

GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1788*

25 August 1992

Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Extension with modifications of the bilateral agreement between the United States and Pakistan

The Textiles Surveillance Body received a notification from the United States of an extension with modifications of its bilateral agreement with Pakistan for the period 1 January to 31 December 1992.¹

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

¹The bilateral agreement and amendments are contained in COM.TEX/SB/1322, 1323, 1475 and 1643.

²See COM.TEX/SB/35, Annex B.

* English only/Anglais seulement/Inglés solamente

EMBASSY OF THE UNITED STATES OF AMERICA

Nc. 131

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Islamic Republic of Pakistan 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 1981, 31 July 1986, and 31 July 1991 at Geneva; to the Agreement, as amended, between the Islamic Republic of Pakistan and the United States of America relating to trade in certain apparel categories, effected by an exchange of notes, on 20 May and 11 June 1987, in Washington, D.C. (hereinafter the Agreement) and, to discussions between representatives of the Government of the Islamic Republic of Pakistan and representatives of the Government of the United States of America held in London, 10-12 July; in Islamabad, 12-15 September; and in Washington on 12-14 November 1991 and 9-14 January 1992.

The Embassy has the further honour to propose, on behalf of the Government of the United States of America, that the Agreement between the Islamic Republic of Pakistan and the United States of America be extended to read as follows:

AGREEMENT BETWEEN THE GOVERNMENT OF PAKISTAN
AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA
CONCERNING TRADE IN TEXTILES AND TEXTILE PRODUCTS

Term of Agreement

1. (A) The Term of the Agreement will be the period from 1 January 1992 through 31 December 1992. Each "Agreement Year" shall be the period spanning 1 January through 31 December of the same year.

(B) Should the Uruguay Round Transition Arrangement for Integration of the Textiles Sector into the GATT not come into force in January 1993, this Agreement will be extended for a second year commencing on 1 January 1993. However, any such extension of this Bilateral Agreement shall be brought into conformity with any successor to the current Protocol of Extension to the MFA if changes are made therein.

(C) This Agreement will cease to have effect from the date the Uruguay Round Transition Arrangement for Integration of the Textiles Sector into the GATT comes into force.

Coverage and Structure

2. Textiles and textile products covered by this Agreement shall be classified as follow:

Definition

- (A) Specific limits as listed in Annex B of this Agreement;
- (B) Other cotton categories and the aggregate designated consultation level as listed in Annex C of this Agreement;
- (C) One other designated consultation level as listed in Annex D of this Agreement; and
- (D) Other products in the 200 and 600 category series not listed in Annex B, C or D but listed in Annex A.

The determination of whether a textile or textile product is of cotton, man-made, silk blend or vegetable blend fibre shall be made in accordance with the terms of Paragraph 3.

Classification

3. (A - I) 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 fibre, silk, vegetable 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 or 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:

(A) Cotton textiles, if the product is in chief weight of cotton, or if cotton with wool and/or man-made fibres in the aggregate equal or exceed 50 per cent by weight of the component fibres thereof and, the cotton component equals or exceeds the weight of each of the total wool and/or man-made fibre components, unless 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.

(B) 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.

(C) 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 fibre component exceeds the weight of the total wool and/or cotton component, unless:

- (1) 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;

- (2) 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;
 - (3) 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.
3. (A - II) Silk or non-cotton vegetable fibre textiles, if none of the foregoing applies and the product is in chief weight of silk or non-cotton vegetable fibre unless:
- (A) Cotton with wool and/or man-made fibres in the aggregate equal or exceed 50 per cent by weight of the component fibres thereof and the cotton component equals or exceeds the weight of each of the total wool and/or man-made fibre components, in which case the product will be a cotton textile.
 - (B) If not covered by (A) and wool exceeds 17 per cent by weight of all component fibres, in which case the product will be considered a wool textile.
 - (C) If not covered by (A) or (B) and 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 fibre component exceeds the weight of the total wool and/or total cotton component, in which case the product will be considered a man-made fibre textile.
3. (A - III) Notwithstanding the above, garments which contain 70 per cent or more by weight silk (unless they also contain over 17 per cent by weight wool), and products other than garments which contain 85 per cent or more by weight silk, are not subject to this Agreement. Silk and non-cotton vegetable fibre sweaters, as determined above, shall be divided into "silk" sweaters, and "non-cotton vegetable fibre" sweaters. For the purpose of this division, sweaters shall be classified as "silk" if the silk component exceeds by weight the non-cotton vegetable fibre component (if any). Sweaters not classified as "silk" sweaters in accordance with the foregoing shall be classified as "non-cotton vegetable fibre" sweaters. Garments containing 70 per cent or more by weight silk and over 17 per cent by weight wool shall be classified as wool textiles under Sub-paragraph 3. (A - I)B.
3. (A - IV) 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.

