ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Bilateral Agreement between
the United States and China

Note by the Chairman

Attached is a notification received from the United States of a bilateral agreement covering cotton coats (Category 335), concluded with China for the period 1 January 1988 to 31 December 1991.

*English only/Anglais seulement/Inglés solamente

1 The previous bilateral agreement and modifications are contained in COM.TEX/SB/896, 951, 1025, 1130, 1140, 1167, 1252 and 1295.
September 1, 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 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 a bilateral agreement between the Government of the United States of America and the Government of China.

The new agreement concerns one product, cotton coats (category 335) for the period January 1, 1988 - December 31, 1991. It was concluded to facilitate the orderly development of trade in this product pending agreement on a more comprehensive bilateral.

The 1987 level for this category is 314,737 dozen, and growth had been set at 3.5% in previous years. The 1988 level is 325,000, an increase of 3.26% and growth is set at 2.7% for succeeding years. Carryforward of up to 75,000 dozen (23.8%) is provided for the 1987 agreement year.

Attached hereto are copies of the letters giving effect to this agreement.

Sincerely,

Robert E. Shepherd
Minister Counsellor

Attachment
United States and China Sign New Bilateral Textile Agreement

The United States and China exchanged letters on August 10, 1987, to establish a new Bilateral Textile Agreement. Text of the letters follow:

**UNITED STATES LETTER**

August 10, 1987

Mr. Chen Shibiao
Commercial Counselor
Embassy of the People's Republic of China
2300 Connecticut Avenue, N.W.
Washington, D.C. 20008

Dear Mr. Chen:

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 July 31, 1986 (the Arrangement). I also refer to recent discussions concerning a new bilateral textile agreement between representatives of our two Governments held in Washington, D.C.

As a result of these discussions, I have the honor to oppose the following agreement between our two governments:

1) The following Specific Limit is established for the new Agreement to begin on January 1, 1988.

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<tr>
<td>335</td>
<td>Doz</td>
<td>325,000</td>
<td>333,775</td>
<td>342,787</td>
<td>352,042</td>
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2) Carryforward of up to 75,000 dozen shall be available in 1987 for Category 335. The amount of carryforward used in 1987 shall be deducted from the 1988 Specific Limit for Category 335.

For more information contact: EB/TEX: SUSAN SALEM (202) 647-2777
3) If a new bilateral textile Agreement is not reached by December 31, 1987, the Specific Limits for Category 335 listed in (1) above shall be effective for the period January 1, 1988 through December 31, 1991. The period for these Specific Limits shall not prejudice the views of either Government concerning the term of a new bilateral Agreement.

If this proposal is acceptable to the Government of the People's Republic of China, then this letter and your letter of confirmation on behalf of the Government of the People's Republic of China shall constitute an agreement between our two Governments.

Sincerely,

Donald K. Steinberg
Chief, Textiles Division
Bureau of Economic and Business Affairs

CHINA LETTER

August 10, 1987

Mr. Donald K. Steinberg
Chief, Textiles Division
Bureau of Economic and Business Affairs
U.S. Department of State
Washington, D.C. 20520

Dear Mr. Steinberg:

I have the honor to acknowledge the receipt of your letter dated August 10, 1987 relating to the new agreement on Category 335 between our two countries.
I have the honor to confirm on behalf of the Government of the People's Republic of China that the proposal contained in your letter conforms with the understanding of my Government and agree that your letter and this letter shall constitute a new agreement on Category 335 between our two Governments.

Sincerely,

Chen Shibiao
Commercial Counsellor
The Chinese Embassy