

GENERAL AGREEMENT ON
TARIFFS AND TRADE

CONFIDENTIAL
TEX. SB/1082*
25 February 1985

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 3:6

United States/Pakistan

Note by the Chairman

Attached is a notification received from the United States of an emergency measure taken under Article 3:6 with respect to imports from Pakistan of mmf work gloves (Category 631 pt) pending consultations under Article 3.

*English only/Anglais seulement/Inglés solamente



UNITED STATES TRADE REPRESENTATIVE

1-3 AVENUE DE LA PAIX

1202 GENEVA, SWITZERLAND

Telephone: 32 09 70

February 25, 1985

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

Dear Ambassador Raffaelli:

Pursuant to Articles 3.3 and 3.6 of the Arrangement Regarding International Trade in Textiles, I am instructed to confirm the earlier oral notification to you that my government: (a) requested consultations on December 31, 1984, concerning category 631p (man-made fiber work gloves) (see Attachment 1)); and (b) requested on January 14, 1985, the government of Pakistan to coordinate immediately on a bilateral basis to insure that exports during the 60-day consultation period did not give rise to damage difficult to repair (Attachment 2).

The Government of Pakistan agreed (Attachment 3), although it also in a separate note asked the United States to reconsider this call (Attachment 4). The United States later informed the Government of Pakistan that it was putting a more liberal restraint in place by substituting an annual level of 238,750 dozen pairs for the 60-day level of 55,708 pairs (Attachment 5). This would allow

The Honorable Ambassador Marcelo Raffaelli

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the full Article 3 formula level to be shipped at anytime during the 12-month period. It would also avoid the likelihood of an embargo on shipments of this product during the initial 60-day period, while at the same time limiting the damage to American producers during that period.

Sincerely,

A handwritten signature in dark ink, appearing to read "Robert E. Shepherd", written in a cursive style.

Robert E. Shepherd
Minister-Counselor

Enclosures

-- I HAVE 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 DECEMBER 22, 1981 AT GENEVA (HEREINAFTER REFERRED TO AS THE ARRANGEMENT). I ALSO REFER TO THE DIPLOMATIC NOTE DELIVERED IN WASHINGTON JULY 30, 1984 REQUESTING CONSULTATIONS ON CATEGORY 631 PART AND TO OUR LETTER OF NOVEMBER 30, 1984 RESCINDING THAT REQUEST.

-- MY GOVERNMENT HAS NOTED THE CONTINUATION OF SHARP INCREASES IN IMPORTS OF MAN-MADE FIBER WORK GLOVES (CATEGORY 631 PART), CURRENTLY CLASSIFIED IN TARIFF SCHEDULE OF THE UNITED STATES (TSUSA) NUMBERS 704.3215, 704.8525, 704.8550, AND 704.9000. IN ADDITION MY GOVERNMENT HAS NOTED INSTANCES OF GOODS MISREPRESENTED AS TO CATEGORY. THIS SUGGESTS THAT AN ELEMENT OF FRAUD BY SOME IMPORTERS OR EXPORTERS MAY BE A FACTOR IN THE QUANTITIES OF GOODS BEING PRESENTED AS CATEGORY 631. MY GOVERNMENT HAS DETERMINED THAT CORRECTLY CATEGORIZED GOODS ENTERED IN CATEGORY 631 ARE CAUSING MARKET DISRUPTION IN THE UNITED STATES AND ARE THREATENING TO IMPEDE THE ORDERLY DEVELOPMENT OF TRADE AS CONTEMPLATED UNDER ARTICLE 3 OF THE

ARRANGEMENT. A DETAILED FACTUAL STATEMENT OF THE REASONS AND JUSTIFICATIONS FOR THIS CONCLUSION, WITH CURRENT SUPPORTING DATA, IS APPENDED AS ANNEX A WHICH IS TO BE REGARDED AS AN INTEGRAL PART OF THIS NOTE. ACCORDINGLY, THE GOVERNMENT OF THE UNITED STATES HEREBY REQUESTS CONSULTATIONS WITH THE GOVERNMENT OF PAKISTAN TO DISCUSS APPROPRIATE LEVELS OF RESTRAINT FOR PAKISTAN'S EXPORTS OF CATEGORY 631 PART, WORK GLOVES, TO THE UNITED STATES.

