

GENERAL AGREEMENT ON

CONFIDENTIAL

TEX.SB/1338*

3 June 1987

TARIFFS AND TRADE

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Amendment of Bilateral Agreement between the United States and Brazil

Note by the Chairman

Attached is a notification received from the United States of an amendment of its bilateral agreement with Brazil. The parties agreed on a restraint on Category 314 (cotton poplin and broadcloth).¹

¹ The agreement between the parties is contained in COM.TEX/SB/1133. Brazil had referred a restraint on Category 314/320pt under Article 11:4 (see COM.TEX/SB/1226).

* English only/Anglais seulement/Inglés solamente



UNITED STATES TRADE REPRESENTATIVE

1-3 AVENUE DE LA PAIX

1202 GENEVA, SWITZERLAND

Telephone: 32 09 70

June 1, 1987

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

Dear Ambassador Raffaelli:

I refer to paragraph 16 of the report of the TSB's first meeting of 1987 (Com.Tex/SB/1231) in which the U.S. and Brazil reported that they had reached an agreed solution with respect to the imports from Brazil of cotton broadcloth (category 314/320 part) which had been the subject of a TSB review and recommendation in its seventh meeting of 1986 (paras. 11-15).

The agreed solution referred to above has been effected by an amendment to the U.S.-Brazilian bilateral agreement which established a restraint for category 314 only, as set forth in the attached exchange of notes. The United States formally rescinded its request for consultations on category 320 part.

The restraint on category 314 receives 6% growth, 6% swing and 11/6% carryover/carryforward. Special shift (swing) of 20% is available to category 314 from any other cotton fabric specific limit in lieu of the normal 6% swing. All flexibility is prorated for the 1986-87 agreement year.

Sincerely,

Robert E. Shepherd
Minister Counsellor



Textiles Division

Public Release

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

March 30, 1987

UNITED STATES AND BRAZIL AMEND BILATERAL TEXTILE AGREEMENT

The United States and Brazil amended their bilateral textile agreement on March 11, 1987 and March 19, 1987. Text of the notes follow:

UNITED STATES NOTE

March 11, 1987

The Secretary of State presents his compliments to His Excellency the Ambassador of the Federative Republic of Brazil 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 July 31, 1986, and has the honor to refer to the Agreement on Textiles between the United States Government and the Government of Brazil effected by exchange of notes August 7 and August 29, 1985 in Brasilia. The Secretary of State has the further honor to refer to consultations held December 9 and 10, 1986 and February 18, 1987 between representatives of the Government of the United States and the Government of Brazil concerning exports from Brazil to the United States of cotton poplin and broadcloth, Category 314 and Category 320-part.

For more
information
contact:

SUSAN SALEM (202) 647-2777

On behalf of the Government of the United States of America, the Secretary of State proposes that the following specific limit be added to Annex B of the Agreement:

ANNEX B

Category	Unit	August 28, 1986 -	April 1, 1987-
		March 31, 1987	March 31, 1988
314	Syd	1,952,877	3,498,000

Special shift of twenty percent shall be available for Category 314. The shift is to be deducted from any other cotton fabric category under specific limit and shall be prorated for the initial agreement period. The Government of Brazil shall inform the Government of the United States from which cotton fabric category or categories it wishes to shift. Swing shall not be available for Category 314 if special shift has been used.

On behalf of the Government of the United States of America, the Secretary of State has the honor to propose that Brazilian access rights to the United States market established in the Agreement shall not be reduced as a result of the conversion of the Tariff Schedules of the United States to the Harmonized System.

The Secretary of State has the further honor to inform His Excellency the Ambassador of Brazil that the United States is formally rescinding its request for consultations on Category 320-part.

If the foregoing proposals are acceptable to the Government of the Federative Republic of Brazil, then this note and a note of confirmation from His Excellency on behalf of the Government of the Federative Republic of Brazil shall constitute an amendment to the Agreement.

BRAZIL NOTE

Washington
March 19, 1987

The Embassy of the Federative Republic of Brazil presents its compliments to the Department of State and has the honor to refer to the note dated March 12, 1987, which reads as follows:

"The Secretary of State presents his compliments to His Excellency the Ambassador of the Federative Republic of Brazil 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 July 31, 1986, and has the honor to refer to the Agreement on Textiles between the United States Government and the Government of Brazil effected by exchange of notes August 7 and August 29, 1985 in Brasilia.

The Secretary of State has the further honor to refer to consultations held December 9 and 10, 1986 and February 18, 1987 between representatives of the Government of the United States and the Government of Brazil concerning exports from Brazil to the United States of cotton poplin and broadcloth, Category 314 and Category 320-part.

On behalf of the Government of the United States of America, the Secretary of State proposes that the following specific limit be added to Annex B of the Agreement:

ANNEX B

Category	Unit	August 28, 1986- March 31, 1987	April 1, 1987- March 31, 1988
314	Syd	1,952,877	3,498,000

Special shift of twenty percent shall be available for Category 314. The shift is to be deducted from any other cotton fabric category under specific limit and shall be prorated for the initial agreement period. The Government of Brazil shall inform the Government of the United States from which cotton fabric category or categories it wishes to shift. Swing shall not be available for Category 314 if special shift has been used.

On behalf of the Government of the United States of America, the Secretary of State has the honor to propose that Brazilian access rights to the United States market established in the Agreement shall not be reduced as a result of the conversion of the Tariff Schedules of the United States to the Harmonized System.

The Secretary of State has the further honor to inform His Excellency the Ambassador of Brazil that the United States is formally rescinding its request for consultations on Category 320-part.

If the foregoing proposals are acceptable to the Government of the Federative Republic of Brazil, then this note and a note of confirmation from His Excellency on behalf of the Government of the Federative Republic of Brazil shall constitute an amendment to the Agreement.

Department of State,

Washington,

March 12, 1987."

2. The Embassy of the Federative Republic of Brazil has the honor to confirm, on behalf of the Government of the Federative Republic of Brazil, that the aforementioned note together with this reply shall constitute an amendment to the Agreement on Textiles between Brazil and the United States of America effected by exchange of notes August 7 and August 29, 1985, in Brasilia.

Washington, D.C., March 19, 1987.

