

**GENERAL AGREEMENT
ON TARIFFS AND TRADE**

RESTRICTED
COM.TEX/SB/1976*
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Textiles Surveillance Body

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ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Extension of the Bilateral Agreement between
the United States and Macau

The Textiles Surveillance Body received a notification from the United States of an extension of its agreement with Macau for the period 1 January 1994 to 31 December 1995.¹

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

¹The agreement, extensions and previous amendments are contained in COM.TEX/SB/959, 1300, 1498, 1499 and 1786.

²See COM.TEX/SB/35, Annex B.

*English only/Anglais seulement/Inglés solamente

No. 20

The Acting Consul General of the US Consulate General in Hong Kong, on behalf of the Government of the United States of America, presents his compliments to the Government of Macau and has the honour to refer to the Arrangement Regarding International Trade in Textiles, with Annexes, done at Geneva on 20 December 1973, as extended (the Arrangement), and to the Protocol of Extension dated 31 July 1986.

The Acting Consul General has the further honour to refer to the discussions between representatives of our Governments on 22-23 November 1993 and 27-28 January 1994, in Washington, concerning exports of cotton, wool, man-made fibre, silk blend and other non-cotton vegetable fibre textile products from Macau to the United States of America. As a result of those discussions and of the Memorandum of Understanding signed in Washington on 28 January 1994, I propose on behalf of the Government of the United States of America that the Agreement attached to this note be the new Bilateral Textile Agreement governing trade between our two countries. If the Agreement is acceptable to the Government of Macau, this note and your Excellency's note in reply shall constitute an agreement between our two Governments.

The Acting Consul General of the US Consulate General Hong Kong, on behalf of the United States of America, avails himself of this opportunity to renew to the Government of Macau the assurances of his highest consideration.

Acting Consul General
of the US Consulate General Hong Kong,
of the United States of America,
Hong Kong, 29 March 1994

BILATERAL TEXTILE AGREEMENT

1. The term of the Agreement shall be the five-year period from 1 January 1991 through 31 December 1995. An "agreement year" shall be a calendar year, with the first agreement year commencing on 1 January 1991 and ending on 31 December 1991.

2. (A) The textile and textile products covered by this Agreement are those summarized in Annex A.

(B) (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 fibres, silk blends, non-cotton vegetable fibres, or blends thereof, in which any or all of these fibres in combination represent the chief weight of the product are subject to this Agreement. Components of an article which are not considered relevant to the classification under the general rules of interpretation of the legal notes to Section XI of the Harmonized System, are likewise to be disregarded here. For the purposes of the Agreement, 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 equals or exceeds 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 equals or exceeds 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.

- (B) (II) Silk or non-cotton vegetable fibre textiles, if none of the foregoing applies and the products in chief weight of silk or non-cotton vegetable fibre, unless:
- (A) Cotton with wool and/or man-made fibres in the aggregate equals or exceeds 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 (B) (II) (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 (B) (II) (A) or (B) and man-made fibres in combination with cotton and/or wool in the aggregate equals or exceeds 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.
- (B) (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 purposes 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 (B) (II) (B).
- (C) 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, or non-cotton vegetable fibre, the chief value of the fibres may be considered.
3. (A) Cotton man-made fibre and silk blend and non-cotton vegetable fibre categories shall be classified in Group I, and wool categories shall be classified in Group II.
- (B) The system of categories and the rates of conversion into square metres equivalent listed in Annex A shall apply in implementing this Agreement except that the categories below are merged and treated as single categories:

Categories Merged	Designation in Agreement	Sub-Categories	Conversion Factor
331, 831	331/831	None	2.9
333, 334, 335, 833, 834, 835	333/4/5/833/4/5	333/335/833/835	34.2
336, 836	336/836	None	37.9

347, 348, 847	347/348/847	None	14.9
350, 850	350/850	None	42.6
351/841	351/851	None	43.5
359-C, 659-C	359-C/859-C	None	11.5
445, 446	445/446	None	12.4
625, 626, 627, 628, 629	625/6/7/8/9	None	1.0
633, 634, 635	633/634/635	None	34.5
638, 639, 838	638/639/839	None	12.9
641, 840	641/840	None	12.1
642, 842	642/842	None	14.9
645, 646	645/646	None	30.8
647, 648	647/648	None	14.9
652, 852	652/852	None	13.4
845, 846	845/846	None	30.8

(C) While there are currently no shipments of Category 633 products from Macau to the United States, should trade develop, the two governments will consult with a view toward adjusting the conversion factor for Categories 633, 634 and 635.

