

**GENERAL AGREEMENT
ON TARIFFS AND TRADE**

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Textiles Surveillance Body

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ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Articles 7 and 8

**Bilateral agreement affecting trade between
the United States and Chinese Taipei**

The Textiles Surveillance Body received a notification from the United States of a bilateral agreement concluded between the American Institute in Taiwan and the Coordination Council for North American Affairs, bodies established by the United States and Chinese Taipei for handling trade matters. The agreement was concluded for the period 1 January 1990 to 31 December 1995.

This notification was made pursuant to a request by the Textiles Committee that agreements concluded with non-participants be notified.

The TSB is forwarding the text of the notification to participating countries for their information.

*English only/Anglais seulement/Inglés solamente

I refer to the Agreement between AIT and CCNAA relating to trade in cotton, wool, man-made fibre, silk blend and other non-cotton vegetable fibre textile products effected by an exchange of letters on 21 August and 28 September 1990. I also refer to discussions between AIT and CCNAA, most recently from 8 February through 10 February 1992. As a result of those discussions I propose, on behalf of AIT, the following Agreement relating to trade in cotton, wool, man-made fibre, silk blend and other non-cotton vegetable fibre textile products.

1. This Agreement supersedes the Textile Agreement between CCNAA and AIT of 21 August and 28 September 1990. For the sake of clarity, it has been decided to write a new agreement to incorporate all modifications which have been agreed. This agreement represents the outcome of that effort and, accordingly, shall be the bilateral instrument which governs textile trade between Taiwan and the United States.

Term

2. (a) The term of this Agreement shall be from 1 January 1990 through 31 December 1995, except as provided in paragraph 16.
- (b) An "agreement year" shall be a calendar year commencing on 1 January and ending 31 December.

Coverage and Structure

3. Textiles and textile products covered by this Agreement are as follows. The determination of whether a textile or textile product is of cotton, wool, man-made fibre, or silk blend or other non-cotton vegetable fibre shall be made in accordance with the terms of paragraph 9. The categories referred to below are those described in Annex B hereto.

- (a) Group I - being products other than apparel (including yarn, fabric, and other made-up and miscellaneous products) of cotton, wool, and/or man-made fibres; and luggage of silk blend and/or other non-cotton vegetable fibres (categories 200, 201, 218, 219, 220, 222, 223, 224, 225, 226, 227, 229, 300, 301, 313, 314, 315, 317, 326, 360, 361, 362, 363, 369, 400, 410, 414, 464, 465, 469, 600, 603, 604, 606, 607, 611, 613, 614, 615, 617, 618, 619, 620, 621, 622, 624, 625, 626, 627, 628, 629, 665, 666, 669, 670, 870).
- (b) Group II - being apparel of cotton, wool, man-made fibre, silk blend and/or other non-cotton vegetable fibres except for category 845 (categories 237, 239, 330, 331, 332, 333, 334, 335, 336, 338, 339, 340, 341, 342, 345, 347, 348, 349, 350, 351, 352, 353, 354, 359, 431, 432, 433, 434, 435, 436, 438, 439, 440, 442, 443, 444, 445, 446, 447, 448, 459, 630, 631, 632, 633, 634, 635, 636, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 659, 831, 832, 833, 834, 835, 836, 838, 839, 840, 842, 843, 844, 846, 847, 850, 851, 852, 858, 859).
- (c) Group III - being sweaters of other non-cotton vegetable fibres (category 845).
- (d) Products of silk blend and/or other non-cotton vegetable fibres not covered by (a), (b) or (c) of this paragraph including yarn, fabrics and other made-up and miscellaneous products of silk blend and/or other non-cotton vegetable fibres (categories 800, 810, 863, 871 and 899).

Limits

4. (a)(i) During the term of this Agreement, CCNAA shall limit annual exports from Taiwan of cotton, wool, man-made fibre, and silk blend or other non-cotton vegetable fibre textiles and textile products of Taiwan origin to the United States of America to the group limits, subgroup limits, specific limits and sub-limits set forth in Annex A-1 hereto, as such limits may be adjusted in accordance with paragraphs 5 and 6. The groups and specific limits set out in Annex A-1 are without such adjustments. All textile and textile products in categories not subject to specific limits may be exported from Taiwan to the United States of America only in accordance with paragraph 7.

(ii) With respect to the following categories in Group I, CCNAA shall limit annual exports from Taiwan to the United States to the specific limits set out in Annex A-1 of the Agreement, as may be adjusted by swing, carryover and carry forward: 200, 219, 313, 314, 315, 361, 369-S and 604. In addition, CCNAA agrees to limit the total exports of these categories in square meters equivalent (SME) as follows:

<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
126,048,101	128,511,135	131,025,141	133,591,270

It is further agreed that carryover and carry forward of 3 per cent (of which carryover shall not exceed 1 per cent) shall apply to the annual levels set out above. Group quota not used by the subgroup categories is available to the rest of the group. Group quota may be used by the subgroup categories up to the subgroup limit. While the subgroup limit has no carryover in 1992 and no carry forward in 1995, the specific limits within the subgroup will still have available all the flexibilities permitted under paragraphs 5 and 6 of this Agreement.

(iii) With respect to the following categories in Group II, CCNAA shall limit annual exports from Taiwan to the United States to the specific limits set out in Annex A-1 of the Agreement as may be adjusted by swing, special shift, carryover and carry forward: 333/4/5, (335), 341, 342, 350/650, 351, 447/8, 636, 641, (641-y) and 651.

In addition, CCNAA agrees to limit the total exports of these categories in square meters equivalent (SME) as follows:

<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
71,957,657	72,614,714	73,280,666	73,955,617

It is further agreed that carryover and carry forward of 3 per cent (of which carryover shall not exceed 1 per cent) shall apply to the annual levels set out above. Group quota not used by the subgroup categories is available to the rest of the group. Group quota may be used by the subgroup categories up to the subgroup limit. While the subgroup limit has no carryover in 1992 and no carry forward in 1995, the specific limits within the subgroup will still have available all the flexibilities permitted under paragraphs 5 and 6 of this Agreement.

(b) All textile and apparel products shipped under this Agreement for the personal use of the importer, regardless of value, and properly marked commercial sample shipments valued at US\$250 or less, shall not be subject to the limits in Annex A-1 or the

procedures of paragraph 7 of the Agreement, nor shall they require a visa for entry into the United States. The products listed in Annex C shall not be subject to the limits in Annex A-1.

