

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 Article 4:4

Bilateral Agreement Between the United States and Romania

The Textiles Surveillance Body has received from the United States a notification of a bilateral agreement concluded between the United States and Romania which replaces the previous interim agreement concerning trade in textiles.^{1/} The period of validity of the agreement runs from 1 January 1977 to 31 December 1980.

The TSB, pursuant to its procedure regarding bilateral agreements notified under Article 4^{2/}, has examined the relevant documentation and is circulating the text of the notification to participating countries for their information.

^{1/} For details of the interim agreement see COM.TEX/SB/237.

^{2/} See COM.TEX/SB/35, Annex B.

2 August 1977

UNITED STATES AND SOCIALIST REPUBLIC
OF ROMANIA SIGN TEXTILE AGREEMENT

The United States and the Socialist Republic of Romania exchanged notes on 17 June 1977 to effect a new bilateral agreement on trade in wool and man-made fibre textiles between the two countries. Texts of the notes follow:

UNITED STATES NOTE

17 June 1977

Note No. 48.

Excellency:

I have the honour to refer to the Arrangement regarding International Trade in Textiles, done at Geneva on 20 December 1973, hereinafter referred to as the Arrangement. I also refer to recent discussions between representatives of our two governments concerning exports of man-made fibre and wool textiles, excluding yarn, from Romania to the United States. As a result of those discussions, and in conformity with Articles IV and VI of the Arrangement, I wish to propose the following agreement relating to trade in wool and man-made fibre textiles, excluding yarn, between Romania and the United States.

1. The term of this Agreement shall be from 1 January 1977 through 31 December 1980. During such term, the Government of the Socialist Republic of Romania shall limit exports from Romania to the United States of America to the annual levels specified in the following paragraphs:

2. A. Non-apparel textile products (categories 104 through 110, 126, 128, 131, 132, 206-213, and 241-243) as a group are subject to a designated consultation level of 10 million square yards equivalent.

B. Within the designated consultation level for the non-apparel group the following categories shall have designated annual consultation levels as follows:

H.E. Excellency Ion Patan,
Deputy Prime Minister and Minister of
Foreign Trade and International Economic Co-operation,
Socialist Republic of Romania.

Category	Designated annual consultation level (SYE)
206	2,000,000
207	2,000,000
208	2,000,000
209	4,000,000
210	1,500,000
242	2,000,000

C. All other categories within the non-apparel group shall be subject to individual consultation levels of 1,000,000 square yards equivalent for each man-made fibre textile category and 100,000 square yards equivalent for each wool textile category.

3. A. Apparel textile products (categories 111-125 and 214-240) as a group are subject to a specific limit of 22 million square yards equivalent.

B. Within the specific limit for the apparel group, categories shall be subject to individual specific limits or consultation levels. For categories not listed in C. or D. of this paragraph, the annual consultation levels shall be 700,000 SYE for each man-made fibre apparel category and 100,000 SYE for each wool apparel category.

C. The following categories shall have designated annual consultation levels as indicated:

Category	Designated annual consultation level (SYE)
224 Pt. (other excluding suit-type coats and knit tops)	2,500,000
229/224 Pt. (suit-type coats)	1,500,000
121	200,000
122	350,000

D. Categories 120, 218/219/224 Pt. (knit tops), 221 and 237 will be subject to specific limits. The first year level for category 218/219/224 Pt. (knit tops), will be 2,500,000 SYE. The levels for each agreement year for categories 120, 221 and 237 include the adjustments authorized under paragraphs 4 and 5, and are as shown in sub-paragraph E.

E. Specific limits for categories 120, 221 and 237 as adjusted:

Category	1st agreement year	2nd agreement year	3rd agreement year	4th agreement year
120	87,150 Units	88,022 Units	88,902 Units	89,791 Units
221	7,000,000 SYE	5,500,000 SYE	5,500,000 SYE	5,500,000 SYE
237	221,490 Units	236,994 Units	253,584 Units	271,335 Units

If the Government of the Socialist Republic of Romania wishes to utilize in any agreement year any additional yardage in categories 120, 221 or 237 beyond the yardage stipulated in the schedule above, the Government of the Socialist Republic of Romania will notify the Government of the United States and will not utilize such requested yardage without the concurrence of the Government of the United States.