4. Commencing with the first agreement year, and during each succeeding agreement year, the Government of Macau shall limit annual exports from Macau to the United States of America of cotton, wool, man-made fibre and silk blend and non-cotton vegetable fibre textiles and textile products manufactured in Macau to the limits specified in Annex B, as such limits may be adjusted in accordance with paragraphs 6, 7, 8 and 12.

5. (A) If the Government of Macau wishes to export textile products to the United States in excess of the applicable consultation levels, the Government of Macau shall request the higher levels. The Government of the United States shall consider such request sympathetically. The Government of the United States shall respond promptly, and make every effort to resolve the issue within 14 US working days of receipt of the initial request. If the Government of the United States is unable to comply fully with the request due to problems of market disruption or the real risk thereof as described in Annex A of the Arrangement in a category or categories subject to such request, the Government of the United States will so inform the Government of Macau. The Government of the United States will provide a factual statement or supply data to substantiate the position it has taken. The two governments, unless otherwise agreed, shall consult as soon as possible within 30 days of the United States' denial of the request and shall make every effort to conclude such consultations within 30 days of their commencement. Until a mutually satisfactory change in the consultation level in question is established, shipments shall not exceed the existing consultation level.

(B) The Government of Macau may request increases to the Category 845/846 level pursuant to paragraph 5(A). The Government of the United States will take into consideration the previous limits when reviewing such request and whether such an increase should be made permanent.

6. Adjustments made pursuant to this paragraph are in addition to those pursuant to paragraph 8.

(A) During any agreement year, the specific limits in Group I set out in Annex B may be increased by not more than 7 per cent (swing), provided that a corresponding reduction in square metres equivalent is made in one or more other specific limit in Group I or from the Group II limit during the same agreement year.

(B) The Group II limit may be increased by not more than 3 per cent (swing), provided that a corresponding reduction in square metres equivalent is made in one or more specific limit in Group I during the same agreement year.

(C) The Government of Macau shall indicate to the Government of the United States the specific limits or Group limit it would like to increase and which it would like decreased.

7. Within the Group II limit, as it may be adjusted pursuant to paragraphs 6 and 8, and any limit within Group II may be exceeded by not more than 5 per cent swing, in addition to carryover and carry forward permitted pursuant to paragraph 8, provided that the Group II limit as adjusted is not exceeded in any one agreement year.

8. (A) In any agreement year, in addition to any adjustment pursuant to paragraphs 6 and 7, exports may exceed by a maximum of 11 per cent any group or specific limit or sub-limit, by allocating to such limits for that agreement year, an unused portion of the corresponding limit for the previous agreement year ("carryover") or a portion of the corresponding limit for the succeeding agreement year ("carry forward"), all adjustments being calculated based on limits as set out in Annex B, subject to the following conditions:

(I) Carryover may be used, as available, up to 11 per cent of the receiving agreement year's applicable limit, provided, however, that no carryover shall be available for application during the first agreement year;

(II) The combination of carryover and carry forward shall not exceed 11 per cent of the receiving agreement year's applicable limit;

(III) Carry forward may be used up to 6 per cent of the receiving agreement year's applicable limit. The immediately following agreement year's corresponding limit will be adjusted downward by the amount of carry forward used. No carry forward shall be available in the last agreement year.

(B) For purposes of the Agreement, a shortfall occurs when exports of textiles or textile products from Macau to the United States of America during any agreement year, plus charges for overshipments made in preceding years, are below any applicable specific limit, sub-limit, or group limit set out in Annex B, as decreased pursuant to paragraphs 8 (A) (III), or 12 (B), or pursuant to other mutually agreed upon amendments. In the agreement year following the shortfall, such exports from Macau to the United States of America may be permitted to exceed the applicable limits, subject to conditions set forth above, by carryover of shortfall in the following manner:

(I) The carryover shall not exceed the amount of shortfall in any applicable group or specific limit or sub-limit;

(II) In the case of shortfall in a group or category subject to a specific limit or sub-limit, the shortfall shall be used in the group limit, specific limit or sub-limit in which the shortfall occurred.

