GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1794*
28 September 1992

Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Amendment of the bilateral agreement between the United States and the Philippines

The Textiles Surveillance Body received a notification from the United States amending its agreement with the Philippines for the period 1 January 1990 to 31 December 1991.

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

¹The bilateral agreement is contained in COM.TEX/SB/1304.

²See COM.TEX/SB/35, Annex B.

 $^{^{3}}$ For the TSB's observation on this notification, see COM.TEX/SB/1797.

^{*}English only/Anglais seulement/Inglés solamente

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United States Department of State Bureau of Economic and Business Affairs Washington, D.C.

17 July 1991

UNITED STATES AND THE PHILIPPINES AMEND BILATERAL TEXTILE AGREEMENT BY EXCHANGE OF NOTES ON 28 DECEMBER 1990 AND 26 FEBRUARY 1991

The United States and the Republic of the Philippines amended their bilateral textile agreement by exchange of notes. Texts of the notes follow:

UNITED STATES NOTE

No. 972

The Embassy of the United States of America presents its compliments to the Government of the Republic of the Philippines and has the honour to refer to the Arrangement Regarding International Trade in Textiles, done at Geneva on 20 December 1973, as extended (the Arrangement), and to the Agreement on Trade in Cotton, Wool, Man-made Fibre Textiles and Textile Products and Silk-blend and Other Vegetable Fibre Apparel between the Government of the Republic of the Philippines and the Government of the United States of America dated 4 March 1987 (the Agreement).

The Embassy also refers to consultations between representatives of the Government of the Republic of the Philippines and the Government of the United States of America in Washington 11-16 October 1990 and 15-16 November 1990 regarding the discussion of adjustments to the Agreement.

The Embassy has the honour, in accordance with the above-mentioned consultations, to propose the following amendments to the Agreement.

(I) The following adjustments will be made to existing specific limits for the categories noted below:

Category	Restraint Period	Specific Limit
645/646	1.1.90 - 31.12.90	488,813 dozen
	1.1.91 - 31.12.91	513,253 dozen
659-H	1.1.90 - 31.12.90	777,938 kgs.
	1.1.91 - 31.12.91	824,614 kgs.

(II) The following specific limits will be established for the categories and restraint periods noted below:

Category	Restraint Period	Specific Limit
359-S/659-S	1.1.90 - 31.12.90	811,250 kgs.
	1.1.91 - 31.12.91	859,925 kgs.
361	1.7.90 - 31.12.91	1,800,000 nos.
363	1.7.90 - 31.12.90	5,000,000 nos.
	1.1.91 - 31.12.91	10,600,000 nos.
847	1.6.90 - 31.12.90	328,213 dozen
	1.1.91 - 31.12.91	593,390 dozen

- (III) In addition to normal carry forward, category 347/348 will be granted special carry forward of 200,000 dozen and category 647/648 will be granted special carry forward of 71,865 dozen for the 1990 agreement year. To the extent this special carry forward is used in 1990, the specific limits for the corresponding categories in the 1991 agreement year will be reduced at the ratio of 1.5 dozen for every one dozen of special carry forward used.
- (IV) For categories 361 and 363, Philippine exports to the United States from 1 January 1990 through 30 June 1990 will remain charged to the Group II level. For Category 847, Philippine exports to the United States from 1 January 1990 through 31 May 1990 will remain charged to the Group II level. For Category 359-S/659-S, all Philippine exports to the United States from 1 January 1990 through 31 December 1990 will be removed from the Group II level.
- (V) The newly established specific limits for categories 361, 363, 359-S/659-S, and 847 will be included in Group I effective with the beginning dates of their respective restraint periods as noted above. All exports from the Philippines to the United States in these categories, as of the beginning of the respective restraint periods, will be applied to the specific limits and to the Group I limit, as described below.
- (VI) During the 1990 agreement years, all categories with established specific limits in existence prior to the signature of this Memorandum of Understanding as well as the newly established specific limits for categories 361, 363, 359-S/659-S, and 847 will be subject to a Group I limit of 327,062,731 square meters. The conversion factor for category 359-S/659-S will be 11.8 square meters equivalent per kilogram.

- (VII) Growth for this Group I limit in the 1991 agreement year will be six (6) per cent. The Group I limit will be entitled to standard carryover and carry forward of eleven (11) per cent, of which carry forward shall not be more than six (6) per cent.
- (VIII) Paragraph 6 (A) (I) of the Agreement is amended to read as follows: "During any agreement period the limits for Group I and Group II may be exceeded by not more than seven (7) per cent swing, provided a corresponding reduction is made to the other Group limit."
- (IX) Paragraph 6 (A) (III) of the Agreement will be amended to read as follows: "During any agreement period, any specific limit may be increased by not more than seven (7) per cent swing within the Group I limit. All newly established specific limits will be placed in Group I subject to the Group I limit with corresponding adjustments to both Group limits."
- (X) The Government of the Philippines agrees to undertake appropriate administrative and quota monitoring measures in order to ensure that future textile and apparel overshipments to the United States are prevented.

If the foregoing conforms with the understanding of the Government of the Republic of the Philippines, this note and your Government's note of acceptance shall constitute an amendment to the Agreement.

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

Embassy of the United States of America

Manila, 28 December 1990

PHILIPPINE NOTE

No. 910923

The Department of Foreign Affairs presents its compliments to the Embassy of the United States of America, and has the honour to refer to its Note No. 972 dated 29 December 1990 concerning the adjustments to the Arrangement Regarding International Trade in Textiles, dated 20 December 1973, as extended, and the Agreement on Trade in Cotton, Wool, Man-made Fibre Textiles and Textile Products and Silk-blend and other Vegetable Fibre Apparel between the Government of the Republic of the Philippines and the Government of the United States of America, dated 04 March 1987.

The Department is pleased to inform the Embassy that the Philippine Government accepts the adjustments and amendments to the Agreement as stated in the note.

The Department 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.

Manila, 26 February 1991