

GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1516*

15 December 1989

Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Amendments of the Bilateral Agreements between the United States and Romania

The Textiles Surveillance Body received a notification from the United States of amendments of its wool and man-made fibre agreement with Romania resulting from the implementation by the United States of the Harmonized commodity code. The notification also contains a correction in the cotton agreement related to Category 359.¹

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 wool and man-made fibre agreement and previous amendment are contained in COM.TEX/SB/1053, 1109, 1327 and 1451. The cotton agreement is contained in COM.TEX/SB/1452.

²See COM.TEX/SB/35, Annex B

³For the TSB's observation on this notification see COM.TEX/SB/1523

* English only/Anglais seulement/Inglés solamente

10 July 1989

United States and Romania Amend
Bilateral Textile Agreement

The United States and Romania amended their bilateral textile agreement in Bucharest on 18 March 1988 and 29 May 1989. Text of the notes follow:

United States Note

No. 68

Bucharest,
18 March 1988

The Embassy of the United States presents its compliments to the Government of the Socialist Republic of Romania and has the honour to refer to the Arrangement regarding International Trade in Textiles, with Annexes, done at Geneva on 20 December 1973, and extended by protocols adopted on 14 December 1977, 22 December 1981 and 31 July 1986 (the Arrangement). The Embassy has the further honour to refer to the bilateral agreement relating to trade in wool and man-made fibre textiles and textile products, effected by exchange of notes dated 7 and 16 November 1984, as amended (the Agreement).

As a result of the announced intention of the Government of the United States to convert to the Harmonized Commodity Code, the Embassy has the honour to propose that the Arrangement be amended to conform with the changes necessitated by the conversion to the interim category system, and later with those resulting from implementation of the full Harmonized Commodity Code. This interim category system is based upon and is in preparation for a full conversion to the Harmonized Commodity Code (HCC), which is still awaiting United States Congressional approval. The interim system correlates the current tariff schedules of the United States to the Harmonized Commodity Code (HCC), and will result in the following changes to the Wool and Man-Made Fibre Agreement.

1. As a result of the implementation of the United States interim textile category system, Annex A of the Wool and Man-made Fibre Agreement shall be replaced by Annex A(1) of this note for shipments of Romanian textiles and textile products under the Wool and Man-Made Fibre Agreement made on or after 1 January 1988. Annex A(2) of this note shall supersede Annex A(1) simultaneously with adoption of the Harmonized System by the Government of the United States.

2. Annex B shall be replaced by Annex B(1) of this note for shipments of Romanian textiles and textile products under the Wool and Man-made Fibre Textile Agreement made on or after 1 January 1988. Annex B(2) of this note shall supersede Annex B(1) simultaneously with adoption of the Harmonized System by the Government of the United States.

3. Annex C shall be replaced by Annex C(1) of this note for shipments of Romanian textiles and textile products under the Wool and Man-Made Fibre Agreement made on or after 1 January 1988. Annex C(2) of this note shall supersede Annex C(1) simultaneously with adoption of the Harmonized System by the Government of the United States.

4. Paragraph 3 of the Agreement shall be amended to read as follows:

"3. Textiles and textile products covered by the agreement shall be classified in groups as follows:

- | | |
|-----------|--|
| Group I | Yarns: (Categories 400, 600, 603, 604, 606, 607); |
| Group II | Other non-apparel products: (Categories 410, 414, 464, 465, 469, 611, 613-615, 617-622, 624-629, 665-666, 669, 670); |
| Group III | Apparel products: (431-436, 438, 440, 442-448, 459, 630-654, 659)". |

The following changes shall take effect simultaneously with adoption of the Harmonized Commodity Code by the Government of the United States.

5. Upon adoption of the Harmonized System by the Government of the United States, units of measurement under the new textile category system will shift to the metric system under Annexes A(2), B(2) and C(2) of this note.