- (c) CCNAA agrees with AIT on the following provisions:
- (i) To adjust its Group II limit to 755 million SME beginning in 1992; and
 - (ii) to make adjustments to the base levels, growth rates and swing rates set forth in Annex A-1 and paragraph 5 applicable to the following specific limits in categories 347/348, 359-C/659-C, 633/634/635, (633/634), (635), 638/639, 640, (640-Y), 642, 645/646, 647/648 and 659-S; and
 - (iii) all of the adjustments described in subparagraphs (i) and (ii) above will be subject to review by the parties at a round of consultations to be held before the end of 1992, if possible; and
 - (iv) the original base levels, growth rates, and swing rates provided for in Annex A-2 will be restored with the exception of the base levels for Group II and categories 640, (640-Y), and 647/648, upon agreement between the parties provided that improvements have been made by the authorities represented by CCNAA in the implementation of the bilateral agreement to deal with unlawful circumvention (such as by way of illegal transshipment). In addition, CCNAA may request partial or total restoration of the base levels for Group II and categories 640, (640-Y), and 647/648 to the levels provided for in the exchange of letters dated 21 August 1990 and 28 September 1990 upon the additional condition that AIT is reasonably satisfied that manufacturers of those products on Taiwan have the appropriate production capacity; and
 - (v) with respect to categories 347/348 and 647/648, the provisions of this paragraph do not relate to paragraph 4(d) below.
- (d) AIT and CCNAA discussed the proper classification/category designation of fine knit form-fitting pants-type garments. The two parties agreed to amend the 1992 levels for categories 347/348 and 647/648 and establish sub-limits on men's and boys' and women's and girls' woven trousers included in 347-W/348-W and 647-W/648-W at the levels set out in Annex A-1. The parties agree to review this issue at the end of 1992.

Swing

5. (a) During any agreement year, the group limits set out in Annex A-1 (or pursuant to an amendment thereto) as they may be adjusted under paragraph 6, may be exceeded by not more than the following percentages:

for Group I - 3 per cent until 1992, 5 per cent beginning in 1992.

for Group II - 1 per cent

provided that the total of the group limits of Groups I and II is not exceeded.

- (b) There will be no swing for subgroup I and subgroup II. Group quota may be used by the subgroup categories up to the subgroup limit. The specific limits within the subgroup will still have available the flexibility permitted under paragraphs 5 and 6 of this agreement.
- (c) During any agreement year, and within the applicable group limit for such an agreement year as it may be adjusted under paragraph 5(a) and 6, the specific limits and sub-limits set out in Annex A-1 (or pursuant to an amendment thereto) may be exceeded by not more than the percentages set out below:
- (1) For the period 1990-1991 the following swing is available:
- (i) One per cent for categories and sub-limits 633/4/5, 633/4, and 635.
 - (ii) Two and one-half per cent for part-category 670-H.
 - (iii) Four per cent for category 640 and sub-limit category 640-Y.
 - (iv) Five per cent for categories, sub-limits and part-categories 239, 331, 340, 341, 359-H/659-H, 369-L/670-L/870, 433, 434, 436, 438, 440, 442, 443, 444, 445/6, 447/8, 638/9, 641, 641-Y and 647/8.
 - (v) Six per cent for categories and sub-limits 333/4/5, 335, 338/9, 347/8, 435 and 604.
 - (vi) Six and one-half per cent for category 313.
 - (vii) No swing for categories 645/6 and 845.
 - (viii) Seven per cent for all other specific limits.
- (2) For the period 1992-1995 the following swing is available:
- (i) One per cent for sub-limits (347-W/348-W).
 - (ii) Two per cent for category 642.
 - (iii) Two and one-half per cent for part-category 670-H.
 - (iv) Five per cent for categories, sub-limits and part-categories 239, 331, 340, 341, 359-H/659-H, 369-L/670-L/870, 433, 434, 436, 438, 440, 442, 443, 444, 445/6, 447/8, 638/9, 641, 641-Y and 647/8.
 - (v) Six per cent for categories and sub-limits 333/4/5, 335, 338/9, 347/8, 435 and 604.
 - (vi) Six and one-half per cent for category 313.
 - (vii) No swing for categories and sub-limits 647-W/648-W, 645/6, 640, 640-Y, 845, 633/4/5, 633/4 and 635.
 - (viii) Seven per cent for all other specific limits.

- (d) Swing shall be calculated on the base limit as specified in Annex A-1.

Special Shift

- (e) In addition to the adjustments pursuant to subparagraph 5(c), the following adjustments to the specific limits set out in Annex A-1 are available during any agreement year:
- (i) Category 331 may be increased by up to 5 per cent provided that an equivalent quantity is deducted from category 631 in the same agreement year, and vice versa.
 - (ii) Category 336 may be increased by up to 20 per cent provided that an equivalent quantity is deducted from category 636 in the same agreement year, and vice versa.
 - (iii) Category 338/9 may be increased by up to 10 per cent provided that an equivalent quantity in dozens is deducted from category 638/9 in the same agreement year.
 - (iv) Category 338/9 may be increased by an additional 10 per cent provided that four times the second 10 per cent, added to category 338/9 in dozens is deducted from category 638/9 in the same agreement year.
 - (v) Category 340 may be increased by up to 10 per cent provided that an equivalent quantity is deducted from category 640 in the same agreement year.
 - (vi) Category 341 may be increased by up to 10 per cent provided that an equivalent quantity is deducted from category 641 in the same agreement year, and vice versa.
 - (vii) Category 342 may be increased by up to 20 per cent provided that an equivalent quantity is deducted from category 642 in the same agreement year, and vice versa.
 - (viii) Category 347/8 may be increased by up to 15 per cent provided that an equivalent quantity is deducted from category 647/8 in the same agreement year. For 1992, the total special shift available into category 347-W/348-W shall not exceed 159,740 dozen. The overall quantity of shift into category 347/348 may not exceed the quantity available to the sub-limits. The amount of special shift allowed is equal to 15 per cent of the 1992 limit for 347-W/348-W.
 - (ix) Category 351 may be increased by up to 25 per cent provided that an equivalent quantity is deducted from category 651 in the same agreement year, and vice versa.
 - (x) The specific limit on the categories in the left-hand column below may be increased by the quantities in the centre column for the 1990 agreement year provided that an equivalent quantity is deducted from the corresponding upper- and lower-garment categories listed in the right-hand column in the same agreement year. For the following agreement years (1991-1995), the categories in the left-hand column below may be increased by the quantities in the column

for the respective agreement year provided that an equivalent quantity is deducted from the corresponding upper and lower garment categories listed in the right hand column:

Category	1990 Quantity (NOS)	Component garment categories
443	9,987	433 and 447/8
444	129,090	435 and 442 or 447/8
643	104,426	633 and 647 and 647/8
644	1,562,740	635 and 642 or 647/8

Quantity (NOS)

	1991	1992	1993	1994	1995
443	10,087	10,188	10,290	10,393	10,497
444	130,381	131,685	133,002	134,332	135,675
643	105,470	106,525	107,590	108,666	109,753
644	1,601,809	1,641,854	1,682,900	1,724,973	1,768,097

Carry forward and Carryover

6. (a) Any group limit, subgroup limit, specific limit or sub-limit set out in Annex A-1 may be exceeded in any agreement year by carry forward and/or carryover as provided below:
- (i) In the case of any group limit or subgroup limit, to a maximum of 3 per cent, of which carryover shall not represent more than 1 per cent.
 - (ii) In the case of any specific limit or sub-limit except as provided in 6(a)(iii), to a maximum of 2 per cent, of which carryover shall not represent more than 1 per cent.
 - (iii) In the case of categories and sub-categories 340, 633/4/5, 633/4 and 635, carry forward of 7.15 per cent.
 - (iv) No carry forward shall be available for application in the final agreement year.
- (b) For purposes of this Agreement, a shortfall occurs when exports of textiles and textile products from Taiwan to the United States of America, in any agreement year, are below any applicable group limit, subgroup limit, specific limit or sub-limit as set out in Annex A-1.
- (c) Carryover and carry forward shall be calculated on the base limit of the receiving category in the receiving year as specified in Annex A-1.

- (d) Adjustments made under this paragraph are in addition to those permitted under paragraph 5.
- (e)
 - (i) Carry forward used in 1991 by categories 347/348 and 647/648 will be deducted from the 1992 limits for 347-W/348-W and 647-W/648-W respectively.
 - (ii) For 1992, the total carry forward available into category 347-W/348-W and 347/348 shall not exceed 21,299 dozen. The overall quantity of carry forward may not exceed the quantity available to the sub-limit. The amount of carry forward allowed is equal to 2 per cent of the 1992 limit for 347-W/348-W.
 - (iii) For 1992, the total carry forward available into category 647-W/648-W and 647/648 shall not exceed 104,971 dozen. The overall quantity of carry forward may not exceed the quantity available to the sub-limit. The amount of carry forward allowed is equal to 2 per cent of the 1992 limit for 647-W/648-W.
 - (iv) For 1992, the total carryover available into category 347-W/348-W and 347/348 shall not exceed 10,649 dozen. The overall quantity of carryover may not exceed the quantity available to the sub-limit. The amount of carryover allowed is equal to 1 per cent of the 1992 limit for 347-W/348-W.
 - (v) For 1992, the total carryover available into category 647-W/648-W and 647/648 shall not exceed 52,485 dozen. The overall quantity of carryover may not exceed the quantity available to the sub-limit. The amount of carryover allowed is equal to 1 per cent of the 1992 limit for 647-W/648-W.
 - (vi) For 1993, the total carryover available into category 347/348 and 647/648 shall not exceed the available shortfall in 347-W/348-W and 647-W/648-W respectively.
 - (vii) For 1992, the combined carryover and carry forward shall not exceed 21,299 dozen for categories 347/348, 347-W/348-W, equivalent to 2 per cent of the limit for category 347-W/348-W.
 - (viii) For 1992, the combined carryover and carry forward shall not exceed 104,971 dozen for categories 647/648, 647-W/648-W, equivalent to 2 per cent of the limit for category 647-W/648-W.

Export Certification System

- 7. (a) Each category and part-category not subject to a specific limit will be subject to the consultation procedures as set forth in subparagraphs 7(b) through 7(h) below.
- (b)
 - (i) CCNAA shall provide weekly reports promptly (i.e., as soon as possible but in no case later than five US working days following the close of the reporting period) to AIT on export certifications (EC), by category and part-category, issued for export to the United States for each category and part-category not subject to a specific limit.
 - (ii) CCNAA will notify AIT immediately whenever EC applications for any category or part-category total 15 per cent of the previous agreement year's trade within the reporting period, provided that the issuance of such ECs would

bring the total cumulative issuances for the year to 80 per cent of the previous year's trade or 66,890 square metres equivalent for wool products and 468,231 square metres equivalent for cotton, man-made fibre, silk blend and other non-cotton vegetable fibre products, whichever is higher.

- (iii) CCNAA will wait at least five US working days after notification to AIT before issuing ECs against the applications in question.
- (c) AIT may request consultations with a view to agreement on an appropriate level of restraint for any category, part-category, or product not given a specific limit for any agreement year whenever, in the view of AIT, conditions in the US market warrant such a limitation on further trade in any such category, part-category, or product in order to eliminate a real risk of market disruption.
- (d) The request for such consultations shall be supported as soon as possible, and in any case within 21 days of the date of the request, by a statement of market conditions in the United States of America which in the opinion of AIT make necessary the request for consultations. The statement shall include data similar to that contemplated in paragraphs 1 and 2 of Annex A of the Arrangement.
- (e) Upon receipt of a request for such consultations, CCNAA, as requested by AIT, shall cease or otherwise limit further issuance of ECs for a period of seven US working days. AIT may request CCNAA to extend that period of seven US working days and may also request Taiwan to limit the issuance of ECs to a level different from that specified in paragraph 7(f)(i) or (ii) below, whichever is applicable. CCNAA shall consider any such request sympathetically and shall respond promptly. Unless agreed otherwise, the CCNAA shall have the right, following the expiration of the period of seven US working days mentioned above or any agreed extension thereof, to resume the issuance of ECs up to the level specified in paragraph 7(f)(i) or (ii) below, whichever is applicable. ECs thus issued, as well as ECs issued prior to receipt of the request for consultations, may be honoured by the issuance of export licenses by the CCNAA.

The two parties, unless otherwise agreed, shall consult as soon as possible within 30 days of the request for such consultations and shall make their best efforts to complete such consultations within 30 days of the commencement.

