

GENERAL AGREEMENT ON  
TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1428\*  
13 December 1988

Special Distribution

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Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Bilateral agreement between the United States and Colombia

The Textiles Surveillance Body received a notification from the United States of a selective agreement covering one product (cotton sateens)<sup>1</sup> concluded with Colombia for the period 1 April 1987 to 31 March 1990.

The TSB, pursuant to its procedures regarding bilateral agreements concluded under Article 4,<sup>2</sup> 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 previous comprehensive agreement and modifications are contained in COM.TEX/SB/833, 1144, 1160 and 1170.

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

\* English only/Anglais seulement/Inglés solamente

UNITED STATES' NOTE

Bogata, January 6, 1988

Excellency:

I have the honor to refer to the Arrangement regarding international trade in textiles (the Arrangement), done at Geneva on December 20, 1973, as extended by Protocol dated July 31, 1986.

I also refer to discussions between representatives of our two Governments held in Washington, D.C. on May 29 and July 8, 1987. As a result of these discussions, and in conformity with Articles 4 and 6 of the Arrangement, I have the honor to propose the following Agreement relating to trade in cotton sateen fabrics as defined in Annex A, between the Government of the United States of America and the Government of the Republic of Colombia (hereinafter referred to as the Agreement).

1. The term of the Agreement shall be from April 1, 1987 to March 31, 1990. The first Agreement year shall be from April 1, 1987 to March 31, 1988. The second Agreement year shall be from April 1, 1988 to March 31, 1989, and the third Agreement year shall be from April 1, 1989 to March 31, 1990.

2. The product 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, the product shall be classified as cotton textile if containing 50 per cent or more by weight of cotton, or if the cotton component exceeds by weight the wool and/or man-made fiber component.

3. During the term of the Agreement, the Government of Colombia shall limit in each Agreement year exports from Colombia to the United States of the textile product 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 11 per cent 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 (carry forward) subject to the following conditions:

(1) Carryover may be utilized as available (subject to sub-paragraph 4(B) up to 11 per cent of the receiving Agreement year's specific limit. No carryover shall be available during the first Agreement year.

(2) Carry forward may be utilized up to 6 per cent of the receiving Agreement year's specific limit. Carry forward used shall be charged against the immediately following Agreement year's specific limit. No carry forward shall be available during the last Agreement year.

(B) For purposes of the Agreement, a shortfall occurs when exports of the textile product from Colombia 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 Colombia to the United States may be permitted to exceed the limit applicable to that year, subject to the conditions of sub-paragraph 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 these adjustments appear appropriate, to facilitate the flow of trade and the sound administration of this Agreement. Any unused carry forward will be recredited to the following Agreement year's limit.

5. (A) The Government of the United States may assist the Government of Colombia in implementing the limitation provisions of the Agreement by controlling its imports of the textile product covered by the Agreement.

(B) Exports from Colombia 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. The Government of the United States shall promptly inform the Colombian Government of any such charges.

(C) Exports from Colombia 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 Colombia shall use its best efforts to space exports from Colombia to the United States of the textile product 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 Colombia with monthly data on imports of the product subject to this agreement; and the Government of Colombia shall supply the Government of the United States with quarterly data on exports of such product from Colombia to the United States. Each Government agrees to supply promptly any other pertinent, readily available statistical data requested by the other Government.

8. 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 procedures or operation.

9. The Government of the United States and the Government of Colombia agree to consult on any question arising in the implementation of the Agreement.

10. The Government of the United States and the Government of Colombia 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 Colombia and the Government of the United States shall cooperate to avoid circumvention of this Agreement.

12. (A) Both Governments recognize that adoption by the United States of the Harmonized Commodity Code (HCC) may result in some changes in the categorization of the textile product covered by this Agreement. Effective with shipments exported after January 1, 1988, the United States intends to establish a new category system which will use the designation 326 for cotton sateen fabric in place of the current 317-S designation. Upon adoption of the Harmonized Code, the unit of measure will change to the metric system. While no additional adjustments are anticipated, the United States agrees to notify the Government of Colombia should additional adjustments be necessary, including adjustments to the unit of measure, as a result of adoption of the Harmonized Code. The intent of this conversion on the part of the United States Government is solely to align the system and limits with the Harmonized Commodity Code and not to diminish overall trade with Colombia.

13. Either Government may terminate this 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.

14. For as long as Colombia remains a member of the Arrangement and for the duration of this Agreement, the Government of the United States shall not invoke the procedures of Article 3 of the Arrangement to request restraint on the exports of the cotton product of Colombia covered by this Agreement to the United States.

The Government of the United States and the Government of Colombia reserve their rights under the Arrangement with respect to textiles and textile products not covered by this Agreement.

If the foregoing proposal is acceptable to the Government of Colombia, this Note and a Note of acceptance of His Excellency on behalf of the Government of Colombia, shall constitute an Agreement between the Government of the United States of America and the Government of Colombia effective April 1, 1987.

I have the honour to request a prompt reply from the Government of Colombia and avail myself of this opportunity to renew to your Excellency the assurances of my highest consideration.

J. Phillip McLean  
Chargé d'Affaires ad interim

ANNEX A

<u>Category</u>	<u>Description</u>	<u>Conversion factor</u>	<u>Unit of measure</u>
317-part	Cotton sateens	1.0	SYD

ANNEX B

<u>Category</u>	<u>Description</u>	<u>Unit of measure</u>	<u>4.1.87-4.1.88-4.1.89</u> <u>3.31.80-3.31.89-3.31.90</u> millions of SYD
317-part	Cotton sateens	SYD	5.0      5.3      5.618

COLOMBIA NOTE

(Translation)

Bogata, March 1, 1988

Excellency:

I have the honor to acknowledge receipt in this office of Your Excellency's note No.003 of January 6 which reads as follows:

(The Spanish note repeats the substance of  
Ambassador Gillespie's note No.003 of January 6, 1988.)

I have the honor to report that my Government agrees with the proposal contained in the transcribed note, which, together with this note, shall constitute an agreement between the two Governments effective April 1, 1987.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

Fernando Cepeda Ulloa  
Minister of Communications  
In Charge of Operations for  
the Office of the Minister of  
Foreign Affairs