

GENERAL AGREEMENT ON

RESTRICTED

TARIFFS AND TRADE

COM.TEX/SB/1353*
25 February 1988
Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Articles 7 and 8

Bilateral agreement between the United States and Burma

The Textiles Surveillance Body received a notification from the United States of a new bilateral agreement concluded with Burma for the period 1 January 1987 to 31 December 1990.

This notification has been made in accordance with the request by the Textiles Committee that participating countries notify any actions or measures taken regarding trade in textiles with non-participating countries.

The TSB is forwarding the text of the notification to participating countries for information.

* English only/Anglais seulement/Inglés solamente

THE UNITED STATES AND BURMA SIGN
NEW BILATERAL TEXTILE AGREEMENT

The United States and Burma exchanged notes on August 25, 1987 and September 11, and the 16, 1987 to effect a new bilateral textile agreement. Texts of the notes follow:

UNITED STATES NOTE

Rangoon, August 25, 1987

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Socialist Republic of the Union of Burma and has the honor to refer to recent discussions between representatives of our two Governments held in Washington, July 15-16, 1987. As a result of these discussions, the Embassy, on behalf of the Government of the United States, has the honor to propose the following Bilateral Agreement concerning trade in cotton, man-made fiber, silk blends and other vegetable fibers apparel products:

AGREEMENT TERM

1. The term of this Agreement will be the period from January 1, 1987 through December 31, 1990. Each "Agreement Year" shall be a twelve-month period from January 1 of a given year to December 31 of the same year.

COVERAGE OF AGREEMENT

2. (A) Apparel products covered by the Agreement are those summarized in Annex A.

(B) For the purposes of this Agreement, apparel products shall be classified as cotton or man-made fiber if wholly or in chief value of any of these fibers. Products covered by this sub-paragraph but not in chief value of cotton 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 equals or exceeds by weight the man-made fiber;

(II) Man-made fiber textiles if not cotton.

(C) Garments, being products which derive their chief characteristics from their textile components of:

(I) Vegetable fiber, or

(II) Blends of vegetable fiber with cotton and man-made fiber, or

(III) Blends of silk with cotton, man-made fiber or vegetable fiber,

in which (I) or (II) or (III) above is either the chief value of 50 percent or more by weight, are subject to this Agreement. For the purposes of the 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 in a silk blend are not subject to this Agreement.

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, except as provided for in paragraph 3(B) hereof.

(B) For the purposes of this Agreement, Categories 340, 640, 840, 341, 641 are merged and treated as a single category. This merged category will be designated as 340/341/640/641/840 and will have a conversion factor of 20.0 square yards per dozen. After adoption by the Government of the United States of the Harmonized Commodity Code the conversion factor for merged Category 340/341/640/641/840 will be 16.7 square meters per dozen. Category 340, 640 and 840 are merged and treated as a single sub-category. This sub-category will be designated as 340/640/840 and will have a conversion factor of 24.0 square yards per dozen. After adoption by the Government of the United States of the Harmonized Commodity Code the conversion factor for Sub-category 340/640/840 will be 20.1 square meters per dozen.

SPECIFIC LIMITS

4. Commencing on January 1, 1987, and during the subsequent term of this Agreement, the Government of Burma shall limit annual shipments of exports which are the products of Burma to the United States of America of cotton, and man-made fiber textiles and textile products and apparel made of silk blends and vegetable fibers other than cotton 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) The limits set out in Annex B do not include any adjustments permitted under paragraph 5.

(B) The extent to which any specific limit set out in Annex B may be exceeded in any agreement period by carryover (the use of any unused yardage of the corresponding limit from the preceding agreement period) and/or carryforward (the use of yardage from the corresponding limit from the succeeding agreement period) is eleven (11) percent, of which carryforward shall not constitute more than six (6) percent.

(C) No carryover shall be available for application in the first agreement year. No carryforward shall be available for application in the final agreement year.

(D) For the purposes of the Agreement, a shortfall in a specific limit occurs when exports of textiles or textile products from Burma to the United States of America 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 specific limit as decreased.

