ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Articles 7 and 8

Extension and modification of the bilateral agreement between the United States and Mexico

Note by the Chairman

Attached is a notification received under Articles 7 and 8 from the United States of an extension with modifications of its agreement with Mexico, for the period 1 January to 31 December 1992, with provision for a further twelve-month extension.

---

1 The bilateral agreement and previous amendments are contained in COM.TEX/SB/1394, 1509, 1515, 1537 and 1620.

* English only/ Anglois seulement/ Inglés solamente
June 30, 1991

The Honorable
Ambassador Marcelo Raffaelli
Chairman, Textiles Surveillance Body
General Agreement on Tariffs and Trade
Rue de Lausanne 154

Dear Ambassador Raffaelli:

Pursuant to the provisions of paragraph Articles 7 and 8 of the Arrangement Regarding International Trade in Textiles, I am instructed by my government to inform the Textiles Surveillance Body of the extension, with modifications, of the bilateral textile agreement between the Government of the United States of America and the Government of Mexico.

Copies of the notes effecting this extension are enclosed. Additional data to facilitate preparation of a fact sheet have been provided separately.

Sincerely,

Robert E. Shepherd
Minister Counsellor

enclosure
UNITED STATES AND MEXICO
EXTEND AND AMEND BILATERAL TEXTILE AGREEMENT

The United States and Mexico exchanged notes in Mexico City dated October 31, 1991, November 13, 1991, November 19, 1991, and November 21, 1991 respectively to extend and amend their bilateral textile agreement between the two governments. English and Spanish texts of the notes are attached.

For more information contact:

EB/TEX: Isabella Detwiler (202) 647 - 3889
The Embassy of the United States of America presents its compliments to the Secretariat of Foreign Relations of the United Mexican States and has the honor to refer to the Arrangement regarding trade in textiles, done at Geneva on December 20, 1973, and subsequently amended (the Arrangement), and to the Agreement between the United States of America and the Government of the United Mexican States concerning exports to the United States of cotton, wool, and man-made fiber textile and textile products of February 13, 1988, as amended (the Arrangement).

The Embassy has the further honor to refer to consultations between representatives of the two governments held July 2, 1991 in Washington, August 1-2 in Mexico City and August 13 in Washington, and to the proceedings of the U.S.-Mexico Bilateral Meeting on textiles signed August 13, 1991 regarding a new extension of the Bilateral Textile Agreement between the two countries, which was scheduled to expire on December 31, 1991.
The Embassy also refers to its note of September 20, 1991 and to the Ministry of Foreign Affairs' note of reply of October 17, 1991.

As a result of the above-mentioned consultations and notes, and in accordance with the proceedings of the U.S.-Mexico Bilateral Meeting on textiles signed August 13, 1991, the Embassy has the honor to propose the following additions and amendments to the Agreement. This note shall supersede the Embassy's note of September 20, 1991.

I. Amend paragraph one of the Agreement to read "The term of this Agreement shall be from January 1, 1983 through December 31, 1992." Add the following sentences to paragraph one. "The Agreement may be automatically renewed by either party for one additional year through notification 90 days in advance. The two parties also agree that should either the Uruguay Round or North American Free Trade Agreement negotiations lead to an implemented Agreement prior to the expiration of the extended Bilateral
Agreement on textiles, all the provisions of such extended Agreement would be modified or terminated, as appropriate, in accordance with the terms agreed upon in the North American Free Trade Agreement or the Uruguay Round, as the case might be.

II. Amend paragraph five (C) of the Agreement to read as follows: "During any Agreement year and specific limit or sublimit set out in Annexes B1 or B2 may be increased by not more than 3 percent (swing). Swing up to 7 percent shall be available for fabric specific limits within the broadwoven fabric group."

III. Annex B2 shall be replace with the following, starting January 1, 1992.
### ANNEX D:

#### SPECIFIC LIMITS (SLS)

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>1992 BASE LIMIT</th>
<th>UNIT</th>
<th>GROWTH RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>FABRICS</td>
<td>80,562,000</td>
<td>SME</td>
<td>6.0</td>
</tr>
<tr>
<td>(218)</td>
<td>1,055,550</td>
<td>SME</td>
<td></td>
</tr>
<tr>
<td>(219)</td>
<td>15,726,400</td>
<td>SME</td>
<td></td>
</tr>
<tr>
<td>(313)</td>
<td>28,050,000</td>
<td>SME</td>
<td></td>
</tr>
<tr>
<td>(317)</td>
<td>14,045,000</td>
<td>SME</td>
<td></td>
</tr>
<tr>
<td>(326)</td>
<td>1,055,550</td>
<td>SME</td>
<td></td>
</tr>
<tr>
<td>(611)</td>
<td>2,111,183</td>
<td>SME</td>
<td></td>
</tr>
<tr>
<td>(220, 225, 226, 227, 314, 315, 613, 614, 615, 617, 625, 626, 627, 628, 629)</td>
<td>(11,611,506 EACH)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>300/301/607-Y</td>
<td>7,665,700</td>
<td>KG</td>
<td>6.0</td>
</tr>
<tr>
<td>(300)</td>
<td>(4,205,400)</td>
<td>KG</td>
<td>6.0</td>
</tr>
<tr>
<td>341/641 (B/I)</td>
<td>638,665</td>
<td>EC2</td>
<td>7.0</td>
</tr>
<tr>
<td>(341-Y/641-Y)</td>
<td>(537,081)</td>
<td>EC2</td>
<td>2.0</td>
</tr>
<tr>
<td>443</td>
<td>177,332</td>
<td>KDE</td>
<td>1.0</td>
</tr>
<tr>
<td>604-A/LC/I</td>
<td>1,927,778</td>
<td>KG</td>
<td>4.0</td>
</tr>
<tr>
<td>604-G/607-C</td>
<td>1,265,902</td>
<td>KG</td>
<td>6.0</td>
</tr>
<tr>
<td>635</td>
<td>145,185</td>
<td>DC2</td>
<td>6.0</td>
</tr>
<tr>
<td>666-B</td>
<td>744,444</td>
<td>KG</td>
<td>6.0</td>
</tr>
</tbody>
</table>