4. Specific limits shall be increased in each of the second, third and fourth agreement years by 7 per cent, except that specific limits for wool categories shall be increased by 1 per cent.

5. Within the group limit each specific man-made fibre limit may be exceeded by 7 per cent of such limit in any agreement year and each specific wool limit may be exceeded by 5 per cent (inter-category flexibility). The above percentage figures shall be calculated without regard to the adjustments provided for under paragraph 6 below.

6. A. In any agreement year, exports may exceed any specific limit by a maximum of 11 per cent by allocating to the limit for that year an unused portion of the specific limit for the previous agreement year (carry-over) or a portion of the specific limit for the succeeding agreement year (carry forward), except that carry-over shall not be available in the first agreement year.

- (I) Carry-over may be utilized as available up to 11 per cent of the receiving year's specific limit.
- (II) Carry forward may be utilized up to 6 per cent of the receiving year's specific limit and charged against the next year's specific limit.
- (III) The combination of carry-over and carry forward may not exceed 11 per cent of the receiving year's specific limit in any agreement year.

B. For purposes of this agreement a shortfall occurs when exports from the Socialist Republic of Romania to the United States of America during an agreement year are below the specific limits in this agreement. The carry-over shall not exceed the amount of such shortfalls.

C. Carry-over and carry forward shall not be used to exceed any consultation level except in accordance with the consultation procedures of paragraph 7 hereof.

D. The limits referred to in sub-paragraphs A. and B. of this paragraph are without any adjustments under paragraph 5.

7. In the event the Government of the Socialist Republic of Romania wishes to export to the United States of America textile products in excess of the applicable consultation levels, the Government of the Socialist Republic of Romania shall first request the higher levels and the Government of the United States of America shall consider the request sympathetically and shall respond promptly. If, because of problems of market disruption in the United States of America in a category subject to such request, the United States of America is unable to comply fully the Government of the United States of America will so inform the Government of the Socialist Republic of Romania and will supply information which forms the basis of the position taken by the United States of America. If because of market problems in the non-apparel group, the United States of America is unable to comply with a request for an increase in the consultation level for that group the Government of the United States of America will so inform the Government of Romania. The Government of the United States of America will consult promptly with the Government of the Socialist Republic of Romania to arrive at a mutually satisfactory solution. Until a mutually satisfactory solution is reached, shipments shall not exceed the existing category and group consultation levels.

8. In accordance with Article XII, paragraph 3, of the Arrangement and subject to the establishment of a mutually agreed upon certification system exports from the Socialist Republic of Romania to the United States of America of handloom fabrics of the cottage industry of Romania, or handmade cottage industry products of such handloom fabrics, or agreed traditional folklore textile products shall not be subject to the provisions of this agreement.

9. The Government of the Socialist Republic of Romania shall use its best efforts to space exports from Romania to the United States within each category evenly throughout the agreement year, taking into consideration normal seasonal factors. Exports from Romania in excess of authorized levels for each agreement year will, if allowed entry into the United States, be charged to the applicable level for the succeeding agreement year.

10. The Government of the United States of America shall promptly supply the Government of the Socialist Republic of Romania with data on monthly imports of wool and man-made fibre textiles, excluding yarn, from Romania; and the Government of the Socialist Republic of Romania shall promptly supply the Government of the United States of America with quarterly data on exports of wool and man-made fibre textiles, excluding yarn, to the United States. Each government agrees to supply promptly any other pertinent and readily available statistical data requested by the other government.

11. A. In implementing this agreement, the system of categories and the rates of conversion into square yards equivalent listed in the Annex hereto shall apply. Both parties understand that the United States plans to revise this category system effective 1 January 1978. While appropriate adjustments to this Annex will be required at that time, the United States does not intend to affect adversely the pattern of Romania's textile exports to the United States or to impair any of the agreement's undertakings. Therefore, the Government of the United States of America agrees to consult with the Government of the Socialist Republic of Romania on any questions which may arise as a result of revision to the category system and rates of conversion.

B. Unless subject to the cotton textile agreement of 2 June 1975, piece goods, made-up articles, garments, and other textile manufactured products (being products which derive their chief characteristics from their textile components) of cotton, wool and man-made fibre, or blends thereof in which any or all of those fibres in combination represent either the chief value of the fibres or 50 per cent or more by weight (or 17 or more by weight of wool) of the product, are subject to this agreement.