- IN ACCORDANCE WITH ARTICLE THREE OF THE ARRANGEMENT, TO WHICH BOTH THE GOVERNMENT OF PAKISTAN AND THE GOVERNMENT OF THE UNITED STATES ARE PARTIES, IF OUR TWO GOVERNMENTS ARE UNABLE TO AGREE ON A MUTUALLY SATISFACTORY SOLUTION TO THIS MATTER WITHIN SIXTY DAYS, THE GOVERNMENT OF THE UNITED STATES RESERVES THE RIGHT TO RESTRAIN SUCH IMPORTS PRODUCED IN PAKISTAN AND EXPORTED DURING THE TWELVE-MONTH PERIOD BEGINNING ON THE DATE OF YOUR RECEIPT OF THIS REQUEST, TO A LEVEL OF NOT LESS THAN THE LEVEL OF UNITED STATES' IMPORTS FROM PAKISTAN DURING THE FIRST TWELVE OF THE MOST RECENT FOURTEEN MONTHS, WHICH IS THE PERIOD OF OCTOBER 1, 1983 TO SEPTEMBER 30, 1984, THAT LEVEL IS 238,750 DOZEN PAIR. MY GOVERNMENT RESERVES THE RIGHT TO ADJUST THIS LIMIT SHOULD INSTANCES OF MISREPRESENTED GOODS BE DETERMINED TO HAVE BEEN INCLUDED IN THE FORMULA LEVEL.

(COMPLIMENTARY CLOSING)

ENCLOSURE: ANNEX A

-- ANNEX A

MARKET STATEMENT

CATEGORY 631 (PART) -- MAN-MADE FIBER
-- WORK GLOVES

PAKISTAN

DECEMBER 1984

-- U.S. IMPORTS OF CATEGORY 631 WORK GLOVES FROM PAKISTAN AMOUNTED TO 449,700 DOZEN PAIRS DURING THE JANUARY-OCTOBER 1984 PERIOD, NEARLY EIGHT TIMES THE QUANTITY WHICH ENTERED DURING THE ENTIRE YEAR OF 1983. THERE WERE NO IMPORTS IN 1982. PAKISTAN WAS THE FIFTH LARGEST SUPPLIER DURING THE FIRST TEN MONTHS OF 1984, ACCOUNTING FOR 8.3 PERCENT OF THE TOTAL IMPORTS. IMPORTS FROM THE FOUR LARGER SUPPLIERS AND FROM A NUMBER OF THE SMALLER SUPPLIERS ARE SUBJECT TO RESTRAINTS.

- THE SUBSTANTIAL AND SHARP INCREASES IN IMPORTS FROM PAKISTAN INTO A MARKET ALREADY DISRUPTED BY IMPORTS ADDED TO THE DISRUPTION. THESE AND OTHER FACTORS CAUSE THE UNITED STATES GOVERNMENT TO CONCLUDE THAT THE IMPORTS FROM

PAKISTAN ARE DISRUPTING THE U.S. MARKET FOR SUCH GLOVES AND CONTINUATION OF THE INCREASED IMPORTS FROM PAKISTAN WOULD FURTHER DISRUPT THE MARKET.

-- THE U.S. MARKET FOR DOMESTICALLY PRODUCED AND IMPORTED MAN-MADE FIBER WORK GLOVES INCREASED SHARPLY IN 1982 AND ALSO IN 1983. THE MARKET CONTINUED TO EXPAND IN 1984 AS THE U.S. ECONOMY IMPROVED AND THE DEMAND FOR PROTECTIVE EQUIPMENT ROSE. HOWEVER, THE U.S. PRODUCER'S SHARE OF THE MARKET DECLINED FROM 40 PERCENT IN 1980 TO 15 PERCENT IN 1983. THE 1984 SHARE WILL CONTINUE THE DOWNWARD TREND.

-- THE MARKET FOR THESE GLOVES INCREASED FROM A 1.8 MILLION DOZEN PAIR AVERAGE LEVEL FOR 1980-1981 TO 2.2 MILLION DOZEN IN 1982 TO 3.2 MILLION IN 1983. THE MARKET FOR 1984 WILL CONTINUE THE RAPID EXPANSION SINCE IMPORTS FOR THE FIRST TEN MONTHS WERE IN EXCESS OF THE TOTAL MARKET FOR 1983.

-- DOMESTIC PRODUCTION OF MAN-MADE FIBER WORK GLOVES DECLINED FROM 699,000 DOZEN PAIR IN 1980 TO 522,000 DOZEN PAIR IN 1983. PRODUCERS REPORT THAT ACTIVITY IN 1984 CONTINUED TO BE DEPRESSED AS IMPORT GROWTH OUTSTRIPS DOMESTIC MARKET GROWTH.