9. (A) In the event that the Government of the United States believes that imports of textile and apparel products of Macau listed in Annex A to this Agreement and not subject to specific limits or designated consultation levels under this Agreement are, due to market disruption, or the threat thereof, threatening to impede the orderly development of trade between our two countries, the Government of the United States may request consultations with the Government of Macau with a view to easing or avoiding such market disruption. The Government of the United States shall provide the Government of Macau, at the time of the request, with a detailed, factual statement of reasons and justifications for its request for consultations with current data which in the view of the Government of the United States shows:
- (1) The existence or threat of market disruption; and
 - (2) the rôle of products of Macau to that disruption.
- (B) The Government of Macau agrees to consult with the Government of the United States within 30 days of receipt of the request for consultations. Both sides agree to make every effort to reach agreement on a mutually satisfactory solution of the issue within 90 days of the receipt of such request, unless extended by mutual agreement.
- (C) (1) Upon receipt of the request for consultations, and for the period remaining in the agreement year in which the request is made, the Government of Macau agrees to hold its shipments to the United States of textiles or textile products in the category or categories subject to these consultations to a level no greater than 15 per cent (six per cent for wool product categories) above the amount entered, as reported in US General Import Statistics, during the first 12 of the most recent 14 months preceding the month in which the request for consultations was made, prorated for the number of days remaining in the year.
- (2) Where three or fewer months remain in an agreement year at the time of the request for consultations, upon receipt of the request for consultations, the Government of Macau agrees to hold its shipments to the United States of textiles or textile products in the category or categories subject to these consultations for the remaining days of the agreement year plus the subsequent agreement year to a level no greater than 15 per cent (6 per cent for wool product categories) above the amount entered, as reported in US General Import Statistics, during the first 12 of the most recent 14 months preceding the month in which the request for consultations was made, prorated for the remaining days of the agreement year plus the subsequent agreement year.
- (D) If no mutually satisfactory solution is reached during the 90-day consultation period, consultations shall continue and the Government of the United States may continue the limits for textiles or textile products in the category or categories subject to these consultations for the duration of the Agreement.
- (E) (1) The first term of any restraint limit established under the preceding subparagraph will be effective for the period beginning on the date of the request for consultations and ending on the last day of the agreement year in which the restraint limit was established, or where three or fewer months remained in the Agreement at the time of the request for consultations, for the period ending on the last day of the subsequent agreement year.

- (2) For each remaining agreement year any restraint limit established under this provision will be increased by 6.25 per cent annual growth per year in the case of cotton, man-made fibre, and silk blend and vegetable fibre other than cotton product categories, and by 1 per cent in the case of wool product categories. The subsequent restraint limits shall have any available swing, carryover or carry forward as is provided for specific limits under paragraphs 6, 7, and 8 of this Agreement; and within the group limit as applicable. Carryover will not be available in the first of the remaining agreement years.
10. (A) Mutually satisfactory administrative arrangements or adjustments may be made to resolve problems arising in the implementation of this Agreement, including differences on points of procedure or operation.
- (B) The Government of the United States and the Government of Macau agree to consult upon the request of either government on any question arising in the implementation of this Agreement.
- (C) The Government of the United States and the Government of Macau may at any time propose revisions in the terms of this Agreement. Each government agrees to consult promptly with the other government 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.
11. The Government of Macau shall administer its export control system under this Agreement. The Government of the United States may assist the Government of Macau in implementing the limitation provisions of this Agreement by controlling imports of textiles and textile products covered by this Agreement.
12. (A) Exports from Macau in excess of authorized limits in any agreement year may be denied entry into the United States. Any such shipments having been denied entry, may be permitted entry into the United States and charged to the applicable limit in the succeeding agreement year.
- (B) If, during the agreement year, exports from Macau are allowed entry into the United States in excess of authorized limits, the applicable limits in the succeeding agreement year will be charged for the excess shipments.
- (C) Any action taken pursuant to sub-paragraphs 12(A) and (B) above will not prejudice the rights of either side regarding consultations.
13. The Government of Macau shall use its best efforts to space exports from Macau to the United States within each category evenly throughout each agreement year, taking into consideration normal seasonal factors.
14. (A) The Government of the United States will provide the Government of Macau with data on imports by date of export on a quarterly basis. The Government of the United States also agrees to provide the Government of Macau with information on the overshipments for a given agreement year beginning in March of the succeeding agreement year and thereafter as further data become available. Whenever possible, the Government of the United States will advise the Government of Macau of final overshipments by the end of July.

