ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 3:5

Unilateral measures taken by the United States with respect to certain imports from the Dominican Republic

Note by the Chairman

Attached is a notification received from the United States of a unilateral measure taken under Article 3:5 with respect to imports of man-made fibre coats (Category 633) from the Dominican Republic.

Also attached is the market statement communicated by the United States under Article 3:3.

*English only/Anglais seulement/Inglés solamente
January 12, 1989

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

Dear Ambassador Raffaelli:

I refer to my letter of August 9, 1988 on the request by the United States for Article 3.3 consultations with the Dominican Republic on MMF coats (Category 633).

This will confirm my oral notification that the United States pursuant to Article 3.5 of the Arrangement, has imposed restraints, effective December 15, 1988, on imports from the Dominican Republic of this product. The restraint level is set at 54,869 dozen; the restraint period is from June 30, 1988 through June 29, 1989.

Sincerely,

Robert E. Shepherd
Minister Counsellor
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 3 of Article 3 of the
Arrangement Regarding International Trade in Textiles, I am
instructed by my government to inform you that, on June 30,
1988, the United States requested consultations with the
Dominican Republic with respect to mmf coats, (category 633).
A copy of the detailed factual statement which is called for in
article 3.3 and which was provided to the Government of the
Dominican Republic at the time of the request is enclosed.

Sincerely,

Robert E. Shepherd
Minister Counselor

Enclosure
US - Dominican Republic
Category 633

(COMPLIMENTARY OPNING) THE EMBASSY OF THE UNITED STATES
OF AMERICA HAS THE HONOR TO REFER THE ARRANGEMENT
REGARDING INTERNATIONAL TRADE IN TEXTILES, DONE AT GENEVA
ON DECEMBER 26, 1973, AND EXTENDED BY THE PROTOCOL OF
JULY 31, 1986, DONE AT GENEVA, (HEREINAFTER REFERRED TO
AS "THE ARRANGEMENT.") UNDER ARTICLE 3 OF THE
ARRANGEMENT, IF IN THE OPINION OF ANY PARTICIPATING
IMPORTING COUNTRY, ITS MARKET IS BEING DISRUPTED IN TERMS
OF THE DEFINITION OF MARKET DISRUPTION IN ANNEX A OF THE
ARRANGEMENT BY IMPORTS OF A CERTAIN TEXTILE PRODUCT NOT
ALREADY SUBJECT TO RESTRAINT, IT SHALL SEEK CONSULTATIONS
WITH THE PARTICIPATING EXPORTING COUNTRY CONCERNED WITH A
VIEW TOWARDS REMOVING SUCH DISRUPTION.

RECENT MONTHS THE GOVERNMENT OF THE UNITED STATES HAS
NOTED THE RISING LEVEL OF IMPORTS OF MEN'S AND BOYS'
MAN-MADE FIBER SUIT-TYPE COATS, CATEGORY 633, FROM THE
DOMINICAN REPUBLIC TO THE UNITED STATES. AFTER CAREFUL
REVIEW, THE GOVERNMENT OF THE UNITED STATES HAS CONCLUDED
THAT IMPORTS OF THIS PRODUCT FROM THE DOMINICAN REPUBLIC
ARE DISRUPTING THE MARKET FOR MEN'S AND BOYS' MAN-MADE
FIBER SUIT-TYPE COATS IN THE UNITED STATES. IN ORDER TO
AVOID FURTHER DISRUPTION, THE GOVERNMENT OF THE UNITED
STATES HEREBY REQUESTS CONSULTATIONS WITH THE GOVERNMENT
OF THE DOMINICAN REPUBLIC TO DISCUSS AN APPROPRIATE LEVEL
OF RESTRAINT FOR DOMINICAN REPUBLIC EXPORTS OF MEN'S AND
BOYS' MAN-MADE FIBER SUIT-TYPE COATS, CATEGORY 633, TO
THE UNITED STATES. A DETAILED FACTUAL STATEMENT OF THE
REASONS AND JUSTIFICATION FOR THIS CONCLUSION, WITH
CURRENT SUPPORTING DATA, IS ENCLOSED IN ANNEX A AND
SHOULD BE REGARDED AS AN INTEGRAL PART OF THIS NOTE.

THE UNITED STATES GOVERNMENT LOOKS FORWARD TO REACHING A
MUTUALLY SATISFACTORY SOLUTION OF THIS MATTER IN
ACCORDANCE WITH THE ARRANGEMENT. IF THE GOVERNMENT OF
THE DOMINICAN REPUBLIC AND THE GOVERNMENT OF THE UNITED
STATES ARE UNABLE TO AGREE ON A MUTUALLY SATISFACTORY
SOLUTION TO THIS MATTER WITHIN SIXTY DAYS FROM THE
RECEIPT OF THIS NOTE, THE GOVERNMENT OF THE UNITED STATES
RESERVES ITS RIGHT TO RESTRAIN IMPORTS OF MEN'S AND BOYS'
MAN-MADE FIBER SUIT-TYPE COATS, CATEGORY 633, PRODUCED IN
THE DOMINICAN REPUBLIC AND EXPORTED DURING THE 12 MONTH
PERIOD BEGINNING ON THE DATE OF THE RECEIPT OF THIS
REQUEST TO A LEVEL NOT LESS THAN THE LEVEL OF U.S.
IMPORTS OF THIS PRODUCT FROM THE DOMINICAN REPUBLIC.
URING THE FIRST TWELVE OF THE MOST RECENT 14 MONTHS
PRECEDEING THE MONTH IN WHICH THIS REQUEST IS MADE (THAT
IS, NOT INCLUDING JUNE). BASED ON YEAR-ENDING MARCH 1988
IMPORT DATA, THIS LEVEL IS 54,869 DOZEN.

