ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Bilateral agreement between
the United States and Argentina

The Textiles Surveillance Body received a notification from the United States of a selective bilateral agreement concluded with Argentina for the period 1 July 1989 to 31 March 1992.

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

1See COM.TEX/SB/35, Annex B.
2For the TSB's observation on this notification see COM.TEX/SB/1647.
*English and Spanish only/Anglais et espagnol seulement
Letter from the Embassy of the United States of America
Buenos Aires

No. 199

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs and Worship of the Argentine Republic - National Protocol Bureau - and has the honour to refer to the Ministry's Letter CGABI NETEA No. 235 transmitting the agreed texts in English and Spanish of the agreement between our two governments regulating the exportation of women's and girls' wool trousers from Argentina to the United States. The texts transmitted under cover of the above mentioned letter contain the exact wording that our governments have agreed on in both languages.

On this basis the Embassy has the honour to accept the Ministry's proposal that its Letter No. 235 with its attached texts and this reply constitute an agreement between our two governments regulating the exportation of women's and girls' wool trousers (Category 448) from Argentina to the United States. The texts in English and in Spanish are equally authentic.

The Embassy of the United States of America takes this opportunity to renew to the Ministry of Foreign Affairs and Worship of the Argentine Republic - National Protocol Bureau - the assurances of its highest consideration.

Embassy of the United States of America

Buenos Aires, 31 May 1991
Minister for Foreign Affairs and Worship
Letter CGABI NETEA No. 235
Buenos Aires, 14 May 1991

Sir,

I have the honour to refer to the talks held by representatives of our two countries concerning the export of women's and girls' woollen trousers and slacks (Category 448) from the Argentine Republic to the United States of America.

In this connection, on behalf of the Argentine Government I have the honour to propose the signing of an agreement to regulate these exports, which will be governed by the provisions attached hereto in the Spanish and English versions.

I should like to point out that the second period provided for in the attached provisions is currently underway, and the third such period will commence shortly. Exports have so far complied with the provisions.

If the foregoing is acceptable to the Government of the United States of America, this note and your reply expressing assent will constitute an Agreement between our two Governments on this subject.

Accept, Sir, the assurances of my highest consideration.

(Signed) Guido di Telia
Minister for Foreign Affairs and Worship

To His Excellency the Ambassador of the United States of America,
Terence A. Todman
AGREEMENT BETWEEN THE REPUBLIC OF ARGENTINA
AND THE UNITED STATES OF AMERICA
CONCERNING WOMEN'S AND GIRLS' WOOL TROUSERS
(CATEGORY 448)

Agreement Term

1. The term of the Agreement shall be from 1 July 1989 to 31 March 1992. The first agreement period shall be from 1 July 1989 to 31 March 1990. The second agreement period shall be from 1 April 1990 to 31 March 1991. The third and final agreement period shall be from 1 April 1991 to 31 March 1992.

Coverage of Agreement

2. (A) The textile products covered by this Agreement are women's and girls' wool trousers (category 448) and the rates of conversion into square meters equivalent are those contained in Annex A herein.

(B) For the purpose of this Agreement, wool trousers shall be defined in Annex A.

Limitation Provision

3. During the term of this Agreement, the Government of Argentina shall limit in each agreement period set forth in paragraph 1, exports from Argentina to the United States of the textile products listed in Annex A, to the specific limit set forth in Annex B hereto. Such limit may be adjusted in accordance with paragraph 4. The limit set out in Annex B is without such adjustments. Exports are subject to a limit for the agreement period in which they are exported.

Flexibility Adjustments

4. In any agreement period, exports may exceed by a maximum of 5 per cent any specific limit set out in Annex B, by allocating to such limit for the agreement period any unused portion of the corresponding limit for the previous agreement year (carryover) or a portion of the corresponding limit for the succeeding agreement period (carry forward) subject to the conditions detailed herebelow. During any one agreement period, therefore, the application of carryover and carry forward combined shall not exceed 5 per cent of any specific limit in Annex B.

(I) The carryover may be utilized as available (subject to sub-paragraph 4(A) up to 5 per cent of the limit corresponding to the receiving period within the Agreement. There will be no carryover available during the first period of the Agreement.