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

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

15. (A) The Government of the United States and the Government of Macau agree to cooperate fully, consistent with their domestic laws and procedures, in order to address, investigate, and, where appropriate, to take any necessary 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 this Agreement to address problems arising from circumvention and to establish the relevant facts in the places of import, export and, where applicable, transshipment. It is agreed that 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 joint unannounced plant visits, in accordance with agreed procedures, 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. At the time of its request, the party requesting consultations shall provide the other party information regarding the subject of the proposed consultations. Each party agrees to hold such consultations promptly, beginning within 30 days of receipt 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) Both parties agree that, consistent with their domestic laws and procedures, should the parties be unable to reach a mutually satisfactory solution in the course of the consultations called for under paragraph C, then the Governments of Macau and the United States agree that in cases where clear evidence regarding circumvention has been provided, the United States may deduct from the quantitative limits for that agreement period amounts equivalent to the amount of transshipped products of Macau origin. In addition, the Governments of Macau and the United States agree that deductions from the quantitative limits established under this Agreement may be made in those instances in which: I) the Government of the United States possesses factual information which has been shared with the Government of Macau regarding the export, imports and transshipment points and which demonstrates a substantial likelihood that circumvention has occurred; II) the Government of the United States has requested from the Government of Macau 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 Macau, and III) and the Government of Macau has unreasonably refused to provide 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 Government of the United States choose to exercise its rights under paragraph D to deduct an amount or amounts from the quantitative limits of a country where more than two instances of circumvention have been demonstrated within the current or immediately preceding agreement year, then the Government of the United States may deduct

from the quantitative limit amounts up to three times the amounts transshipped, provided that such deductions are distributed equally in each of the three following years. Such charges shall only be applied after consultations and where no, or inadequate, measures are being taken to address or to take action against such circumvention by the Government of Macau. Any such action shall be notified to the TSB with full justification.

(F) Where there is clear evidence showing that goods originating in another country have been shipped through Macau to the United States as though they were products of Macau, the Governments of Macau and the United States agree to take appropriate action. Such action may include the introduction of restraints in the relevant category or categories or deduction of the amount of goods so shipped from the quantitative limits established for the current agreement year under this Agreement for shipments originating in Macau. Any such actions, together with their timing and scope, may be taken after consultation with a view to 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 receipt 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, the Governments of Macau and the United States agree that in cases where clear evidence concerning the true place of origin of such circumvention has been provided, the Government of 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 year an amount equivalent to the amount of products transshipped through Macau. Such action shall be notified to the TSB with full justification.

(G) The parties note that some cases of circumvention may involve shipments transitting through the countries or places with no changes or alternations made to the goods contained in such shipments in the places of transit. They note that it may not be generally practicable for such places of transit to exercise control over such shipments.

(H) Parties agree that false declaration concerning fibre content, quantities, description or classification of goods also frustrates the objective of this Agreement. Where there is clear 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 receipt of a request by a party, and concluding within 90 days, unless extended by a mutual agreement. Should the parties be unable to reach a satisfactory solution, then the Governments of Macau and the United States agree that in cases where evidence regarding such false declarations has been provided, then the Government of the United States may deduct from the quantitative limits established for the current agreement year an amount equivalent to the amount of products 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.

16. If the Government of Macau considers that, as a result of limitations specified in the Agreement, Macau is being placed in an inequitable position vis-à-vis a third party, the Government of Macau may request consultations with the Government of the United States with the view of taking appropriate remedial action such as reasonable modification of this Agreement.

17. For the duration of this Agreement, the Government of the United States shall not invoke the procedures of Article 3 of the Arrangement to request restraint on the export of cotton, wool, man-made

fibre and silk blend and non-cotton vegetable fibre textiles and textile products covered by this Agreement from Macau to the United States. Each government reserves its rights under the Arrangement with respect to textiles not subject to this Agreement.

18. Cotton, wool, man-made fibre, silk blend and non-cotton vegetable fibre shipments valued at less than US 250 dollars shall be subject to the terms of the Agreement unless they are valid commercial samples or items for the personal use of the importer.

19. The Government of the United States and Macau agree to the provisions of the visa system as stated in Annex D.

20. The provisions set out in paragraphs 2(B), 3, 6, 7, 8, 10, 11, 12, 13, 14, 15, 18 and 19 will be directly relevant to the ability of the United States and Macau to implement the Uruguay Round Textiles Agreement. Therefore, upon entry into force of the Uruguay Round Agreement, those provisions will remain in force and will be notified to the Textiles Monitoring Body.

