

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COT/34/Add.3
4 May 1966

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LONG-TERM ARRANGEMENT REGARDING INTERNATIONAL TRADE IN COTTON TEXTILES

Request Made by the United States Pursuant to the Provisions of Articles 3 and 6(c)

Addendum

Information Transmitted by Brazil

The following communication has been received by the Director-General from the Brazilian delegation.

With reference to document COT/34/Add.2, dated 7 February 1966, I have the honour to inform you that I have been instructed by my Government to clarify the following points:

1. By a note dated 16 December 1965, the United States Government requested the Government of Brazil to restrict exports of carded cotton yarn, singles (category 1) to the United States to the level of 2 million lbs., for the twelve-month period beginning on 16 December 1965. In order to make possible the implementation of already signed contracts between Brazilian and American firms, the United States Government, in that note, indicated its willingness to grant an additional quota, on an exceptional one-time basis, for the importation of 10 million lbs. of category 1 yarn for the period extending from 1 August 1965 to 31 July 1966.
2. The reply given by the Brazilian Government to that request, dated 13 January 1966, was in accordance with the well-known position maintained by Brazil on the subject, that is non-acceptance of the unilateral concept of market disruption and contrary to the imposition of new barriers to the trade of manufactures and semi-manufactures from less-developed countries. In its reply, my Government initially expresses its appreciation for the conciliatory spirit of the American note, admitting the implementation of already signed contracts. It states further that "nevertheless, the Brazilian Government wishes to point out that the recognition of the spirit of conciliation contained in the note of 16 December does not prejudice Brazil's traditional position on the subject, which has been transmitted to the United States Government on numerous previous occasions by notes and aide-mémoires to the Department of State and the United States Embassy in Rio de Janeiro. For this reason the Brazilian Government deplores that the United States authorities found it necessary to apply this unilateral restriction."

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