ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Amendment of the Bilateral Agreement between the United States and Uruguay

Note by the Chairman

Attached is a notification received from the United States of an amendment of the Article 4 agreement on one category between the United States and Uruguay. Two specific limits and provisions for flexibility were agreed between the parties.

The original bilateral agreement is contained in COM.TEX/SB/973

*English only/Anglais seulement/Inglés solamente
The Honorable
Ambassador Marcelo Raffaelli
Chairman, Textiles Surveillance Body
GATT
Rue De Lausanne 154
1211 Geneva

Dear Mr. Chairman:

Pursuant to the provisions of paragraph 4 of Article 4 of the Arrangement Regarding International Trade in Textiles, I am instructed by my government to inform the Textiles Surveillance Body of the amendment of the bilateral textile agreement between the Government of the United States of America and the Government of Uruguay.

The amendment adds two specific limits to the previous agreement, which contained one limit only (category 444), and amends and expands the provisions to establish agreement periods, provide for swing, carryover and carry forward, amend the annexes, etc.

The two new limits are for category 410 (woven and worsted fabrics) for the period February 1, 1984 - January 31, 1986 and for category 435 (women's, girls and infants' wool coats) for the period April 1, 1984 - June 30, 1987. (See Attached Table.)

Base levels for these categories have been established well above the roll-back levels (52 percent for category 410 and 29 percent for category 435); growth has been set at one percent; swing at five percent and carryover/carry forward at 11/7 percent.

October 31, 1984
Consultations with respect to Categories 410 and 435 were requested pursuant to Article 3 of the Arrangement on January 31, 1984. Agreement on restraints for these categories in the context of the Article 4 bilateral between the U.S. and Uruguay was reached during consultations in March 1984.

Attached hereto are copies of the notes giving effect to this amendment.

Sincerely,

Robert E. Shepherd
Minister-Counselor

Enclosure
<table>
<thead>
<tr>
<th>Exporting country</th>
<th>Product (Category No. and unit)</th>
<th>Level to be reached before consultations may be asked</th>
<th>ROLL-BACK Level and date at which the call was made</th>
<th>Previous year's imports</th>
<th>Minimum level for the restraint if no agreement reached</th>
<th>Restraint level set</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>URUGUAY</td>
<td>410 SYDS</td>
<td>N/A</td>
<td>1,117,011 (2/1/84)</td>
<td>314,000 (1982)</td>
<td>1,117,011</td>
<td>1,700,000</td>
<td>1%</td>
</tr>
<tr>
<td></td>
<td>435 DOZ</td>
<td>N/A</td>
<td>30,934 (1/31/84)</td>
<td>27,257 (1982)</td>
<td>30,934</td>
<td>10,000</td>
<td>1%</td>
</tr>
</tbody>
</table>

1/ The relevant date/period is indicated between brackets
2/ Numbers rounded to the nearest thousand
3/ Notional annual level of 40,000
United States and Uruguay amended their bilateral textile agreement by exchange of notes in Montevideo on August 24 and September 13, 1984. Texts of the notes follow:

United States Note

Montevideo
August 24, 1984

His Excellency
Dr. Carlos Alberto Maeso
Minister of Foreign Affairs
Montevideo

Excellency:

I have the honor to refer to the Arrangement relating to International Trade in Textiles, with Annexes, done at Geneva on December 20, 1973 and extended by Protocols adopted respectively on December 17, 1977 and December 22, 1981 at Geneva (the Arrangement), to the agreement between the United States of America and Uruguay relating to trade in Category 444 effected by exchange of notes December 30, 1983.

For more information contact: EB/TEX: JSpiegel  (202) 632-2062
and January 23, 1984 in Montevideo (the agreement), and to the memoranda of understanding initialed by representatives of our Governments March 30 and April 2, 1984 in Washington.

On behalf of my Government I propose that the agreement be amended in the following manner:

That Paragraph 1 of the agreement read:

1 (a) The term of this agreement is the three year and eleven month period from August 1, 1983 through June 30, 1987.