THE GOVERNMENT OF THE UNITED STATES OF AMERICA WOULD
APPRECIATE THE VIEWS OF THE GOVERNMENT OF THE DOMINICAN
REPUBLIC WITH RESPECT TO THE DOMINICAN REPUBLIC'S EXPORTS
OF MEN'S AND BOYS' MAN-MADE FIBER SUIT-TYPE COATS,
CATEGORY 633, TO THE UNITED STATES AND WITH RESPECT TO A
DATE AND PLACE FOR CONSULTATIONS.

(COMPLIMENTARY CLOSE)
ANNEX A: MARKET STATEMENT - DOMINICAN REPUBLIC, JUNE 1988
MEN'S AND BOYS' MAN-MADE FIBER -- SUIT-TYPE COATS
(CATEGORY 633)

SUMMARY AND CONCLUSIONS

U.S. IMPORTS OF MEN'S AND BOYS' MAN-MADE FIBER SUIT-TYPE COATS (CATEGORY 633) FROM THE DOMINICAN REPUBLIC REACHED 54,949 DOZEN DURING THE YEAR ENDING MARCH 1988, 21 PERCENT ABOVE THE 45,448 DOZEN IMPORTED A YEAR EARLIER.

THE U.S. MARKET FOR MEN'S AND BOYS' MAN-MADE FIBER SUIT-TYPE COATS (CATEGORY 633) HAS BEEN DISRUPTED BY IMPORTS. THE SHARP AND SUBSTANTIAL INCREASE IN IMPORTS FROM THE DOMINICAN REPUBLIC IS CONTRIBUTING TO THIS DISRUPTION.

U.S. PRODUCTION AND MARKET SHARE


U.S. IMPORTS AND IMPORT PENETRATION

DUTYPAYED VALUE AND U.S. PRODUCERS' PRICE


TABLE I

MEN'S AND BOYS’ MAN-MADE FIBER SUIT-TYPE COATS
(CATEGORY 633: U.S PRODUCTION, IMPORTS, MARKET, IMPORT/PRODUCTION RATIOS, AND DOMESTIC MARKET SHARE)

<table>
<thead>
<tr>
<th>PERIOD</th>
<th>PRODUCTION</th>
<th>IMPORTS</th>
<th>MARKET</th>
<th>2/</th>
<th>I/P SHARE</th>
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<tbody>
<tr>
<td></td>
<td>- - - 1,000 DOZEN - -</td>
<td>- -</td>
<td>- PERCENT - -</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1982</td>
<td>1,136</td>
<td>140</td>
<td>1,276</td>
<td>12.3</td>
<td>89.0</td>
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<tr>
<td>1983</td>
<td>1,189</td>
<td>175</td>
<td>1,364</td>
<td>14.7</td>
<td>87.2</td>
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<tr>
<td>1984</td>
<td>1,050</td>
<td>309</td>
<td>1,359</td>
<td>29.4</td>
<td>77.3</td>
</tr>
<tr>
<td>1985</td>
<td>951</td>
<td>356</td>
<td>1,307</td>
<td>37.4</td>
<td>72.8</td>
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<tr>
<td>1986</td>
<td>1,006</td>
<td>355</td>
<td>1,361</td>
<td>35.3</td>
<td>73.9</td>
</tr>
<tr>
<td>1987 Prel. 1/</td>
<td>907</td>
<td>364</td>
<td>1,271</td>
<td>40.1</td>
<td>71.4</td>
</tr>
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2/ U.S. MARKET FOR DOMESTICALLY PRODUCED AND IMPORTED MEN’S AND BOYS’ MAN-MADE FIBER SUIT-TYPE COATS.
### TABLE II

**MEN’S AND BOYS’ MAN-MADE FIBER SUIT-TYPE COATS**

*(CATEGORY 633)*

U.S. IMPORTS FROM DOMINICAN REPUBLIC AND THE WORLD

<table>
<thead>
<tr>
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<th>WORLD</th>
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<td>44</td>
<td>311</td>
<td>355</td>
</tr>
<tr>
<td>1987</td>
<td>53</td>
<td>311</td>
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**YEAR-ENDING MARCH**

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<th>Annual-March</th>
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<th>WORLD</th>
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<tr>
<td>1987</td>
<td>45</td>
<td>300</td>
<td>345</td>
</tr>
<tr>
<td>1988</td>
<td>55</td>
<td>317</td>
<td>372</td>
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</table>

**January-March**

<table>
<thead>
<tr>
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<th>OTHER</th>
<th>WORLD</th>
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</thead>
<tbody>
<tr>
<td>1987</td>
<td>11</td>
<td>64</td>
<td>95</td>
</tr>
<tr>
<td>1988</td>
<td>13</td>
<td>90</td>
<td>103</td>
</tr>
</tbody>
</table>

1/ DATA BASED ON THE INTERIM CATEGORY SYSTEM WHICH THE U.S. IMPLEMENTED ON JANUARY 1, 1988. THIS SYSTEM WAS INITIATED AS A FIRST STEP IN IMPLEMENTING THE HARMONIZED SYSTEM NOMENCLATURE.

### TABLE III

**MEN’S AND BOYS’ MAN-MADE FIBER SUIT-TYPE COATS**

*(CATEGORY 633)*: DUTYPAID IMPORT VALUES AND U.S. PRODUCERS’ PRICES

<table>
<thead>
<tr>
<th>TSUSA No. and Source</th>
<th>Value/Price</th>
</tr>
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<tbody>
<tr>
<td>381.9516</td>
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</tr>
<tr>
<td>DOMINICAN REPUBLIC</td>
<td>227.38</td>
</tr>
<tr>
<td>U.S. PRODUCER PRICE</td>
<td>444.00 454.00</td>
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