ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Amendment of the Bilateral Agreement
between the United States and Sri Lanka

Note by the Chairman

Attached is a notification received from the United States of a further amendment of its bilateral agreement with Sri Lanka. New limits were agreed on Categories 664 (mmf suits, WGI) and 351 (cotton nightwear).

*English only/Anglais seulement/Inglés solamente

1 The bilateral agreement and previous modifications are contained in COM.TEX/SB/913, 1107 and 1132.
The Honorable
Ambassador Marcelo Raffaelli
Chairman, Textiles Surveillance Body
GATT
Rue de Lausanne 154
1211 Geneva

Dear Ambassador Raffaelli:

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 establishment of two new specific limits and, thereby, the further amendment of the bilateral textile agreement between the Government of the United States and the Government of Sri Lanka. The new limits result from consultations requested by the U.S. pursuant to paragraph 6 of the U.S.-Sri Lanka bilateral to deal with real risk of market disruption by imports of the categories concerned. The categories, dates of call, formula levels, and restraint levels are set forth in the following table:

<table>
<thead>
<tr>
<th>Category</th>
<th>Date of Call</th>
<th>Formula Level (DOZ)</th>
<th>Agreed Notional Annual Specific Limit (DOZ)</th>
</tr>
</thead>
<tbody>
<tr>
<td>664 (mmf suits, WGI)</td>
<td>28 April</td>
<td>14,851</td>
<td>22,000</td>
</tr>
<tr>
<td>351 (cotton nightwear)</td>
<td>2 May</td>
<td>87,416</td>
<td>105,000</td>
</tr>
</tbody>
</table>
Growth for the new limits is accorded at 6%, swing at 6%, and carryover/carryforward at 11/6%, although carryover is not available in the first agreement period nor carryforward in the last.

Enclosed are copies of the notes giving effect to this amendment.

Sincerely,

Robert E. Shepherd
Minister-Counsellor

Enclosure
UNITED STATES AND SRI LANKA AMEND BILATERAL TEXTILE AGREEMENT

The United States and Sri Lanka exchanged notes to amend their bilateral textile agreement. Text of the notes follow:

UNITED STATES NOTE

Colombo, July 29, 1986

Mr. Minister:

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 protocols adopted December 14, 1977 and December 22, 1981. I also have the honor to refer to the agreement on textiles between the Government of the United States of America and the Government of Sri Lanka dated May 10, 1983 (hereinafter referred to as The Agreement) and to consultations held in Colombo on June 16 and July 15, 1986 between representatives of our two governments.

On behalf of my government I propose the following amendment to Annex B of The Agreement:

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>UNIT</th>
<th>FIRST PERIOD</th>
<th>PRORATED LIMIT</th>
<th>JUNE 1, 1987</th>
<th>MAY 31, 1988 LIMIT</th>
</tr>
</thead>
<tbody>
<tr>
<td>351</td>
<td>DOZEN</td>
<td>113,630</td>
<td>FROM 5/2/86 TO 5/31/87</td>
<td>111,300</td>
<td></td>
</tr>
</tbody>
</table>

For more information contact: EB/TEX: EEWING (202) 647-2690
If the above is acceptable to your government, this note and your response on behalf of your government shall constitute an amendment to The Agreement between our two governments.

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

James W. Spain

SRI LANKA NOTE
August 4, 1986
Colombo

Your Excellency,

I have the honour to acknowledge the receipt of your letter dated 29th July 1986, which reads as follows :-

"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 protocols adopted December 14, 1977 and December 22, 1981. I also have the honor to refer to the agreement on textiles between the Government of the United States of America and the Government of Sri Lanka dated May 10, 1983 (hereinafter referred to as The Agreement) and to consultations held in Colombo on June 16 and July 15, 1986 between representatives of our two governments."
On behalf of my government I propose the following amendment to Annex B of the Agreement:

<table>
<thead>
<tr>
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<th>UNIT</th>
<th>FIRST PERIOD</th>
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<tr>
<td>351</td>
<td>DOZEN</td>
<td>113,630</td>
<td>111,300</td>
</tr>
<tr>
<td></td>
<td></td>
<td>FROM 5/2/86 TO 3/31/87</td>
<td></td>
</tr>
<tr>
<td>644</td>
<td>DOZEN</td>
<td>23,989</td>
<td>23,320</td>
</tr>
<tr>
<td></td>
<td></td>
<td>FROM 4/29/86 TO 5/31/87</td>
<td></td>
</tr>
</tbody>
</table>

If the above is acceptable to your government, this note and your response on behalf of your government shall constitute an amendment to the Agreement between our two governments.

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

I confirm that the above letter sets out correctly the understanding reached between our two Governments.

Accept, Excellency, the assurances of my highest consideration.

M. S. Amarasiri, M.P.
Minister of Trade & Shipping,
Democratic Socialist Republic of Sri Lanka.