(E) The Government of Burma will notify the Government of the United States when it wishes to utilize unused yardage (shortfall) available in categories for carryover, 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 carryforward, in that order. Any unused carryforward will be re-credited to the following period's limit. In case of such adjustments, the United States would immediately notify the Government of Burma. This procedure will not prejudice the outcome of any consultations that may be held between our Governments concerning the amounts of available carryover and carryforward.

OVERSHIPMENT CHARGES

6. (A) Exports of Burma 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 into the United States and charged to the applicable limit in the succeeding agreement year. The Government of the United States shall inform the Government of Burma of any such charges.

(B) Exports of Burma in excess of authorized limits 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.

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

SPACING PROVISIONS

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

IMPLEMENTATION OF THE LIMITATION PROVISIONS

8. The Government of Burma shall administer its export control system under this agreement. The Government of the United States of America may assist the Government of Burma in implementing the limitation provisions of this Agreement by controlling imports of apparel products covered by this Agreement.

EXCHANGE OF INFORMATION

9. 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, including information pertaining to fraud and circumvention.

EXCHANGE OF DATA

10. (A) The Government of the United States of America shall promptly supply the Government of Burma with data on monthly imports of apparel of cotton, man-made fiber, and silk blends and vegetable fibers other than cotton into the United States of America from Burma.

(B) The Government of Burma shall promptly supply the Government of the United States of America with data on monthly exports of apparel of cotton, man-made fiber, and silk blends and vegetable fibers other than cotton from Burma to the United States of America.

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

MUTUALLY SATISFACTORY
ADMINISTRATIVE ARRANGEMENTS

11. Mutually 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.

CONSULTATION ON IMPLEMENTATION QUESTIONS

12. The Government of the United States of America and the Government of Burma 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

13. The Government of the United States of America and the Government of Burma 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.

THE HARMONIZED COMMODITY CODE

14. (A) Both parties recognize that U.S. adoption of the Harmonized Commodity Code will result in some changes in U.S. 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 Burma will consult with the view of reaching a satisfactory resolution of issues concerning categories covered by this Agreement. The Government of Burma 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 the conversion on the part of the Government of the United States will not be to diminish overall trade with Burma.

(B) Consultations under this provision shall be conducted no later than 90 days before final U.S. adoption of the Harmonized Commodity Code by the Government of the United States. If this proposal is acceptable to the Government of the Socialist Republic of the Union of Burma, this note and the note of confirmation from the Socialist Republic of the Union of Burma shall constitute an

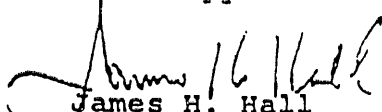
The Embassy of the United States of America avails itself of this opportunity to renew to the Ministry of Foreign Affairs of the Socialist Republic of the Union of Burma the assurances of its highest consideration.

Attachments: Annexes A(1), A(2), B

Embassy of the United States of America,

Rangoon, August 25, 1987.

I hereby certify that this is a true copy of the original.


James H. Hall
Counselor of Embassy
for Political and Economic Affairs

ANNEX A (1)

CATEGORY COVERAGE
(CURRENT CATEGORY STRUCTURE)

CATEGORY	DESCRIPTION	CONVERSION FACTOR TO SQUARE YARD EQUIVALENT	UNIT
COTTON:			
	340 Men's and Boys' Shirts, not knit	24.0	Dozen
	341 Women's, Girls' and Infants Shirts and Blouses, not knit	14.5	Dozen
MAN-MADE FIBER:			
	640 Men's and Boys' Shirts, not knit	24.0	Dozen
	641 Women's, Girls' and Infants	14.5	Dozen
SILK BLEND and VEGETABLE FIBER, OTHER THAN COTTON:			
	840 Shirts and Blouses, not knit	20.0	Dozen

ANNEX A (2)

CATEGORY COVERAGE
(HARMONIZED SYSTEM)

CATEGORY	DESCRIPTION	CONVERSION FACTOR TO SQUARE METER EQUIVALENT	UNIT
COTTON:			
	340 M&B Shirts, not knit	20.1	Dozen
	341 W&G Knit Shirts and Blouses, not knit	12.1	Dozen
MAN-MADE FIBER:			
	640 Men's and Boys' Shirts, not knit	20.1	Dozen
	641 Women's, Girls' and Infants	12.1	Dozen
SILK BLEND and VEGETABLE FIBER, OTHER THAN COTTON:			
	840 Shirts and Blouses, not knit	16.7	Dozen

