ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4
Amendment to the bilateral agreement between the United States and Brazil

Note by the Chairman

The attached notification received from the United States mission concerns an amendment to the existing bilateral agreement, between the United States and Brazil.

1 For original agreement see COM.TEX/SB/178.

ARRANGEMENT CONCERNANT LE COMMERCE INTERNATIONAL DES TEXTILES

Notification conformément à l'article 4, paragraphe 4
Modification de l'accord bilatéral entre les États-Unis et le Brésil

Note du Président

La Mission des États-Unis a fait parvenir au secrétariat la notification ci-jointe relative à une modification de l'accord bilatéral en vigueur entre les États-Unis et le Brésil.

1 Pour le texte initial de l'accord, voir le document COM.TEX/SB/178.
The Honorable
Ambassador Paul Wurth
Chairman, Textiles Surveillance Body
Centre William Rappard
154, rue de Lausanne
CH-1211 Geneva 21

Dear Mr. Chairman:

Pursuant to the provisions of Article 4 of the Arrangement Regarding International Trade in Textiles, I am instructed by my government to inform the Textiles Surveillance Body of the amendment of both the bilateral cotton textile and the man-made fiber textile agreements between the Government of the United States of America and the Government of the Federative Republic of Brazil. The sole purpose of the amendments was to bring the two agreements into conformity with the new textile category system placed in effect on January 1, 1978. The basic agreements were notified to the TSB and circulated to the TC as COM.TEX/SB/178.

It will be noted that the cotton textile restraint levels set forth in the amendment are the restraint levels of the basic agreement adjusted upward for growth through the third year of the agreement reflecting the 7% growth rate stipulated in the basic cotton agreement.

Attached hereto is a copy of State Department Press Release No. 263 of June 27, 1978, which sets forth the self-explanatory texts of the Note exchanges giving effect to the amendments.

Sincerely,

Harry M. Phelan, Jr.
Minister-Counselor

Attachment:
As stated
June 27, 1978

No. 263

UNITED STATES AND BRAZIL
AMEND TEXTILE AGREEMENT

The United States and the Federative Republic of Brazil exchanged notes to amend the existing agreement between the two countries. The texts of the notes follow:

UNITED STATES NOTE

(Cotton)

No. 182

Brasilia, May 4, 1978

His Excellency
Antonio Francisco Azeredo da Silveira
Minister of External Relations
Brasilia, D. F.

Excellency:

I have the honor to refer to the Arrangement Regarding International Trade in Textiles originally done at Geneva on December 20, 1973, and to the Agreement Relating to Trade in Textiles and Textile Products Between the United States of America and the Federative Republic of Brazil of April 22, 1976, (hereinafter referred to as the Agreement). I have also the honor to refer to discussions between representatives of our two governments concerning trade in cotton textiles and textile products and the adaptation of the Agreement to the new system of classification of textile products in effect in the United States held in Brasilia, February 20-23, 1978. As a result of these discussions, I have the honor to propose, on behalf of the Government of the United States of America, that the Agreement be amended, effective April 1, 1978, as follows:

EB/TEX - William Brew (202) 632-2062
1. Paragraph 3 of the Agreement is amended to read as follows:

"3. Within the aggregate limit, Group limits for the third agreement year shall be:

Group I, yarn (Categories 300-301) 45,795,999 square yards equivalent

Group II, fabrics (Categories 310-320) 56,100,100 square yards equivalent

Group III, apparel, made-ups and miscellaneous (Categories 330-369) 28,622,501 square yards equivalent."

2. Paragraph 4 of the Agreement is amended to read as follows:

"Within the aggregate limit and the applicable Group limits, the following specific limits shall apply for the third agreement year:

A. Group I
   Categories 300-301 9,955,652 Lbs.

B. Group II
   Category 313 17,516,970 Syd.
   Category 315 14,769,210 Syd.
   Category 317 6,525,930 Syd.
   Category 319 3,663,680 Syd.
   Category 320 9,502,670 Syd.