System of Categories

4. (A) The system of categories and the rates of conversion into square meters equivalent (SME) listed in Annex A shall apply in implementing this Agreement.

(B) For the purposes of this Agreement, the categories listed below are merged and treated as single categories as indicated.

<u>Categories Merged</u>	<u>Designation in Agreement</u>
226 and 313	226/313
313 and 631	313/631
336 and 636	336/636
340 and 640	340/640
341 and 641	341/641
347 and 348	347/348
351 and 651	351/651
352 and 652	352/652
359-C and 659-C	359-C/659-C
613 and 614	613/614
638 and 639	638/639
647 and 648	647/648

The square meter equivalent conversion factor for Category 359-C/659-C shall be 10.10; the square meter equivalent conversion factor for Category 638/639 shall be 12.96.

Limits

5. (A) For the duration of this Agreement, the Government of Pakistan shall limit annual shipments to the United States of Categories in Annexes B, C and D to the specified levels set out in these Annexes. The specific limits may be adjusted in accordance with paragraphs 8 (Swing) and 9 (Carryover and Carry forward). The limits set out in Annexes B, C and D do not include any adjustments permitted under Paragraphs 8 and 9.

(B) In the event the Government of Pakistan wishes to export to the United States of America textiles and textile products in excess of the applicable designated consultation levels, the Government of Pakistan shall request the higher levels and the Government of the United States of America shall consider the request sympathetically and shall respond promptly. If, because of problems of market disruption, as defined in Annex A of the Arrangement, the United States of America, in a category or the aggregate designated consultation level subject to such request, the United States of America is unable to comply fully, the Government of the United States will so inform the Government of Pakistan and will supply data which form the basis for the position taken by the Government of the United States of America. If requested by the Government of Pakistan, the Government of the United States will consult promptly respecting the presence or absence of market disruption as defined in Annex A of the Arrangement. Until a mutually satisfactory change in the designated consultation level of the category in question is established, shipments shall not exceed the designated consultation level.

Consultation Mechanism

6. (A) In the event that the Government of the United States of America believes that imports of other products from Pakistan in any category or categories not covered by paragraphs 2(A) and 2(C) are, due to market disruption or the threat thereof, threatening to impede the orderly development of trade between the two countries, the Government of the United States of America may request consultations with the Government of Pakistan with a view to easing or avoiding such disruption. The Government of the United States of America will provide the Government of Pakistan, at the time of the request, with a statement of reasons for its request for consultations, which, in the view of the Government of the United States of America demonstrates:
- (1) The existence or the threat of market disruption as defined in Annex A of the Arrangement, and
 - (2) The rôle of exports from Pakistan in that disruption or threat of disruption.
- (B) The Government of Pakistan agrees to consult with the Government of the United States within 30 days of the receipt of the request for consultations. Both sides agree to make every effort to reach agreement on a mutually satisfactory resolution of the issue within 90 days of the receipt of the request.
- (C) During the 90-day consultation period, the Government of Pakistan agrees to hold its exports to the United States in the category or categories subject to these consultations to a level no greater than 35 per cent of the amount entered, as reported in US General Imports Statistics, during the first 12 of the most recent 14 months preceding the month in which the request for consultations was made.
- (D) If no mutually satisfactory solution is reached during these consultations, the Government of the United States of America may establish a specific limit for the category of categories concerned. The amount will not be less than the amount, as reported in US General Import Statistics, entered during the first 12 of the most recent 14 months preceding the month in which the request for consultations was made plus 20 per cent.
- (E) To facilitate administration, the specific limit established under sub-paragraph 6(D) may be combined with the limit established by sub-paragraph (C), at the discretion of the United States.
- (F) A specific limit established under sub-paragraph 6(D) will be effective for the period beginning on the first day following the conclusion of the 90 day consultation period ending on the last day of the then current Agreement Year. If a specific limit is established during an Agreement Year, the specific limit and available swing will be prorated to correspond to the number of days remaining in the existing Agreement Year. Full carry forward will be available. Carryover will not be available during the Agreement Year in which the limit is established following the request for consultations. For the second and, each succeeding Agreement Year the specific limit established under sub-paragraph 6(D) will be increased by seven per cent annual growth.

