ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Articles 7 and 8

Bilateral agreement between
the United States and Fiji

The Textiles Surveillance Body received a notification from the United States of a bilateral agreement concluded with Fiji for the period 1 January 1990 to 31 December 1992.

The TSB considered the notification under Articles 7 and 8, as Fiji had not as yet accepted the 1991 Protocol extending the MFA to 31 December 1992; the Body agreed to transmit the text of the notification to participating countries for their information.
The Ministry of Foreign Affairs of the Republic of Fiji presents its compliments to the Embassy of the United States of America and has the honour to refer to the latter's Note No. 28 of 24 May 1991, on the subject of exports of cotton and man-made fibre textiles and textile products of Fiji to the United States. The Note also contains the text of the Bilateral Agreement on the subject which Agreement is proposed to be concluded between the Republic of Fiji and the United States. A copy of the said Note is attached hereto.

The Ministry has the further honour to advise the Embassy that the proposed Bilateral Agreement is acceptable to the Government of the Republic of Fiji.

The Ministry of Foreign Affairs of the Republic of Fiji avails itself of this opportunity to renew to the Embassy of the United States of America the assurances of this highest consideration.

The Ministry of Foreign Affairs 
Suva

20 August 1991
Letter from the Mission of the United States of America

No. 28

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Republic of Fiji and has the honour to refer to discussions between representatives of the Government of the Republic of Fiji and the Government of the United States held in Washington 10-12 October 1990, concerning exports of cotton and man-made fibre textiles and textile products of Fiji exported to the United States. As a result of these discussions, the Embassy, on behalf of the Government of the United States, proposes the following Bilateral Agreement concerning trade in certain apparel products between the United States and the Republic of Fiji (hereinafter referred to as the Agreement).

AGREEMENT TERM

1. The term of this Agreement will be the period from 1 January 1990 through 31 December 1992. Each "Agreement Period" or "Agreement Year" shall be a 12-month period from 1 January of a given year to 31 December of the same year.

COVERAGE OF AGREEMENT AND CLASSIFICATION BY FIBRE

2. The textiles and textile products covered by this Agreement are those summarized in Annex A. The system of categories and the rates of conversion into square meters equivalent (SME) listed in Annex A shall apply in implementing this Agreement.

3. (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 subject to this Agreement. Components of an Article which are not considered relevant to the classification under the general rules of interpretation of the legal notes to Section XI of the Harmonized System are likewise to be disregarded here.

(B) For the purpose 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 case 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 case 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) above 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.

LIMITS

4. Commencing with the first Agreement Period and during each subsequent term of this Agreement, the Government of Fiji shall limit exports to the United States of cotton and man-made fibre textiles and textile products of Fiji to the specific limits set out in Annex B, as such specific limits may be adjusted in accordance with Paragraph 5.

FLEXIBILITY ADJUSTMENTS

5. (A) I. The extent of which any specific limit set out in Annex B may be exceeded in any Agreement Period by carry forward (borrowing a portion of the corresponding specific limit from the succeeding Agreement Period) and/or carryover (the use of any unused yardage (shortfall) of the corresponding specific limit for the previous Agreement Period) is 11 per cent, of which carry forward shall not constitute more than 6 per cent.

II. No carryover shall be available for application in the first Agreement Period. No carry forward shall be available for Application in the final Agreement Period.

(B) For the purposes of the Agreement, a shortfall occurs when exports of textiles or textile products of Fiji to the United States during any Agreement Period are below any specific limit as set out in Annex B.

(C) The Government of the Republic of Fiji will notify the Government of the United States when it wishes to use unused yardage (shortfall) available in categories for carryover, subject to the provisions set out above. However, the Government of the United States may supply adjustments under this section 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 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 our governments concerning the amounts of available carryover and carry forward.
OVERSHIPMENT CHARGES

6. (A) Products of Fiji shipped in excess of authorized limits in any Agreement Period may be denied entry into the United States. Any such shipment denied entry may be permitted into the United States and charged to the applicable limit in the succeeding Agreement Period.

(B) Products of Fiji shipped in excess of applicable limits in any Agreement Period will, if allowed entry into the United States during that Agreement Period, be charged to the applicable limit in the succeeding Agreement Period.

(C) Any action taken pursuant to sub-paragraph 6(A) and 6(B) above will not prejudice the rights of the other side regarding consultations.

SPACING PROVISIONS

7. The Government of the Republic of Fiji shall use its best efforts to space exports of its products to the United States within each category evenly throughout each Agreement Period, taking into consideration normal seasonal factors.

US ASSISTANCE IN IMPLEMENTATION OF THE LIMITATION PROVISIONS

8. The Government of the Republic of Fiji shall administer its export control system under the Agreement. The Government of the United States may assist the Government of the Republic of Fiji in implementing the limitation provisions of this Agreement by controlling, by the date of export, imports of textiles and textile products covered by this Agreement.

EXCHANGE OF INFORMATION

9. Subject to domestic laws, at the request of the other government, each government agrees to supply any information in its possession reasonably believed to be necessary for the enforcement of this Agreement.

EXCHANGE OF DATA


(B) The Government of the Republic of Fiji shall promptly supply the Government of the United States with data on monthly exports of cotton and man-made fibre nightwear and pajamas of Fiji to the United States.
COOPERATION IN THE PREVENTION OF CIRCUMVENTION


(B) Subject to domestic laws, the competent authorities of Fiji shall cooperate with the competent authorities of the United States in ensuring that the Agreement is not circumvented by transshipment, re-rerouting, misdescription, under-invoicing or by whatever means. To this end, the competent authorities of Fiji and those of the United States shall assist each other:

I. In securing documents, correspondence and reports considered relevant to investigations;

II. By providing for plant visits and inspections, by prior notification by authorized personnel; and

III. By facilitating personal interviews designed to ascertain needed facts.

MUTUALLY SATISFACTORY ADMINISTRATIVE ARRANGEMENT

12. 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 ON IMPLEMENTATION QUESTIONS

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

RIGHT TO PROPOSE REVISIONS TO THE AGREEMENT

14. The Government of the United States and the Government of the Republic of Fiji may at any time propose revisions to the terms of this Agreement. Each 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.

CONSULTATIONS IN CASE OF INEQUITY VIS-A-VIS A THIRD COUNTRY

15. If the Government of the Republic of Fiji 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 the Republic of Fiji may request consultations with the Government of the United States with a view to taking appropriate remedial actions, such as a reasonable modification of this Agreement.
RIGHT TO TERMINATE THE AGREEMENT

16. Either Government may terminate this Agreement, effective at the end of an Agreement Period, by written notice to the other government, to be given at least 90 days prior to the end of such Agreement Period.

If the foregoing proposal is acceptable to the Government of the Republic of Fiji, this note and a note of acceptance on behalf of the Government of the Republic of Fiji shall constitute an Agreement between the Government of the United States and the Government of the Republic of Fiji.

The Embassy of the United States of America avails itself of this opportunity to renew to the Ministry of Foreign Affairs the assurances of its highest consideration.

Embassy of the United States of America
### ANNEX A

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### ANNEX B

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