- (f) (i) In the event that consultations do not result in agreement, AIT shall have the right to request the CCNAA to limit exports of the relevant products during the agreement year in which the request for consultations is made to a level not less than the highest of:
 - (a) The level of trade in the relevant product, category or part-category for the immediately preceding agreement year plus either 15 per cent of that level (in the case of cotton, man-made fibre, silk blend and other non-cotton vegetable fibre products) or 6 per cent of that level (in the case of wool products).
 - (b) The average of the level of trade for those categories not listed in paragraph 7(f)(i)(c) which are not affected by conversion to the HCC in the relevant product, category or part-category for all previous years since 1 January 1981 (1 January 1987, in the case of silk blend and other non-cotton vegetable fibres) plus either 15 per cent of that average

level (in the case of cotton, man-made fibre, silk blend and other non-cotton vegetable fibre products), or 6 per cent of that average level (in the case of wool products), or

- (c) The average of the level of trade for the 200 category series and other categories affected by conversion to the HCC, in the relevant product, category, or part-category for all previous years since 1 January 1986 (1 January 1987 in the case of silk blend and other non-cotton vegetable fibres), plus either 15 per cent of that average level (in the case of cotton, man-made fibre, silk blend and other non-cotton vegetable fibre products), or 6 per cent of that average level (in the case of wool products).
 - (d) The limit requested by AIT for the cessation of issuance of ECs in accordance with paragraph 7(e) hereof.
- (ii) Except as provided for in subparagraph 7(f)(iv) below, in respect of any product, or category or part-category where a limit has been established for a single agreement year and where, in the immediately subsequent agreement year, AIT makes another request for consultations under subparagraph 7(c) of this Agreement; and, in the event that such consultations do not result in agreement, AIT shall have the right to request CCNAA to limit exports of the relevant products during the agreement year in which the request for consultations is made to a level not less than the higher of:
- (a) The limit established for the immediately preceding year plus either 8 per cent of that limit (in the case of cotton, man-made fibre, silk blend and other non-cotton vegetable fibre products) or 3 per cent of that limit (in the case of wool products).
 - (b) The limit requested by AIT for the cessation of issuance of ECs in accordance with subparagraph 7(e) hereof.
- (iii) Where AIT makes a request under paragraph 7(f)(i) or (ii) hereof, CCNAA agrees that it will honour such a request.
- (iv) In respect of any product, category or part-category for which a limit is established in any one agreement year, either party may, prior to the start of the immediately following agreement year, elect to convert that limit into a specific limit effective as such from 1 January of the immediately following agreement year. Where such a conversion is made, the specific limit so created shall, from the date of effect, be accorded growth at 2.5 per cent per annum for cotton, man-made fibre, silk blend and other non-cotton vegetable fibre products, and 1 per cent per annum for wool products. The specific limit so created shall, from the year of effect, be accorded flexibility (as provided for in paragraph 5) at 7 per cent; and in subsequent years the flexibility provisions set out in paragraph 6 of the Agreement shall also apply. In the event a silk blend or other vegetable fibre category under paragraph 3(d) is converted into a specific limit, appropriate arrangements for swing (both into and out of such category) will be made.

- (v) Should two requests in respect of the same product, category or part-category be made under paragraph 7(c) hereof during the term of this Agreement but in different non-consecutive agreement years, the provisions of paragraph 7(f)(i) shall apply to the second of the two requests.
- (vi) The two parties agree that the provisions of paragraph 7 hereof shall not derogate from the rights of the two parties under paragraph 17 of this Agreement.
- (g) For the purposes of paragraph 7 hereof, the phrase "level of trade" shall mean the level of trade established by consultations to be held within the first six months after the end of each agreement year or, where such consultations have not been completed, the level of trade by date of export.
- (h) CCNAA and AIT shall consult as early as possible with regard to problems that may arise if the provisions of paragraph 7 are invoked near the end of an agreement year to consider the possibility of avoiding undue hardship to the trade.

8. CCNAA shall administer its export control system under this Agreement. AIT may assist CCNAA in implementing the limitation provisions of this Agreement by controlling imports of textiles and textile products covered by this Agreement.

Classification

9. (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 cotton, wool, man-made fibre, silk blends, non-cotton vegetable fibres, or blends thereof, in which any or all of those fibres in combination represent the chief weight of the product, are subject to this Agreement.
- (b) For the purposes of this Agreement, textile products covered by subparagraph (a) above shall be classified as:
- (i) Man-made fibre textiles, if the product is in chief weight of man-made fibres, 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; or
 - (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.
 - (ii) Cotton textiles, if not covered by (i) and if the product is in chief weight of cotton, 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.

- (iii) Wool textiles, if neither of the foregoing applies, and the product is in chief weight of wool.
- (iv) Silk blend or non-cotton vegetable fibres textiles, if none of the foregoing applies and the product is in chief weight of silk or non-cotton vegetable fibres, 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 (iv)(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 (iv)(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 cotton component, in which case the product will be considered a man-made fibre textile.
- (c) 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 blend and non-cotton vegetable fibre sweaters, as determined above, shall be divided into "silk blend" sweaters and "non-cotton vegetable fibre" sweaters. For the purpose of this division, sweaters shall be classified as "silk blend" if the silk component exceeds by weight the non-cotton vegetable fibre component (if any). Sweaters not classified as "silk blend" 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 subparagraph (b)(iv)(b).
- (d) Coverage under this paragraph is intended to be identical with the terms of Article 12 of the Arrangement regarding International Trade in Textiles and in conformance with paragraph 24 of the 31 July 1986 Protocol of Extension. In the event of a question regarding whether a product is covered by this Agreement by virtue of being chief weight of cotton, wool, man-made fibre, silk blend or non-cotton vegetable fibre, the chief value of the fibres may be considered.

Merged Categories

- 10. (a) The system of categories and the rates of conversion listed in Annex B hereto shall apply in implementing this Agreement, except as provided for in paragraph 10 hereof.
- (b) For the purpose of this Agreement and with reference to the particular circumstances of Taiwan's trade patterns with the United States of America, the categories and part-categories below are merged as indicated and treated as single categories, with limits for categories and sub-categories as set out in Annex A-1.

<u>Categories Merged</u>	<u>Designation in the Agreement</u>	<u>Sub-categories</u>
225, 317, 326	225/317/326	None
300, 301, 607	300/301/607	300; 301; 607
369-L, 670-L., 870	369-L/670-L/870	None
613, 614, 615, 617	613/4/5/7	None
619, 620	619/20	None
625, 626, 627, 628, 629	625/6/7/8/9	None
333, 334, 335	333/4/5	335
338, 339	338/9	None
347, 348	347/8	347-W/348-W
347-W, 348-W	347-W/348-W	None
350, 650	350/650	None
352, 652	352/652	None
359-C, 659-C	359-C/659-C	None
359-H, 659-H	359-H/659-H	None
445, 446	445/6	None
447, 448	447/8	None
633, 634, 635	633/4/5	633/4; 635
638, 639	638/9	None
645, 646	645/6	None
647, 648	647/8	647-W/648-W
647-W, 648-W	647-W/648-W	None

