

**GENERAL AGREEMENT
ON TARIFFS AND TRADE**

RESTRICTED
COM.TEX/SB/1949*
31 August 1994
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(94-1749)

Textiles Surveillance Body

Original: English

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification transmitted under Articles 7 and 8

**Extension and amendment of the bilateral agreement between
the United States and Poland**

The Textiles Surveillance Body received a notification under Article 4 from the United States of a further extension and amendment of its bilateral agreement with Poland, for the period 1 January 1994 to 31 December 1995.¹

The TSB decided to transmit the notification to participating countries under Articles 7 and 8, as Poland had not as yet accepted the 1993 Protocol maintaining in force the Arrangement.²

¹The bilateral agreement and a previous extension of the agreement are contained in COM.TEX/SB/1047 and 1720.

²For an observation regarding this notification see COM.TEX/SB/1954.

*English only/Anglais seulement/Inglés solamente

10 June 1994

**UNITED STATES AND POLAND
AMEND AND EXTEND BILATERAL TEXTILE AGREEMENT
BY EXCHANGE OF NOTES IN WARSAW
6 AND 30 DECEMBER 1993**

The United States and Poland amended and extended their textile agreement by exchange of notes on 6 and 30 December 1993. The text of the notes follows.

**EMBASSY OF THE
UNITED STATES OF AMERICA**

No. 158

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Republic of Poland and has the honour to refer to the Agreement Relating to Trade in Cotton, Wool, Man-Made Fibre, Silk Blends and Non-Cotton Vegetable Fibre Textiles and Textile Products, effected by exchange of notes on 30 and 31 December 1991, in Washington (the Agreement). The Embassy also has the honour to refer to discussions held in Warsaw on 4-5 October 1993, and the Memorandum of Understanding signed on 5 October 1993.

As a result of those discussions and as per the provisions of the Memorandum of Understanding, the Embassy has the honour to propose the following amendments to the Agreement:

I. Amend paragraph 1 of the Agreement to read:

"1. The term of the Agreement shall be the four-year period from January 1, 1992 through December 31, 1995. Each 'agreement year' shall be a twelve-month period from January 1 of a given year to December 31 of the same year."

II. Amend Annex B to include the following two columns:

Category	Unit	1994 Limit	1995 Limit
335	Doz	146,068	154,832
338/339	Doz	1,573,040	1,667,422
611	M2	4,496,085	4,765,851
645/646	Doz	230,338	244,158
410	M2	2,550,250	2,575,753
433	Doz	18,010	18,190
434	Doz	9,823	9,921
435	Doz	12,853	12,982
443	Nos	214,221	216,363

III. Paragraph 12 of the Agreement shall be amended to read:

"12. Cooperation in the prevention of circumvention

A. The Government of the United States and the Government of Poland agree to take measures necessary to address, to investigate and, where appropriate, to take legal and/or administrative action to prevent circumvention of this Agreement by transshipment, rerouting, false declaration concerning country of origin, falsification of official documents or any other means.

B. Both parties agree to cooperate fully, consistent with their domestic laws and procedures, in instances of circumvention or alleged circumvention of the Agreement to address problems arising from circumvention and to establish the relevant facts in the places of import, export and, where applicable, transshipment. Such cooperation, to the extent consistent with domestic laws and procedures, will include investigation of circumvention practices; exchange of documents, correspondence, reports and other relevant information to the extent available;

and facilitation of impromptu plant visits and contacts by representatives of either party, upon request and on a case-by-case basis.

C. If either party believes that this Agreement is being circumvented, it may request consultations to address the matter or matters concerned with a view to seeking a mutually satisfactory solution. Each party agrees to hold such consultations promptly beginning within 30 days of a request by a party and concluding within 90 days, unless extended by mutual agreement, and to cooperate fully in terms of the elements set out in paragraph B above.

D. Should the parties be unable to reach a satisfactory solution in the course of the consultations called for under paragraph C, then the Governments of Poland and the United States agree that in cases where evidence regarding circumvention has been provided, the United States may deduct from the quantitative limits for that agreement period amounts at least equivalent to the amount of transshipped products of Polish origin. The amounts transshipped shall be the amounts and the country or origin shall be the country of origin so determined by US customs. In addition, the Governments of Poland and the United States agree that deductions from the quantitative limits established under this agreement may be made in those instances in which: (a) the US possesses information showing a substantial likelihood that circumvention has occurred, (b) the US has requested from Poland cooperation or information relevant to the possible circumvention that is of a type that is available to or could reasonably be obtained by the Government of Poland, and (c) the Government of Poland has not provided such information or cooperation within the period for consultation outlined in paragraph C. Any such action shall be notified to the TSB with full justification.