C. Group III
   Category 337 63,357 Doz."
Category 339  212,350 Doz.
Category 340  198,881 Doz.
Category 345  46,667 Doz.
Category 347  143,905 Doz.
Category 348  97,694 Doz.
Category 350  44,940 Doz.
Category 352  120,754 Doz.
Category 363  7,895,862 Numbers
Category 369 (floor coverings)  497,782 Lbs.
Category 369 (other)  904,150 Lbs.

3. Annex A to the Agreement is deleted and is replaced by the Annex to this note.

If the foregoing proposal is acceptable to the Government of the Federative Republic of Brazil, this note and Your Excellency's note of confirmation on behalf of the Government of the Federative Republic of Brazil shall constitute an Agreement between the Government of the United States of America and the Government of the Federative Republic of Brazil, amending the Agreement.

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

/S/
Richard E. Johnson
Charge d'Affaires Ad Interim
### ANNEX (Cotton)

<table>
<thead>
<tr>
<th>Categories</th>
<th>Description</th>
<th>Conversion Factor (SYE/Unit)</th>
</tr>
</thead>
<tbody>
<tr>
<td>300</td>
<td>Cotton Carded Yarn</td>
<td>4.6/lb.</td>
</tr>
<tr>
<td>301</td>
<td>Cotton Combed Yarn</td>
<td>4.6/lb.</td>
</tr>
<tr>
<td>310</td>
<td>Gingham</td>
<td>1.0/syd.</td>
</tr>
<tr>
<td>311</td>
<td>Velveteen</td>
<td>1.0/syd.</td>
</tr>
<tr>
<td>312</td>
<td>Corduroy</td>
<td>1.0/syd.</td>
</tr>
<tr>
<td>313</td>
<td>Sheetin</td>
<td>1.0/syd.</td>
</tr>
<tr>
<td>314</td>
<td>Broadcloth</td>
<td>1.0/syd.</td>
</tr>
<tr>
<td>315</td>
<td>Printcloth</td>
<td>1.0/syd.</td>
</tr>
<tr>
<td>316</td>
<td>Shirtings</td>
<td>1.0/syd.</td>
</tr>
<tr>
<td>317</td>
<td>Twills and Sateens</td>
<td>1.0/syd.</td>
</tr>
<tr>
<td>318</td>
<td>Yarn-dyed Fabric</td>
<td>1.0/syd.</td>
</tr>
<tr>
<td>319</td>
<td>Duck</td>
<td>1.0/syd.</td>
</tr>
<tr>
<td>320</td>
<td>Other Fabrics, N.E.S.</td>
<td>1.0/syd.</td>
</tr>
<tr>
<td>330</td>
<td>Handkerchiefs</td>
<td>1.7/doz.</td>
</tr>
<tr>
<td>331</td>
<td>Gloves</td>
<td>3.5/dpr.</td>
</tr>
<tr>
<td>332</td>
<td>Hosiery</td>
<td>4.6/dpr.</td>
</tr>
<tr>
<td>333</td>
<td>Suit-type Coats, Man's and Boys'</td>
<td>36.2/doz.</td>
</tr>
<tr>
<td>334</td>
<td>Other Coats, Men's and Boys'</td>
<td>41.3/doz.</td>
</tr>
<tr>
<td>335</td>
<td>Coats, Women's, Girls' and Infants'</td>
<td>41.3/doz.</td>
</tr>
<tr>
<td>336</td>
<td>Dresses</td>
<td>45.3/doz.</td>
</tr>
<tr>
<td>337</td>
<td>Playsuits</td>
<td>25.0/doz.</td>
</tr>
<tr>
<td>Categories</td>
<td>Description</td>
<td>Conversion Factor (SYE/Unit)</td>
</tr>
<tr>
<td>------------</td>
<td>------------------------------------------------------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>338</td>
<td>Knit Shirts, Men's and boys'</td>
<td>7.2/doz.</td>
</tr>
<tr>
<td>339</td>
<td>Knit Shirts and Blouses, Women's, Girls' and Infants'</td>
<td>7.2/doz.</td>
</tr>
<tr>
<td>340</td>
<td>Shirts, not Knit</td>
<td>24.0/doz.</td>
</tr>
<tr>
<td>341</td>
<td>Blouses, not Knit</td>
<td>14.5/doz.</td>
</tr>
<tr>
<td>342</td>
<td>Skirts</td>
<td>17.8/doz.</td>
</tr>
<tr>
<td>345</td>
<td>Sweaters</td>
<td>36.8/doz.</td>
</tr>
<tr>
<td>347</td>
<td>Trousers, Men's and Boys'</td>
<td>17.8/doz.</td>
</tr>
<tr>
<td>348</td>
<td>Trousers, Women's, Girls and Infants</td>
<td>17.8/doz.</td>
</tr>
<tr>
<td>349</td>
<td>Brassieres, etc.</td>
<td>4.8/doz.</td>
</tr>
<tr>
<td>350</td>
<td>Dressing gowns</td>
<td>51.0/doz.</td>
</tr>
<tr>
<td>351</td>
<td>Nightwear</td>
<td>52.0/doz.</td>
</tr>
<tr>
<td>352</td>
<td>Underwear</td>
<td>11.0/doz.</td>
</tr>
<tr>
<td>359</td>
<td>Other Apparel</td>
<td>4.6/lb.</td>
</tr>
<tr>
<td>360</td>
<td>Pillowcases</td>
<td>1.1/no.</td>
</tr>
<tr>
<td>361</td>
<td>Sheets</td>
<td>6.2/no.</td>
</tr>
<tr>
<td>362</td>
<td>Bedspreads and Quilts</td>
<td>6.9/no.</td>
</tr>
<tr>
<td>363</td>
<td>Terry and other Pile</td>
<td></td>
</tr>
<tr>
<td>369</td>
<td>Other Cotton manufactures</td>
<td>4.6/lb.</td>
</tr>
</tbody>
</table>
BRAZILIAN NOTE (Cotton)
(Informal Translation)