- (c) For the purpose of this Agreement, the following categories summarized in Annex B are divided into part categories:

<u>Category</u>	<u>Designation in the Agreement</u>	<u>Description</u>
347	347-W	M and B woven pants
347	347-K	M and B knit pants
348	348-W	W and G woven pants
348	348-K	W and G knit pants
359	359-C	Coveralls
359	359-H	Headwear
359	359-0	Other
369	369-L	Luggage
369	369-S	Shoptowels
369	369-0	Other
647	647-W	M and B woven pants
647	647-K	M and B knit pants
648	648-W	W and G woven pants
648	648-K	W and G knit pants
659	659-C	Coveralls
659	659-H	Headwear
659	659-S	Swimwear
659	659-0	Other
669	669-P	Polypropylene bags
669	669-T	Tents
669	669-0	Other
670	670-H	Handbags
670	670-L	Luggage
670	670-0	Other

(d) The following sub-limits shall be established:

<u>Category</u>	<u>Designation in the Agreement</u>	<u>Description</u>
640	640-Y	Shirts made of yarn-dyed fabric
641	641-Y	Blouses made of yarn-dyed fabric
347/348	347-W/348-W	Cotton trousers, pants and shorts made of woven fabric
647/648	647-W/648-W	Man-made fibre trousers, pants and shorts made of woven fabric

(e) For the purpose of computing limits and charges to limits, the rates of conversion for individual categories set out in Annex B shall be applied, except as stated below:

<u>Category</u>	<u>Conversion Factor</u>
300/301/607	8.50
333/4/5	33.75
352/652	11.30
359-C/659-C	10.10
359-H/659-H	11.50
369-L/670-L/870	3.80
633/4	33.9
633/4/5	34.1
638/9	12.50

Implementation and Administration

11. (a) Changes in the implementation and interpretation of this Agreement (such as changes in practices, rules, procedures, categorization, etc.) which have the effect of upsetting the balance of rights and obligations between the parties, or which affect the economic content of this Agreement, or which affect the ability of either party to use or benefit fully from this Agreement, or which result in any disruption to trade shall normally be avoided. The party initiating the relevant change shall endeavour to consult prior to the time that such action may affect trade between Taiwan and the United States of America with a view toward making appropriate adjustments to this Agreement. Should consultation prior to implementation not be feasible, both parties agree to consult at the request of either party at the soonest possible date, with a view toward reaching a mutually satisfactory solution within 30 days of the request.
- (b) 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 procedure or operation.

- (c) Exports from Taiwan in excess of authorized limits in any agreement year may be denied entry into the United States of America. Any such shipments denied entry may be permitted entry into the United States and charged to the applicable limit in the succeeding agreement year.
- (d) Exports from Taiwan in excess of authorized limits in any agreement year will, if allowed entry into the United States of America during that agreement year, be charged to the applicable limit in the succeeding agreement year.
- (e) AIT will notify CCNAA as soon as possible of the amount of charges involved pursuant to subparagraph 11(d).
- (f) Any action taken pursuant to this paragraph will not prejudice the rights of either side regarding consultations.

Visa System

12. The visa and certification system established by letters dated 18 April 1991 and 1 May 1991 will remain in force subject to paragraph 11(b).

Exchange of Information

13. (a) The two parties recognize that the successful implementation of this Agreement depends in large part upon mutual cooperation on statistical questions. AIT shall promptly supply CCNAA with data on monthly imports of cotton, wool, man-made fibre, silk blend and other non-cotton vegetable fibre textile products from Taiwan. CCNAA shall promptly supply AIT with pertinent data on anticipated exports in categories not subject to specific limits and data on monthly exports of cotton, wool, man-made fibre, silk blend and other non-cotton vegetable fibre textile products to the United States.
- (b) Each party agrees to supply promptly any other available statistical data necessary to the implementation of this Agreement requested by the other party.
- (c) AIT and CCNAA agree to supply to the other party information within its possession reasonably believed to be necessary to the enforcement of this Agreement.

Spacing

14. CCNAA shall use its best efforts to space exports from Taiwan to the United States of America within each category or sub-category (or combination of categories) evenly throughout each agreement year, taking into consideration normal seasonal factors.

Equity and Extension of the Arrangement

15. (a) If, having regard to the provisions of the Arrangement (and any extension thereof), CCNAA considers that Taiwan is being placed in an inequitable position vis-à-vis a third party (including in relation to any matter concerning coverage under this Agreement), CCNAA may request consultations with AIT with a view to taking appropriate remedial action. AIT shall consult with CCNAA in the event of such a request.

- (b) Either party may request consultations following any extension of the Arrangement, with the objective of revising this Agreement to ensure conformity with the said extension should that, in either party's view, be necessary.
- (c) AIT and CCNAA agree to consult on the provisions of this Agreement in the event that a new international regime for textile trade is agreed after the scheduled expiration of the 1986 Protocol of Extension to the Multifibre Arrangement on 31 July 1991, to conform this Agreement to the new regime.

Termination

16. This Agreement may be terminated either by mutual consent of the two parties at any time, or by either party, effective at the end of an agreement year, upon written notice to the other party to be given at least 180 days prior to the end of such agreement year.

Rights

17. For the duration of this Agreement, AIT shall not invoke procedures similar to that of Article 3 of the Arrangement to request restraint on the export of cotton, wool, man-made fibre, silk blend and other non-cotton vegetable fibre textile products from Taiwan to the United States of America. AIT and CCNAA reserve their rights to request consultations with respect to textiles and textile products not subject to this Agreement.

Other Consultation Provisions

18. In addition to the consultation provisions elsewhere in this Agreement, CCNAA and AIT agree to consult, at the request of either party, on any question arising in the application of this Agreement.

19. AIT and CCNAA shall, to the extent possible, provide each other any necessary assistance to avoid circumvention of this Agreement.

This letter and your reply confirming the contents thereof on behalf of CCNAA will constitute an Agreement between AIT and CCNAA governing trade in cotton, wool, man-made fibre, silk blend and other non-cotton vegetable fibre textile products between Taiwan and the United States of America, which shall enter into force on the date of your reply with effect from 1 January 1992.

