Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 3:5

Measure taken by the United States with respect to imports from Guatemala

Note by the Chairman

Attached is a notification received from the United States of an unilateral measure taken under Article 3:5 with respect to cotton and man-made fibre shirts (Category 340/640) when imported from Guatemala. Also attached is the request for consultations made under Article 3:3.

*English only/Anglais seulement/Inglés solamente
October 15, 1992

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

Dear Ambassador Raffaelli:

This is to confirm my oral notification that, effective September 16, 1992, the United States invoked the provisions of Article 3.5 of the MFA to impose restraints on imports of cotton and mmf shirts (category 340/640) from Guatemala. The restraint period is from June 22, 1992 to June 21, 1993. The restraint level is set at 798,980 dozen.

Sincerely,

Robert E. Shepherd
Minister Counsellor
October 15, 1992

The Honorable
Ambassador Marcelo Raffaelli
Chairman, Textiles Surveillance Body
General Agreement on Tariffs and Trade
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 22, 1992, the United States requested consultations with Guatemala with respect to cotton and mmf. A copy of the request for consultations and the detailed factual statement which is called for in Article 3.3 and which was provided to the Government of the Guatemala at the time of the request is enclosed.

Sincerely,

Robert E. Shepherd
Minister Counsellor

Enclosure
4. (BEGIN TEXT OF NOTE)

(COMPLIMENTARY OPENING) AND HAS 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 ADOPTED ON JULY 31, 1991 AT GENEVA (THE ARRANGEMENT).


IN ORDER TO AVOID FURTHER MARKET DISRUPTION, THE GOVERNMENT OF THE UNITED STATES HEREBY REQUESTS CONSULTATIONS WITH THE GOVERNMENT OF GUATEMALA TO DISCUsS
THE APPROPRIATE LEVEL OF RESTRAINT FOR GUATEMALAN EXPORTS OF MEN’S AND BOYS’ COTTON AND MAN-MADE FIBER WOVEN SHIRTS, CATEGORY 340/640, TO THE UNITED STATES.

THIS REQUEST FOR CONSULTATIONS IS BEING TAKEN PURSUANT TO ARTICLE 3 OF THE ARRANGEMENT.


(COMPLIMENTARY CLOSE)

ANNEX A

MARKET STATEMENT

GUATEMALA MEN’S AND BOYS’ COTTON AND MAN-MADE FIBER WOVEN SHIRTS CATEGORY 340/640 MARCH 1992

IMPORT SITUATION AND CONCLUSION


THE SHARP AND SUBSTANTIAL INCREASE IN CATEGORY 340/640
IMPORTS FROM GUATEMALA IS CAUSING DISRUPTION IN THE U.S. MARKET FOR MEN'S AND BOYS' COTTON AND MAN-MADE FIBER WOVEN SHIRTS.

U.S. PRODUCTION, IMPORT PENETRATION AND MARKET SHARE


DUTY-PAID VALUE AND U.S. PRODUCERS' PRICE


MEN'S AND BOYS' COTTON AND MAN-MADE FIBER WOVEN SHIRTS CATEGORY 340/640 LANDED DUTY PAID VALUES AND U.S. PRODUCERS' PRICES (U.S. DOLLARS PER DOZEN)

<table>
<thead>
<tr>
<th>HTSUSA AND SOURCE</th>
<th>VALUE/PRICE</th>
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<tbody>
<tr>
<td>6205.20.2025</td>
<td>GUATEMALA</td>
</tr>
<tr>
<td></td>
<td>U.S. PRODUCER PRICE</td>
</tr>
<tr>
<td>6205.20.2050</td>
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GUATEMALA
U.S. PRODUCERS' PRICE  68.93  120.00 - 130.00
6205.20.2065

GUATEMALA
U.S. PRODUCERS' PRICE  58.72  95.00 - 105.00
6205.20.2075

GUATEMALA
U.S. PRODUCERS' PRICE  34.47  85.00 - 95.00

TABLE 1
MEN'S AND BOYS' COTTON AND MAN-MADE FIBER WOVEN SHIRTS
CATEGORY 340/640
U.S. PRODUCTION, IMPORTS, MARKET,
IMPORT/PRODUCTION RATIO AND DOMESTIC MARKET SHARE

<table>
<thead>
<tr>
<th>PERIOD</th>
<th>PRODUCTION</th>
<th>IMPORTS</th>
<th>MARKET</th>
<th>I/P</th>
<th>SHARE</th>
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<tr>
<td></td>
<td>1,000 DOZEN</td>
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<td></td>
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<tr>
<td>1988</td>
<td>16,401</td>
<td>25,705</td>
<td>42,106</td>
<td>157</td>
<td>39</td>
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<td>1989</td>
<td>16,956</td>
<td>26,637</td>
<td>43,593</td>
<td>157</td>
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<tr>
<td>1990</td>
<td>12,801</td>
<td>24,995</td>
<td>37,796</td>
<td>195</td>
<td>34</td>
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<tr>
<td>1991</td>
<td>11,797</td>
<td>23,991</td>
<td>35,788</td>
<td>203</td>
<td>33</td>
</tr>
<tr>
<td>1992 EST</td>
<td>11,797</td>
<td>28,620</td>
<td>40,417</td>
<td>243</td>
<td>29</td>
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</tbody>
</table>

1/ U.S. MARKET FOR DOMESTICALLY PRODUCED AND IMPORTED MEN'S AND
BOYS' COTTON AND MAN-MADE FIBER WOVEN SHIRTS

## TABLE II
**MEN’S AND BOYS’ COTTON AND MAN-MADE FIBER WOVEN SHIRTS**
**CATEGORY 340/640**
**U.S. IMPORTS FROM GUATEMALA AND THE WORLD**
(1,000 DOZEN)

<table>
<thead>
<tr>
<th>Period</th>
<th>Guatemala</th>
<th>World</th>
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<tbody>
<tr>
<td>1990</td>
<td>460</td>
<td>24,995</td>
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<tr>
<td>1991</td>
<td>635</td>
<td>23,991</td>
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<tr>
<td><strong>Year Ending March</strong></td>
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<tr>
<td>1991</td>
<td>475</td>
<td>24,109</td>
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<tr>
<td>1992</td>
<td>799</td>
<td>25,469</td>
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<td><strong>January - March</strong></td>
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<tr>
<td>1991</td>
<td>93</td>
<td>5,678</td>
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<tr>
<td>1992</td>
<td>257</td>
<td>7,155</td>
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(End of Diplomatic Note)