21. Either government may terminate this Agreement, effective at the end of an agreement year, by written notice to the other Government, to be given at least 90 days prior to the end of such agreement year.

Annex A

UNITED STATES TEXTILE AND APPAREL CATEGORY SYSTEM
UNDER THE HARMONIZED SYSTEM

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.

800 Series are of silk blends or other non-cotton vegetable fibres.

Category	Description	Conversion Factor in square metres	Unit
<u>Yarn</u>			
200	Yarns put up for retail sale, and sewing thread	6.60	kg.
201	Speciality yarns	6.50	g.
300	Carded cotton yarn	8.50	kg.
301	Combed cotton yarn	8.50	kg.
400	Wool yarn	3.70	kg.
600	Textured filament yarns	6.50	kg.
603	Yarns containing 85 per cent or more by weight artificial staple fibre	6.30	kg.
604	Yarns containing 85 per cent or more by weight synthetic staple fibre	7.60	kg.
606	Non-textured filament yarn	20.10	kg.
607	Other staple fibre yarn	6.50	kg.
800	Silk blends or non-cotton vegetable fibre yarn	8.50	kg.
<u>Fabric</u>			
218	Of yarns of different colours	1.00	m ²
219	Duck	1.00	m ²
220	Fabric of special weave	1.00	m ²
222	Knit fabric	12.30	kg.
223	Non-woven fabric	14.00	kg.
224	Pile and tufted fabric	1.00	m ²
225	Blue denim	1.00	m ²
226	Cheesecloth, batistes, lawn, voile	1.00	m ²
227	Oxford cloth	1.00	m ²
229	Special purpose fabric	13.60	kg.
313	Sheeting	1.00	m ²
314	Poplin and broadcloth	1.00	m ²
315	Printcloth	1.00	m ²
317	Twills	1.00	m ²
326	Sateens	1.00	m ²
410	Woven fabric	1.00	m ²
414	Other wool fabrics	2.80	kg.

Category	Description	Conversion Factor in square metres	Unit
<u>Fabric</u> (cont'd)			
611	Woven fabric containing 85 per cent or more by weight artificial staple	1.00	m ²
613	Sheeting	1.00	m ²
614	Poplin and broadcloth	1.00	m ²
615	Printcloth	1.00	m ²
617	Twills and sateens	1.00	m ²
618	Woven artificial filament fabric	1.00	m ²
619	Polyester filament fabric	1.00	m ²
620	Other synthetic filament fabric	1.00	m ²
621	Impression fabric	14.00	kg.
622	Glass fibre fabric	1.00	m ²
624	Mmf fabric, woven, containing more than 15 per cent but less than 36 per cent wool	1.00	m ²
625	Poplin and broadcloth of staple/ filament fibre combinations	1.00	m ²
626	Printcloth of staple filament fibre combinations	1.00	m ²
627	Sheeting of staple/filament fibre combinations	1.00	m ²
628	Twills and sateens of staple/ filament fibre combinations	1.00	m ²
629	Other fabrics of staple filament/ fibre combinations	1.00	m ²
810	Woven fabric, silk blend and non-cotton vegetable fibre	1.00	m ²
<u>Apparel</u>			
237	Playsuits, sunsuits, etc.	19.20	Doz
239	Babies' garments and clothing accessories	6.30	Kg.
330	Handkerchiefs	1.40	Doz
331	Gloves and mittens	2.90	Dpr
332	Hosiery	3.80	Dpr
333	M and B suit-type coats	30.30	Doz
334	Other M and B coats	34.50	Doz
335	W and G coats	34.50	Doz
336	Dresses	37.90	Doz