Sincerely,

Natale H. Bellocchi (Signed)
Chairman of the Board and Managing Director

ANNEX A-1Current Quota Limits

Category	Metric unit	1990 limit	1991 limit	1992 limit
Group I	SME	529,202,216	534,494,238	539,839,180
Subgroup I	SME	N/A	N/A	126,048,101
200	KG	560,429	564,440	588,801
218	SME	17,344,350	17,777,959	18,222,408
219	SME	12,754,806	13,073,676	13,400,518
225/317/326	SME	30,786,176	31,555,830	32,344,726
226	SME	5,586,708	5,726,376	5,869,535
300/301/607	KG	1,500,000	1,522,500	1,545,338
(300	KG	1,250,000	1,268,750	1,287,781)
(301	KG	1,250,000	1,268,750	1,287,781)
(607	KG	1,250,000	1,268,750	1,287,781)
313	SME	60,942,149	61,551,570	62,167,086
314	SME	22,719,691	23,287,683	23,869,875
315	SME	17,409,072	17,844,299	18,290,406
361	NOS	1,125,779	1,153,923	1,182,771
363	NOS	11,612,973	11,671,038	11,729,393
369-L/670-L/870	KG	41,000,000	41,820,000	42,656,400
369-S	KG	463,876	466,195	468,526
604	KG	200,167	203,170	206,218
611	SME	2,500,000	2,562,500	2,626,563
613/4/5/7	SME	15,504,754	15,892,373	16,289,682
619/20	SME	11,396,234	11,681,140	11,973,169
625/6/7/8/9	SME	14,829,192	15,199,922	15,579,920
669-P	KG	269,590	276,330	283,238
669-T	KG	876,222	898,128	920,581
670-H	KG	15,700,000	16,014,000	16,334,280

Category	Metric unit	1993 limit	1994 limit	1995 limit
Group I	SME	545,237,572	550,689,948	556,196,848
Subgroup I	SME	128,511,135	131,025,141	133,591,270
200	KG	603,521	618,609	634,074
218	SME	18,677,968	19,144,917	19,623,540
219	SME	13,735,531	14,078,919	14,430,892
225/317/326	SME	33,153,344	33,982,178	34,831,732
226	SME	6,016,273	6,166,680	6,320,847
300/301/607	KG	1,568,518	1,592,046	1,615,927
(300	KG	1,307,098	1,326,704	1,346,605)
(301	KG	1,307,098	1,326,704	1,346,605)
(607	KG	1,307,098	1,326,704	1,346,605)
313	SME	72,788,757	63,416,645	64,050,811
314	SME	24,466,622	25,078,288	25,705,245
315	SME	18,747,666	19,216,358	19,696,767
361	NOS	1,212,340	1,242,649	1,273,715
363	NOS	11,788,040	11,846,980	11,906,215
369-L/670-L/870	KG	43,509,528	44,379,719	45,267,313
369-S	KG	470,869	473,223	475,589
604	KG	209,311	212,451	215,638
611	SME	2,692,227	2,759,533	2,828,521
613/4/5/7	SME	16,696,924	17,114,347	17,542,206
619/20	SME	12,272,498	12,579,310	12,893,793
625/6/7/8/9	SME	15,969,418	16,368,653	16,777,870
669-P	KG	290,319	297,577	305,016
669-T	KG	943,596	967,186	991,366
670-H	KG	16,660,966	16,994,185	17,334,069

Category	Metric unit	1990 limit	1991 limit	1992 limit
Group II	SME	791,383,399	799,297,233	755,000,000
Subgroup II	SME	N/A	N/A	71,957,657
237	DOZ	547,545	561,234	575,265
239	KG	5,000,000	5,075,000	5,151,125
331	DPR	487,376	489,813	492,262
333/4/5	DOZ	240,000	246,000	252,150
(335	DOZ	130,000	133,250	136,581)
336	DOZ	93,287	95,619	98,009
338/9	DOZ	695,275	705,704	716,290
340	DOZ	1,110,000	1,111,110	1,112,221
341	DOZ	325,000	326,625	328,258
342	DOZ	203,029	204,044	205,064
345	DOZ	97,473	99,910	102,408
347/8	DOZ	1,059,633	1,064,931	2,339,931
(347-W/348-W	DOZ	N/A	N/A	1,064,931)
350/650	DOZ	125,000	126,250	127,513
351	DOZ	337,772	339,461	341,158
352/652	DOZ	2,474,982	2,536,857	2,600,278
359-H/659-H	KG	4,607,852	4,630,891	4,654,045
359-C/659-C	KG	1,440,000	1,447,200	1,447,633
433	DOZ	13,935	14,074	14,215
434	DOZ	9,674	9,771	9,869
435	DOZ	22,976	23,206	23,438
436	DOZ	4,573	4,619	4,665
438	DOZ	25,821	26,079	26,340
440	DOZ	5,000	5,050	5,101
442	DOZ	43,347	43,390	43,433
443	NOS	39,014	39,404	39,798
444	NOS	55,563	56,119	56,680
445/6	DOZ	130,124	130,775	131,429
447/8	DOZ	19,042	19,232	19,424

Category	Metric unit	1990 limit	1991 limit	1992 limit
631	DPR	4,154,629	4,237,722	4,322,476
633/4/5	DOZ	1,634,440	1,634,440	1,634,440
(633/4	DOZ	959,317	959,317	959,317)
(635	DOZ	850,077	850,077	850,077)
636	DOZ	350,662	354,169	357,711
638/9	DOZ	6,592,119	6,592,119	6,565,058
640	DOZ	2,196,291	2,196,291	1,058,909
(640-Y	DOZ	1,361,080	1,361,080	281,710)
641	DOZ	724,533	725,258	725,983
(641-Y	DOZ	253,586	253,840	254,094)
642	DOZ	776,357	777,133	777,133
643	NOS	464,282	468,925	473,614
644	NOS	594,004	608,854	624,075
645/6	DOZ	4,087,255	4,107,691	4,107,691
647/8	DOZ	5,707,874	5,707,874	5,473,544
(647-W/648-W	DOZ	N/A	N/A	5,248,544)
651	DOZ	423,590	425,708	427,837
659-S	KG	1,778,232	1,778,232	1,601,702
835	DOZ	N/A	N/A	16,400