(G) The Government of the United States of America may assist the Government of Pakistan in implementing the provisions of this consultation mechanism. Exports in excess of authorized limits for any period, if allowed entry into the United States, will be charged to the applicable limit for the succeeding period.

Overshipments

7. (A) Exports from Pakistan 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 entry into the United States and charged to the applicable limit in the succeeding Agreement Year.

(B) Exports from Pakistan 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. The Government of the United States will inform the Government of Pakistan of any such charges.

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

Flexibility Swing

8. During any Agreement Year, the specific limits set out in Annex B, and categories converted to specific limits, may be exceeded by not more than the per cent indicated in Annex B in the case of existing specific limits and seven (7) per cent in the case of categories converted to specific limits provided that the amount of the increase in one specific limit is compensated for by an equivalent decrease, in terms of square meters equivalent, in the specific limit of another category in Group I. In addition special shift may be applied to the specific limits as indicated in Annex B.

Carryover/Carry Forward

9. (A) In any Agreement Year, in addition to any adjustment pursuant to paragraph 8, exports may be exceeded by a maximum of 11 per cent of the specific limit by allocating to such limit for that Agreement Year an unused portion (shortfall) of the corresponding base limit for the previous Agreement Year, which previous limit will be decreased by the same amount (carryover), or a portion of the corresponding base limit for the succeeding Agreement Year, which will be deducted from the succeeding Agreement Year's corresponding limit (carry forward) subject to the following conditions:

(I) Carryover may be utilized as available up to 11 per cent of the receiving Agreement Year's applicable limit;

(II) Carry forward may be utilized up to 6 per cent of the receiving Agreement Year's applicable limit;

(III) The combination of carryover and carry forward may not exceed 11 per cent of the receiving Agreement Year's applicable limit in any Agreement Year.

(B) For the purposes of this Agreement, a shortfall occurs when exports of textile products from Pakistan to the United States of America during an Agreement Year are below the applicable specific limit, as set forth in Annex B. In the Agreement Year following the shortfall, such exports from Pakistan to the United States of America may be permitted to exceed the specific limit, subject to the conditions of sub-paragraph 9(A) by carryover of shortfalls in the following manner:

(I) Carryover in any limit shall not exceed the amount of shortfall in any applicable specific limit;

(II) In the case of shortfall in a category subject to a specific limit, the carryover shall be used in the category in which the shortfall occurred;

(III) Any applicable specific limit for the Agreement Year in which the shortfall occurred shall be decreased by the amount used to exceed the following Agreement Year's limit.

(C) The limits referred to in sub-paragraphs (A) and (B) of this paragraph are without any adjustment under this paragraph or paragraph 8. The total adjustment under this paragraph shall be in addition to adjustments to the limits permitted by paragraph 8.

Administrative Arrangements

10. Mutually satisfactory administrative arrangements or adjustments may be made to resolve minor problems arising in the implementation of the Agreement, including differences in points of procedure or operation.

Data Exchange

11. (A) The Government of the United States of America shall promptly supply the Government of Pakistan with data on monthly imports of cotton, man-made fibre and silk-blend and vegetable fibre textiles and textile products into the United States of America from Pakistan.

(B) The Government of Pakistan shall promptly supply the Government of the United States of America with data on monthly exports of cotton and man-made fibre and silk-blend and vegetable fibre textiles and textile products from Pakistan to the United States of America.

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

Spacing

12. The Government of Pakistan shall use its best efforts to space exports from Pakistan to the United States of America within each category evenly throughout each agreement year, taking into consideration normal seasonal factors.

Equity

13. If the Government of Pakistan considers that as a result of limitation specified in this Agreement, it is being placed in an inequitable position in relation to a third country, the Government of Pakistan may request consultations with the Government of the United States of America with a view to taking appropriate remedial actions such as reasonable modification of the Agreement. These consultations will begin within 30 days from the date of request, unless mutually agreed otherwise.

Article 3 Procedures

14. For the duration of this Agreement, the Government of the United States of America shall not invoke the procedures of Article 3 of the Arrangement to request restraint on the export of textiles and textile products covered by this Agreement from Pakistan to the United States. The Government of the United States of America and the Government of Pakistan reserve their rights under the Arrangement with respect to textiles and textile products not subject to this Agreement.