Category	Description	Conversion Factor in square metres	Unit
	<u>Apparel</u> (cont'd)		
338	M and B knit shirts	6.00	Doz
339	W and G knit shirts/blouses	6.00	Doz
340	M and B shirts, not knit	20.10	Doz
341	W and G shirts/blouses, not knit	12.10	Doz
342	Skirts	14.90	Doz
345	Sweaters	30.80	Doz
347	M and B trousers/breeches/shorts	14.90	Doz
348	W and G trousers/breeches/shorts	14.90	Doz
349	Brassières and other body supporting garments	4.00	Doz
350	Robes dressing gowns, etc.	42.60	Doz
351	Nightwear and pyjamas	43.50	Doz
352	Underwear	9.20	Doz
353	M and B down-filled coats	34.50	Doz
354	W and G down-filled coats	34.50	Doz
359	Other cotton apparel	8.50	kg.
431	Gloves and mittens	1.80	Dpr
432	Hosiery	2.30	Dpr
433	M and B suit-type coats	30.10	Doz
434	Other M and B coats	45.10	Doz
435	W and G coats	45.10	Doz
436	Dresses	41.10	Doz
438	Knit shirts and blouses	12.50	Doz
439	Babies' garments and clothing accessories	6.30	kg.
440	Shirts and blouses, not knit	20.10	Doz
442	Skirts	15.00	Doz
443	M and B suits	3.76	Nos
444	W and G suits	3.76	Nos
445	M and B sweaters	12.40	Doz
446	W and G sweaters	12.40	Doz
447	M and B trousers/breeches/shorts	15.00	Doz
448	W and G trousers/breeches/shorts	15.00	Doz
459	Other wool apparel	3.70	kg.
630	Handkerchiefs	1.40	Doz
631	Gloves and mittens	2.90	Dpr
632	Hosiery	3.80	Dpr
633	M and B suit-type coats	30.30	Doz
634	Other M and B coats	34.50	Doz
635	W and G coats	34.50	Doz

Category	Description	Conversion Factor in square metres	Unit
<u>Apparel</u> (cont'd)			
636	Dresses	37.90	Doz
638	M and B knit shirts	15.00	Doz
639	W and G knit shirts/blouses	12.50	Doz
640	M and B shirts, not knit	20.10	Doz
641	W and G shirts/blouses, not knit	12.10	Doz
642	Skirts	14.90	Doz
643	M and B suits	3.76	Nos
644	W and G suits	3.76	Nos
645	M and B sweaters	30.80	Doz
646	W and G sweaters	30.80	Doz
647	M and B trousers/breeches/shorts	14.90	Doz
648	W and G trousers/breeches/shorts	14.90	Doz
649	Brassières and other body supporting garments	4.00	Doz
650	Robes, dressing gowns, etc.	42.60	Doz
651	Nightwear and pyjamas	43.50	Doz
652	Underwear	13.40	Doz
653	M and B down-filled coats	34.50	Doz
654	W and G down-filled coats	34.50	Doz
659	Other man-made fibre apparel	14.40	kg.
831	Gloves and mittens	2.90	Dpr
832	Hosiery	3.80	Dpr
833	M and B suit-type coats	30.30	Doz
834	Other M and B coats	34.50	Doz
835	W and G coats	34.50	Doz
836	Dresses	37.90	Doz
838	Knit shirts and blouses	11.70	Doz
839	Babies' garments and clothing accessories	6.30	kg.
840	Shirts and blouses, not knit	16.70	Doz
842	Skirts	14.90	Doz
843	M and B suits	3.76	Nos
844	W and G suits	3.76	Nos
845	Sweaters of non-cotton vegetable fibre	30.80	Doz
846	Sweaters, of silk blend	30.80	Doz
847	Trousers, breeches and shorts	14.90	Doz
850	Robes and dressing gowns, etc.	42.60	Doz
851	Nightwear and pyjamas	43.50	Doz
852	Underwear	11.30	Doz

Category	Description	Conversion Factor in square metres	Unit
858	Neckwear	6.60	kg.
859	Other apparel	12.50	kg.
<u>Made-up and Miscellaneous Textiles</u>			
360	Pillowcases	0.90	Nos
361	Sheets	5.20	Nos
362	Bedspreads and quilts	5.80	Nos
363	Terry and other pile towels	0.40	Nos
369	Other cotton manufactures	8.50	kg.
464	Blankets	2.40	kg.
465	Floor coverings	1.00	m ²
469	Other wool manufactures	3.70	kg.
665	Floor coverings	1.00	m ²
666	Other man-made fibre furnishings	14.40	kg.
669	Other man-made fibre manufactures	14.40	kg.
670	Flat goods, handbags, luggage	3.70	kg.
863	Towels	0.40	Nos
870	Luggage	3.70	kg.
871	Flat goods and handbags	3.70	kg.
899	Other silk blend and vegetable fibre manufactures	11.10	kg.

