

# GENERAL AGREEMENT ON

## TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1313\*

20 October 1987

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Textiles Surveillance Body

### ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

#### Notification under Article 4

#### Amendments of the bilateral agreement between the United States and Mexico

The Textiles Surveillance Body received a notification from the United States of two amendments of its bilateral agreement with Mexico. The Group II limit was removed, consultation levels were modified, and a designate consultation level was converted into a specific limit.<sup>1</sup>

The TSB, pursuant to its procedures regarding notifications made under Article 4,<sup>2</sup> has examined the relevant documentation and is forwarding the<sup>3</sup> text of the notification to participating countries for their information.

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<sup>1</sup>The text of the bilateral agreement, its amendments, a first extension and further amendments are contained in COM.TEX/SB/441, 618, 643, 749, 796, 1018, 1019 and 1020; a second extension and amendment are contained in COM.TEX/SB/1183 and 1230.

<sup>2</sup>COM.TEX/SB/35, Annex B

<sup>3</sup>For the TSB's observation on this notification see COM.TEX/SB/1314.

\* English only/Anglais seulement/Inglés solamente

**UNITED STATES AND MEXICO AMEND  
BILATERAL TEXTILE AGREEMENT**

The United States and Mexico amended their bilateral textile agreement by exchange of notes dated March 18, 1987 and March 24, 1987. Texts of the notes follows:

UNITED STATES NOTE

March 18, 1987

Excellency:

I have the honor to refer to the Arrangement Regarding International Trade in Textiles, with Annexes, done at Geneva on December 20, 1973 and extended by Protocol on December 14, 1977 and December 22, 1981 and July 31, 1986 (the Arrangement), and to the Agreement between the United States of America and the United Mexican States Relating to Trade in Cotton, Wool and Man-made Fiber Textiles and Textile Products, with Annexes, effected by exchange of notes February 26, 1979 as amended (the Agreement). I also have the honor to refer to recent discussions held on March 13, 1987 between representatives of our Governments in Washington, D.C.

As a result of these discussions, I have the honor to propose, on behalf of my Government, that the Agreement be amended as follows:

1) The Group II Limit shall be abolished. Minimum and Designated Consultation Levels (MCLs and DCLs) shall be established for all products currently included in Group II as listed below for the 1987 Agreement Year.

<u>Category</u>	<u>MCL or DCL</u>	<u>Increased to In 1987</u>
310-320 and 610-614 (313)	10,000,000 syd. 5,000,000 syd.	32,000,000 syd. 16,000,000 syd.
	(with not more than 20% in any other category)	
363	5,000,000 nos.	5,500,000 nos.
369-Dish towels	300,000 lbs.	400,000 lbs.
369-Handbags and - luggage	217,391 lbs.	2,830,000 lbs.*
369-Shoe Uppers	217,391 lbs.	300,000 lbs.*
369-Other (ex. TSUSA 355.0200)	217,391 lbs.	
410	475,000 syd.	
627	2,180,000 lbs.	
669-Cordage	250,000 lbs.	330,000 lbs.
669-Poly Bags	650,000 lbs.	750,000 lbs.
669-Other	650,000 lbs.	
670	5,000,000 lbs.	8,000,000 lbs.*
All Other Categories	MCL	

\* Provided American made fabric is used.

2) It is agreed that no overshipments occurred in 1986 for Group II.

3) The Designated Consultation Levels (DCLs) shall be revised to the following levels:

<u>Category</u>	<u>DCL</u>
331/631	370,000 dpr.
632	500,000 dpr.
644	20,000 dpr.
649	1,450,000 doz.

4) The above structure shall be the basis for a new Agreement, should one be entered into. With reference to Article 6, paragraph 6 of the Arrangement and paragraph 15 of the July 31, 1986 Protocol of Extension, it is agreed that a new Agreement, if reached, should take into consideration the need for favorable treatment of textile products processed by the "Maquiladoras," especially those using American made fabrics.