Mr. Richard E. Johnson
Charge d'Affaires
United States of America

Mr. Charge d'Affaires,

I have the honor to acknowledge receipt of Your Excellency's note number 182 dated May 4, 1978 regarding exports of cotton textiles from Brazil to the United States of America.

I confirm that the Government of the Federative Republic of Brazil agrees with the proposals contained in your note and proposes that your note and this reply constitute an agreement between our Governments to take effect from April 1, 1978.

I take advantage of the opportunity to renew assurances of highest consideration.

/S/ Antonio Francisco Azeredo da Silveira
Minister of External Relations

UNITED STATES NOTE
(Man-made Fiber)

No. 183
Brasilia, May 4, 1978

His Excellency
Antonio Francisco Azeredo da Silveira
Minister of External Relations
Brasilia, D.F.

Excellency:

I have the honor to refer to the Arrangement Regarding International Trade in Textiles originally done at Geneva on December 20, 1973, and to the Agreement Relating to Trade in Man-made Fiber Textiles and Textile Products Between the United States of America and the Federative Republic of Brazil of April 22, 1976, (hereinafter referred to as the Agreement). I have also the honor to refer to discussions between representatives of our two governments concerning trade in man-made fiber textiles and textile products, and the adaptation of the
Agreement to the new system of classification of textile products in effect in the United States held in Brasilia, February 20-23, 1978. As a result of these discussions, I have the honor to propose, on behalf of the Government of the United States of America, that the Agreement be amended, effective April 1, 1978, as follows:

1. In paragraph 2 of the Agreement, the phrase "Categories 200 through 243" is deleted and is replaced by the phrase "Categories 600 through 669".

2. Annex A to the Agreement is deleted and is replaced by the Annex to this note.

If the foregoing proposal is acceptable to the Government of the Federative Republic of Brazil, this note and Your Excellency's note of confirmation on behalf of the Government of the Federative Republic of Brazil shall constitute an Agreement between the Government of the United States of America and the Government of the Federative Republic of Brazil, amending the Agreement.