Administration of Agreement

15. The Government of Pakistan shall administer its export control system under this Agreement. The Government of the United States of America may assist the Government of Pakistan in implementing the limitation provisions of this Agreement by controlling imports of textiles and textile products covered by this Agreement.

Handloom and Folklore Items

16. Exports of handloom fabrics of the cottage industry, handmade cottage industry products made of such handloomed fabrics, and traditional folklore handicraft textile products, also known as "Pakistan Items", are not within the purview of this Agreement. A list of Pakistan items with definitions, as identified by representatives of both Governments, is attached to this Agreement as Annex E, and will serve as a basis for implementing this provision of the Agreement.

Visa System

17. The export visa system and certification procedure for handmade cottage industry products and "Pakistan Items", which have been implemented by previous administrative arrangements, will be continued in force.

Implementation of Questions

18. (A) The Government of the United States of America and the Government of Pakistan agree to consult upon the request of the other on any questions arising in the implementation of this Agreement.

(B) If the two Governments are unable to reach a mutually satisfactory solution within a reasonable period of time to problems which have been the subject of consultations under this Agreement or its related documents, either Government may, after notification to the other Government, refer such problems to such international organizations, to which both Governments are parties, which deal with the subject matter of this Agreement.

Revisions

19. The Government of the United States of America and the Government of Pakistan 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.

Cooperation in the Prevention of Circumvention

20. (A) The Government of the United States and the Government of Pakistan agree to cooperate to prevent circumvention of this Agreement by transshipment, rerouting, or whatever other means.

(B) Subject to domestic laws, the competent authorities of the Government of Pakistan and the United States will cooperate with each other and to this end the authorities of the Government of Pakistan and those of the United States will assist each other:

(I) In securing from parties and government agencies documents, correspondence, and relevant reports;

(II) By providing for plant and warehouse visits and inspections by prior notification by authorized personnel;

(III) By facilitating personal interviews designed to ascertain needed facts.

(C) Where information available to the Government of the United States or to the Government of Pakistan as a result of investigations constitutes evidence that products subject to this Agreement have been transshipped, rerouted, or otherwise imported into the United States in circumvention of this Agreement, either Government may request consultations, with each other and with other countries where exporters are involved in the circumvention, with a view to seeking promptly a mutually satisfactory solution. Such consultations shall take place and be concluded within 120 days of such a request.

(D) The Governments of Pakistan and the United States agree that in cases where evidence is available regarding country of true origin of unauthorized shipments, the quantities involved may be charged to the existing quotas to reflect the country of true origin of unauthorized shipments. Any such adjustment, together with its timing and scope, may be taken after consultations with a view towards arriving at a mutually satisfactory solution between the concerned parties.

Major Review

21. The two Governments agree to undertake a major review of the Agreement at the request of either Government.

Right to Terminate Agreement

22. Either Government may terminate this Agreement, effective at the end of any Agreement Year, by written notice to the other, to be given at least 90 days prior to the end of such Agreement Year.

Attachments:

Annexes A, B, C, D, E

Annex A

<u>Category</u>	<u>Description</u>	<u>Conversion Factor to square metres</u>	<u>Unit</u>
<u>Yarn</u>			
200	Yarns put up for retail sale, and sewing thread, cotton, wool and man-made fibre	6.6	kg.
201	Other yarns, c & mmf	6.5	kg.
300	Carded yarns, cotton	8.5	kg.
301	Combed yarns, cotton	8.5	kg.
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, mmf	6.5	kg.
800	Silk blends and non-cotton vegetable fibres	8.5	kg.
<u>Fabric</u>			
218	Yarns of different colours, c & mmf	1.0	m ²
219	Duck, c & mmf	1.0	m ²
220	Fabric of special weave, c & mmf	1.0	m ²
222	Knit fabric, c & mmf	12.3	kg.
223	Non-woven fabrics, c & mmf	14.0	kg.
224	Pile and tufted fabrics, c & mmf	1.0	m ²
225	Denim, c & mmf	1.0	m ²
226	Cheesecloth, batistes, etc., c & mmf	1.0	m ²
227	Oxford cloth, c & mmf	1.0	m ²
229	Special purpose fabric, c & mmf	13.6	kg.
313	Cotton sheeting	1.0	m ²
314	Cotton poplin and broadcloth	1.0	m ²
315	Cotton printcloth	1.0	m ²
317	Cotton twills	1.0	m ²
326	Cotton sateens	1.0	m ²
410	Wool woven fabrics	1.0	m ²
414	Other wool fabrics	2.8	kg.
611	Staple artificial fabrics, by weight, 85 per cent or more	1.0	m ²
613	Sheeting	1.0	m ²
614	Poplin and broadcloth	1.0	m ²

