

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1173*

30 July 1986

Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Bilateral Agreement between the United States and Haiti

The Textiles Surveillance Body received a notification from the United States of a bilateral agreement concluded with Haiti under Article 4 of the MFA. ¹The agreement is valid for the period 1 January 1984-31 December 1986.

The TSB, pursuant to its procedures regarding notifications made under Article 4, ²has examined the relevant documentation and is forwarding the ³text of the notification to participating countries for their information.

¹The previous agreement between the parties is contained in COM.TEX/SB/808. This agreement was transmitted under Articles 7 and 8 because, at the time of notification, Haiti was not a participant in MFA III.

²See COM.TEX/SB/35, Annex B

³For TSB's observations on this agreement, see COM.TEX/SB/1176

*English only/Anglais seulement/Inglés solamente

UNITED STATES AND REPUBLIC OF HAITI
SIGN BILATERAL TEXTILE AGREEMENT

The United States and the Republic of Haiti exchanged notes in Port-au-Prince to effect an agreement between the two Governments concerning the export of cotton, wool and man-made fibre textiles and textile products from Haiti to the United States. Texts of the notes follow:

UNITED STATES NOTE

His Excellency
Jean-Robert Estimé
Minister of Foreign Affairs
Port-au-Prince

Excellency:

I have the honour to refer to the arrangement regarding international trade in textiles, with annexes, done at Geneva on December 20, 1973, and extended by the protocols adopted respectively on December 14, 1977 and December 22, 1981 at Geneva (hereinafter referred to as the Arrangement). I have also the honour to refer to discussions between representatives of the Government of the United States of America and the Government of the Republic of Haiti held in Port-au-Prince January 23-27, 1984, concerning exports of cotton, wool and man-made fibre textile products from Haiti to the United States. As a result of those discussions and in conformity with Articles 4 and 6 of the arrangement, I have the honour to propose the following Agreement relating to trade in cotton, wool and man-made fibre textiles and textile products between the Government of the United States and the Government of Haiti.

1. The term of this Agreement shall be the three-year period from January 1, 1984 through December 31, 1986. The first Agreement period commences on January 1, 1984 and ends on December 31, 1984. All subsequent Agreement periods shall commence on January 1, and end on December 31 of the same year.

2. (a) The coverage of this Agreement shall be all textiles and textile products of cotton, wool and man-made fibres.

(b) The determination of whether a textile or textile product is of cotton, wool or man-made fibre shall be made in accordance with the terms of paragraph 12.

3. (a) The system of categories and the rates of conversion into square yards equivalent listed in Annex A shall apply in implementing this Agreement.

(b) For purposes of this Agreement, and in recognition of the patterns of trade between Haiti and the United States, the categories below are merged and treated as single categories as indicated, with limits as set out in Annex B and Annex C:

Categories MergedDesignation in Agreement

347,348

347/348

349,649

349/649

4. Commencing with the first Agreement period and during the subsequent term of this Agreement, the Government of Haiti shall limit annual exports of cotton, wool and man-made fibre textiles and textile products from Haiti to the United States to the limits set out in Annex B and Annex C, as such limits may be adjusted in accordance with this paragraph and paragraphs 5 and 6. The specific limits shall be increased by 7 per cent annually, as shown in Annex B.

5. Any specific limit may be exceeded in any agreement year by not more than 7 per cent of its square yards equivalent total provided that the amount of the increase is compensated for by an equivalent decrease in one or more specific limits. When requesting use of the provisions of this paragraph, the Government of Haiti will indicate the category or categories to be increased and the category or categories to be decreased by commensurate quantities.

6. (a) In any Agreement period, in addition to any adjustments pursuant to paragraph 5, exports may exceed by a maximum of 11 per cent any specific limit by allocating to such limit for that Agreement period an unused portion of the corresponding limit for the previous Agreement period ("carryover"), or a portion of the corresponding limit for the succeeding Agreement period ("carry forward") subject to the following conditions:

(b) Carryover may be utilized as available up to 11 per cent of the receiving Agreement period's applicable specific limit.

(c) Carryover of shortfall (as defined in sub-paragraph 6(d)) shall not be applied to any specific limit until the Governments of Haiti and the United States have agreed upon the amount involved.

(d) For purposes of this Agreement, a shortfall occurs when exports of textiles or textile products from Haiti to the United States during an Agreement period are below the specific limit for that category. In the Agreement period following the shortfall, such exports from Haiti to the United States may be permitted to exceed the specific limit, subject to sub-paragraph 6(a), by carryover of shortfall in the following manner:

- Carryover in any category shall not exceed the amount of shortfall in that category.
- In the case of shortfall in a category subject to a specific limit the shortfall shall be used in the category in which the shortfall occurred.
- The specific limit in the category in which the shortfall occurred shall be decreased by the amount used to exceed the following period's limit.

