GENERAL AGREEMENT ON TARIFFS AND TRADE

CONFIDENTIAL
TEX.SB/1171*
8 October 1985

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Modification of the Bilateral Agreement between the United States and China

Note by the Chairman

Attached is a notification received from the United States of a further modification of its bilateral agreement with China.

The original bilateral agreement, an agreed visa system and a previous modification are contained in COM.TEX/SB/896, 951 and 1025. At the time of the notification of the agreement China was not a participating country.

^{*}English only/Anglais seulement/Inglés solamente



UNITED STATES TRADE REPRESENTATIVE

1-3 AVENUE DE LA PAIX 1202 GENEVA, SWITZERLAND

Telephone: 32 09 70

October 1, 1985

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

Dear Mr. Chairman:

Pursuant to the provisions of paragraph 4 of Article 4 of the Arrangement Regarding International Trade in Textiles, I am instructed by my government to inform the Textiles Surveillance Body of further amendments of the cotton, wool and man-made fiber textile textile agreement between the Government of the United States of America and the Government of the People's Republic of China.

These amendments provide for the addition of 11 new mutually agreed specific limits and one sub-limit to the bilateral agreement, all of which had been requested by the United States to eliminate a real risk of market disruption pursuant to paragraph eight of the U.S.-China bilateral. Four of the products subject to these new limits (categories 313, 317, 444, and 649) had been included in the eight categories referred to the TSB by China under Article 11.4 and had been reviewed by the body at its 18th meeting of 1984 (see com.Tex/SB/1006).1/

Enclosed herewith are copies of the notes giving effect to these amendments. Additional data to aid in preparation of the fact sheet for these amendments will be provided separately.

Sincerely,

Robert E. Shepherd Minister-Counselor

Enclosure

1/ With respect to the other four categories (410, 436, 442, and $\overline{637}$), consultations are continuing with respect to the first two (410 and 436); the restraints were withdrawn on the other two (442 and 637) per the TSB's recommendation.



United States Department of State Bureau of Economic and Business Affairs Washington, D.C.

July 1, 1985

UNITED STATES AND PEOPLE'S REPUBLIC OF CHINA AMEND BILATERAL TEXTILE AGREEMENT

The United States and the People's Republic of China exchanged notes dated June 5 and June 17, 1985 to effect amendment of the bilateral textile agreement between the two Governments. Texts of the notes follow.

UNITED STATES NOTE

Beijing June 5, 1985

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the People's Republic of China 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 on December 22, 1981 (the Arrangement), and to the agreement between the People's Republic of China and the United States of America relating to Trade in Cotton, Wool and Man-Made Fiber Textiles and Textile Products, effected by exchange of Notes in Beijing on August 19, 1983 (the Agreement). The Embassy also refers to discussions between representatives of the Government of the United States of America and the Government of the People's

Republic of China in Washington January 7-11 and February 26-March 4, in Beijing March 25-29 and in Washington May 20-24, 1985.

The Embassy of the United States of America has the honor to propose, on behalf of its government, that Annex B of the Agreement be amended to include the following specific limits:

CATEGORY UNIT		1984	1985	1986	1987
317	SYD.	15,000,000	15,600,000	16,224,000	16,872,960
317 (PT)	SYD./1	(3,000,000)	(3,120,000)	(3,244,800)	(3,374,592)
320 (PT)	SYD./2	13,250,000	13,780,000	14,331,200	14,904,448
336	DOZ.	.115,000	118,450	122,004	125,664
352	DOZ.	1,200,000	1,254,000	1,310,430	1,369,399
359 (PT)	LBS./3	675,000	708,750	744,188	781,397
444	DOZ.	15,000	15,150	15,302	15,455
613 (PT)	SYD./4	23,500,000	24,205,000	24,931,150	25,679,084
639	DOZ.	935,000	958,375	982,334	1,006,893
649	DOZ.	580,000	603,200	627,328	652,421
669 (PT)	LBS./5	2,350,000	2,491,000	2,640,460	2,798,888

^{/1 - 317(}PT) includes only 1984 TSUSA numbers 320.-- through 331.--,
 with statistical suffixes 54 and 60.