<u>Category</u>	<u>Description</u>	<u>Conversion Factor to square metres</u>	<u>Unit</u>
<u>Fabric (cont'd)</u>			
615	Printcloth	1.0	m ²
617	Twills and sateens	1.0	m ²
618	Cellulosic filament	1.0	m ²
619	Non-cellulosic filament, poly	1.0	m ²
620	Other non-cellulosic filament	1.0	m ²
621	Impression	14.0	kg.
622	Glass fibre	1.0	m ²
624	Man-made fibre fabric, woven, containing more than 15 per cent but not more than 36 per cent wool	1.0	m ²
<u>Staple/Filament Combination</u>			
625	Poplin and broadcloth	1.0	m ²
626	Printcloth	1.0	m ²
627	Sheeting	1.0	m ²
628	Twills and sateens	1.0	m ²
629	Other mmf	1.0	m ²
810	Silk blends and other non-cotton vegetable fibre	1.0	m ²
<u>Apparel</u>			
237	Playsuits, sunsuits, etc.	19.2	Doz
239	Infants' wear of cotton and man-made fibre	6.3	kg.
330	Handkerchiefs	1.4	Doz
331	Gloves and mittens	2.9	Dpr
332	Hosiery	3.8	Dpr
333	M and B suit-type coats	30.3	Doz
334	Other M and B coats	34.5	Doz
335	W and G coats	34.5	Doz
336	Dresses	37.9	Doz
338	M and B knit shirts	6.0	Doz
339	W and G knit shirts and blouses	6.0	Doz
340	M and B shirts, not knit	20.1	Doz
341	W and G shirts and blouses, not knit	12.1	Doz
342	Skirts	14.9	Doz
345	Sweaters	30.8	Doz
347	M and B trousers, slacks and shorts	14.9	Doz
348	W and G trousers, slacks and shorts	14.9	Doz
349	Brassières and body supporting garments	4.0	Doz
350	Dressing gowns, etc.	42.6	Doz
351	Nightwear and pyjamas	43.5	Doz
352	Underwear	9.2	Doz
353	M and B down-filled coats	34.5	Doz
354	W and G down-filled coats	34.5	Doz
359	Other cotton apparel	8.5	kg.
431	Gloves and mittens	1.8	Dpr
432	Hosiery	2.3	Dpr
433	M and B suit-type coats	30.1	Doz

<u>Category</u>	<u>Description</u>	<u>Conversion Factor to square metres</u>	<u>Unit</u>
	<u>Apparel</u> (cont'd)		
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.
831	Gloves and mittens	2.9	Dpr
832	Hosiery	3.8	Dpr
833	M and B suit-type coats	30.3	Doz
834	Other M and B coats and jackets	34.5	Doz
835	W and G coats and jackets	34.5	Doz
836	Dresses	37.9	Doz

<u>Category</u>	<u>Description</u>	<u>Conversion Factor to square metres</u>	<u>Unit</u>
<u>Apparel</u> (cont'd)			
838	Knit shirts, blouses and tops	11.7	Doz
839	Infants' wear	6.3	kg.
840	Not knit shirts and blouses	16.7	Doz
842	Skirts	14.9	Doz
843	M and B suits	3.76	Nos
844	W and G suits	3.76	Nos
845	Sweaters of vegetable fibre	30.8	Doz
846	Sweaters of silk	30.8	Doz
847	Trousers, slacks and shorts	14.9	Doz
850	Robes and dressing gowns	42.6	Doz
851	Nightwear and pyjamas	43.5	Doz
852	Underwear	11.3	Doz
858	Neckwear	6.6	kg.
859	Other apparel	12.5	kg.
<u>Made-up and Miscellaneous Textiles</u>			
360	Pillowcases	0.9	Nos
361	Sheets	5.2	Nos
362	Bedspread and quilts	5.8	Nos
363	Terry and other pile towels	0.4	Nos
369	Cotton manufactures, not specified [nspf]	8.5	kg.
464	Blankets	2.4	kg.
465	Floor coverings	1.0	m ²
469	Wool manufactures, nspf	3.7	kg.
665	Floor coverings	1.0	m ²
666	Other furnishings	14.4	kg.
669	Man-made fibre manufactures, nspf	14.4	kg.
670	Flat goods, handbags, luggage	3.7	kg.
863	Towels	0.4	Nos
870	Luggage	3.7	kg.
871	Handbags and flat goods	3.7	kg.
899	Other made-ups	11.1	kg.

