ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Modification of Bilateral Agreement between the United States and Malaysia

Note by the Chairman

Attached is a notification received from the United States concerning a further modification to its bilateral agreement with Malaysia.

1 The original agreement and previous modifications are contained in COM.TEX/SB/1118, 1166 and 1182. See also TEX.SB/1289.

* English only/Anglais seulement/Inglés solamente
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 the further amendment of the bilateral textile agreement between the Government of the United States of America and the Government of Malaysia.

This amendment:

(1) Provides special carryforward for man-made fiber thread (category 605T) for September 1 - December 31, 1986 (i.e., that portion of the 1986 agreement year for which this product was subject to restraint).

(2) Establishes a specific limit for wool skirts (category 442). The U.S. had requested consultations under paragraph 6 of the U.S.-Malaysian bilateral agreement in November 1986 because, in its view, imports of this product were presenting a real risk of market disruption in the U.S. market:

<table>
<thead>
<tr>
<th>Category</th>
<th>&quot;Call&quot; Date</th>
<th>Formula Level (Dozen)</th>
<th>Agreed 1987 Limit (Dozen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>442 (wool skirts)</td>
<td>28 Nov 86</td>
<td>10,062</td>
<td>13,500</td>
</tr>
</tbody>
</table>

Growth for this category is set at 1%, swing at 5% and carryover/carryforward at 11/6%.
Copies of the notes affecting this amendment are enclosed.

Sincerely,

Robert E. Shepherd
Minister Counsellor

Enclosure
January 12, 1987

UNITED STATES AND MALAYSIA
AMENDS BILATERAL TEXTILE AGREEMENT

The United States and Malaysia amend their bilateral textile agreement. Texts of the notes follow:

UNITED STATES NOTE

December 11, 1986

The Secretary of State presents his compliments to His Excellency the Ambassador of Malaysia and has the honor to refer to the Arrangement Regarding International Trade in Textiles, done at Geneva on December 20, 1973, and extended by Protocol adopted on July 31, 1986 and to the Agreement concerning trade in textiles and apparel between the United States and Malaysia effected by exchange of notes on July 1 and 11, 1985 (hereinafter referred to as the Agreement). The Government of the United States also refers to consultations held in Washington, D.C. on December 3, 1986. As a result of these consultations the Government of the United States has the honor to propose the following amendments to the Agreement:

(I) Annex B of the Agreement shall be amended to include:

For more information contact: EB/TEX: BONNIE RICHARDSON (202) 647-2690
Swing, carryover and carryforward shall be available pursuant to Paragraph 5 of the Agreement.

(II) For Category 605-T, special carryforward of 20,000 pounds shall be available for September 1 - December 31, 1986.

If these proposals are acceptable to the Government of Malaysia, this note and the Embassy of Malaysia's note of reply shall constitute an amendment to the Agreement.

Department of State,
Washington,

MALAYSIA NOTE December 19, 1986

The Embassy of Malaysia presents its compliments to the Secretary of State and has the honour to acknowledge receipt of your note dated December 11, 1986 regarding proposal to amend Annex B of the Textile Agreement between the Government of Malaysia and the Government of the United States effected by notes exchanged on July 1 & 11, 1985 which read as follows :-
The Secretary of State presents his compliments to His Excellency the Ambassador of Malaysia and has the honour to refer to the Arrangement Regarding International Trade in Textiles, done at Geneva on December 20, 1973 and extended by Protocol adopted on July 31, 1986 and to the Agreement concerning trade in textiles and apparel between the United States and Malaysia effected by exchange of notes on July 1 & 11, 1985 (hereinafter referred to as the Agreement). The Government of the United States also refers to consultations held in Washington D.C. on December 3, 1986. As a result of these consultations the Government of the United States has the honour to propose the following amendments to the Agreement:

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<tr>
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<tbody>
<tr>
<td>442</td>
<td>14,644</td>
<td>13,635</td>
<td>13,771</td>
<td></td>
</tr>
<tr>
<td></td>
<td>dozen</td>
<td>dozen</td>
<td>dozen</td>
<td></td>
</tr>
</tbody>
</table>

Swing, carryover and carryforward shall be available pursuant to Paragraph 5 of the Agreement.
(II) For Category 605-T, special carry-forward of 20,000 pounds shall be available for September 1 - December 31, 1986.

If these proposals are acceptable to the Government of Malaysia, this note and the Embassy of Malaysia's note of reply shall constitute an amendment to the Agreement.

The Embassy of Malaysia also has the honour to confirm that the above proposal is acceptable to the Government of Malaysia.

The Embassy of Malaysia avails itself of this opportunity to renew to the Secretary of State the assurances of its highest consideration.

Washington, D.C.
December 19, 1986