ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Extension and Amendment to the Bilateral Agreements between the United States and Brazil

The Textiles Surveillance Body has received a notification from the United States of an amendment to its bilateral agreements with Brazil concluded under Article 4 of the Arrangement. The validity of the agreements has been extended to 31 March 1982.

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

Footnotes:
1/ For original agreements and prior amendments see COM.TEX/SB/178, 329, 357 and 434.
2/ See COM.TEX/SB/35, Annex B.
UNITED STATES AND BRAZIL
AMEND TEXTILE AGREEMENT

The United States and Brazil exchanged notes dated March 27, 1979, to amend their bilateral textile agreement. The texts of the notes are as follows:

U.S. NOTE
March 27, 1979

The Honorable
Alvaro da Costa-Franco
Brazilian Charge d'Affaires ad interim.

Sir:


I also refer to the U.S.-Brazilian Agreement relating to trade in cotton textiles and textile products, with Annex, as amended, (the Cotton Agreement) and to the U.S.-Brazilian Agreement relating to trade in man-made fiber textiles and textile products, with Annex, as amended, (the Man-made Fiber Agreement), both of which were effected by exchange of notes April 22, 1976. On behalf of the Government of the United States of America, I propose the following.

1. Sentence one of paragraph one of the Cotton Agreement and paragraph one of the Man-made Fiber Agreement be amended to read, "The term of this Agreement shall be from April 1, 1976 through March 31, 1982."

2. Paragraph 7 of the Cotton Agreement be amended to read, "The aggregate, group and specific limits shall be increased in the second and succeeding years by seven percent annually."
3. Paragraph 4 of the Cotton Agreement be further amended to establish new specific limits for five categories for the April 1, 1979 - March 31, 1980 Agreement Year as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>337</td>
<td>79,995 dozen</td>
</tr>
<tr>
<td>340</td>
<td>131,642 dozen</td>
</tr>
<tr>
<td>350</td>
<td>56,741 dozen</td>
</tr>
<tr>
<td>363</td>
<td>9,969,314 pieces</td>
</tr>
<tr>
<td>369 (floor coverings)</td>
<td>628,500 lbs.</td>
</tr>
</tbody>
</table>

4. A designated consultation level of 1,000,000 square yards equivalent be established under the Cotton Agreement for Category 359 (other cotton apparel).

If the foregoing proposal is acceptable to the Government of the Federative Republic of Brazil, this note and your Excellency's note of confirmation on behalf of the Government of the Federative Republic of Brazil shall constitute an Agreement between the Government of the United States of America and the Government of the Federative Republic of Brazil, amending the Cotton Agreement and the Man-made Fiber Agreement accordingly.

Accept, Sir, the renewed assurances of my high consideration.

For the Secretary of State:

/S/ William Barraclough

BRAZILIAN NOTE

His Excellency
Cyrus Vance
Secretary of State
of the United States of America

Excellency:

I have the honor to acknowledge receipt of the note of March 27, 1979, in which the Government of the United States of America proposes that the Brazil/United States agreement relating to trade in cotton textiles and textile products, with annex, as amended (the cotton agreement) and the Brazil/United States agreement relating to trade in man-made
fiber textiles and textile products, with annex, as amended (the man-made fiber agreement), in force between our two Governments, be amended and extended. Your Excellency's note, translated into Portuguese, reads as follows:

See U.S. note.

2. In reply, I have the honor to inform Your Excellency that the Government of the Federative Republic of Brazil concurs in the proposal made in your note and agrees that your note and this reply shall constitute an Agreement between the Government of the Federative Republic of Brazil and the Government of the United States of America, amending and extending the Cotton Agreement and the Man-made Fiber Agreement accordingly.

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

/S/ Alvaro da Costa Franco
Charge d'Affaires, a.i.