Annex B
Specific Limits

<u>Category</u>	<u>Unit</u>	<u>Growth Rate</u>	<u>Swing</u>	<u>Base Level</u> <u>For 1992</u>
226/313	SMT	6	7	79,677,484
237	DOZ	7	7	250,000
239	KGS	7	7	1,177,000
315	SMT	5.5	7	54,413,674
331/631	DPR	7	7	1,531,064
336/636	DOZ	7	7	300,000
338	DOZ	5	7	3,498,930
339	DOZ	7	7	849,796
340/640	DOZ	7	7	400,000

Out of which no more than 150,000 Dozen may be in dress shirts

341/641	DOZ	7	7	450,000
347/348	DOZ	7	7	442,608
351/651	DOZ	7	7	200,000
352/652	DOZ	7	7	500,000
359-C/659-C	KGS	7	7	900,000
360	NOS	7	7	1,631,483
361	NOS	7	7	2,203,933
363	NOS	5	7	32,545,181
369-F (Flat dish towels)	KGS	7	7	1,000,000
369-P (Pile dish towels)	KGS	7	7	500,000
369-R (Bar mops)	KGS	7	7	700,000
369-S	KGS	7	7	457,960
613/614	SMT	6	7	15,776,873
615	SMT	6	7	16,783,905
617	SMT	6	7	12,720,000
638/639	DOZ	6	7	300,000
647/648	DOZ	6	7	568,788

(A) Swing into Category 369-R is permitted, but swing out of this category is not permitted.

(B) Special Shifts

10 Special shift will be permitted between the following categories, in addition to the swing noted above:

- (A) 237 and 239
- (B) 338 and 638/639
- (C) 339 and 638/639

15 Special Shift will be permitted between the following categories, in addition to the swing noted above:

- (A) 347/348 and 647/648

Annex C

Other Cotton Categories

<u>Categories</u>	<u>Aggregate DCL</u>
300, 301, 314, 317, 326, 330, 332, 333, 334, 335, 342, 345, 349, 350, 353, 354, 359-0, 362 and 369-0	81,000,000 Square Meters Equivalent

Designated Consultation Level within Aggregate DCL

<u>Category</u>	<u>Level</u>
317	5,016,764 SMT

Annex D

Other Designated Consultation Level

Category

Level

666

1,133,981 Kgs

Annex E

1. Imports of handloomed textile products of the cottage industry of Pakistan, excluding towels and apparel items other than "Pakistan Items", made from handloomed fabrics of the cottage industry of Pakistan, shall not be subject to the Federal Register Notice of 24 June 1985. In other words, handloomed textile products of the cottage industry of Pakistan (excluding towels and apparel items other than the "Pakistan Items" listed in this Annex) may be sewn with the use of treadles or power driver sewing machines.

2. The requirement that all "Pakistan Items" be made by hand shall no longer apply.

3. "Pakistan Items" are those items that are uniquely and traditionally Pakistani products. They are limited to the products enumerated in this Annex and such other items as may be agreed upon from time to time.

List of Pakistan Items

1. Shisha Embroidered Dress:

A dress which is knee length or longer with at least the front area above the waist covered with an overlay. The overlay contains embroidery and mirrors which are attached to the overlay by embroidery. This dress has a partial back opening fastened by hooks, buttons, or snaps, but not by zippers or velcro.

The mirrors and embroidery must cover the front area above the waist, however, there are no restraints on other sections being covered by mirrors and embroidery.

2. Kurta:

A pullover tunic which is fingertip or knee length with a partial opening in front which may be fastened by hooks, buttons, or snaps, but not by zippers or velcro. The tunic may be collarless or have a stand-up collar, but may not have an out-turned shirt-type collar or out-turned shirt-type cuffs. A kurta has no front pockets, but may have side-slit pocket(s) and must have sleeves that are a quarter length or longer. The fabric of the kurta may be solid coloured, striped, printed, crocheted, embroidered and/or patchworked with side slits of at least 2 inches on both sides.