-- IMPORTS WERE EQUAL TO ONE AND ONE-HALF TIMES PRODUCTION IN BOTH 1980 AND 1981. BY 1983, IMPORTS WERE NEARLY FIVE AND ONE-HALF TIMES DOMESTIC PRODUCTION. SINCE

IMPORTS DURING THE FIRST TEN MONTHS OF 1984 WERE MORE THAN DOUBLE THOSE FOR THE SAME PERIOD A YEAR EARLIER AND SINCE THE JANUARY-OCTOBER 1984 IMPORTS WERE DOUBLE THOSE FOR THE FULL YEAR OF 1983, IMPORT PENETRATION WILL CONTINUE TO INCREASE IN 1984.

-- EMPLOYMENT IN THE FABRIC GLOVE INDUSTRY (SIC 2381) DECLINED SHARPLY FROM 1978 THROUGH 1983. PRODUCTION WORKER EMPLOYMENT IN 1983 WAS 6,100 WORKERS COMPARED WITH 6,800 IN 1982; 8,700 IN 1980; AND 11,000 IN 1978.

-- U.S. IMPORTS OF MAN-MADE FIBER WORK GLOVES FROM ALL SOURCES WERE 2.7 MILLION DOZEN PAIRS IN 1983. UP 64 PERCENT FROM 1982. IMPORT GROWTH ACCELERATED IN 1984 WITH THE JANUARY-OCTOBER TOTAL REACHING 5.4 MILLION DOZEN PAIRS, NEARLY DOUBLE THE TOTAL FOR ALL OF 1983.

- APPROXIMATELY 46 PERCENT OF THE CATEGORY 631 WORK GLOVES IMPORTED FROM PAKISTAN ENTER UNDER TSUSA NO. 704.8525 AND 48 PERCENT UNDER TSUSA NO. 704.9200. THESE GLOVES ARE BEING ENTERED AT DUTY-PAID VALUES WHICH ARE BELOW THE U.S. PRODUCER PRICES FOR COMPARABLE ITEMS.

1/ TSUSA NOS. 704.3215, 704.8525, 704.8550, AND 704.9202

ANNEX A

U.S. PRODUCTION, IMPORTS AND MARKET MAN-MADE FIBER WORK GLOVES

-1,000 DOZEN PAIRS-

YEAR	PRODUCTION	IMPORTS	1/ MARKET	U.S. MARKET SHARE
1980	699	1,055	1,754	40
1981	689	1,071	1,760	39
1982	529	1,671	2,200	24
1983	502	2,736	3,238	15

1/ PRODUCTION PLUS IMPORTS. EXPORTS, EXCEPT FOR THOSE TO BE IMPORTED UNDER ITEM 827, ARE NEGLIGIBLE. THE INTERNATIONAL TRADE COMMISSION ESTIMATES THAT 93 PERCENT OF THE EXPORTS ARE FOR ITEM 827 TRADE.

U.S. PRODUCTION, IMPORTS AND IMPORT/PRODUCTION RATIOS MAN-MADE FIBER GLOVES

-1,000 DOZEN PAIR-

YEAR	PRODUCTION	IMPORTS	RATIO
1980	699	1,055	150.9
1981	689	1,071	155.4
1982	529	1,671	315.7
1983	502	2,736	545.9

JANUARY-OCTOBER

1983	2,360
1984	5,414

ANNEX A

TOP TEN SUPPLIERS AND RESTRAINT LEVELS CATEGORY 631 (DOZENS)

COUNTRY	1982	1983	1984	SHARE
WORLD	3,765,248	5,537,939	7,300,000	100

CHINA T	1,116,188	1,484,702	1,817,292	24.89	SL
PHILIPPINES	1,130,931	1,665,702	1,740,409	23.84	SL
INDONESIA	-0-	-0-	1,098,676	14.91	R
CHINA M	466,703	527,613	706,722	9.68	SL
HONG KONG	339,772	410,399	359,463	4.92	SL
SRI LANKA	155,850	377,850	303,252	4.15	SL
THAILAND	15,390	272,830	262,537	3.57	R
JAPAN	132,765	174,725	235,834	3.23	R
MACAO	6,100	151,035	205,817	2.82	MCL

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COUNTRY 1/
RESTRAINT

WORLD	
CHINA T	200,000 (631 PT.)
PHILIPPINES	1,802,283
INDONESIA	100,000 2/
CHINA M	658,050
HONG KONG	432,480
SRI LANKA	275,600
THAILAND	187,734
JAPAN	238,303 (631 PT.)
MACAO	200,003

1/ S.L.- SPECIFIC LIMIT; R - RESTRAINT; MCL - MINIMUM
CONSULTATION LIMIT.

