

# GENERAL AGREEMENT ON

RESTRICTED

COM.TEX/SB/1305\*

28 September 1987

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## TARIFFS AND TRADE

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Textiles Surveillance Body

### ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

#### Notification under Articles 7 and 8

#### Bilateral Agreement between the United States and the Democratic Republic of Germany

The Textiles Surveillance Body received a notification from the United States of a bilateral agreement on Category 334 (other cotton coats for men and boys) concluded with the Democratic Republic of Germany for the period 1 January 1987 to 31 December 1989.

The notification has been made in accordance with the request made by the Textiles Committee that agreements concluded with non-participating countries be notified.

The TSB is circulated the notification to participating countries for their information.

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\*English only/Anglais seulement/Inglés solamente

UNITED STATES AND GERMAN DEMOCRATIC REPUBLIC  
BILATERAL TEXTILE AGREEMENT

The United States and Germany amended their bilateral textile agreement by exchange of notes on December 10, 1986 and February 27, 1987. Text of the notes follow:

UNITED STATES NOTE

Berlin, December 10, 1986

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the German Democratic Republic and has the honor to refer to discussions in Washington, D.C. on November 19, 1986 concerning exports to the United States of certain cotton textile products manufactured in the German Democratic Republic. As a result of these discussions, the Embassy on behalf of the Government of the United States proposes the following agreement (hereinafter referred to as the agreement) relating to trade in cotton textile products between the German Democratic Republic and the United States.

1. The term of the agreement shall be from January 1, 1987 to December 31, 1989. Each agreement year shall be a calendar year.

2. The category of textile products covered by the agreement and the rate of conversion into square yards equivalent are set out in Annex A. For the purposes of this agreement, textile products shall be

classified as cotton, wool or man-made fiber textiles if wholly or in chief value of any of these fibers. Products covered by this paragraphs --- but not in chief value cotton, wool, or man-made fiber --- shall be classified as cotton textiles if containing 50 percent or more by weight of cotton, or if the cotton with wool and/or man-made fibers in the aggregate equal or exceed 50 percent by weight and the cotton component equals or exceeds the weight of each of the total wool and/or man-made fiber components.

3. During the term of the agreement, the Government of the German Democratic Republic shall limit annual exports from the German Democratic Republic to the United States of the textile products listed in Annex A, to the specific limit set forth in Annex B hereto, as such limit may be adjusted in accordance with Paragraph 4. The limit set out in Annex B is without such adjustments. Exports are subject to a limit for the period in which they are exported.

4. (A) In any agreement year, exports may exceed by a maximum of 10 percent any specific limit set out in Annex B by allocating to such limit for that agreement year any unused portion of the corresponding limit for the previous agreement year ("carryover") or a portion of the corresponding limit for the succeeding agreement year ("carryforward") subject to the following conditions:

(1.) Carryover may be utilized as available (subject to Subparagraph 4 (B)) up to six (6) percent of the receiving agreement year's applicable limit. No carryover shall be available during the first agreement year.

(2.) Carryforward may be utilized up to ten (10) percent of the receiving agreement year's specific limit. Carryforward used shall be charged against the immediately following agreement year's corresponding limit. No carryforward shall be available during the last agreement year.

(B) For purposes of the agreement, a shortfall occurs when exports of textile products from the German Democratic Republic to the United States during an agreement year are below the applicable specific limit as set out in Annex B. In the agreement year following the shortfall, such exports from the German Democratic Republic to the United States may be permitted to exceed the limit applicable to that year, subject to the conditions of Subparagraph 4 (A), by carryover of an amount not to exceed the actual shortfall in the previous period.

(C) The Government of the United States may apply adjustments as available under this paragraph whenever the adjustments are requested by the German Democratic Republic. Any unused carryforward will be reccredited to the following agreement year's limit.

5. (A) The Government of the United States may assist the Government of the German Democratic Republic in implementing the limitation provisions of the agreement by controlling its imports of the textile products covered by the agreement.

(B) Exports from the German Democratic Republic in excess of the authorized limit 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.

(C) Exports from the German Democratic Republic in excess of the authorized limit in any agreement year, if allowed entry into the United States during that agreement year, will be charged to the applicable limit in the succeeding agreement year.

6. The Government of the German Democratic Republic shall use its best efforts to space exports from the German Democratic Republic to the United States of the textile products covered by the agreement evenly throughout each agreement year, taking into account normal seasonal factors.

7. The Government of the United States shall promptly supply the Government of the German Democratic Republic with monthly data on imports of textile products subject to this agreement; and the Government of the German Democratic Republic shall promptly supply the Government of the United States with quarterly data on exports of such products to the United States. Each government agrees to supply promptly any other pertinent, readily available statistical data requested by the other government.

8. Mutally 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.

9. The Government of the United States and the Government of the German Democratic Republic agree to consult on any question arising in the implementation of the agreement.

10. The Government of the United States and the Government of the German Democratic Republic may at any time propose revisions in the terms of this agreement. Each government 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.

11. The Government of the German Democratic Republic and the Government of the United States shall cooperate to avoid circumvention of this agreement.

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

If the foregoing proposal is acceptable to the Government of the German Democratic Republic, this note and a note of acceptance on behalf of the Government of the German Democratic Republic shall constitute an agreement between the Government of the United States and the Government of the German Democratic Republic effective January 1, 1987.

The Government of the United States wishes to encourage the Government of the German Democratic Republic to complete an exchange of notes as early as possible so that the United States Government can implement the agreement at the beginning of 1987.

The Embassy avails itself of this opportunity to renew to the Ministry the assurance of its highest consideration.

Annex A

Category	Description	Conversion Factor	Unit of Measure
334	Other cotton coats for men and boys	41.3	dozens

Annex B

Category	Description	Unit	1/1/87- 12/31/87	1/1/88- 12/31/88	1/1/89- 12/31/89
334	Other cotton coats for men and boys	Doz	19,500	19,500	19,500

Berlin, February 27, 1987

GERMAN NOTE

The Ministry for Foreign Affairs of the German Democratic Republic presents its compliments to the Embassy of the United States of America in the German Democratic Republic and has the honor to inform it in reply to the Embassy's note No. 1277 of December 10, 1986 that the Ministry for Foreign Trade of the German Democratic Republic agrees to the number of 19,500 dozens zippered jackets for the years 1987 to 1989 each as set forth in the Memorandum of Understanding of November 19, 1986 in accordance with Annex B of note No. 1277, and thus considers the agreement finalized.

The Ministry for Foreign Affairs of the German Democratic Republic avails itself of the occasion to renew to the Embassy of the United States of America in the German Democratic Republic the assurance of its very high consideration.

To the Embassy of the  
United States of America  
in the German Democratic Republic  
Berlin

Stamp of the Foreign Ministry  
of the German Democratic Republic