ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Amendment of the Bilateral Agreement between
the United States and China

Note by the Chairman

Attached is a notification received from the United States of a
further amendment of its bilateral agreement with China. New restraints
were agreed on Categories 434, 605-T, 651 and 652; a second swing was
provided with Category 652 from Category 352; restraints introduced under
the consultation provisions of the agreement on Categories 369-S, 638 and
644 were rescinded; flannel fabric was excluded from the restraint on
Category 320-print cloth.¹

¹The original agreement, an agreed visa system and previous
modifications are contained in COM.TEX/SB/896, 951, 1025, 1130 and 1140.
At the time of the notification of the agreement, China was not a
participating country.

*English only/Anglais seulement/Inglés solamente

86-0816
May 16, 1986

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 further amendment of the cotton, wool and man-made fiber textile agreement between the Government of the United States of America and the Government of the People's Republic of China.

This amendment establishes four new agreed specific limits for the 1985, 1986 and 1987 agreement years, with special swing for one of the categories concerned. The restraints were sought by the United States to eliminate real risks of market disruption while at the same time ensuring the orderly development in trade of the products concerned.

The United States rescinded its requests for consultations on categories 369-S, 638, and 644, all of which had been subjected to restraints established pursuant to paragraph 8(d) of the bilateral agreement. The coverage of category 320 was also modified to exclude flannel fabric.

Data for preparation of the fact sheet is being provided to the secretariat separately. Copies of the notes giving effect to this amendment are enclosed.

Sincerely,

Robert E. Shepherd
Minister-Counselor

Enclosure: (As stated)
March 17, 1986

UNITED STATES AND CHINA AMEND BILATERAL TEXTILE AGREEMENT

The United States and China exchanged notes in Washington, D.C. on February 5, 1986 and February 12, 1986, respectively, to amend their bilateral textile agreement. Text of the notes follow:

UNITED STATES NOTE

Washington
February 5, 1986

Excellency:

I have the honor to refer to the Arrangement Regarding International Trade in Textiles, with annexes, done at Geneva on December 20, 1973 and extended by protocol on December 14, 1977 and December 22, 1981 at Geneva (the Arrangement), and to the Agreement between the People's Republic of China and the United States of America relating to Trade in Cotton, Wool and Man-made Fiber Textiles and Textile Products, effected by exchange of notes in Beijing on August 19, 1983, as amended (the Agreement). I also refer to recent discussions held in Washington, D.C. between representatives of our two Governments.

For more information contact: EB/TEX: L. CUMMINGS (202) 647-2777
I have the honor to propose, on behalf of my Government, that Annex B of the Agreement be amended to include the following Specific Limits:

<table>
<thead>
<tr>
<th>Category</th>
<th>Unit</th>
<th>1985</th>
<th>1986</th>
<th>1987</th>
</tr>
</thead>
<tbody>
<tr>
<td>434</td>
<td>Dozen</td>
<td>11,700</td>
<td>11,817</td>
<td>11,935</td>
</tr>
<tr>
<td>605-T</td>
<td>Pounds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(TSUSA 310.9500)</td>
<td>450,000</td>
<td>468,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>with 5 percent carryforward</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>651</td>
<td>Dozen</td>
<td>497,608</td>
<td>520,000</td>
<td>543,400</td>
</tr>
<tr>
<td>(Blanket Sleepers)</td>
<td>(88,995)</td>
<td>(93,000)</td>
<td>(97,185)</td>
<td></td>
</tr>
<tr>
<td>652</td>
<td>Dozen</td>
<td>1,730,769</td>
<td>1,800,000</td>
<td>1,872,000</td>
</tr>
</tbody>
</table>

In addition, the limit listed above for category 652 may be increased by special swing of 5 percent, provided that an equal quantity in square yards equivalent is deducted from the restraint in the same year for Category 352.

The United States rescinds its requests for consultations on Categories 369-S; 638 and 644, but reserves its rights to recall these Categories pursuant to the terms of the Agreement.
Until otherwise agreed, flannel fabric in Category 320 will not be subject to the limit for Category 320—Printcloth but rather to the provisions of Paragraph 8 of the Agreement.

If this proposal is acceptable to the Government of the People's Republic of China, this note and the Embassy's note of confirmation shall constitute an amendment to the Agreement.

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

For the Secretary of State:

CHINA NOTE

Washington
February 12, 1986

Dear Mr. Monroe:

I have the honor to acknowledge the receipt of your note dated February 5, 1986 relating to the proposed amendment to the Textile Agreement between our two countries.
I have the honor to confirm on behalf of the Government of the People's Republic of China that the proposed amendment conforms with the understanding of my Government and agree that your note and this note shall constitute an amendment to the Agreement between our two countries.

Accept the renewed assurance of my highest consideration.

For the Ambassador of
the People's Republic of China:

[Signature]