-- ANNEX A

-- CATEGORY 631 PT.: DUTY-PAID VALUES AND U.S.
-- -U.S. DOLLARS PER DOZEN PAIR-

TSUSA NO. AND SOURCE	VALUE/PRICE
704.8525	
PAKISTAN	1.25
PHILIPPINES	1.44
INDONESIA	1.39
U.S. PRODUCER PRICE	1.95 - 2.00
704.9000	
PAKISTAN	3.41
CHINA	3.24
U.S. PRODUCER PRICE	5.75 - 6.00
END TEXT	

COMPLIMENTARY OPENING. BEGIN TEXT : I REFER TO MY GOVERNMENT'S NOTE DATED DECEMBER 31, 1984 WHICH REQUESTS CONSULTATIONS UNDER ARTICLE 3 OF THE MFA ON AN APPROPRIATE LEVEL OF RESTRAINT FOR PAKISTANI EXPORTS OF MAN-MADE FIBER GLOVES TO THE UNITED STATES. I ALSO REFER TO ARTICLE 3.6 OF THE MULTIFIBER ARRANGEMENT. MY GOVERNMENT IS OF THE VIEW THAT IMPORTS OF THIS PRODUCT DURING THE SIXTY-DAY CONSULTATION PERIOD WOULD CAUSE SERIOUS MARKET DISRUPTION GIVING RISE TO DAMAGE DIFFICULT TO REPAIR UNLESS URGENT ACTION IS TAKEN TO AVOID SUCH DAMAGE.

THE AVERAGE RATE OF U.S. RECENT MONTHLY IMPORTS OF THIS PRODUCT FROM PAKISTAN HAS BEEN OVER 100,000 DOZEN PAIRS. BASED ON THIS TREND, MY GOVERNMENT FINDS IT NECESSARY TO REQUEST THAT THE GOVERNMENT OF PAKISTAN COOPERATE IMMEDIATELY ON A BILATERAL BASIS TO AVOID DAMAGE TO THE U.S. MARKET BY ENSURING THAT PAKISTANI EXPORTS DURING THE 60-DAY CONSULTATION PERIOD DO NOT EXCEED 55,708 DOZEN PAIRS.

YOUR GOVERNMENT'S ASSURANCE THAT THIS REQUEST WILL BE HONORED WOULD BE APPRECIATED. DUE TO THE URGENT

CHARACTER OF THIS REQUEST, YOUR GOVERNMENT'S RESPONSE WOULD BE APPRECIATED BY TUESDAY, JANUARY 15, 1985. ACTION TAKEN ON AN EMERGENCY BASIS SHALL BE WITHOUT PREJUDICE TO OUR CONSULTATIONS UNDER ARTICLE 3. MY GOVERNMENT IS SENDING A COPY OF THIS LETTER TO THE CHAIRMAN OF THE TEXTILES SURVEILLANCE BODY. COMPLIMENTARY CLOSING.

PAKISTAN NOTE
January 21, 1985

Enclosure No. 3

2. BEGIN TEXT: THE GOVERNMENT OF ISLAMIC REPUBLIC OF PAKISTAN HAS THE HONOUR TO REFER TO THE NOTE OF THE ESTEEMED EMBASSY OF THE USA NO. 755/ECON OF 14TH JANUARY, 1985, INVOKING THE EMERGENCY PROVISIONS OF ARTICLE 3.6 OF MFA, AND REQUESTING TO RESTRICT THE EXPORTS OF MAN-MADE FIBER GLOVES IN CATEGORY 631 TO 55709 DOZEN PAIRS DURING THE SIXTY DAYS CONSULTATION PERIOD STARTING 1ST JANUARY, 1985. IN THIS CONTEXT, ATTENTION IS INVITED TO THE NOTE OF THIS GOVERNMENT, IN RESPONSE TO THE ORIGINAL CALL OF 31ST JULY, 1984 AND SUBSEQUENT CONSULTATIONS HELD IN WASHINGTON WHICH SEEMED TO HAVE CONVINCED THE US AUTHORITIES OF THE POSITION EXPLAINED ON BEHALF OF PAKISTAN.

