

# GENERAL AGREEMENT ON

## TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1776\*

24 August 1992

Special Distribution

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### Textiles Surveillance Body

#### ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

##### Notification under Article 4:4

##### Extension and modification of the bilateral agreement between the United States and Bangladesh

The Textiles Surveillance Body received a notification from the United States of an extension with modifications of its bilateral agreement with Bangladesh. The validity of the differing restraint periods was consolidated for the period 1 February 1992 to 31 January 1995.<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 text of the notification to participating countries for their information.

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<sup>1</sup>The bilateral agreement, previous amendments and extensions are contained in COM.TEX/SB/1158, 1232, 1280, 1319, 1351, 1536, 1566, 1567 and 1640.

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

\* English only/Anglais seulement/Inglés solamente

**UNITED STATES NOTE TO THE PEOPLE'S REPUBLIC OF BANGLADESH**

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the People's Republic of Bangladesh and has the honour to refer to the Arrangement Regarding International Trade in Textiles done at Geneva on 20 December 1973 and extended by Protocols adopted respectively on 17 December 1977, 22 December 1991, 31 July 1986 and 31 July 1991 at Geneva; to the Agreement as amended, between the People's Republic of Bangladesh and the United States of America relating to trade in certain apparel categories, effected by exchange of letters of 19 and 24 February 1986, in Washington, D.C (hereinafter the Agreement); and to discussions held between representatives of the Government of the People's Republic of Bangladesh and the Government of the United States of America held in Washington on 3-5 April and in Dhaka on 16-19 September 1991.

The Embassy has the further honour to propose on behalf of the Government of the United States of America, that the agreement between the People's Republic of Bangladesh and the United States be amended as follows:

1. The term of the agreement shall be the three year period from 1 February 1992 through 31 January 1995. Each agreement year shall be a twelve-month period from 1 February of a given year through 31 January of the following year.
2. The following new specific limits shall be established Categories 237, 363 and 634. 1991 specific limits for these three categories were established retroactively. These, and all other specific limits agreed upon for each of the agreement years, are set out in a new Annex A, attached. The uplifts in 1992 for each of these specific limits, except Categories 237, 363 and 634, shall be ten (10) per cent; for every year thereafter all specific limits shall have growth rates of seven (7) per cent. This growth rate is reflected in the specific limits given in the new Annex A. The sub-limits on Categories 340-Y/640-Y, 341-Y and 647-T/648-T shall be eliminated.
3. Seven (7) per cent swing shall be available for all categories. Six (6) per cent carry forward and a maximum of eleven (11) per cent carryover are available in all categories; combined carry forward and carryover shall not exceed 11 per cent. Carry forward shall not be available in the final agreement year.
4. In addition to regular flexibility, special shift, which shall be calculated on the base level of the receiving category, shall be available as follows:
  - 10 per cent between 347/348 and 847;
  - 10 per cent between 334 and 335;
  - 10 per cent between 335 and 336;
  - 15 per cent into 641 and 647/648 (in dozens) from any other specific limit except 331

5. The Embassy of the United States has the honour to propose the inclusion of the following language in the extended agreement:

"Special carryover shall be considered if needed year-ending 1991 data will be analysed to determine whether and to what extent the 1991 natural calamities led to significant shortfalls of imports for the year."

**ANNEX A**

Category/Unit	Base Level 1/10/91 - 31/1/92	Base Level 1/2/92 - 31/1/93	Base Level 1/2/93 - 31/1/94	Base Level 1/2/94 - 31/1/95
237 doz	85,595	304,500	325,815	348,622

Category/Unit	Base Level 1/6/91 - 31/1/92	Base Level 1/2/92 - 31/1/93	Base Level 1/2/93 - 31/1/94	Base Level 1/2/94 - 31/1/95
363 nos	10,404,110	16,585,000	17,745,950	18,988,167
634 doz	184,589	325,000	347,750	372,093

Categories 237, 363 and 634 each have growth rates of seven (7) per cent.

Category	Unit	Base Level 1/2/92 - 31/1/93	Growth	Base Level 1/2/93 - 31/1/94	Base Level 1/2/94 - 31/1/95
331	dpr	771,438	7	825,439	883,220
334	doz	92,896	7	99,399	106,357
335	doz	166,795	7	178,471	190,964
336/636	doz	284,271	7	304,170	325,462
338/339	doz	864,677	7	925,204	989,968
340/640	doz	1,954,654	7	2,091,480	2,237,884
341	doz	1,619,254	7	1,732,602	1,853,884
342/642	doz	280,156	7	299,767	320,751
347/348	doz	1,457,327	7	1,559,340	1,668,494
351/651	doz	444,946	7	476,092	509,418
369-S	kg	1,111,704	7	1,189,523	1,272,790
635	doz	210,562	7	225,301	241,072
638/639	doz	1,096,568	7	1,173,328	1,255,461
641	doz	678,027	7	725,489	776,273
645/646	doz	257,517	7	275,543	294,831
647/648	doz	916,559	7	980,718	1,049,368
847	doz	463,485	7	495,929	530,644

If the foregoing proposal is acceptable to the Government of the People's Republic of Bangladesh, then this note and its note of confirmation shall constitute an amendment to the Agreement between the Government of the People's Republic of Bangladesh and the Government of the United States of America.