E. Should the United States choose to exercise its rights under paragraph D to deduct any amount or amounts from the quantitative limits of a country where repeated instances of circumvention have been demonstrated within the current or immediately preceding agreement year, then the United States may deduct from the quantitative limit amounts up to three times the amounts transshipped, provided that such deductions are distributed in each of the three following years.

F. Where there is evidence showing that goods originating in another country have been shipped through Poland to the United States as though they were products of Poland, the Governments of Poland and the United States agree to take appropriate action. Such action may include the introduction of restraints in the relevant category or categories or deducting the amount of goods so shipped from the quantitative limits established for the current agreement year under this agreement for shipments originating in Poland. Any such actions, together with their timing and scope, may be taken after consultation held with a view of arriving at a mutually satisfactory solution and shall be notified to the TSB with full justification. Such consultations should be held promptly, beginning within 30 days of a request by a party and concluding within 90 days, unless extended by mutual agreement. Should the parties be unable to reach a satisfactory solution, then the Governments of Poland and the United States agree that in cases where clear information regarding circumvention has been provided, the United States may introduce a restraint or, where a restraint already exists, may deduct from the quantitative limits established under this agreement for that agreement period an amount equivalent to the amount of product transshipped through Poland.

G. Parties agree that false declaration concerning fibre content, quantities, description of classifications of merchandise also frustrates the objective of this agreement. Where there is evidence that any such false declaration has been made for purposes of circumvention, both parties agree to take appropriate measures, consistent with their domestic laws and procedures, against exporters or importers involved. Should either party believe that this agreement is

being circumvented by such false declaration and that no, or inadequate, administrative measures are being applied to address and/or to take action against such circumvention, that party should consult promptly with the party involved with a view to seeking a mutually satisfactory solution. Such consultations should be held promptly, beginning within 30 days of a request by a party, and concluding within 90 days, unless extended by mutual agreement. Should the parties be unable to reach a satisfactory solution, then the Governments of Poland and the United States agree that in cases where evidence regarding such false declarations has been provided, then the United States may deduct from the quantitative limits established for the current agreement year an amount equivalent to the amount of product subject to the false declaration or classification. This provision is not intended to prevent parties from making technical adjustments when inadvertent errors in declarations have been made."

IV. Paragraph 18 of the Agreement ("Right to Terminate Agreement" provision) shall be renumbered to be Paragraph 19, and the new Paragraph 18 shall read as follows:

**"CONTINUATION OF ADMINISTRATIVE PROVISIONS
UNDER A URUGUAY ROUND TEXTILE AGREEMENT**

18. The provisions set out in paragraphs 2, 3, 8, 9, 10, 11, 12, 13, 14 and 17 of the amended agreement will be directly relevant to the ability of the United States and the Government of Poland to implement the Uruguay Round Textiles Agreement. Therefore, upon entry into force of the Uruguay Round Agreement, these provisions will remain in force and will be notified to the Textiles Monitoring Body (TMB)."

If the foregoing conforms with the understanding of the Government of Poland, this note and the Government of Poland's note of confirmation shall constitute an extension and amendment of the Agreement between our two governments.

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

Embassy of the United States of America
Warsaw, 6 December 1993

DEPARTMENT OF STATE
OFFICE OF LANGUAGE SERVICES

Translating Division

LS No. 144574

JS

Polish

DAPP-AP-23-1-9

The Ministry of Foreign Affairs presents its compliments to the Embassy of the United States of America and has the honour to refer to the Embassy's Note No. 158 of 6 December 1993, containing a proposal for a new international accord on the Agreement Relating to Trade in Cotton, Wool, Man-Made Fibre, Silk Blends and Non-Cotton Vegetable Fibre Textiles and Textile Products, effected by exchange of notes on 30 and 31 December 1991, in Washington.

The Ministry of Foreign Affairs also wishes to refer to the discussions held in Warsaw on 4-5 October 1993, and to the Memorandum of Understanding signed on 5 October 1993.

As a result of those discussions and as per the provisions of the Memorandum of Understanding, the Ministry hereby informs the Embassy of the United States of America that the Government of the Republic of Poland accepts the proposed additions and amendments to the aforesaid Agreement.

At the same time, the Ministry of Foreign Affairs states that this note of confirmation and the US Embassy's Note of 6 December 1993, shall constitute an extension and amendment of the 1991 Agreement, to become effective on the date of the Ministry's reply.

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

Warsaw
31 December 1993

Stamp of the Ministry of Foreign Affairs

Embassy of the United States of America
Warsaw