

GENERAL AGREEMENT ON

RESTRICTED

COM.TEX/SB/1332*

20 December 1987

TARIFFS AND TRADE

Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Amendment of the bilateral agreement between the United States and Malaysia

The Textiles Surveillance Body received a notification from the United States of an amendment of its bilateral agreement with Malaysia. Three new specific limits were introduced, and product coverage was extended to include Category 842 (skirts of vegetable fibres and silk blends).¹

The TSB, pursuant to its procedures regarding notifications made under Article 4,² has examined the relevant documentation and is forwarding the³ text of the notification to participating countries for their information.

¹The bilateral agreement and previous amendments are contained in COM.TEX/SB/1118, 1166 and 1182.

²See COM.TEX/SB/35, Annex B

³For the TSB's observation on this notification see COM.TEX/SB/1342.

* English only/Anglais seulement/Inglés solamente

UNITED STATES AND MALAYSIA
AMEND BILATERAL TEXTILE AGREEMENT

The United States and Malaysia amended their bilateral textile agreement with notes dated October 14 and 25, 1986. Texts of the notes follow:

UNITED STATES NOTE

Kuala Lumpur, October 14, 1986.

Sir:

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 the Protocol adopted on July 31, 1986. I also have the honor to refer to the Agreement on Textiles between the Government of the United States of America and the Government of Malaysia effected by exchange of notes on July 1 and July 11, 1985, (hereinafter referred to as the Agreement), and to consultations in Washington, D.C. on September 17 and 18, 1986. As a result of the consultations I have the honor to propose the following changes to the Agreement.

I. Paragraph 2 of the Agreement shall be replaced with the following text:

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

2. (B) Tops, yarns, piece goods, made-up articles, garments and other textile manufactured products, all being products which derive their chief characteristics from their textile components, of cotton, 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 50 percent or more by weight (or 17 percent or more by weight of wool) of the product, are subject to this Agreement.

2. (C) 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. Any product covered by subparagraph (B) above but not in chief value of cotton or wool or man-made fiber shall be classified as:

(I) Cotton textiles if containing 50 percent or more by weight of cotton, or if the cotton component exceeds by weight the wool and/or the man-made fiber component;

(II) Wool textiles if not cotton, and the wool equals or exceeds 17 percent by weight of all component fibers; and

(III) Man-made fiber textiles if neither of the foregoing applies.

2. (D) If enumerated in annex A of this Agreement, tops, yarns, piece goods, made-up articles, garments and other textile manufactured products, all being products which derive their chief characteristics from their textile components of cotton, wool, man-made fiber, silk blend, and other vegetable fiber, or blends thereof, in which (I) the chief value is silk and/or other vegetable fiber or (II) 50 percent or more by weight is silk or other vegetable fiber or (III) 50 percent or more by weight is a combination of silk, vegetable fiber, cotton, wool or man-made fiber, are subject to this Agreement. For the purposes of this Agreement, such products shall be classified as silk blend and other vegetable fiber. Notwithstanding the above, garments which contain 70 percent or more silk by weight, are not subject to this Agreement.

2.(E) For the purposes of the application of sub-paragraphs (B), (C), and (D) above, a product shall first be considered under the provisions of sub-paragraphs (B) and (C) and, only in the event of those two sub-paragraphs not applying, it shall then fall to be considered under sub-paragraph (D). If sub-paragraph (D) does apply to the product in question it shall accordingly be classified under that sub-paragraph.

II. Paragraph 3(C) of the Agreement shall be amended to include:

Categories	Designated	Sub-categories
Merged	in Agreement	
342,642,842	342/642/842	None
351,651	351/651	None

III. Annex A of the Agreement shall be amended to include

Category	Description	Conversion	Units
842	Skirts of vegetable fibers (other than cotton) and silk blends (less than 70 percent by weight)	17.8	DZ.

IV. Annex B of the Agreement shall be amended as follows:

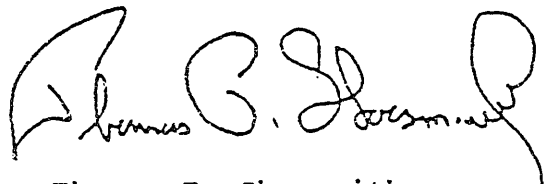
Category	9/1/86 - 12/31/86	1987
605-T	115,000 LBS.	295,000 LBS.

The specific limits for category 605-T shall be reviewed in the consultations to be held during November 1986 with a view to increasing the levels.

Category	10/1/86 - 12/31/86	1987
342/642/842	52,500 DZ.	215,000 DZ.
351/651	40,000 DZ.	135,000 DZ.

Growth of 6 percent shall be available in future years. Swing, carryover, and carryforward shall be available pursuant to paragraph 5 of the Agreement.

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



Thomas P. Shoesmith

MALAYSIA NOTE

25 October 1986

H.E. Ambassador Thomas P. Shoemith,
Ambassador of the United States of America,
Embassy of the United States of America,
376 Jalan Pekeliling,
Kuala Lumpur.

Excellency,

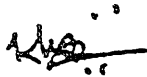
I have the honour to acknowledge receipt of your Note 376 regarding some amendments to paragraph 2 and Annexes A and B of the Textile Agreement between our two Governments which reads as follows:

UNITED STATES NOTE

2. I also have the honour to confirm that the above proposal is acceptable to Malaysia and Your Excellency's Note and this reply constitute an amendment to the Agreement between our two Governments.

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

Yours sincerely,



(DATO' AHMAD SARJI BIN ABDUL HAMID)
Secretary General,
Ministry of Trade and Industry,
Malaysia.