(e) The specific limits referred to in sub-paragraphs (a) and (b) of this paragraph are without any adjustments under this paragraph of paragraphs 5 and 17.

(f) Carry forward may be utilized up to 6 per cent of the receiving Agreement period's applicable limits.

(g) Carry forward used shall be charged against the immediately following Agreement period's corresponding limits. No carry forward shall be available for application in the final Agreement period.

(h) The combination of carryover and carry forward may not exceed 11 per cent of the receiving period's applicable limits in any Agreement period.

(i) The Government of the United States may apply adjustments under this paragraph to any specific limit whenever that adjustment appears appropriate to facilitate the flow of trade and the sound administration of the Agreement. To the extent that such adjustments are actually utilized, they will be implemented by means of carryover and carry forward in that order. Any unused carry forward will be re-credited to the following period's limit. This procedure will not prejudice the outcome of any consultations that may be held between the Governments of Haiti and the United States concerning the amounts of available carryover and carry forward.

7. The categories listed in Annex C are subject to designated consultation levels as specified therein. In the event the Government of Haiti wishes to permit exports in any category in excess of the applicable consultation level, the Government of Haiti shall request the higher levels and the Government of the United States shall consider the request sympathetically and shall respond promptly. If, because of problems of market disruption in the United States as defined in Annex A of the Arrangement in a category subject to such request, the Government of the United States is unable to comply fully, the Government of the United States will so inform the Government of Haiti and will supply data which form the basis of the position taken by the Government of the United States. If requested by the Government of Haiti, the Government of the United States will consult promptly. Until a mutually satisfactory change in the consultation level is established, the Government of Haiti will not authorize exports in excess of the existing consultation level.

8. For categories not subject to specific limits or designated consultation levels, each government reserves its rights to take action in accordance with the Arrangement.

9. In accordance with Article 12, paragraph 3, of the Arrangement and subject to the establishment of a mutually agreed-upon certification system, Haitian exports of handloom fabrics of the cottage industry, or hand-made cottage industry products made of such hand-loom fabrics, or traditional folklore handicraft textile products will not be subject to the provisions of this Agreement.

10. The Government of Haiti shall use its best efforts to space exports from Haiti to the United States within each category evenly throughout the Agreement period, taking into consideration normal seasonal factors.

11. The Government of the United States shall promptly supply the Government of Haiti with data on monthly imports of cotton, wool and man-made textiles and textile products to the United States from Haiti. The Government of Haiti shall promptly supply the Government of the United States with data on monthly exports of cotton, wool and man-made textiles

and textile products from Haiti to the United States. Each Government agrees to supply promptly any other available statistical data necessary to the implementation of this agreement requested by the other Government.

12. (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 or man-made fibres, or blends thereof, in which any or all of those fibres represents either the chief value of the fibre, or 50 per cent or more by weight of the products (or 17 per cent or more by weight of wool) are subject to this Agreement.

(b) For the purposes of this Agreement, textile products shall be classified as cotton, wool, or man-made fibre textiles if wholly or in chief value of any of these fibres. Any products covered by sub-paragraph 12(a) but not in chief value of cotton fibre shall be classified as:

(i) Cotton textiles in 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; and

(iii) Man-made fibre textiles if neither of the foregoing applies:

13. The Government of the United States and the Government of Haiti agree to consult upon the request of the other on any question arising in the implementation of this Agreement.

14. The Government of Haiti shall administer its export control system under this Agreement. The Government of the United States may assist the Government of Haiti in implementing the provisions of this Agreement by controlling imports of textiles and textile products covered by this Agreement.

15. In conformity with Article 8 of the Arrangement, the Government of Haiti and the Government of the United States shall cooperate to avoid circumvention of the Agreement.

16. Mutually satisfactory administrative arrangements or adjustments may be made to resolve minor problems arising in the implementation of this Agreement, including difference in points of procedure or operation.

17. (a) Exports from Haiti in excess of authorized limits in any agreement period may be denied entry into the United States. Any such shipments denied entry may be permitted entry into the United States and charged to the applicable limit in the succeeding Agreement period.

(b) Exports from Haiti in excess of authorized limits in any Agreement year will, if allowed entry into the United States during that Agreement period, be charged to the applicable limit in the succeeding Agreement period.

18. The visa system, effective on March 3, 1980, between the Government of the United States and the Government of Haiti, will remain in force subject to paragraph 16.