Annex B**Specific Limits**

Category	Unit	Growth (per cent)	1994	1995
313	m ²	4.00	6,000,000	6,240,000
314	m ²	4.00	1,000,000	1,040,000
315	m ²	4.00	3,000,000	3,120,000
333/4/583/3/4/5	doz	6.25	210,951	224,135
(333/5/833/5)	doz	6.25	111,121	118,066
336/836	doz	6.25	50,000	53,125
338	doz	6.25	271,565	288,538
339	doz	6.25	1,137,492	1,208,585
340	doz	6.25	257,937	273,102
341	doz	6.25	165,783	176,144
342	doz	6.25	75,000	79,688
345	doz	6.25	45,860	48,726
347/348/847	doz	6.25	642,789	682,963
350/850	doz	6.25	50,000	53,125
351/851	doz	6.25	60,000	63,750
359-C/659-C	kg.	6.25	300,000	318,750
359-V	kg.	6.25	100,000	106,250
633/634/635	doz	6.25	446,706	474,625
638/639/838	doz	6.25	1,391,054	1,477,995
640	doz	6.25	98,905	105,087
641/840	doz	6.25	169,992	180,617
642/842	doz	6.25	99,039	105,229
645/646	doz	6.25	231,843	246,333
647/648	doz	6.25	467,698	496,929
659-S	kg.	6.25	100,000	106,250
Group II	sme	1.00	1,448,022	1,462,502
445/446	doz	1.00	78,065	78,846

Annex C**Designated Consultation Levels**

Category	Unit	Level
219	m ²	2,000,000
225	m ²	7,000,000
237	doz	61,000
317	m ²	5,000,000
326	m ²	2,000,000
331/831	doz pr	300,000
611	m ²	2,000,000
625/6/7/8/9	m ²	5,000,000
631	doz pr	231,386
652/852	doz	160,000
670	kg.	340,194
845/846	doz	102,000

Annex D**VISA ARRANGEMENT BETWEEN MACAU
AND THE UNITED STATES OF AMERICA
CONCERNING TEXTILES AND TEXTILE PRODUCTS****1. Definitions:**

- A. For the purpose of this Arrangement, the term "textile" means textiles and textile products of cotton, wool, man-made fibres, vegetable fibres other than cotton, blends of any of the foregoing fibres and blends containing silk, but does not include garments which contain 70 per cent or more by weight of silk (unless they also contain over 17 per cent by weight of wool), or products other than garments which contain 85 per cent or more by weight of silk.
- B. Term "category" signifies a class of textiles or textile products which may be subject to a quota restriction. The term "category" includes part categories and merged categories as established in the bilateral agreement.
- C. A "visa" is a stamp issued by the Government of the country of origin of the textile exported to the United States, or by its representative, which describes the shipment, certifies the country of origin, and authorizes the shipment to be charged against any applicable quota.

2. Visa Requirements:

- A. The Government of Macau shall issue a visa for each shipment of textiles, as defined in section one above, produced or manufactured in Macau and exported to the United States, regardless of value, except as noted in paragraph 2.N. below, in Categories 200-239, 300-369, 400-469, and 600-670, and 800-899, as listed in the correlation: textiles and apparel categories with harmonized tariff schedule of the United States annotated, or successor document. The visa shall be presented to the US customs service before entry, or withdrawal from warehouse for consumption, into the customs territory of the United States (the 50 States, the district of Columbia and Puerto Rico).
- B. Should additional categories, merged categories or part categories be added to the Bilateral Agreement or become subject to import quotas the entire category or categories shall be automatically included in coverage of this visa arrangement. Merchandise in the category(s) exported on or after the date the category(s) is added to the Agreement or becomes subject to import quotas shall require a visa.
- C. A shipment shall be visaed by the stamping of the original circular visa in blue ink on the front of the original commercial invoice or successor document. The original visa shall not be stamped on duplicate copies of the invoice. The original of the invoice with the original visa stamp will be required to enter the shipment into the United States. Duplicates of the invoice and/or visa may not be used for this purpose.
- D. Each visa stamp will include the following information:
- I. The visa number: the visa number shall be in the standard nine digit letter format beginning with one numeric digit for the last digit of the year of export, followed by the two character alpha codes specified by the International Organization for

Standardization (ISO) (the code for Macau is MO), and a six digit numerical serial number identifying the shipment; e.g., 4M0123456.