(End of Note; Complimentary Close)

BANGLADESH NOTE

Begin Text

The Ministry of Foreign Affairs, Government of the People's Republic of Bangladesh presents its compliments to the Embassy of the United States of America and has the honour to invite kind attention to their Note Verbale No. 006 dated 20 January 1992 regarding the Bilateral Textile Agreement signed on 19 September 1991 between Bangladesh and the USA, and its proposed amendments thereof.

The Ministry of Foreign Affairs has the privilege of informing the esteemed Embassy that the amendments proposed by the Government of the USA through their Note Verbale No. 006 are acceptable to the concerned authorities of Bangladesh subject to the following observations:

- I) The Agreement may contain the sentence "Provisions of the current Agreement not affected by this amendment will remain in effect."
- II) At Para. 3 of the Agreement signed on 19-9-1992 special shift, among others, was granted between Category 335 and 635, while at Sub-para. 4 of Para. 2 of Note No. 006 such special shift has been shown between Category 335 and 336. This may be amended and special shift between Category 335 and 635 be granted.
- III) The Agreement may also include the following provision of special shift as was stipulated in Bilateral Agreement signed on 17 September 1987:

Special shift of 11.25 per cent shall be available for either Category 338/339 or 638/639 provided that an equivalent quantity in square yards is deducted from the other category in the same agreement year.

The Ministry of Foreign Affairs has the honour to convey the above-mentioned observations for the esteemed Embassy's kind information and appreciate action.

The Ministry of Foreign Affairs avails itself of this opportunity to renew to the Embassy the assurances of its highest consideration.

End Text

UNITED STATES NOTE

Begin Text

The Embassy of the United States of America has the honour to refer to the Government of the People's Republic of Bangladesh to the Memorandum of Understanding of 19 September 1991 between the Government of the United States of America and the Government of the People's Republic of Bangladesh concerning trade in certain apparel and other textile categories (hereinafter known as the Agreement); to this Embassy's Note of 20 January 1992 proposing amendments to the Agreement; and, to the Note of the Government of the People's Republic of Bangladesh of 3 February 1992 concerning acceptance of the proposed amendments and formalization of the Agreement subject to certain observations.

The Government of the United States has taken these observations under advisement and concurs with the following amendments to the Agreement:

- In Paragraph 4 of the Agreement, the phrase "10 percent between 335 and 336," should read "10 percent between 335 and 635."
- A new Paragraph 5 should be created and the present Paragraph 5 should become Paragraph 6. The new Paragraph 5 should read: "Special shift of 11.25 percent shall be available for either Category 338/339 or 638/639, provided that an equivalent amount in square meters is deducted from the other category in the same agreement year. The square meter equivalent conversion factor for 338/339 shall be 6.0; the square meter equivalent factor for 638/639 shall be 12.96."

However, since the proposed agreement is an all inclusive consolidation of the present agreement and all its existing amendments, the Government of the United States does not consider it necessary or appropriate to amend the proposed agreement with the following sentence submitted by the Government of the People's Republic of Bangladesh: "Provisions of the current Agreement not affected by this amendment will remain in effect."

If the foregoing is acceptable to the Government of Bangladesh then this note and the note by the Government of the People's Republic of Bangladesh in confirmation shall constitute an agreement between the Government of the People's Republic of Bangladesh and the Government of the United States of America.

(Complimentary Close)

End Text

BANGLADESH NOTE

Begin Text

The Ministry of Foreign Affairs, Government of the People's Republic of Bangladesh, presents its compliments to the Embassy of the United States of America in Dhaka and has the honour to invite kind attention to Embassy's Note Verbale No. 28 dated 29th March 1992 regarding the Bilateral Textile Agreement signed on 19 September 1991 between Bangladesh and USA and its amendments thereof.

The Ministry has the privilege of informing the Embassy that the amendments mentioned in the said note verbale are acceptable to the Ministry of Commerce.

The Ministry of Foreign Affairs, therefore, requests the Embassy of the United States of America in Dhaka for taking necessary steps so that the agreement could be ratified by the concerned authorities in the USA.

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

End Text