19. If the Government of Haiti considers that as a result of limitations specified in this Agreement it is being placed in an inequitable position in relation to a third country, the Government of Haiti may request consultations with the Government of the United States with a view to taking appropriate remedial actions, such as reasonable modifications of this Agreement.

20. The Government of the United States and the Government of Haiti agree to consult upon the request of the other on any question arising in the implementation of this Agreement.

21. The Government of the United States and the Government of Haiti may at any time propose revisions in the terms of this Agreement. Each Government agrees to consult promptly with the other 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.

22. Either Government may terminate this Agreement, effective at the end of any Agreement period, by written notice to the other Government to be given at least ninety days prior to the end of such Agreement period.

If the foregoing conforms with the understanding of the Government of Haiti, this Note and Your Excellency's Note of confirmation on behalf of the Government of Haiti shall constitute an Agreement between our Governments.

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

(signed)

ANNEX A

<u>CATEGORY</u>	<u>DESCRIPTION</u>	<u>CONVERSION FACTOR</u>	<u>UNIT OF MEASURE</u>
YARN			
- Cotton			
300	Carded	4.6	lb.
301	Combed	4.6	lb.
- Wool			
400	Tops and Yarns	2.0	lb.
- Man-Made Fibre			
600	Textured	3.5	lb.
601	Cont. Cellulosic	5.2	lb.
602	Cont. Noncellulosic	11.6	lb.
603	Spun Cellulosic	3.4	lb.
604	Spun Noncellulosic	4.1	lb.
605	Other Yarns	3.5	lb.
FABRIC			
- Cotton			
310	Ginghams	1.0	SYD
311	Velveteens	1.0	SYD
312	Corduroy	1.0	SYD
313	Sheeting	1.0	SYD
314	Broadcloth	1.0	SYD
315	Printcloth	1.0	SYD
316	Shirtings	1.0	SYD
317	Twill and Sateens	1.0	SYD
318	Yarn Dyed	1.0	SYD
319	Duck	1.0	SYD
320	Other Fabrics	1.0	SYD
- Wool			
410	Wools and Worsted	1.0	SYD
411	Tapestries and Upholstery	1.0	SYD
425	Knit	2.0	lb.
429	Other Fabrics	1.0	SYD

M and B - Men and Boys'

W, G and I - Women's, Girls', and Infants'

n.k. - not knit

<u>CATEGORY</u>	<u>DESCRIPTION</u>	<u>CONVERSION FACTOR</u>	<u>UNIT OF MEASURE</u>
- Man-Made Fibre			
610	Continuous Cellulosic, n.k.	1.0	SYD
611	Spun Cellulosic, n.k.	1.0	SYD
612	Continuous Non-Cellulosic, n.k.	1.0	SYD
613	Spun Non-Cellulosic, n.k.	1.0	SYD
614	Other Fabrics, n.k.	1.0	SYD
625	Knit	7.8	lb.
626	Pile and Tufted	1.0	SYD
627	Speciality	7.8	lb.
APPAREL			
- Cotton			
330	Handkerchiefs	1.7	doz
331	Gloves	3.5	dpr
332	Hosiery	4.6	dpr
333	Suit-type Coats, M and B	36.2	doz
334	Other Coats, M and B	41.3	doz
335	Coats, W, G and I	41.3	doz
336	Dresses (including Uniforms)	45.3	doz
337	Playsuits, Sun suits, Washsuits, Creepers, Rompers, etc.	25.0	doz
338	Knit Shirts (including T-shirts, Other, and Sweat-shirts), M and B	7.2	doz
339	Knit Shirts and Blouses (including T-Shirts, Other, and Sweat-shirts), W, G and I	7.2	doz
340	Shirts, n.k., M and B	24.0	doz
341	Blouses, n.k., W, G and I	14.5	doz
342	Skirts	17.8	doz
345	Sweaters	36.8	doz
347	Trousers, Slacks and Shorts (Outer), M and B	17.8	doz
348	Trousers, Slacks and Shorts (Outer), W, G and I	17.8	doz
349	Brassières	4.8	doz
350	Dressing gowns including Bathrobes and Beach robes, Lounging gowns, House coats and Dusters	51.0	doz
351	Pyjamas and other Nightwear	52.0	doz
352	Underwear (including Union suits)	11.0	doz
353	Down and feather-filled Coats, Jackets, Vests, M and B	41.3	doz
354	Down and feather-filled Coats, Jackets, Vests, W, G and I	41.3	doz
359	Other apparel	4.0	lb.
- Wool			
431	Gloves	2.1	dpr
432	Hosiery	2.8	dpr
433	Suit-type Coats, M and B	36.0	doz