C. Textile products are subject to this agreement, if wholly or in chief value of man-made fibre or wool, and, if wholly or in chief value cotton, textile products are subject to the cotton textile agreement of 2 June 1975. All other products described in sub-paragraph(B) of this paragraph shall be classified as follows:

- (I) Cotton textiles are subject to the cotton textile agreement if containing 50 per cent or more by weight of cotton, or if the cotton component exceeds by weight the wool and/or the man-made fibre component.

(II) Wool textiles if not cotton, and the wool equals or exceeds 17 per cent by weight of all component fibres.

(III) Man-made fibre textiles if neither of the foregoing applies.

12. The Government of the Socialist Republic of Romania and the Government of the United States of America agree to consult on any question arising in the implementation of this agreement.

13. 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.

14. If the Government of the Socialist Republic of Romania considers that, as a result of limitations specified in this agreement, Romania is being placed in an inequitable position vis-à-vis a third country, the Government of the Socialist Republic of Romania may request consultations with the Government of the United States of America with a view to taking appropriate remedial action such as reasonable modification of this agreement.

15. For the duration of this agreement, the Government of the United States of America shall not invoke the procedures of Article III of the Arrangement to request restraint on man-made fibre and wool textiles, excluding yarn, from Romania to the United States.

16. The Government of the United States of America may assist the Government of the Socialist Republic of Romania in implementing the limitation provisions of this agreement by controlling imports of textiles exported from Romania to the levels as specified in the agreement.

17. Either government may terminate this agreement effective at the end of any agreement year by written notice to the other government to be given at least ninety days prior to the end of such agreement year. Either government may at any time propose revisions in the terms of this agreement.

If the foregoing proposal is acceptable to the Government of the Socialist Republic of Romania, this note and your note of confirmation on behalf of the Government of the Socialist Republic of Romania shall constitute an agreement between the Government of the Socialist Republic of Romania and the Government of the United States of America.

Accept, Excellency, the renewed assurances of my highest consideration.

ROMANIAN NOTE

17 June 1977

Excellency,

I am pleased to acknowledge your Note No. 48 addressed to His Excellency Ion Patan, Deputy Prime Minister of the Government and Minister of Foreign Trade and International Economic Co-operation of the Socialist Republic of Romania, proposing an Agreement relating to trade in wool and man-made fibre textile, excluding yarn, between Romania and the United States.

I confirm that the Government of the Socialist Republic of Romania accepts the proposal in your Note and that the proposal in your Note and this reply constitute an agreement between our two Governments.

I take this opportunity to renew to Your Excellency the assurances of my highest consideration.

(signed) Alexandru Margaritescu

H.E. Harry G. Barnes Jr.
Ambassador of the United States of America

ANNEX A

Categories of Wool Textile Products

Category number	Description	Unit of measure	SYD conversion
101	Wool tops and wool advanced	lb.	1.95
102	Yarns of angora rabbit hair	lb.	1.95
103	Other yarns of wool and hair	lb.	1.95
104	Woven fabrics of wool, including blankets (carriage robes, lap robes, steamer rugs, etc.) over 3 yards in length	SYD	1.00
105	Billiard cloth	SYD	1.0
106	Blankets	lb.	1.295
107	Carriage and auto robes, etc., NES	lb.	1.295
108	Tapestries and upholstery fabrics	SYD	1.0
109	Pile and tufted fabrics	SYD	1.0
110	Knit fabrics in the piece	lb.	1.95
111	Hosiery	doz. prs.	2.7814
112	Gloves and mittens	doz. prs.	2.093
113	Underwear, knit	lb.	1.95
114	Other infants articles, knit not ornamented	lb.	1.95