(II) The carry forward may be utilized up to 5 per cent of the limit corresponding to the receiving period within the Agreement immediately thereafter. There will be no carry forward available during the last year of the Agreement.
(III) Special 2 per cent carry forward in addition to the 5 per cent noted above in paragraph 4(A) (II) shall be available during the first agreement period.

(B) For the purposes of this Agreement, a shortfall occurs when exports of the textile product subject to this Agreement from Argentina to the United States during an agreement period are below the applicable specific limit as set out in Annex B. In the agreement period following the shortfall, the United States shall permit the entry of exports of Argentina by carrying over part of the unused limit as per the conditions of sub-paragraph 4(A), by carryover of an amount not to exceed the actual shortfall in the previous agreement period.

(C) The Government of the United States may apply adjustments as available under this paragraph whenever these adjustments appear appropriate to facilitate the flow of trade and the sound administration of this Agreement. Any unused carry forward will be credited to the following agreement period's limit.

US Assistance in Implementation of Limitation Provision


(B) The Government of the United States may deny entry of exports from Argentina in excess of the authorized limit. Notwithstanding the above, the Government of the United States may authorize any such shipments by charging them to the applicable limit in the succeeding agreement period. The Government of the United States shall promptly inform the Government of Argentina of any such charges.

Spacing Provision

6. The Government of Argentina will to the extent of its abilities space exports from Argentina to the United States of the textile products covered by the Agreement evenly throughout each agreement period, taking into account normal seasonal factors.

Exchange of Data

7. The Government of the United States shall promptly supply the Government of Argentina with monthly data on imports of the textile product subject to this Agreement. The Government of Argentina shall supply the Government of the United States with quarterly data on exports of such products from Argentina to the United States. Each Government agrees to supply promptly any other pertinent, readily available statistical data whenever requested.
Administrative Arrangements

8. 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.

Consultation

9. The Government of the United States and the Government of Argentina agree to consult one another to resolve any questions arising in the implementation of this Agreement.

10. The Government of the United States and the Government of Argentina may at any time propose revisions in the terms of the 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.

Equity Provisions

11. If the Government of Argentina considers that, as a result of the limits specified in this Agreement, Argentine products have been placed in an unfair position with respect to the products exported from a third country, the Government of Argentina may consult the Government of the United States with the purpose of taking such appropriate corrective actions, such as the reasonable modifications to this Agreement.

Cooperation in the Prevention of Circumvention of the Agreement

12. (A) The Government of Argentina and the Government of the United States shall cooperate to avoid circumvention of this Agreement.

(B) Both Governments agreed that the appropriate authority or the Argentine Republic will be the controller agency for the issuance of visas for textile products to be exported under this Agreement. The aforesaid visaed textile products will be manufactured in Argentina and produced in accordance with Argentine domestic regulations relating to goods produced for export under this Agreement.

Multi-fibre Agreement

13. 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 a restraint on the export of the United States of the products of Argentina limited by this Agreement.

14. After the expiration of the Arrangement on 31 July 1991, and the establishment of some possible new international regulation or agreement on this matter, either Government may request consultations to review the terms of this Agreement. In the event of such a request, each Government agrees to consult promptly with the other to review the terms of the Agreement and take any appropriate action as may be mutually agreed upon.
Expiration of the Arrangement

15. 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 90 days prior to the end of such Agreement Period.
ANNEX A

(A) Tops, yarns, 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, 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 textile products in accordance with Article 12, paragraph 1 of the Multi-fibre Arrangement. Components of an article which are not considered relevant to the classification under the general rules of interpretation or the legal notes to Section XI of the Harmonized System are likewise to be disregarded here.

(B) For the purposes of this Agreement, textile products covered by sub-paragraph (A) above shall be classified as:

(I) Man-made fibre textiles, if the product is in chief weight of man-made fibres, unless:

(a) 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

(b) 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;

(c) 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.

(II) Cotton textiles, if not covered by (I) and if the product is in chief weight of cotton, 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.

(III) Wool textiles, if neither of the foregoing applies, and the product is in chief weight of wool.

Coverage under this paragraph is intended to be identical with the terms of Article 12 of the Arrangement and in conformance with the terms of Article 12 of the Arrangement 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 in chief weight of cotton, wool, or man-made fibre, the chief value of the fibres may be considered.

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<td>Women's and Girls' Trousers, Slacks and Shorts</td>
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### ANNEX B

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