3. Gharara:

Pants/trousers with a drawstring waist with coloured and/or mettalic embroidery work. Each pant leg measures at least 36 inches across the bottom.

Imported as a set with the kurta.

4. Multani Choli:

A tight fitting collarless top which is waist length or shorter and that has a quarter or half length sleeves. The multani choli has a full front or back opening fastened by snaps, buttons, or hooks, but not by a zipper or velcro. This top may or may not be embroidered.

5. Burqa:

A solid coloured, loose fitting, and untapered gown which is ankle length with a full front opening from neck to ankle, fastened by snaps, buttons, or hooks, but not by a zipper or velcro. A head covering is imported with the burqa which may or may not be attached to the gown.

6. Baluchi/Peshawari Vest:

A sleeveless and loose fitting vest which may close with snaps, buttons, or hooks, but not by a zipper or velcro.

The Baluchi/Peshawari Vest extends to approximately waist length and is covered by substantial embroidery and mirrors which are at least on the front.

7. Ghagra:

An extremely loose fitting, full, ankle length skirt which gathers at the waist by either a drawstring or hooks, but not by a zipper or velcro. The circumference of the skirt at the bottom is at least 5 yards.

8. Batwa:

A drawstring pouch or string bag as described below:

- A. Drawstring Pouch - a small pouch which is no more than 7 inches across when laid flat and is covered at least on one side with sequins, metallic string and other decorative material. A drawstring is used to close the opening.
- B. String Bag - a small bag which is no more than 7 inches across and 6 inches in height when laid flat. The bag is covered with embroidery and mirrors at least on the front flap and is held by a twisted yarn shoulder strap.

9. Sindi Julaba:

A loose fitting, ankle length dress, with or without a partial closure in the front or back fastened by snaps, buttons, or hooks, but not by a zipper or velcro. The dress may have side slits or side pockets and must have half length sleeves.

10. Izarband:

A non-woven (knit) narrow fabric with two braided ends which results in loose fringe at both ends used as a drawstring.

11. Baluchi Kameez:

A loose fitting tunic with an opening on one shoulder seam fastened by hooks, buttons, or snaps, but not by a zipper or velcro. The tunic has 3/4 length sleeves or longer and has matching embroidery work at least on the yoke and cuffs. The tunic is always longer than waist length, flares out near the bottom, and does not have side slits.

12. Kaftan:

A women's loose fitting pullover full or ankle length garment with partial front or back opening fastened by hooks, buttons, snaps or string but not by a zipper or velcro. The fabric of the kaftan may be solid coloured, striped, printed, crocheted, embroidered and/or patchworked. The kaftan has side slits or a back slit for walking.

13. Ghilaf:

A cushion cover which is oblong, square, round, or of other shapes, covered with a combination of mirrors, embroidery, and other decorative material.

14. Dupatta:

A scarf which is at least two meters or more in length and one meter or more in width. The scarf must be hemmed at both ends and constructed from thin, lightweight fabric.

15. Shalwar:

Straight (men) or gathered (women) pants with a drawstring waist and either drawstring leg openings (no elastic) or cuffs. The men's shalwar has less stitching on the bottom of each leg than the women's shalwar.

16. Pyjama:

Men's or women's pants without a waistband, but with a drawstring waist. The pant leg may either be straight or tapered with or without a small side slit. The garment may have pockets but has no front opening.

17. Punjabi Kameez:

A loose fitting tunic with an out-turned collar and shirt type cuffs and a partial front opening fastened by hooks, buttons, or snaps, but

not by a zipper or velcro. The tunic has side slits at least 2 inches or more on both sides. It has front pockets and side slit pockets. The fabric of Punjabi kamees is solid coloured, striped, printed, embroidered or patchworked.

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

Embassy of the United States of America
Islamabad, 23 January 1992

Ministry of Foreign Affairs, Islamabad

No. D.506/DG(EC-II)/92

The Ministry of Foreign Affairs of the Islamic Republic of Pakistan presents its compliments to the Embassy of the United States of America in Islamabad, and has the honour to refer to the esteemed Embassy's Note verbale No. 131 dated 23 January 1992 regarding "agreement between the Government of Pakistan and the Government of the United States of America concerning trade in textile and textile products".

2. The Ministry of Foreign Affairs of the Islamic Republic of Pakistan has further honour to confirm the esteemed Embassy of the United States of America's Note verbale No. 131 of 23 January 1992.

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

12 March 1992

The Embassy of the
United States of America
Islamabad