Category number	Description	Unit of measure	SYD conversion
115	Knit hats and similar items	lb.	1.95
116	Knit wearing apparel, NES valued over US\$5 per pound	lb.	1.95
117	Knit wearing apparel, NES valued not over US\$5 per pound	lb.	1.95
118	Hats, caps, not blocked	lb.	1.95
119	Hats, caps, blocked, finished	lb.	1.95
120	Men's and boys' suits	No.	4.5
121	Men's and boys' outer coats	No.	4.5
122	Women's misses' and children's coats and suits	No.	4.75
123	Women's misses', children's separate skirts	No.	1.5
124	Trousers, slacks and shorts	No.	1.5
125	Articles of wearing apparel, NES	lb.	2.0
126	Lace and net article including veiling	lb.	1.95
128	Miscellaneous wool manufacturers	lb.	1.95
131	Braided floor coverings	SFT	.11
132	Wool floor coverings, NES	SFT	.11

Categories of Man-Made Fibre Textile Products

Category number	Description	Unit of measure	SYD conversion
200	Textured yarns	lb.	3.51
201	Yarn wholly of continuous filament, cellulosic	lb.	5.19
202	Yarn wholly of continuous filament, other	lb.	11.6
203	Yarn wholly of non-continuous filament, cellulosic	lb.	3.4
204	Yarn wholly of non-continuous filament, other	lb.	4.12
205	Yarns, other	lb.	3.51
206	Woven fabrics, cellulosic, wholly of continuous man-made fibre	SYD	1.0
207	Woven fabrics, cellulosic, wholly of non-continuous fibres	SYD	1.0
208	Woven fabrics, other, wholly of continuous man-made fibre	SYD	1.0
209	Woven fabrics, other, wholly of non-continuous fibres	SYD	1.0
210	Woven fabrics, other, of man-made fibres (including fabric containing more than 17 per cent by weight of wool, glass fabrics and mixed yarn fabrics)	SYD	1.0
211	Knit fabrics	lb.	7.8

Category number	Description	Unit of measure	SYD conversion
212	Pile and tufted fabrics	SYD	1.0
213	Specialty fabrics	lb.	7.8
214	Gloves and mittens, knit, whether or not ornamented	doz. prs.	3.53
215	Hosiery	doz. prs.	4.6
216	Dresses, knit	doz.	45.3
217	Pajamas and other nightwear, knit	doz.	51.96
218	T-shirts, knit	doz.	7.24
219	Shirts, other (including blouses), knit	doz.	18.36
220	Skirts, knit	doz.	17.8
221	Sweaters and cardigans, knit	doz.	36.8
222	Trousers, slacks and shorts, knit	doz.	17.8
223	Underwear, knit	doz.	16.0
224-Pt	Suits, knit, men's and boys'	lb.	7.8
224-Pt	Coats, knit, men's and boys'	lb.	7.8
224-Pt	Other wearing apparel, knit, whether or not ornamented	lb.	7.8
225	Body supporting garments	doz.	4.75
226	Handkerchiefs	doz.	1.66

Category number	Description	Unit of measure	SYD conversion
227	Mufflers, scarves and shawls, not knit	lb.	7.8
228	Blouses, not knit	doz.	14.53
229	Coats, not knit	doz.	41.25
230	Dresses, not knit	doz.	45.3
231	Dressing gowns, including bathrobes and beachrobes, not knit	doz.	51.0
232	Pajamas and other nightwear, not knit	doz.	51.96
233	Playsuits, sunsuits, wash-suits, etc., not knit	doz.	21.3
234	Dress shirts, not knit	doz.	22.19
235	Shirts, other, not knit	doz.	24.46
236	Skirts, not knit	doz.	17.8
237	Suits, not knit	No.	4.5
238	Trousers, slacks and shorts, not knit	doz.	17.8
239	Underwear, not knit	doz.	22.8
240	Other wearing apparel, not knit, whether or not ornamented	lb.	7.8
241	Floor coverings	SFT	0.11
242	Other furnishings	lb.	7.8
243	Man-made fibre manufactures, n.e.s.	lb.	7.8

SOCIALIST REPUBLIC OF ROMANIA
MUNICIPALITY OF BUCHAREST
JUDET ILFOV
Embassy of the United States
of America

I, the undersigned consular officer of the United States of America, duly commissioned and qualified, do hereby certify that the foregoing is a true and faithful copy of the original (copy this day exhibited to me, compared with the said original) copy and found to agree therewith word for word and figure for figure.

IN WITNESS WHEREOF I have hereunto set my hand and affixed the seal of the American Embassy at Bucharest, this 21st day of June 1977.

Consul of the United States of America

Marian L. Tipton
American Consul