ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Article 4 Notifications

Bilateral Agreement between the United States and India

The Textiles Surveillance Body has received from the United States a notification of a bilateral agreement under Article 4 of the Arrangement between the United States and India concerning trade in textiles.

The TSB, pursuant to its procedure regarding bilateral agreements notified under Article 4, has examined the relevant documentation and is circulating the text of this agreement to participating countries for their information.

1See COM.TEX/SB/35, Annex B.
UNITED STATES NOTE

20 January 1976

Excellency:

I have the honour to refer to the Arrangement Regarding International Trade in Textiles done in Geneva on 20 December 1973 (the "Arrangement") and to the bilateral Cotton Textile Agreement of 6 August 1974, with Related Letter of 30 January 1974, between our two Governments (together, the "Agreement").

I also have the honour to refer to recent discussions between representatives of our two Governments in Washington and, inasmuch as our two Governments do not have a common understanding on the interpretation of certain provisions of Article 12, paragraph 3 of the Arrangement, have the honour to propose the following provisions and amendments to the Agreement:

1. As provided in Article 12, paragraph 3 thereof, the Arrangement does not apply to handmade cottage industry products made of handloom fabrics of the cottage industry.

2. Additionally, products made of handloom fabrics of the cottage industry, when certified as such by the Government of India in accordance with administrative arrangements agreed to by the two Governments, shall not be subject to the Agreement.

3. However, exports from India to the United States of handloom apparel products described in paragraph 2 hereof shall be limited to 2.9 million dozen units during the year 1 October 1975, through 30 September 1976, and to 3.0 million dozen units during the year 1 October 1976, through 30 September 1977; provided, however, that during the year 1 October 1975, through 30 September 1976, the Government of India may authorize the export to the United States of up to 1.6 million dozen units of such apparel allocated hereby to the year 1 October 1976, through 30 September 1977.

4. The Agreement is hereby amended to provide that Group I shall also include Categories 28-38 and 64 (made-up and miscellaneous cotton textile products). Categories 28-38 and 64 shall when taken together be subject to a specific

His Excellency
Triloki Nath Kaul
Ambassador of India.
limit of 10 million square yards equivalent (SYE) for the year 1 October 1975 through 30 September 1976. The specific limits for Categories 28/29, 31 and 34/35, as provided in paragraph 4(a) of the Agreement, shall continue to apply, provided that the specific limit for Categories 28-38 and 64 when taken together as mentioned above shall not be exceeded.

5. The Agreement is hereby amended to provide that for the third and fourth years of the Agreement, the aggregate and group levels shall be as follows:

For the third agreement year, the aggregate limit shall be 138.182 million SYE and the Group I limit shall be 120 million SYE. Shipments under Group II during the third agreement year shall not exceed 20 million SYE, including swing as defined in paragraphs 4(b) and 5 of the Agreement.

For the fourth agreement year, the aggregate limit shall be 147.8547 million SYE, and the Group I limit shall be 128.4 million SYE. Shipments under Group II during the fourth agreement year shall not exceed 21.4 million SYE, including swing as defined in paragraphs 4(b) and 5 of the agreement.

6. The limits in the third year under the Agreement, determined in accordance with the Agreement as amended hereby, shall be increased 7 per cent for the fourth agreement year pursuant to paragraph 8 of the Agreement.

7. Except as amended hereby, the Agreement shall remain in full force and effect; provided, however, that in the case of any conflict between the terms of the Agreement and the terms hereof, the terms hereof shall govern.

If this proposal is acceptable to the Government of India, this note and Your Excellency's note of acceptance on behalf of the Government of India shall constitute an agreement between our two Governments which, by paragraphs 4, 5, 6 and 7 hereof, amends the Agreement and which otherwise further regulates trade in cotton textiles between India and the United States of America, effective on the date of your note of acceptance.

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

For the Acting Secretary of State:

(signed) P. Boeker
INDIAN NOTE

22 January 1976

Excellency:

I have the honour to acknowledge receipt of your note of 20 January 1976 proposing certain provisions and amendments to the bilateral Cotton Textile Agreement of 6 August 1974 between our two Governments which reads as follows:

(see United States Note)

I confirm on behalf of the Government of India that the proposal set forth in your note is acceptable to my Government and that your note and this note in reply shall constitute an agreement between our two Governments.

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

Ambassador of India:

(signed) Triloki Nath Kaul