

GENERAL AGREEMENT ON

CONFIDENTIAL

TARIFFS AND TRADE

TEX.SB/1357*

2 July 1987

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Amendment 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 amendment of its bilateral agreement with China. Specific limits were agreed on Categories 319 (cotton duck), 637 (mmt playsuits), 650 (mmf dressing gowns) and 659-S (mmf swimwear).

*English only/Anglais seulement/Inglés solamente

¹The bilateral agreement, an agreed visa system and previous amendments are contained in COM.TEX/SB/896, 951, 1025, 1130, 1140, 1167 and 1252. China was not participating in the MFA when the agreement and the last amendment were notified.



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ANSWERED	DOC. ISSUED	FOLIO
	1458/1357	
REG 30 JUIN 1987		
For	Action	Comment
DIRECTOR GENERAL		
Info. Service		
OFFICE LEGAL AFF.		
Sec. / General Aff. Div.		
EMBASSY TSB		
Sec. GATT Pol. Aff. Div.		

UNITED STATES TRADE REPRESENTATIVE

1-3 AVENUE DE LA PAIX
1202 GENEVA, SWITZERLAND

Telephone: 32 09 70

June 29, 1987

For	Action	Comment	Initial
OPER. DEPT. A			X
NTM & Surv. Div.			
Development Div.			
Trade & Fin. Div.			
Tech. Coop. Div.			
Spec. Proj. Div.			
GNS Div.			
OPER. DEPT. B			
Econ. R/Anal. Unit.			
Agriculture Div.			
Tariff Div.			
Tech. Bar. T. Div.			
Ext. Rel. Div.			
Training Div.			
Coord. / Admin.			
Trans. Doc. Div.			
Conference Off.			

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

Dear Ambassador Raffaelli:

Pursuant to paragraph 4 of Article 4 of the Arrangement I am instructed by my government to inform the TSB of the further amendment of the bilateral textile agreement between the U.S. and China.

This amendment establishes specific limits for four additional products for 1987 and for the life-time of a new bilateral beginning January 1, 1988, which the two parties are in the process of negotiating.

The U.S. sought the restraints agreed to in this particular amendment in order to deal with problems of real risk (threat) of market disruption as set out in paragraph 8 of the current U.S.-China bilateral.


<u>Product</u>	<u>Date of Call</u>	<u>Formula Level</u>	<u>Agreed Restraint</u>
cotton duck (Cat. 319)	July 1986 for category 319/320P	1,113,516 syds (319/320p)	2,150,000 syds (319 only)
mmf play- suits (637)	April 1986	179,239 doz	270,,000 doz
mmf dressing gowns (650)	October 1986	71,376 doz	88,000 doz
mmf swimwear (659-S)	May 1986	711,703 lbs	1,050,000 lbs

The Honorable
Ambassador Marcello Raffaelli
June 29, 1987
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Growth rates for these restraints range from 2.3% to 3%; swing is set at 5%, with special shift (addition swing) of 10% into category 637; carryover/carry forward are subject to consultation.

The exchange of notes (attached) also treats overshipments of the restraint on category 637 which had been imposed earlier pursuant to the provisions of paragraph 8 of the bilateral and to the formal recession by the U.S. of a "call" on category 330/630.

Sincerely,



Robert E. Shepherd
Minister Counsellor

Attachment



Textiles Division

Public Release

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

April 10, 1987

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

The United States and the People's Republic of China exchanged notes on March 15, 1987 and March 18, 1987 to amend their bilateral textile agreement between the two Governments. Text of the notes follow:

UNITED STATES NOTE

March 16, 1987

Excellency:

I have the honor to refer 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), as amended. I also have the honor to refer to discussions between our two Governments held in Washington D.C. from February 23 - 27, 1987 regarding the Agreement.

As a result of these discussions, I propose on behalf of the Government of the United States, the following amendment to the Agreement between our two Governments:

For more
information
contact:

EB/TEX: SUSAN SALEM

(202) 647-1998

1) Annex B of the Agreement shall be amended to include the Specific Limits listed below:

Category	1987
319	2,150,000 SYD
637	270,000 DOZ
650	88,000 DOZ
659-S	1,050,000 LBS (400,763) DOZ

2) Swing of 5 percent shall be available on the above Specific Limits. In addition, a special shift of 10 percent shall be available from any other Specific Limit into Category 637.

3) Overshipments of 5,000 dozen shall be charged to the 1987 limit for Category 637 and, under the new agreement, in each of the next four years.

4) The United States Government agrees to rescind its request for consultations on Category 330/630, but reserves its right to request consultations in the future should the situation warrant.

5) The following Specific Limits are agreed for the new Agreement to begin on January 1, 1988.

Category	1988	Annual Growth Rate
319	2,214,500 SYD	3.0

637	276,210	DOZ	2.3
650	90,464	DOZ	2.8
659-S	1,076,250	LBS	2.5
	(410,782)	DOZ	

If the foregoing is acceptable to the Government of the People's Republic of China, then this note and your

Government's note of confirmation shall constitute an amendment to the Agreement.

For the Secretary of State:

Ralph R. Johnson

CHINA NOTE

March 18, 1987

Dear Mr. Johnson:

I have the honor to acknowledge the receipt of your note dated March 16, 1987 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

A handwritten signature in black ink, consisting of three stylized Chinese characters: 姜 南 斌 (Jiang Nanbin).