Category	Metric unit	1993 limit	1994 limit	1995 limit
Group II	SME	755,000,000	755,000,000	755,000,000
Subgroup II	SME	72,614,714	73,280,666	73,955,617
237	DOZ	589,647	604,388	619,498
239	KG	5,228,392	5,306,818	5,386,420
331	DPR	494,723	497,197	499,683
333/4/5	DOZ	258,454	264,915	271,538
(335	DOZ	139,996	143,496	147,083)
336	DOZ	100,459	102,970	105,544
338/9	DOZ	727,034	737,940	749,009
340	DOZ	1,113,333	1,114,446	1,115,560
341	DOZ	329,899	331,548	333,206
342	DOZ	206,089	207,119	208,155
345	DOZ	104,968	107,592	110,282
347/8	DOZ	1,064,931	1,064,931	1,064,931
(347-W/348-W	DOZ	N/A	N/A	N/A)
350/650	DOZ	128,788	130,076	131,377
351	DOZ	342,864	344,578	346,301
352/652	DOZ	2,665,285	2,731,917	2,800,215
359-H/659-H	KG	4,677,315	4,700,702	4,724,205
359-C/659-C	KG	1,447,633	1,447,633	1,447,633
433	DOZ	14,357	14,501	14,646
434	DOZ	9,968	10,068	10,169
435	DOZ	23,672	23,909	24,148
436	DOZ	4,712	4,759	4,807
438	DOZ	26,603	26,869	27,138
440	DOZ	5,152	5,204	5,256
442	DOZ	43,476	43,519	43,563
443	NOS	40,196	40,598	41,004
444	NOS	57,247	57,819	58,397
445/6	DOZ	132,086	132,747	133,410
447/8	DOZ	19,618	19,814	20,012

Category	Metric unit	1993 limit	1994 limit	1995 limit
631	DPR	4,408,926	4,497,105	4,587,047
633/4/5	DOZ	1,634,440	1,634,440	1,634,440
(633/4	DOZ	959,317	959,317	959,317)
(635	DOZ	850,077	850,077	850,077)
636	DOZ	361,288	364,901	368,550
638/9	DOZ	6,565,058	6,565,058	6,565,058
640	DOZ	1,058,909	1,058,909	1,058,909
(640-Y	DOZ	281,710	281,710	281,710
641	DOZ	726,709	727,436	728,163
(641-Y	DOZ	254,348	254,602	254,857)
642	DOZ	777,133	777,133	777,133
643	NOS	478,350	483,134	487,965
644	NOS	639,677	655,669	672,061
645/6	DOZ	4,107,691	4,107,691	4,107,691
647/8	DOZ	5,248,544	5,248,544	5,248,544
(647-W/648-W	DOZ	N/A	N/A	N/A)
651	DOZ	429,976	432,126	434,287)
659-S	KG	1,601,702	1,601,702	1,601,702
835	DOZ	16,810	17,230	17,661

Category	Metric unit	1990 limit	1991 limit	1992 limit
Group III				
845	DOZ	844,434	845,278	846,123

Category	Metric unit	1993 limit	1994 limit	1995 limit
Group III				
845	DOZ	846,969	847,816	848,664

ANNEX A-2

Previous Quota Limits (Do not currently apply)**

Category	Metric unit	Per cent swing	992 limit
Group II	SME	1	807,290,205
347/8	DOZ	6	1,070,256
359-C/659-C	KG	7	1,454,436
633/4/5	DOZ	1	1,634,440
(633/4	DOZ	1	959,317)
(635	DOZ	1	850,077)
638/9	DOZ	5	6,592,119
640	DOZ	4	2,196,291
(640-Y	DOZ	4	1,361,080)
642	DOZ	7	777,910
645/6	DOZ	0	4,128,229
647/8	DOZ	5	5,707,874
659-S	KG	7	1,778,232

**According to exchange of letters dated 21 August 1990 and 28 September 1990, the levels in Annex A-2 were agreed. They do not currently apply. Based on subsequent discussions, the limits agreed in the 1990 exchange of notes were modified and the current limits are set out in Annex A-1. We have included the previous limits, growth rates, and swing rates in Annex A-2 for reference purposes for possible restoration under paragraph 4.

Previous Quota Limits (Do not currently apply)

Category	Metric unit	1993 limit	1994 limit	1995 limit
Group II	SME	815,363,107	823,516,738	831,751,905
347/8	DOZ	1,075,607	1,080,985	1,086,390
359-C/659-C	KG	1,461,708	1,469,017	1,476,362
633/4/5	DOZ	1,634,440	1,634,440	1,634,440
(633/4	DOZ	959,317	959,317	959,317)
(635	DOZ	850,077	850,077	850,077)
638/9	DOZ	6,592,119	6,592,119	6,592,119
640	DOZ	2,196,291	2,196,291	2,196,291
(640-Y	DOZ	1,361,080	1,361,080	1,361,080
642	DOZ	778,688	779,467	780,246
645/6	DOZ	4,148,870	4,169,614	4,190,462
647/8	DOZ	5,707,874	5,707,874	5,707,874
659-S	KG	1,778,232	1,778,232	1,778,232

ANNEX B

Categories numbered in the:

200 series are of cotton and/or man-made fibre;
300 series are of cotton;
400 series are of wool;
600 series are of man-made fibre; and
800 series of silk blend and/or other non-cotton vegetable fibres.

Category	Description	Conversion factor to square meters	Unit
	<u>Yarn</u>		
200	Yarns put up for retail sale & sewing thread	6.6	kg.
201	Speciality yarns	6.5	kg.
300	Carded cotton, yarns	8.5	kg.
301	Combed cotton, yarns	8.5	kg.
400	Wool yarn	3.7	kg.
600	Textured filament yarns, MMF	6.5	kg.
603	Yarn containing 85 per cent or more by weight artificial staple fibre	6.3	kg.
604	Yarn containing 85 per cent or more by weight synthetic staple fibre	7.6	kg.
606	Non-textured filament yarns, MMF	20.1	kg.
607	Other staple fibre yarn, MMF	6.5	kg.
800	Silk blends & non-cotton vegetable fibre yarns	8.5	kg.
	<u>Fabric</u>		
218	Of yarns of different colours	1.0	M2
219	Duck	1.0	M2
220	Fabric of special weave	1.0	M2
222	Knit fabric	12.3	kg.
223	Non-woven fabric	14.0	kg.
224	Pile and tufted fabric	1.0	M2
225	Blue denim	1.0	M2
226	Cheesecloth, batistes, lawns, or voiles	1.0	M2
227	Oxford cloth	1.0	M2

Category	Description	Conversion factor to square meters	Unit
229	Special purpose fabric	13.6	kg.
313	Sheeting	1.0	M2
314	Poplin and broadcloth	1.0	M2
315	Printcloth	1.0	M2
317	Twills	1.0	M2
326	Sateens	1.0	M2
410	Woven wool fabrics	1.0	M2
414	Other wool fabrics	2.8	kg.
611	Woven fabric containing 85% or more by weight artificial staple	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 artificial filament fabric	1.0	M2
619	Polyester filament fabric, weighing not more than 170 g. per square metre	1.0	M2
620	Other synthetic filament fabric	1.0	M2
621	Impression fabric	14.4	kg.
622	Glass fibre fabric	1.0	M2
624	Woven man-made fibre fabric, containing more than 15% but less than 36% wool	1.0	M2
	<u>Staple/filament combination</u>		
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
810	Woven fabric of silk blends or non-cotton vegetable fibre	1.0	M2