(B/) 341/641 SPECIAL REGIME LEVELS TO BE DETERMINED LATER.

(C/) TEN PERCENT SPECIAL SHIFT WILL BE ALLOWED BETWEEN CATEGORIES 604-A AND 604-G/607-C.

### SPECIAL REGIME

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>1992 SPECIAL</th>
<th>UNIT</th>
<th>NORMAL REGIME GROWTH RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>REGIME BASE LIMIT</td>
<td>SUBLIMIT/SEPARATE LIMIT</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| 336/636 | 445,440 | DC2 | (224,720)/ | 6.0 |
| 340/640 | 454,492 | EC2 | (113,622)/ | 6.0 |
| (341-Y/641-Y) TO BE DECIDED | | | | |
| 342/642 | 300,000 | DC2 | /112,360 | 6.0 |
| 352/652 | 2,600,000 | DC2 | /1,797,760 | 6.0 |
If the foregoing proposal is acceptable to the Government of Mexico, then this note and the Secretariat's note of confirmation shall constitute an amendment to the Agreement.

The Embassy of the United States of America avails itself of this opportunity to renew to the Secretariat of Foreign Relations of the United Mexican States the assurance of its highest consideration.

Embassy of the United States of America

Mexico, D.F., October 31, 1991
The Embassy of the United States of America presents its compliments to the Secretariat of Foreign Relations of the United Mexican States and has the honor to refer to our Diplomatic Note Number 1548 of October 31, 1991.

Please correct the following typographical error in the referenced diplomatic note: The LIMIT for category 443 in Annex B2 should be 117,312 NOS, not 177,312 NOS.

The Embassy of the United States of America avail itself of this opportunity to renew to the Secretariat of Foreign Relations of the United Mexican States the assurances of its highest consideration.

Embassy of the United States of America

Mexico, D.F., November 13, 1991
The Embassy of the United States of America presents its compliments to the Secretariat of Foreign Relations of the United Mexican States and has the honor to refer to our Diplomatic Note Number 1548 of October 31, 1991.

Please correct the first two paragraphs in the referenced diplomatic note to read as follows: "The Embassy of the United States of America presents its compliments to the Secretariat of Foreign Relations of the United Mexican States and has the honor to refer to the Arrangement Regarding Trade in Textiles, done at Geneva on December 20, 1971, and subsequently amended (the Arrangement), and to the current Bilateral Textile Agreement between the Government of the United States of America and the Government of the United Mexican States, concerning exports to the United States of cotton, wool, and man-made fiber textiles and textile products, which is scheduled to expire on December 31, 1991.

The Embassy has the further honor to refer to consultations between representatives of the two governments held July 2, 1991 in Washington, August 1-2 in Mexico City, and August 13 in Washington, and to the proceedings of the U.S.-Mexico Bilateral Meeting on textiles signed August 13, 1991 regarding a new extension of the Bilateral Textile Agreement between the two countries."
The Embassy of the United States of America avails itself of this opportunity to renew to the Secretariat of Foreign Relations of the United Mexican States the assurances of its highest consideration.

Embassy of the United States of America
Mexico, D.F., November 19, 1991
The Secretary of Foreign Relations presents its compliments to the Embassy of the United States of America and has the honor to refer to its notes Nos. 1548, 1563, and 1597 of October 31 and November 13 and 19, 1991, respectively, which translated into Spanish read as follows:

[The Spanish translation of note No. 1548 of October 31, 1991, agrees in all substantive respects with the original English text, with the exceptions noted below, and the corrections to No. 1548 contained in Nos. 1563 and 1597 have been incorporated into the Spanish text.


Annex B2, Category column, third from last figure. The English text reads "604-0/507-0," and the Spanish text reads "604-0/507-0."

Minor spelling errors have been corrected in pencil.]
The Secretariat wishes to inform the Embassy that the foregoing is acceptable to the Government of Mexico and, accordingly, the note transcribed above and this note constitute an arrangement extending and amending the Bilateral Textile Agreement in force between the two countries.

[Complimentary close]

Mexico City, D.F. November 31, 1991

[Initialed]