5) My Government also proposes that the Designated Consultation Levels (DCLs) listed below be revised to the following levels for the 1987 Agreement Year:

<u>Category</u>	<u>DCL</u>
300/301	9,200,000 lbs.
335	45,000 doz.
340/640	390,000 doz.
342/642	190,000 doz.
352/652	1,400,000 doz.
433	13,000 doz.
443	7,000 doz.
447	13,000 doz.
604-A	1,250,000 lbs.
604-O	1,600,000 lbs.
666	5,500,000 lbs.

6) The Category listed below shall be converted from Designated Consultation Levels (DCLs) to Specific Limits (SLs) at the following levels:

<u>Category</u>	<u>1987 Level</u>
338/339	550,000 doz.

7) Special shift of 10 percent shall be available between the Specific Limits (SLs) for Categories 347/348 and 647/648. An additional 5 percent Special shift shall be available between the sublimits on 347 and 348 and between the sublimits on 647 and 648.

If these proposals are acceptable to the Government of Mexico, this note and the Government of Mexico's note of confirmation shall constitute an amendment to the Agreement.

For the Secretary of State:



Washington, D.C.  
April 15, 1987.

Ms. Anne D. Jillson  
Acting Chief, Textile Division  
Bureau of Economic and Business Affairs  
Department of State  
Washington, D.C. 20520

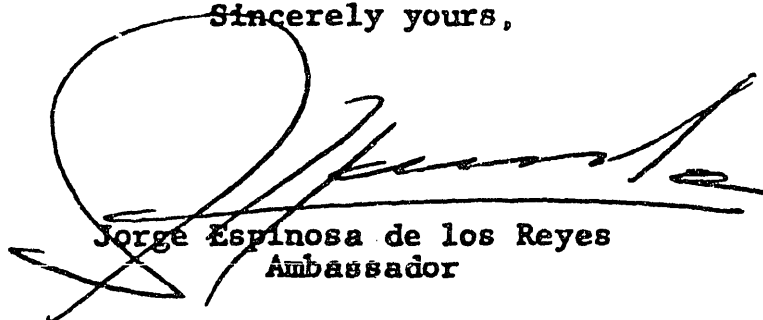
Dear Ms. Jillson:

I have the honor to refer to the Agreement between the United Mexican States and the United States of America relating to Trade in Cotton, Wool and Man-made Fiber Textiles and Textile Products with annexes, effected by exchange of notes February 26, 1979, as amended (The Agreement). I also refer to the discussions held in Washington, D.C. on March 13, 1986, between representatives of our Governments.

In this regard I have the honor to request, on behalf of my Government that category 369 (Shoe-Uppers) be increased to DCL 1'245,583 lbs. for Agreement Year 1987.

I thank you in advance for your attention to this matter.

Sincerely yours,



Jorge Espinosa de los Reyes  
Ambassador

**UNITED STATES AND MEXICO AMEND  
BILATERAL TEXTILE AGREEMENT**

The United States and Mexico exchanged letters dated April 15, 1987, and April 17, 1987 to amend their bilateral textile agreement. Text of the letters follow:

UNITED STATES LETTER

April 17, 1987

His Excellency  
Jorge Espinosa de los Reyes  
Ambassador of Mexico

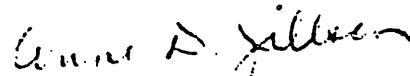
Dear Mr. Ambassador:

I have the honor to refer to your letter of April 15, 1987, requesting an amendment to the bilateral Agreement relating to trade in Cotton, Wool and Man-Made Fiber Textiles and Textile Products, with Annexes, effected by exchange of notes dated February 26, 1979, as amended (the Agreement).

My government agrees with your request to amend the Designated Consultation level for Category 369 (shoe uppers) to 1,245,583 lbs for the 1987 agreement year.

Your letter and this letter of confirmation shall therefore constitute an amendment to the bilateral Agreement between our two governments.

Sincerely,



Anne D. Jillson  
Acting Chief,  
Textiles Division  
Bureau of Economic and  
Business Affairs