ANNEX B

SPECIFIC LIMITS

<u>CATEGORY</u>	<u>UNIT</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>
340/341/640/ 641/840	DOZ	250,000	265,000	280,900
(340/860/840)	DOZ	(200,000)	(212,000)	(224,720)
		<u>1989</u>	<u>1990</u>	
340/341/640/ 641/840		297,754	315,619	
(340/860/840)		(238,203)	(252,495)	

No. 0972

UNITED STATES NOTE

Rangoon
September 11, 1987

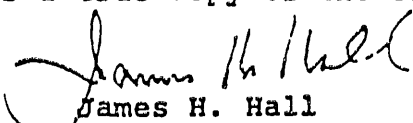
The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Socialist Republic of the Union of Burma and has the honor to refer to its Note, Number 0880 of August 25, 1987. Annex A and Annex B of the referenced note contained certain erroneous information. The Embassy therefore requests the Ministry to disregard Annexes A and B submitted with the referenced note and to append the enclosed Annexes A and B to the referenced note in their place.

The Embassy of the United States of America avails itself of this opportunity to renew to the Ministry of Foreign Affairs of the Socialist Republic of the Union of Burma the assurances of its highest consideration:

Attachments: Annexes A(1), A(2), B

Embassy of the United States of America,
Rangoon, September 11, 1987.

I hereby certify that this is a true copy of the original.


James H. Hall
Counselor of Embassy
for Political and Economic Affairs

Rangoon, September 22, 1987

ANNEX A (1)

CATEGORY COVERAGE
(CURRENT CATEGORY STRUCTURE)

CATEGORY	DESCRIPTION	CONVERSION FACTOR TO SQUARE YARD EQUIVALENT	UNIT
COTTON:			
340	Men's and Boys' Shirts, not knit	24.0	Dozen
341	Women's Girls' and Infants' Shirts and Blouses, not knit	14.5	Dozen
MAN-MADE FIBER:			
640	Men's and Boys' Shirts, not knit	24.0	Dozen
641	Women's, Girls' and Infants' Shirts and Blouses, not knit	14.5	Dozen
SILK BLEND and VEGETABLE FIBER, OTHER THAN COTTON:			
840	Shirts and Blouses, not knit	20.0	Dozen

ANNEX A (2)

CATEGORY COVERAGE
(HARMONIZED SYSTEM)

CATEGORY	DESCRIPTION	CONVERSION FACTOR TO SQUARE METER EQUIVALENT	UNIT
COTTON:			
340	M&B Shirts, not knit	20.1	Dozen
341	W&G Knit Shirts and Blouses not knit	12.1	Dozen
MAN-MADE FIBER:			
640	Men's and Boys' Shirts, not knit	20.1	Dozen
641	Women's Girls' and Infants'	12.1	Dozen
SILK BLEND and VEGETABLE FIBER, OTHER THAN COTTON:			
840	Shirts and Blouses, not knit	16.7	Dozen

ANNEX B

SPECIFIC LIMITS

<u>CATEGORY</u>	<u>UNIT</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>
340/341/640 641/840	DOZ	250,000	265,000	280,900
(340/640/840)	DOZ	(200,000)	(212,000)	(224,720)

1990

340/341/640/ 641/840	297,754
(340/640/840)	(238,203)

BURMA NOTE

Rangoon, September 16, 1987

The Ministry of Foreign Affairs of the Socialist Republic of the Union of Burma presents its compliments to the Embassy of the United States of America and with reference to the Embassy's Note, Number of August 25, 1987 and to its Note, Number 0972 of September 11, 1987, has the honour to state that the Agreement mentioned in the aforementioned notes, has been accorded and confirmed by the Government of the Socialist Republic of the Union of Burma.

The Ministry of Foreign Affairs of the Socialist Republic of the Union of Burma avails itself of this opportunity to renew to the Embassy of the United States of America the assurances of its highest consideration.

16 September 1987

The Embassy of the United
States of America,

R a n g o o n .