<u>CATEGORY</u>	<u>DESCRIPTION</u>	<u>CONVERSION FACTOR</u>	<u>UNIT OF MEASURE</u>
434	Other Coats, M and B	54.0	doz
435	Coats, W, G and I	54.0	doz
436	Dresses	49.2	doz
438	Knit Shirts and Blouses	15.0	doz
440	Shirts and Blouses, n.k.	24.0	doz
442	Skirts	18.0	doz
443	Suits, M and B	54.0	doz
444	Suits, W, G and I	54.0	doz
445	Sweaters, M and B	14.88	doz
446	Sweaters, W, G and I	14.88	doz
447	Trousers, Slacks and Shorts (outer), M and B	18.0	doz
448	Trousers, Slacks and Shorts (outer), W, G and I	18.0	doz
459	Other Wool Apparel	2.0	lb
- Man-Made Fibre			
630	Handkerchiefs	1.7	doz
631	Gloves	3.5	dpr
632	Hosiery	4.6	dpr
633	Suit-type Coats, M and B	36.2	doz
634	Other Coats, M and B	41.3	doz
635	Coats, W, G and I	41.3	doz
636	Dresses	45.3	doz
637	Playsuits, Sunsuits, Washsuits, etc.	21.3	doz
638	Knit Shirts, (including T-Shirts), M and B	18.0	doz
639	Knit Shirts and Blouses (including T-Shirts), W, G and I	15.0	doz
640	Shirts, n.k., M and B	24.0	doz
641	Blouses, n.k.	14.5	doz
642	Skirts	17.8	doz
643	Suits, M and B	54.0	doz
644	Suits, W, G and I	54.0	doz
645	Sweaters, M and B	36.8	doz
646	Sweaters, W, G and I	36.8	doz
647	Trousers, Slacks and Shorts (Outer), M and B	17.8	doz
648	Trousers, Slacks and Shorts (Outer), W, G and I	17.8	doz
649	Brassières, etc.	4.8	doz
650	Dressing gowns, including Bath and Beach robes	51.0	doz
651	Pyjamas and Other Nightwear	52.0	doz
652	Underwear	16.0	doz
653	Down and feather-filled Coats, Jackets, Vests, M and B	41.3	doz
654	Down and feather-filled Coats, Jackets, Vests, W, G and I	41.3	doz
459	Other apparel	7.8	lb.

<u>CATEGORY</u>	<u>DESCRIPTION</u>	<u>CONVERSION FACTOR</u>	<u>UNIT OF MEASURE</u>
MADE-UPS AND MISC.			
- Cotton			
360	Pillowcases	1.1	No
361	Sheets	6.2	No
362	Bedspreads and Quilts	6.9	No
363	Terry and Other Pile Towels	0.5	No
369	Other Cotton Manufactures	4.6	lb.
- Wool			
464	Blankets and Auto Robes	1.3	lb.
465	Floor Coverings	0.1	sft
469	Other Wool Manufactures	2.0	lb.
- Man-Made Fibre			
665	Floor Coverings	0.1	sft
666	Other Furnishings	7.8	lb.
669	Other Man-Made Manufactures	7.8	lb.
670 (Part)			
TSUSA No. 706.4144 Backpacks			
TSUSA No. 706.4152 Luggage other than Backpacks			

ANNEX B

<u>Category</u>	<u>Description</u>	<u>Unit</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
337	Playsuits	doz	135,000	144,450	154,562
340	Shirts, n.k. M and B	doz	188,909	202,133	216,282
347/348	Trousers	doz	400,715	428,765	458,779
349/649	Brassières	doz	1,602,860	1,715,060	1,835,114
632	Hosiery	doz	2,060,820	2,205,077	2,359,432
635	Coats	doz	200,358	214,383	229,390
648	Trousers	doz	686,940	735,026	786,478

ANNEX C

DESIGNATED CONSULTATION LEVELS

<u>Category</u>	<u>Description</u>	<u>Unit</u>	<u>Level</u>
331	Gloves	dpr	533,429
639	Knit shirts and Blouses	doz	380,000
641	Blouses, n.k.	doz	317,241

HAITI NOTE

Republic of Haiti
Ministry of Foreign Affairs

Port-au-Prince, May 4, 1984

Mr. Ambassador:

I have the honour to acknowledge receipt of your note No. 85 of February 17, 1984, which reads as follows:

UNITED STATES NOTE

I have the honour to confirm that the Government of the Republic of Haiti approves the above proposals and considers that your note and this note of confirmation shall constitute an Agreement between our two Governments.