ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Articles 7 and 8

Modifications of Bilateral Agreement
between the United States and China

Note by the Chairman

Attached is a notification received from the United States concerning two further modifications to its bilateral agreement with China.

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1 The original agreement, an agreed visa system and previous modifications are contained in COM.TEX/SB/896, 951, 1025, 1130, 1140 and 1167. At the time of the notification of the agreement, China was not a participating country.

*English only/Anglais seulement/Inglés solamente
February 24, 1987

The Honorable
Ambassador Marcelo Raffaelli
Chairman, Textiles Surveillance Body
GATT
Rue De Lausanne 154
1211 Geneva

Dear Ambassador Raffaelli:

Pursuant to the provisions of Articles 7 and 8 of the Arrangement Regarding International Trade in Textiles, I am informing the Textiles Surveillance Body of two further amendments of the bilateral textile agreement between the Government of the United States of America and the Government of the Peoples Republic of China.

Copies of the notes giving effect to these amendments are enclosed.

Sincerely,

[Signature]
Robert E. Shepherd
Minister Counsellor

Enclosure
UNITED STATES AND THE PEOPLE'S REPUBLIC OF CHINA AMEND BILATERAL TEXTILE AGREEMENT

The United States and the People's Republic of China exchanged notes in Washington to effect an amendment to the bilateral textile agreement between the two Governments. Texts of the notes follow:

Excellency: UNITED STATES NOTE

January 15, 1987

I have the honor to refer to the bilateral 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 various discussions between representatives of the Government of the United States of America and the Government of the People's Republic of China concerning exports of cotton, wool and man-made fiber textiles and textile products from China to the United States.

As a result of these discussions, I have the honor to propose on behalf of my Government, that the following amendments be made to the bilateral Agreement between our two Governments:

For more information contact: EB/TEX: SUSAN SALEM (202) 647-2777
1) Annex B of the Agreement shall be amended to establish the Specific Limits listed below:

<table>
<thead>
<tr>
<th></th>
<th>1986</th>
<th>1987</th>
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<tbody>
<tr>
<td>360</td>
<td>5,500,000 nos.</td>
<td>5,665,000 nos.</td>
</tr>
<tr>
<td>(360-P)</td>
<td>(3,750,000 nos.)</td>
<td>(3,862,500 nos.)</td>
</tr>
<tr>
<td>659-H</td>
<td>4,300,000 lbs.</td>
<td>4,472,000 lbs.</td>
</tr>
</tbody>
</table>

2) The Agreement will be amended to include a Designated Consultation Level (DCL) for Category 433 of 19,000 dozen for 1986 and 1987. China may request an increase to this level and the United States shall respond promptly and in light of market conditions prevailing at that time. Unless otherwise agreed, China shall control its exports of Category 433 to the DCL.

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 Agreement between our two Governments.
CHINA NOTE

January 16, 1987

Dear Mr. Johnson:

I have the honor to acknowledge the receipt of your three notes dated January 15, 1987 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 notes 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
January 20, 1987

UNITED STATES AND THE PEOPLE'S REPUBLIC OF CHINA AMEND BILATERAL TEXTILE AGREEMENT

The United States and the People's Republic of China exchanged notes in Washington to effect amendment to the bilateral textile agreement between the two Governments. Texts of the notes follow.

UNITED STATES NOTE

Excellency: January 15, 1987

I have the honor to refer to the bilateral 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 consultations held December 10 - 12, 1986 between representatives of the Government of the United States of America and the Government of the People's Republic of China concerning exports of cotton, wool and man-made textiles and textile products from China to the United States.

As a result of these consultations, I have the honor to propose on behalf of my Government, that the following amendments be made to the bilateral Agreement between our two Governments:

For more information contact: EB/TEX: SUSAN M (202) 647-2777
1) Annex B of the Agreement shall be amended to include the Specific Limits listed below:

1987

Category 310/318 6,800,000 SYD
Category 359-I 1,900,000 LBS
Category 659-I 1,700,000 LBS

2) Swing of five (5) percent shall be available on the above Specific Limits. In addition, a special shift of ten percent shall be available between Categories 359-I and 659-I.

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 between our two Governments.

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

For the Secretary of State:

[Signature]
CHINA NOTE

January 16, 1987

Dear Mr. Johnson:

I have the honor to acknowledge the receipt of your three notes dated January 15, 1987 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 notes 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]

Mr. Ralph R. Johnson
Deputy Assistant Secretary
for Trade and Commercial Affairs
U. S. Department of State