Category	Description	Conversion factor to square meters	Unit
	<u>Apparel</u>		
237	Playsuits, sunsuits, etc.	19.2	Doz
239	Infants' wear	6.3	kg.
330	Handkerchiefs	1.4	Doz
331	Gloves and mittens	2.9	Dpr
332	Hosiery	3.8	Dpr
333	M & B suit-type coats	30.3	Doz
334	Other M & B coats	34.5	Doz
335	W & G coats	34.5	Doz
336	Dresses	37.9	Doz
338	M & B knit shirts	6.0	Doz
339	W & G knit shirts and blouses	6.0	Doz
340	M & B shirts, not knit	20.1	Doz
341	W & G shirts and blouses, not knit	12.1	Doz
342	Skirts	14.9	Doz
345	Sweaters	30.8	Doz
347	M & B trousers, slacks, and shorts	14.9	Doz
348	W & G trousers, slacks, and shorts	14.9	Doz
349	Brassieres and other body-supporting garments	4.0	Doz
350	Dressing gowns, robes, etc.	42.6	Doz
351	Nightwear and pyjamas	43.5	Doz
352	Underwear	9.2	Doz
353	M & B down-filled coats	34.5	Doz
354	W & 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 & B suit-type coats	30.1	Doz
434	Other M & B coats	45.1	Doz

Category	Description	Conversion factor to square meters	Unit
435	W & 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 & B suits	3.76	Nos
444	W & G suits	3.76	Nos
445	M & B sweaters	12.4	Doz
446	W & G sweaters	12.4	Doz
447	M & B trousers, slacks and shorts	15.0	Doz
448	W & 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 & B suit-type coats	30.3	Doz
634	Other M & B coats	34.5	Doz
635	W & G coats	34.5	Doz
636	Dresses	37.9	Doz
638	M & B knit shirts	15.0	Doz
639	W & G knit shirts and blouses	12.5	Doz
640	M & B shirts, not knit	20.1	Doz
641	W & G shirts and blouses, not knit	12.1	Doz
642	Skirts	14.9	Doz
643	M & B suits	3.76	Nos
644	W & G suits	3.76	Nos
645	M & B sweaters	30.8	Doz
646	W & G sweaters	30.8	Doz
647	M & B trousers, slacks and shorts	14.9	Doz

Category	Description	Conversion factor to square meters	Unit
648	W & G trousers, slacks and shorts	14.9	Doz
649	Brassieres and body-supporting garments	4.0	Doz
650	Dressing gowns, robes, etc.	42.6	Doz
651	Nightwear and pyjamas	43.5	Doz
652	Underwear	13.4	Doz
653	M & B down-filled coats	34.5	Doz
654	W & G down-filled coats	34.5	Doz
659	Other MMF apparel	14.4	kg.
831	Gloves and mittens	2.9	Dpr
832	Hosiery	3.8	Dpr
833	M & B suit-type coats	30.3	Doz
834	Other M & B coats and jackets	34.5	Doz
835	W & G coats and jackets	34.5	Doz
836	Dresses	37.9	Doz
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 & B suits	3.76	Nos
844	W & G suits	3.76	Nos
845	Sweaters of non-cotton vegetable fibres	30.8	Doz
846	Sweaters of silk blend	30.8	Doz
847	Trousers, shorts	14.9	Doz
850	Dressing gowns and robes, etc.	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.

Category	Description	Conversion factor to square meters	Unit
	<u>Made-up and miscellaneous textiles</u>		
360	Pillowcases	0.9	Nos
361	Sheets	5.2	Nos
362	Bedsread and quilts	5.8	Nos
363	Terry and other pile towels	0.4	Nos
369	Other cotton manufacturers	8.5	kg.
464	Blankets	2.4	kg.
465	Floor coverings	1.0	M2
469	Other wool manufacturers	3.7	kg.
665	Floor coverings	1.0	M2
666	Other MMF furnishings	14.4	kg.
669	Other man-made fibre manufacturers	14.4	kg.
670	Flat goods, handbags, luggage	3.7	kg.
863	Towels	0.4	Nos
870	Luggage	3.7	kg.
871	Handbags and flatgoods	3.7	kg.
899	Other silk and non-cotton vegetable fibre manufacturers	11.1	kg.

ANNEX C

Exempt Products Requiring Exempt Certification

1. Pincushions.
2. Embroideries (needlework), of man-made fibres with designs embroidered with wool thread.
3. Handmade carpets, i.e. in which the pile was inserted or knotted by hand.
4. Christmas or Easter ornaments having a non-textile core or a non-textile structural frame and man-made fibre textile covering.
5. Martial Arts uniforms, such as Kung Fu, Karate, and Judo uniforms.
6. Toy (novelty) animals, birds or insects with a plastic, wire or other non-textile core that are covered or decorated with textile thread or fibre.
7. Traditional Chinese caps.
8. Traditional Chinese garments.

Jackets - three-quarter length or shorter, of woven fabrics, usually with Chinese figures in the weave, but may be plain/woven otherwise figured or printed. They have a low Mandarin collar, long sleeves and full frontal openings, with "frog" type closures (looped fastenings made of braid, cording, etc., used with a matching knot or toggle of the same material).

Fur or imitation fur-lined jackets which may or may not be reversible and are otherwise identical in appearance and construction with the jackets described above.

Vests - sleeveless garments extending from the neck area to waist with or without pockets at the waist. They are otherwise identical in appearance and construction with the jackets described above.

Coordination Council for North American Affairs Office in USA

EC-81-039

11 December 1992

Ambassador Natale H. Bellocchi
Chairman of the Board and Managing Director
American Institute in Taiwan
1700 N. Moore Street, Suite 1700
Arlington, VA 22209

Dear Ambassador Bellocchi,

I refer to your letter of 1 December 1992 proposing a new textile agreement between AIT and CCNAA. The agreement will supersede the Agreement of 21 August and 28 September 1990 which governs trade in cotton, wool, man-made fibre, silk blend and other non-cotton vegetable fibre textile products between the territory represented by AIT and the territory represented by CCNAA.

I have been instructed by appropriate authorities of my Government to inform you that we agree to the contents of the above-mentioned new textile agreement and that your letter and this letter of reply shall constitute an Agreement between AIT and CCNAA for the period from 1 January 1990 through 31 December 1995.

Sincerely,

Mou-Shih Ding
Representative

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