6. Upon adoption of the Harmonized System by the Government of the United States, paragraph 12 of the Agreement shall be replaced by new paragraph 12, as stated below, to reflect the change in the manner of classification of textiles and textile products under the Harmonized System:

"12.(a) 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 wool, man-made fibre or blends thereof, in which any or all of those fibres in combination represent the chief weight of the product, are subject to this arrangement. Components of an article which are not considered relevant to the classification under the general rules of interpretation of the legal notes to Section XI of the Harmonized System, are likewise to be disregarded here. For the purposes of this arrangement, textile products covered by this paragraph shall be classified as:

- (I) Wool textiles, if the product is in chief weight of wool, or, in the case of products which are chief weight of silk or non-cotton vegetable fibres, wool exceeds 17 per cent by weight of all fibres.

- (II) Man-made fibre textiles, if the product is in chief weight of man-made fibres, or if the man-made fibres in combination with cotton and/or wool in the aggregate equal or exceed 50 per cent by weight of the component fibres thereof and the man-made component exceeds the weight of the total wool and/or cotton component, unless:
- (a) the product is knitted or crocheted apparel in which wool equals or exceeds 23 per cent by weight of all fibres, in which case the product will be a wool textile; or
 - (b) the product is apparel, not knitted or crocheted, in which wool equals or exceeds 36 per cent by weight of all fibres, in which case the product will be a wool textile;
 - (c) the product is a woven fabric in which wool equals or exceeds 36 per cent by weight of all fibres, in which case the product will be a wool textile;
 - (d) coverage under this paragraph is intended to be identical with the terms of Article 12 of the Arrangement regarding international trade in textiles. In the event of a question regarding whether a product is covered by this agreement by virtue of being chief weight cotton, wool, and man-made fibre, the chief value of the fibres may be considered."

7. Upon adoption of the Harmonized System by the Government of the United States, paragraph 2 shall be amended to read as follows: "The system of categories and dates of conversion into square metres equivalent listed in Annex A(2) shall apply in implementing this agreement."

8. Upon adoption of the Harmonized System by the Government of the United States, the minimum consultation levels appearing in paragraph 7 shall be amended as follows:

"For each agreement year, the minimum consultation level for each category in Groups II and III not given a specific limit shall be 836,127 square metres equivalent for man-made fibre apparel categories and 83,613 square metres equivalent for wool categories. Consultation levels above these stated amounts are specified in Annex C(2) hereto. Products in Group II are subject to a group consultation level as shown in Annex C(2).

9. Upon adoption of the Harmonized System by the Government of the United States, sub-paragraph 5(C) shall be amended to read as follows: "5(C) In the case of Category 604, swing may be taken from any other category or categories with specific limits, as set out in Annex B(2), provided that the amount of the increased be compensated for by an equivalent square metres equivalent decrease during the same agreement year."

The United States Government agrees to consult promptly with the Government of the Socialist Republic of Romania regarding any questions of implementation which may arise as a result of the conversion of the Harmonized Commodity Code.

If these changes are acceptable to the Government of the Socialist Republic of Romania, then this Note and a Note of confirmation on behalf of the Government of the Socialist Republic of Romania shall constitute an amendment to the Wool and Man-Made Fibre Textile Agreement between our two Governments.

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

Enclosures:

Annexes A(1), A(2)
B(1), B(2)
C(1), C(2)

Embassy of the United States
Bucharest, 18 March 1988

Annex A(1)New Category System Listings without the Harmonized System(enters into effect 1 January 1988, unless the full
HCC System is in place by that date.)