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

/S/ Richard E. Johnson
Charge d'Affaires Ad Interim

ANNEX (Man-Made Fiber)

<table>
<thead>
<tr>
<th>Categories</th>
<th>Description</th>
<th>Conversion Factor (SY$/Unit)</th>
</tr>
</thead>
<tbody>
<tr>
<td>600</td>
<td>Textured Yarn</td>
<td>3.5/lb.</td>
</tr>
<tr>
<td>601</td>
<td>Continuous Cell., Yarn</td>
<td>5.2/lb.</td>
</tr>
<tr>
<td>602</td>
<td>Continuous Non.-Cell. Yarn</td>
<td>11.6/lb.</td>
</tr>
<tr>
<td>603</td>
<td>Spun Cell. Yarn</td>
<td>3.4/lb.</td>
</tr>
<tr>
<td>604</td>
<td>Spun Non-Cell. Yarn</td>
<td>4.1/lb.</td>
</tr>
<tr>
<td>605</td>
<td>Other Yarns</td>
<td>3.5/lb.</td>
</tr>
<tr>
<td>610</td>
<td>Continuous Cell. Fabric, not Knit</td>
<td>1.0/syd.</td>
</tr>
<tr>
<td>611</td>
<td>Spun Cell. Fabric, not Knit</td>
<td>1.0/syd.</td>
</tr>
<tr>
<td>612</td>
<td>Continuous Non-Cell. Fabric, not Knit</td>
<td>1.0/syd.</td>
</tr>
<tr>
<td>613</td>
<td>Spun Non-Cell. Fabric, not Knit</td>
<td>1.0/syd.</td>
</tr>
<tr>
<td>614</td>
<td>Other Fabrics, not Knit</td>
<td>1.0/syd.</td>
</tr>
</tbody>
</table>
| Item   | Description                                | Price  
|-------|--------------------------------------------|--------
| 625   | Knit Fabric                               | 7.8/lb.
| 626   | Pile and Tufted Fabric                    | 1.0/syd.
| 627   | Specialty Fabric                          | 7.8/lb.
| 630   | Handkerchiefs                             | 1.7/doz.
| 631   | Gloves                                    | 3.5/dpr.
| 632   | Hosiery                                   | 4.6/dpr.
| 633   | Suit-type Coats, Men's and Boys'          | 36.2/doz.
| 634   | Other Coats, Men's and Boys'              | 41.3/doz.
| 635   | Coats, Women's, Girls' and Infants'       | 41.3/doz.
| 636   | Dresses                                   | 45.3/doz.
| 637   | Playsuits                                 | 21.5/doz.
| 638   | Knit Shirts, Men's and Boys'              | 18.0/doz.
| 639   | Knit Shirts and Blouses, Women's, Girls' and Infants' | 15.0/doz.
| 640   | Shirts                                    | 24.0/doz.
| 641   | Blouses                                   | 14.5/doz.
| 642   | Skirts                                    | 17.8/doz.
| 643   | Suits, Men's and Boys'                    | 4.5/no.
| 644   | Suits, Women's, Girls' and Infants'       | 4.5/no.
| 645   | Sweaters, Men's and Boys'                 | 36.8/doz.
| 646   | Sweaters, Women's, Girls' and Infants'    | 36.8/doz.
| 647   | Trousers, Men's and Boys'                 | 17.8/doz.
| 648   | Trousers, Women's, Girls' and Infants'    | 17.8/doz.
| 649   | Brassieres, etc.                          | 4.8/doz.
| 650   | Dressing Gowns                            | 51.0/doz.
| 651   | Nightwear                                 | 52.0/doz.
| 652   | Underwear                                 | 16.0/doz.
| 659   | Other Apparel                             | 7.8/lb.
Mr. Richard E. Johnson
Charge d'Affaires
United States of America

Mr. Charge d'Affaires,

I have the honor to acknowledge receipt of your note number 183 dated May 4, 1978 regarding exports of man-made fiber textiles from Brazil to the United States of America.

I confirm that the Government of the Federative Republic of Brazil agrees with the proposals contained in your note and proposes that your note and this reply constitute an agreement between our Governments to take effect from April 1, 1978.

I take advantage of the opportunity to renew to Your Excellency, the assurances of my highest consideration.

/S/ Antonio Francisco Azeredo da Silveira
Minister of External Relations