the Government of the Hungarian People's Republic and the Government of the United States of America.

The Ministry of Foreign Trade avails itself of the opportunity to extend to the Embassy of the United States of America assurances of its highest consideration.

Budapest, January 6, 1987