<u>Category</u>	<u>Description</u>	<u>Conversion Factor to square yards</u>	<u>Unit</u>
<u>Yarn</u>			
400	Wool yarn	2.0	lb
600	Textured filament yarns	3.5	lb
603	Staple artificial yarn	3.4	lb
604	Staple synthetic yarn	4.1	lb
606	Non-textured filament	10.9	lb
607	Staple yarn	3.5	lb
<u>Fabric</u>			
410	Woven fabrics of wool	1.0	Syd
414	Other wool fabrics	1.5	lb
611	Staple artificial fabric	1.0	Syd
613	Sheeting	1.0	Syd
614	Poplin and broadcloth	1.0	Syd
615	Printcloth	1.0	Syd
617	Twills and sateens	1.0	Syd
618	Woven cellulosic filament	1.0	Syd
619	Polyester filament fabric less than 5 oz. per Syd	1.0	Syd
620	Other non-cellulosic filament	1.0	Syd
621	Impression	7.8	lb
622	Glass fibre	1.0	Syd
624	Man-made fibre fabric, containing over 17 per cent by weight wool	1.0	Syd
Staple/Filament Combinations:			
625	Poplin and broadcloth	1.0	Syd
626	Printcloth	1.0	Syd
627	Sheeting	1.0	Syd
628	Twills and sateens	1.0	Syd
629	Other MMF	1.0	Syd

Annex A(1) (cont'd)

<u>Category</u>	<u>Description</u>	<u>Conversion Factor to square yards</u>	<u>Unit</u>
<u>Apparel</u>			
431	Gloves and mittens	2.1	Dpr
432	Hosiery	2.8	Dpr
433	M and B suit-type coats	36.0	Doz
434	Other M and B coats	54.0	Doz
435	W and G coats	54.0	Doz
436	Dresses	49.2	Doz
438	Knit shirts and blouses	15.0	Doz
440	Shirts and blouses, not knit	24.0	Doz
442	Skirts	18.0	Doz
443	M and B suits	4.5	Nos
444	W and G suits	4.5	Nos
445	M and B sweaters	14.88	Doz
446	W and G sweaters	14.88	Doz
447	M and B trousers, slacks and shorts	18.0	Doz
448	W and G trousers, slacks and shorts	18.0	Doz
459	Other wool apparel	2.0	lb
630	Handkerchiefs	1.7	Doz
631	Gloves and mittens	3.5	Dpr
632	Hosiery	4.6	Dpr
633	M and B suit-type coats	36.2	Doz
634	Other M and B coats	41.3	Doz
635	W and G coats	41.3	Doz
636	Dresses	45.3	Doz
637	Playsuits, sunsuits, etc.	21.3	Doz
638	M and B knit shirts	15.5	Doz
639	W and G knit shirts and blouses	15.5	Doz
640	M and B shirts, not knit	24.0	Doz
641	W and G shirts and blouses, not knit	14.5	Doz
642	Skirts	17.8	Doz
643	M and B suits	4.5	Nos
644	W and G suits	4.5	Nos
645	M and B sweaters	36.8	Doz
646	W and G sweaters	36.8	Doz
647	M and B trousers, slacks and shorts	17.8	Doz
648	W and G trousers, slacks and shorts	17.8	Doz
649	Brassières and body supporting garments	4.8	Doz
650	Dressing gowns, etc.	51.0	Doz
651	Nightwear and pyjamas	52.0	Doz
652	Underwear	16.0	Doz
653	M and B down-filled coats	41.3	Doz
654	W and G down-filled coats	41.3	Doz
659	Other man-made fibre apparel	7.8	lb

Annex A(1) (cont'd)

<u>Category</u>	<u>Description</u>	<u>Conversion Factor to square yards</u>	<u>Unit</u>
<u>Made-up and Miscellaneous Textiles</u>			
464	Blankets	1.3	lb
465	Floor coverings	0.1	Sft
469	Wool manufactures, nspf	2.0	lb
665	Floor coverings	0.1	Sft
666	Other furnishings	7.8	lb
669	Man-made fibre manufactures, nspf	7.8	lb
670	Flat goods, handbags, luggage	2.0	lb

Annex A(2)

New Category System under the Harmonized Commodity Code
 (To enter into effect on notification by the United States
 that it has adopted the Harmonized Commodity Code)