IT MAY BE NOTED THAT THE SPURT IN THE EXPORTS OF MAN-MADE FIBER GLOVES TO US MARKET WHICH OCCURRED DURING THE MONTHS OF SEPTEMBER AND OCTOBER, 1984 DOES NOT REPRESENT THE NORMAL TRADE FLOW. RATHER, IT SHOWS DISTORTION CAUSED BY THE EFFECTS OF THE RESTRAINT CALL OF 30TH JULY, 1984 AND ITS WITHDRAWAL ON 30TH NOVEMBER, 1984.

IT MAY BE BROUGHT TO THE NOTICE OF THE US AUTHORITIES THAT THE ORIGINAL RESTRAINT CALL, ITS WITHDRAWAL AND SUBSEQUENTLY, THE LATEST CALL INVOKING THE EMERGENCY PROVISIONS OF MFA, HAS LED TO A VIRTUAL CLOSURE OF THE GLOVES INDUSTRY IN PAKISTAN AND EXTREME UNCERTAINTY AMONG OTHER MANUFACTURERS AND INVESTORS OF SYNTHETIC TEXTILES.

WHILE HOPING THAT THE US AUTHORITIES WOULD SYMPATHETICALLY CONSIDER ALL THESE ASPECTS OF THE SITUATION, THE GOVERN-

MENT OF THE ISLAMIC REPUBLIC OF PAKISTAN HAS ADVISED THE LOCAL MANUFACTURERS/EXPORTERS OF GLOVES TO HONOUR THE REQUEST FOR RESTRAINT DURING THE CONSULTATION PERIOD.

THE GOVERNMENT OF THE REPUBLIC OF PAKISTAN TAKES THIS OPPORTUNITY TO RENEW TO THE ESTEEMED EMBASSY THE ASSURANCES OF ITS HIGHEST CONSIDERATION.. END TEXT.

PAKISTAN NOTE
January 21, 1984

Enclosure No.

BEGIN TEXT: THE GOVERNMENT OF ISLAMIC REPUBLIC OF PAKISTAN HAS THE HONOUR TO ACKNOWLEDGE THE NOTE OF THE EMBASSY OF THE UNITED STATES OF AMERICA OF 31ST DECEMBER, 1984, CONVEYING THE CALL FOR CONSULTATIONS TO DETERMINE THE LEVEL OF RESTRAINT FOR PAKISTANI EXPORTS OF MAN-MADE FIBER WORK GLOVES (CATEGORY 631).

ATTENTION OF THE ESTEEMED EMBASSY IS INVITED TO THE EARLIER CALL NOTE NO. 989/ECON OF 30TH JULY, 1984 TO WHICH A RESPONSE HAD BEEN CONVEYED ON 20TH AUGUST, 1984. THE WITHDRAWAL OF THIS CALL BY THE US AUTHORITIES VIDE THEIR NOTE DATED 30TH NOVEMBER, 1984 PROVIDED A CAUSE FOR SATISFACTION. BUT THE CLAMPING DOWN OF UNILATERAL RESTRAINT AGAIN HAS CAUSED VIRTUAL CLOSURE OF THE MAN-MADE FIBER GLOVES INDUSTRY IN PAKISTAN.

A PERUSAL OF THE U.S. DEPT. OF COMMERCE PUBLICATION ENTITLED "MAJOR SHIPPERS REPORT - CATEGORY AND COUNTRY - SELECTED CENSUS DATA THROUGH SEPTEMBER 1984" WOULD SHOW THAT PAKISTAN'S SHARE IN THE TOTAL IMPORTS OF THIS CATEGORY INTO THE USA DURING THE YEAR ENDING SEPTEMBER, 1984 WAS ONLY 3.2 PERCENT. AT LEAST EIGHT OTHER COUNTRIES ENJOYED MUCH LARGER SHARES OF THESE IMPORTS. THUS IT IS OBVIOUS THAT THE IMPORTS ENTERING THE U.S. MARKET FROM PAKISTAN ARE VERY LOW AND COULD NOT HAVE CAUSED THE ALLEGED MARKET DISRUPTION. THE DATA ON IMPORTS FROM PAKISTAN IN OCTOBER 1984 DOES NOT REPRESENT THE TRUE PICTURE. IT REFLECTS ONLY A DISTORTION OCCASIONED BY THE U.S. EMBARGO CONSEQUENT UPON THE IMPOSITION OF A UNILATERAL RESTRAINT, AND ITS SUBSEQUENT WITHDRAWAL.