1 (b) (I) For Category 444 the first agreement period is the eleven month period from August 1, 1983 through June 30, 1984. The second agreement period will be from July 1, 1984 through June 30, 1985. The third and last agreement period will be from July 1, 1985 through June 30, 1986.

1 (b) (II) For Category 435 the first agreement period is the three month period from April 1, 1984 through June 30, 1984. Each of the three subsequent agreement periods will commence on July 1 of a given year and end June 30 of the following year. The fourth and last agreement period will be from July 1, 1986 through June 30, 1987.
(b) (III) For Category 410 the second agreement period is the twelve month period from February 1, 1984 through January 31, 1985. The third and last agreement period will be from February 1, 1985 through January 31, 1986.

That in Paragraph 4 of the agreement each instance of the word “limitation” and the phrase “specific limit” shall be made plural.

That references in Paragraphs 4, 5, 7, 9, and 13 to “agreement year” be changed to “agreement period”.

That Paragraph 5(a) (I) be amended to add the phrase “in addition to any adjustment pursuant to paragraph 5(b)” after the phrase “any specific limit set out in Annex B may be exceeded”.

That Paragraph 5(a) be amended to add the following as Subparagraph 5(a) (III) “any unused yardage (‘shortfall’) available in a Category may be used for carryover subject to the provisions set out in this agreement”.

That the following be added as Paragraph 5(b) of the agreement “during any agreement period the specific limits set out in Annex B may be exceeded by ‘swing’ of up to five percent, provided that a corresponding reduction in
square yards equivalent is made in one or more specific limits during the corresponding agreement period as set forth in Annex B.

That the original Paragraph 5(b) be renumbered as 5(c) and read "the specific limits referred to in 5(a) are without any adjustment under Paragraph 5".

That the original Paragraph 5(c) be deleted.

That in Paragraph 6(b) the phrase "textiles and textile products" shall be substituted for the phrase "the Categories".

That Annex A be amended to include the following:

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Factor</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>435</td>
<td>Wool Coats, Women,</td>
<td>54</td>
<td>Doz</td>
</tr>
<tr>
<td></td>
<td>Girls and Infants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>410</td>
<td>Woolen and Worsted Fabrics</td>
<td>1</td>
<td>SYD</td>
</tr>
</tbody>
</table>

That Annex B be amended to read as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Unit</th>
<th>First</th>
<th>Second</th>
<th>Third</th>
<th>Fourth</th>
</tr>
</thead>
<tbody>
<tr>
<td>410</td>
<td>SYD</td>
<td>N/A</td>
<td>1,700,000</td>
<td>1,717,000</td>
<td></td>
</tr>
<tr>
<td>435</td>
<td>Doz</td>
<td>10,000</td>
<td>40,100</td>
<td>40,501</td>
<td>40,906</td>
</tr>
<tr>
<td>444</td>
<td>Doz</td>
<td>5,408</td>
<td>5,959</td>
<td>6,019</td>
<td></td>
</tr>
</tbody>
</table>
That the following be added as Paragraph 13:

"Both Governments recognize that should any changes occur in the Arrangement, as extended beyond its current term, such changes should be reflected in this agreement. Any resulting modification of the agreement will be by mutual agreement."

That Paragraph 13 of the agreement be renumbered as Paragraph 14.

If this proposal is acceptable to the Government of the Republic of Uruguay, this note and your Excellency’s note of acceptance on behalf of your Government shall constitute an amendment to the agreement.

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

I certify that this is a true copy of the Note Verbale signed by Richard H. Melton as Chargé d’Affaires ad interim

[Signature]

Thomas Parker, Jr. FO-1 Counselor for Economic Affairs
URUGUAY NOTE

Montevideo
September 13, 1984

The Ministry of Foreign Affairs has the honor to refer to your Note Verbale No. 294 of August 24, 1984 which includes proposals regarding the different agreements subscribed by the Republic of Uruguay and the United States of America under the provisions of the Arrangement regarding International Trade in Textiles and its extension protocol.

The Ministry of Foreign Affairs wishes to express that the Government of Uruguay agrees to the proposals included in said Note Verbale.

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