<u>Category</u>	<u>Description</u>	<u>Conversion Factor to square metres</u>	<u>Unit</u>
<u>Yarn</u>			
400	Wool yarn	3.7	kg.
600	Textured filament yarns, mmf	6.5	kg.
603	Staple artificial yarn	6.3	kg.
604	Staple synthetic yarn	7.6	kg.
606	Non-textured filament, mmf	20.1	kg.
607	Staple yarn	6.5	kg.
<u>Fabric</u>			
410	Woven fabrics containing 36 per cent or more by weight wool	1.0	M2
414	Other wool fabrics	2.8	kg.
611	Staple artificial fabrics, by weight, 85 per cent or more	1.0	M2
613	Sheeting	1.0	M2
614	Poplin and broadcloth	1.0	M2
615	Printcloth	1.0	M2
617	Twills and sateens	1.0	M2
618	Woven cellulosic filament	1.0	M2
619	Polyester filament fabric, less than 5 oz. per Syd	1.0	M2
620	Other non-cellulosic filament	1.0	M2
621	Impression	14.0	kg.
622	Filament glass fibre	1.0	M2
624	Man-made fibre fabric, woven, containing more than 15 per cent but not more than 36 per cent wool	1.0	M2
Staple/Filament Combination:			
625	Poplin and broadcloth	1.0	M2
626	Printcloth	1.0	M2
627	Sheeting	1.0	M2
628	Twills and sateens	1.0	M2
629	Other MMF	1.0	M2

ANNEX A(2) (cont'd)

<u>Category</u>	<u>Description</u>	<u>Conversion Factor to square metres</u>	<u>Unit</u>
<u>Apparel</u>			
431	Gloves and mittens	1.8	Dpr
432	Hosiery	2.3	Dpr
433	M and B suit-type coats	30.1	Doz
434	Other M and B coats	45.1	Doz
435	W and G coats	45.1	Doz
436	Dresses	41.1	Doz
438	Knit shirts and blouses	12.5	Doz
439	Infants' wear	6.3	kg.
440	Shirts and blouses, not knit	20.1	Doz
442	Skirts	15.0	Doz
443	M and B suits	3.76	Nos
444	W and G suits	3.76	Nos
445	M and B sweaters	12.4	Doz
446	W and G sweaters	12.4	Doz
447	M and B trousers, slacks and shorts	15.0	Doz
448	W and G trousers, slacks and shorts	15.0	Doz
459	Other wool apparel	3.7	kg.
630	Handkerchiefs	1.4	Doz
631	Gloves and mittens	2.9	Dpr
632	Hosiery	3.8	Dpr
633	M and B suit-type coats	30.3	Doz
634	Other M and B coats	34.5	Doz
635	W and G coats	34.5	Doz
636	Dresses	37.9	Doz
637	Playsuits, sunsuits, etc.	17.8	Doz
638	M and B knit shirts	12.96	Doz
639	W and G knit shirts and blouses	12.96	Doz
640	M and B shirts, not knit	20.1	Doz
641	W and G shirts and blouses, not knit	12.1	Doz
642	Skirts	14.9	Doz
643	M and B suits	3.76	Nos
644	W and G suits	3.76	Nos
645	M and B sweaters	30.8	Doz
646	W and G sweaters	30.8	Doz
647	M and B trousers, slacks and shorts	14.9	Doz
648	W and G trousers, slacks and shorts	14.9	Doz
649	Brassières and body supporting garments	4.0	Doz
650	Dressing gowns, etc.	42.6	Doz
651	Nightwear and pyjamas	43.5	Doz
652	Underwear	13.4	Doz
653	M and B down-filled coats	34.5	Doz
654	W and G down-filled coats	34.5	Doz
659	Other man-made fibre apparel	14.4	kg.

ANNEX A(2) (cont'd)

<u>Category</u>	<u>Description</u>	<u>Conversion Factor to square metres</u>	<u>Unit</u>
<u>Made-up and Miscellaneous Textiles</u>			
464	Blankets	2.4	kg.
465	Floor coverings	1.0	M2
469	Wool manufactures, nspf	3.7	kg.
665	Floor coverings	1.0	M2
666	Other furnishings	14.4	kg.
669	Man-made fibre manufactures, nspf	14.4	kg.
670	Flat goods, handbags, luggage	3.7	kg.

