ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4.4

Amendment to the bilateral agreement between the
United States and Mexico

Note by the Chairman.

Attached hereto is a communication from the United States mission concerning a further amendment to the bilateral agreement between the United States and Mexico.¹

¹For previous agreement and amendments see COM.TEX/SB/90, 175 and 265.
Dear Mr. Chairman:

Pursuant to paragraph 4 of Article 4 of the Arrangement Regarding International Trade in Textiles, I am instructed by my government to inform the TSB of the amendment of the bilateral textile agreement between the Government of the United States of America and the Government of the United Mexican States. The original agreement was notified to the TSB and circulated to the Textiles Committee as COM.TEX/SB/90 of 23 July 1975. Subsequent amendments of the agreement have been notified to the TSB and circulated to the Textiles Committee as COM.TEX/SB/175 of 22 June 1976 and COM.TEX/SB/265 of 27 September 1977.

The TSB will note that the exchange of Notes giving effect to the amendments being presently notified took place on April 29, 1978, one day prior to the expiry of the bilateral agreement on April 30, 1978. At the time these notes were exchanged, bilateral negotiations were underway for a new multi-year bilateral agreement which would have had effect from January 1, 1978, and would have superseded limits set up in this Note exchange, immediately rendering it of historical interest only. However, negotiations between the United States and Mexico toward a new bilateral were only finally concluded in early November, and the resulting agreement will be notified to the TSB shortly. Since there has been no agreement between the United States and Mexico since midnight of April 30, 1978, until Notes are exchanged on the recently negotiated bilateral, the amendments notified hereby had legal effect for 24 hours.

The amendments being notified: (a) merged categories 42 and 43 and established a consultation level of 2,000,000 syds. equivalent therefor; (b) merged wool categories 116 and 117 and established a consultation level of 200,000 syds. equiv.; (c) pursuant to the provisions of 8(b) of the bilateral agreement, set up a number of designated consultation levels for
the third agreement year; (d) increased the third agreement year specific limit from 17,538,000 syds. equiv. to 18,038,000 syds. equiv.; and, (e) effected increases in four cotton fabric categories and one cotton fabric sub-category for the third agreement year.

Attached hereto is State Department Press Release No. 343 of 1 September 1978 setting forth the full texts of the exchange of Notes giving effect to the amendment.

Sincerely,

[Signature]

Harry M. Phelan, Jr.
Minister-Counselor

Attachment:
As stated
The United States and Mexico exchanged notes to amend the existing bilateral textile agreement on April 26, 1978 and April 29, 1978, respectively. The texts of the notes follow:

UNITED STATES NOTE

No. 623
His Excellency Mexico, D. F.
Lic. Santiago Roel
Secretary of Foreign Relations April 26, 1978
Tlatelolco, D. F.

Excellency:

I have the honor to refer to the bilateral agreement of May 12, 1975, as amended, between our two Governments concerning trade in cotton, wool and man-made fiber textiles and textile products (hereafter referred to as the Agreement). I have further the honor to refer to recent discussions held in Mexico City between representatives of our two Governments. As a result of these discussions, I wish to propose that the Agreement be further amended as follows:

1. In the third agreement year (May 1, 1977 - April 30, 1978):

   a) Categories 42 and 43 are merged. This merged category is subject to a consultation level of 2,000,000 square yards equivalent (SYE).

   b) Categories 116 and 117 are merged. This merged category is subject to a consultation level of 200,000 SYE.

   c) The following categories are subject to the consultation levels specified below:

EB/TEX - William Brew (202) 632-2062
2. The specific limit for category 238 for the third agreement year is changed to 18,038,000 SYE.

3. The specific limits for categories 9/10, 22/23, 26/27, and the duck subceiling for the third agreement year are as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>SYE</th>
</tr>
</thead>
<tbody>
<tr>
<td>9/10</td>
<td>18,190,000</td>
</tr>
<tr>
<td>22/23</td>
<td>28,000,000</td>
</tr>
<tr>
<td>26/27</td>
<td>18,000,000</td>
</tr>
<tr>
<td>(Duck Subceiling)</td>
<td>9,630,000</td>
</tr>
</tbody>
</table>
If the foregoing conforms with the understanding of your Government, this note and your note of confirmation on behalf of the Government of Mexico shall constitute an agreement between our two Governments which further amends the Agreement, effective on the date of your note of acceptance.

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

MEXICAN NOTE
INFORMAL TRANSLATION

Note 700853

The Ministry of Foreign Relations extends its very attentive greetings to the Embassy of the United States of America and has the honor to refer to the Embassy's note No. 623 dated April 26 of the present year relative to the bilateral textile agreement between Mexico and the United States.

Concerning that agreement, the Government of Mexico is in agreement with note 623, inasmuch as the levels for the third agreement year are those agreed upon by both countries.

The Ministry of Foreign Relations takes advantage of this opportunity to reiterate to the Embassy of the United States of America the assurances of its highest and most distinguished consideration.

Tlatelolco, D. F. 29 April 1978