A COMPARISON OF RESTRAINT LEVELS ALLOWED IN CATEGORY 331 AND 631 SHOWS THAT A BALANCE HAS BEEN MAINTAINED IN THESE LEVELS. WHERE THE RESTRAINT IS HEAVY IN ONE CATEGORY, IT IS LIBERAL IN THE OTHER. CHINA, HONG KONG AND SRI

LANKA HAVE LOWER LEVELS IN 631 BUT VERY HIGH LIMITS FOR 331. ON THE OTHER HAND, PHILIPPINES HAS A LOW LEVEL OF RESTRAINT IN CATEGORY 331 BUT A LIBERAL LIMIT IS ALLOWED FOR HER IN CATEGORY 631. IN CASE OF PAKISTAN, HOWEVER, IN BOTH THESE CATEGORIES THE RESTRAINT LEVELS ARE EXTREMELY LOW.

SINCE THE PRESENT CALL HAS BEEN MADE UNDER THE PROVISIONS OF MFA, ATTENTION IS INVITED TO ARTICLE 6 AND PARAGRAPH 12 OF THE 'PROTOCOL OF EXTENSION' WHICH REEMPHASISED THE NEED FOR SPECIAL CONSIDERATION FOR THOSE DEVELOPING COUNTRIES WHICH ARE NEW ENTRANTS IN THE MARKET.

THE FIGURES SUPPLIED BY THE US AUTHORITIES DO SHOW A DECLINING TREND IN DOMESTIC PRODUCTION AND EMPLOYMENT, TILL 1983. BUT IN THIS CONTEXT IT NEEDS TO BE EMPHASISED THAT EXPORTS OF PAKISTANI MAN-MADE FIBER GLOVES HAVE PLAYED NO PART IN THAT DECLINE. THERE WERE NO EXPORTS OF THIS ITEM FROM PAKISTAN TO USA IN 1982. THE SHIPMENTS IN 1983 WERE ONLY 57,752 DOZEN PAIRS.

BESIDES HITTING THE LOCAL GLOVES INDUSTRY, THE CALL BY US AUTHORITIES ON THIS MAN-MADE FIBER CATEGORY HAS CAUSED APPREHENSION IN THE MINDS OF PRODUCERS AND EXPORTERS WHO HAD ATTEMPTED DIVERSIFICATION AWAY FROM COTTON MANUFACTURES, IN VIEW OF THE RESTRAINTS IMPOSED ON THOSE ITEMS UNDER THE BILATERAL AGREEMENT ON COTTON TEXTILES.

IN VIEW OF THE FACTS STATED ABOVE THE ESTEEMED EMBASSY IS REQUESTED TO IMPRESS UPON THE CONCERNED AUTHORITIES IN USA TO RECONSIDER THIS CALL.

THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF PAKISTAN TAKES THIS OPPORTUNITY TO RENEW TO THE ESTEEMED EMBASSY THE ASSURANCES OF ITS HIGHEST CONSIDERATION. END TEXT.

(COMPLIMENTARY OPENING)

-- I REFER TO MY GOVERNMENT'S NOTE DATED JANUARY 14, 1985 REQUESTING EMERGENCY RESTRAINT ON EXPORTS OF MAN-MADE FIBER WORK GLOVES UNDER PARAGRAPH 3.6 OF THE MFA. I ALSO REFER TO YOUR EXCELLENCY'S RESPONSE DATED JANUARY 21, 1985 WHICH STATES THAT YOUR GOVERNMENT HAS ADVISED THE LOCAL MANUFACTURERS AND EXPORTERS OF GLOVES TO HONOR THE REQUEST FOR RESTRAINT DURING THE CONSULTATION PERIOD. MY GOVERNMENT THEREFORE ANTICIPATED THAT THE LEVEL OF EXPORTS DURING JANUARY AND FEBRUARY OF 1985 WILL NOT EXCEED THE AGREED UPON LEVEL OF 55,708 DOZEN PAIRS.

-- EFFECTIVE ON JANUARY 28, 1985 THE U.S. CUSTOMS SERVICE WILL CONTROL THE LEVEL OF IMPORT FOR PAKISTANI 1985 EXPORTS AT 238,750 DOZEN PAIRS, PENDING FURTHER AGREEMENT BETWEEN

OUR GOVERNMENTS DURING UPCOMING MARCH TALKS. THIS ACTION IS NECESSARY TO PROTECT THE ALREADY DISRUPTED U.S. MARKET FROM ENTRIES BY UNSCRUPULOUS IMPORTERS OR EXPORTERS IN VIOLATION OF THE AGREEMENT BETWEEN OUR GOVERNMENTS.

(COMPLIMENTARY CLOSING)

END TEXT.