ANNEX B(1)

New Category System Without the Harmonized System
(Interim HCC Category System)

Category	1988 Limit	1989 Limit	Unit
604	3,250,000	3,282,500	lb.
Group III	44,961,880	48,109,212	SYE
433/434	6,674	6,741	doz
435	3,451(A)	3,486	doz
443	97,236	98,208	NO
444	50,028(A)	50,528	NO
635	59,891	64,083	doz
643/644pt (Not knit)	472,812	505,909	NO
638/639	339,942	363,738	doz
645/646	233,944	240,962	doz

(A) The Limits for Categories 435 and 444 are separate, and are based on a trade weighted percentage, because, the units for each category are different under the interim system.

ANNEX B(2)

New Category System Under the Harmonized System
(HCC Category System)

Category	1988 Limit	1989 Limit	Unit
604	1,474,175	1,488,917	kg.
Group III	37,593,858	40,225,428	SME
443	97,224	98,196	NO
433/434	6,108	6,169	doz
435	4,978(A)	5,028	doz
444	31,704(A)	32,021	NO
643/644pt (Not knit)	465,852	498,462	NO
638/639	339,942	363,256	doz
635	60,471(B)	64,704	doz
645/646	233,944	240,962	doz

(A) The Limits for Categories 435 and 444 are separate, and are based on a trade weighted percentage, because the units for each category are different under the HCC.

ANNEX C(1)

New Category System Without the Harmonized System
(Interim HCC System)

Category	Base limit	Unit
Group II	12,000,000	SYE
410	200,000	SYE
465	1,550,000	Sft
618	2,000,000	SYE
666	256,410	lb.
442	6,500	doz
448	6,500	doz
459	75,000	lb.
633	44,199	doz
634	53,687	doz
634 (knit)	36,604	doz
634 (not knit)	17,083	doz
640	70,150	doz
641	44,850	doz
643/644 (knit)	24,996	NO
647	80,737	doz
648	57,746	doz
659	224,359	lb.

ANNEX C(2)

New Category System With the Harmonized System

Category	Base limit	Unit
Group II	10,033,528	SME
410	167,225	SME
465	129,600	M2
618	1,672,255	M2
666	116,306	kg.
442	8,026	doz
448	6,500	doz
459	34,019	kg.
633	44,199	doz
634	53,687	doz
634 (knit)	36,604	doz
634 (not knit)	17,083	doz
640	70,150	doz
641	44,850	doz
643/644 (knit)	24,996	NO
647	80,737	doz
648	57,746	doz
659	101,768	kg.

Romania Note

Bucharest
29 May 1989

The Ministry of Foreign Trade and International Economic Co-operation of the Socialist Republic of Romania presents its compliments to the Embassy of the United States and has the honour to acknowledge receipt of the Embassy's Verbal Note 68/1988 concerning certain amendments to the Bilateral Agreement relating to trade in wool and man-made fibre textiles and textile products effected by exchange of notes dated 7 and 16 November 1984, as amended (the Agreement).

The Ministry of Foreign Trade and International Economic Co-operation of the Socialist Republic of Romania informs the Embassy of the United States that the amendments proposed in that Verbal Note, as a result of the full implementation of the Harmonized Commodity Code in the United States, are acceptable to the Government of the Socialist Republic of Romania.

Consequently the Embassy's Verbal Note No. 68/1988 and this Note of confirmation shall constitute an amendment to the Wool and Man-Made Fibre Textile Agreement between our two Governments.

The Ministry of Foreign Trade and International Economic Co-operation of the Socialist Republic of Romania avails itself of this opportunity to renew to the Embassy of the United States the assurances of its highest consideration.

27 February 1989

United States and Romania Amend
Bilateral Textile Agreement

The United States and Romania amended their Bilateral Textile Agreement by exchange of notes dated 28 December 1988 and 27 May 1989. Texts of the letters follow.