- II. the date of issuance: the date of issuance shall be the day, month and year on which the visa was issued.
- III. The signature of the issuing official and the printed name of the issuing official: the signature shall be that of an official authorized to issue visas by the Government of Macau
- IV. The correct category(s), merged category(s), part category(s), quantity(s), and unit(s) of quantity of the shipment in the unit(s) of quantity provided for in the US Department of Commerce correlation and in the Harmonized Tariff Schedule of the United States shall be reported in the spaces provided within the visa stamp (e.g., "Cat. 340-510 doz"). Quantities must be stated in whole numbers. Decimals or fractions will not be accepted. Merged category quota merchandise may be accompanied by either the appropriate merged category visa or the correct category visa corresponding to the actual shipment. For example, quota Category 347/348 may be visaed as 'Category 347/348' or if the shipment consists solely of Category 347 merchandise, the shipment may be visaed as 'Category 347', but not as 'Category 348'. If, however, a merged quota category such as 340/640 has quota sub-limit on Category 340, then there must be a 'Category 340' visa for the shipment if it includes Category 340 merchandise.
- E. If the quantity indicated on the visa is less than that of the shipment, entry shall not be permitted.
- F. If the quantity indicated on the visa is more than that of the shipment, entry shall be permitted and only the amount entered shall be charged to any applicable quota.
- G. Entry will not be permitted, except as noted in paragraph 2.J. below, if the shipment does not have a visa or if the visa number, date of issuance, signature, printed name of the signer, category, quantity or units of quantity are missing, incorrect, illegible or have been crossed out or altered in any way.
- H. The complete name and address of a company actually involved in the manufacturing process of the textile product covered by the visa shall be provided on the textile visa document.
- I. The categories, quantities and date of export shall be those determined by the US customs service.
- J. If a visa is not acceptable then a new correct visa or a visa waiver must be presented to the US customs service before any portion of the shipment will be released. A visa waiver may be issued by the Department of Commerce at the request of the Government of Macau. A visa waiver only waives the requirement to present a visa at entry, it does not waive any quota requirements. Visa waivers will only be issued for classification purposes or for one time special purpose shipments that are not part of an ongoing commercial enterprise.

K. If the visaed invoice is deficient, the US customs service will not return the original document after entry, but will provide a certified copy of that visaed invoice for use in obtaining a new correct original visaed invoice, or a visa waiver.

L. If a shipment from Macau has been allowed entry into the commerce of the United States with either an incorrect visa or no visa, and redelivery is requested but cannot be made, the shipment will be charged to the correct category limit whether or not a replacement visa or waiver is provided.

M. The date of export is the actual date the merchandise finally leaves the country of origin. For merchandise exported by carrier, this is the day on which the carrier last departs the country of origin.

N. Merchandise imported for the personal use of the importer and not for resale, regardless of value, and properly marked commercial sample shipments valued at US 250 or less do not require a visa for entry and shall not be charged to agreement levels, if applicable. All other commercial shipments of the above-mentioned require a visa for entry.

O. The Government of Macau shall provide the Government of the United States with two original, clear, reproducible, copies of the visa stamp which shall be the stamp designated for use throughout the entire period the visa arrangement is in effect, and two originals of the signatures of the officials authorized to sign visas. The stamp, and any subsequent changes thereto, must be approved by the Government of the United States. The Government of Macau shall notify the Government of the United States at least forty-five days prior to a change in the officials authorized to sign the visa.

Letter from the Government of Macau
Gabinete do Secretario-Adjunto

Macau, 21 May 1994

The Consul General
Consulate General of the United States of America
Hong Kong

The Government of Macau presents its compliments to the Government of the United States of America through its Consulate General in Hong Kong and has the honour to refer to previous correspondence on our Bilateral Trade Agreement, namely the Consulate General of the United States of America's Diplomatic Note No. 20 of 29 March 1994.

The Government of Macau hereby accepts the terms of the amendments agreed to in negotiations held in Washington DC on 27 and 28 January 1994 by representatives of both Governments, and referred to in the above-mentioned Note No. 20 and it further acknowledges that they shall constitute a new Bilateral Agreement.

The Government of Macau avails itself of this opportunity to renew to the Government of the United States of America through its Consulate General in Hong Kong the assurance of its highest consideration.

Vitor Rodrigues Pessoa
Secretary for Economic and Financial Affairs
Macau Government