^{/2 - 320 (}PT) includes only 1984 TSUSA numbers 320.--92, 321.--92, 322.--92, 326.--92, 327.--92, 328.--92.

^{/3 - 359(}PT) includes only 1984 TSUSA numbers 379.0822, 379.6410, 383.0828 and 383.5035.

^{/4 - 613(}PT) includes only 1984 TSUSA numbers 338.5035, 338,5036, 338.5039, 338.5041 and 338.5069.

^{/5 - 669(}PT) includes only 1984 TSUSA number 385.5300.

Swing shall apply according to paragraph 5 of the Agreement.

These proposals reflect the views of both sides concerning the understandings reached during these several discussions. The Government of the United States understands that the Government of the People's Republic of China may desire further discussions on the matter of carryover and carryforward. However, until otherwise agreed, paragraph 7 of the Agreement will apply.

If these proposals are acceptable to the Government of the People's Republic of China, this Note and the Note of the Government of the People's Republic of China of confirmation shall constitute an amendment to the Agreement.

The Embassy takes this opportunity to renew to the Ministry of Foreign Affairs its highest consideration.

PEOPLE'S REPUBLIC OF CHINA NOTE

Washington June 17, 1985

Madam Ann L. Hollick Acting Deputy Assistant Secretary Trade and Commercial Affairs Department of State

Madam:

I have the honor to acknowledge the receipt of your note dated June 5, 1985, through your Embassy in Beijing, relating to the proposed amendment to the Textile Agreement between our two countries.

I have the honor to confirm on behalf of the Government of the People's Republic of China that the proposed amendment conforms with the understanding of my Government and agree that your note and this note shall constitute an amendment to the Agreement between our two Governments.

As your Government understands, my Government would like to further discuss the matter of carryover and carryforward with respect to these categories.

Accept the renewed assurances of my highest consideration.

For the Ambassador of the People's Republic of China:



United States Department of State Bureau of Economic and Business Affairs Washington, D.C.

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July 5, 1985

UNITED STATES AND PROPLE'S REPUBLIC OF CHINA AMEND BILATERAL TEXTILE AGREEMENT

The United States and the People's Republic of China exchanged notes in Washington to effect amendment to the ilateral textile agreement between the two Governments. Texts of the notes follow.

UNITED STATES NOTE

Washington July 1, 1985

His Excellency Han Xu Ambassador of the People's Republic of China Washington

Excellency:

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 on December 22,
1981 (the Arrangement), and to the Agreement between the
People's Republic of China and the United States of America
relating to Trade in Cotton, Wool and Man-made Fiber Textiles
and Textile Products, effected by exchange of notes in Beijing
on August 19, 1983, as amended (the Agreement). I also refer
to discussions between representatives of our Governments in

Washington January 7-11 and February 26-March 4, in Beijing March 25-29, and in Washington May 20-24, 1985.

I have the honor to propose, on behalf of my Government, that Annex B of the Agreement be amended to include the following specific limit:

Category Unit 1984 1985 1986 : 1987 313 SYD 49,150,000 50,526,200 51,940,934 53,395,280

If this proposal is acceptable to the Government of the People's Republic of China, this note and the Embassy's note of confirmation shall constitute an amendement to the Agreement.

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

For the Secretary of State:

PEOPLE'S REPUBLIC OF CHINA NOTE

Washington July 1 1985

Mr. Gerlad Monroe Acting Deputy Assistant Secretary Bureau of Economic and Business Affairs Department of State Washington

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Dear Mr. Monroe:

I have the honor to acknowledge the receipt of your note dated July 1, 1985 relating to the proposed amendment to the Textile Agreement between our two countries.

I have the honor to confirm on behalf of the Government of the People's Republic of China that the proposed amendment conforms with the understanding of my Government and agree that your note and this note shall constitute an amendment to the Agreement between our two countries.

Accept the renewed assurance of my highest consideration.

For the Ambassador of the People's Republic of China:

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