United States Note

No. 448

Bucharest,
28 December 1988

The Embassy of the United States presents its compliments to the Government of the Socialist Republic of Romania and has the honour to refer to the Agreement between the Socialist Republic of Romania and the United States relating to trade in wool and man-made fibre textiles and textile products, with Annexes, effected by exchange of notes dated 7 and 16 November 1984, as amended (the Wool and Man-Made Fibre Agreement). The Embassy has the further honour to refer to the Agreement between the Socialist Republic of Romania and the United States relating to trade in Cotton Textiles, with Annexes, effected by exchange of notes dated 28 January and 31 March 1983, as amended (the Cotton Agreement).

I. As a result of the implementation of the Harmonized System by the Government of the United States, the Embassy, on behalf of the Government of the United States, proposes the following amendment to the Wool and Man-Made Fibre Agreement.

Paragraph 2 shall be replaced by the following:

2. The System of categories and rates of conversion into square metres equivalent listed in Annex A(2) shall apply implementing the agreement.

For the purposes of this Agreement, the following categories are merged and treated as single categories and sub-categories:

Categories merged	Designation in Agreement	Conversion factor	Sub-categories
433; 434	433/434	35.20	none
638; 639	638/639	12.96	none
643; 644	643/644	3.75	643/644 part (knit) 643/644 part (not knit)
645; 646	645/646	30.8	none

II. The unit of measure and limit for Category 359 in Annex C(2) of the Cotton Agreement is incorrect. The Embassy, on behalf of the Government of the United States proposes that Annex C(2) of the Cotton Agreement be amended as follows:

Category	Unit	Type of limit	Limit
359	kg.	DCL	652,174

If these two proposals are acceptable to the Government of the Socialist Republic of Romania then this Note and a Note of Confirmation on behalf of your Government shall constitute amendments to the Wool and Man-Made Fibre Agreement and the Cotton Agreement, respectively.

The Embassy of the United States avails itself of this opportunity to renew to the Government of the Socialist Republic of Romania the assurances of its highest consideration.

The Embassy of the United States
Bucharest, 28 December 1988

Romania Note

The Ministry of Foreign Trade and International Economic Co-operation of the Socialist Republic of Romania presents its compliments to the Embassy of the United States and has the honour to acknowledge receipt of the Embassy's Verbal Note 448/1988, which reads as follows:

"I. As a result of the implementation of the Harmonized System by the Government of the United States, the Embassy, on behalf of the Government of the United States, proposes the following amendment to the Wool and Man-Made Fibre Agreement:

Paragraph 2 shall be replaced by the following:

2 The system of categories and rates of conversion into square metres equivalent listed in Annex (2) shall apply in implementing the agreement.

For the purpose of this Agreement, the following categories are merged and treated as single categories and sub-categories:

Categories merged	Designation in Agreement	Conversion factor	Sub-categories
433; 434	433/434	35.20	none
638; 639	638/639	12.96	none
643; 644	643/644	3.75	643/644 part (knit)
			643/644 part (not knit)
645; 646	645/646	30.8	none

II. The unit of measure and limit for Category 359 in Annex C(2) of the Cotton Agreement is incorrect. The Embassy, on behalf of the Government of the United States proposes that Annex C(2) of the Cotton Agreement be amended as follows:

Category	Unit	Type of limit	Limit
359	kg.	DCL	652,174

If these two proposals are acceptable to the Government of the Socialist Republic of Romania then this Note and a Note of Confirmation on behalf of your Government shall constitute Amendments to the Wool and Man-made Fibre Agreements and the Cotton Agreements, respectively."

We have the honour to confirm that the proposals contained in your verbal note are acceptable to the Romanian side.

The Ministry of Foreign Trade and International Economic Co-operation of the Socialist Republic of Romania avails itself of this opportunity to renew to the Embassy of the United States the assurances of its highest consideration.

Ministry of Foreign Trade
and International Economic Co-operation

Bucharest, 27 May 1989