

GENERAL AGREEMENT ON

CONFIDENTIAL

TEX.SB/1458*
20 April 1988

TARIFFS AND TRADE

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Extension and modification of the bilateral agreement between the United States and Uruguay

Note by the Chairman

Attached is a notification received from the United States of an extension and modification of its bilateral agreement with Uruguay.¹

¹The bilateral agreement and previous amendments are contained in COM.TEX/SB/973, 1022, 1121, 1142 and 1157.

* English only/Anglais seulement/Inglés solamente



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UNITED STATES TRADE REPRESENTATIVE

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Telephone: 32 09 70

April 13, 1988

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For		
DIRECTOR GATT		
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Development Div.	
Trade & Fin. Div.	
Tech. Coop. Div.	
Spec. Prop. Div.	
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Ext. Rel. Div.	
Training Div.	
Unsub. A. Unit.	
Unsub. B. Unit.	
Unsub. C. Unit.	

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

Dear Ambassador Raffaelli:

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 an extension and modification of the bilateral textile agreement between the Government of the United States of America and the Government of Uruguay.

Five specific limits have been extended through June 30, 1991 with substantial increases in base levels. Growth rates are at 6 percent for the one cotton category and 1 percent for the four wool categories. Swing has been increased to 7 percent for the wool categories and remains at 6 percent for the cotton category. Carryover/carryforward is maintained at 11/7 percent.

Provisions with respect to implementation of the Harmonized Code and to the exclusion of commercial samples or items for personal use are also included.

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 23, 1988

UNITED STATES AND URUGUAY AMEND BILATERAL TEXTILE AGREEMENT

The United States and Uruguay exchanged notes in Montevideo, September 10, 1987 to effect an amendment to the bilateral textile agreement. Texts of the notes follows:

UNITED STATES NOTE

Montevideo, September 10, 1987

No. 342

Sir:

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 July 31, 1986 (the Arrangement), and to the agreement between the United States of America and the Oriental Republic of Uruguay relating to trade in wool and cotton textiles and textile products effected by exchange of notes in Montevideo, on December 30, 1983 and January 23, 1984, as amended (the agreement). I also refer to discussions between representatives of the Governments of the United States of America and Uruguay held in Washington, D.C. on July 27-28, 1987.

For more
information
contact:

EB/TEX: SUSAN SALEM

(202) 647-2777

As a result of these discussions, I have the honor to propose, on behalf of the Government of the United States, the following amendments to the agreement:

(1) The specific limit for Category 335 shall be prorated to 25,281 dozen for the period January 1-June 30, 1987.

(2) The following specific limits shall be established for the period July 1, 1987-June 30, 1988:

<u>Category</u>	<u>Base Level</u>	<u>Growth Rate</u>
335	67,000 doz.	6.0 percent
433	15,250 doz.	1.0 percent
434	23,000 doz.	1.0 percent
435	43,000 doz.	1.0 percent

The specific limit for Category 442 shall be extended for an additional two years, with a base level for the agreement year ending June 30, 1990 of 30,000 dozen and one percent growth for the final agreement period. The term of the foregoing specific limits shall be through June 30, 1991.

(3) Swing shall be increased from 5 percent to 7 percent for wool specific limits, and from 5 percent to 6 percent for cotton specific limits.

(4) Should the Harmonized Code be implemented on January 1, 1988, it is agreed in principle that the following specific limits will be adjusted accordingly for the period July 1, 1987-June 30, 1988:

<u>Category</u>	<u>Base Level</u>	<u>Growth Rate</u>
433	15,417 doz.	1.0 percent
435	46,450 doz.	1.0 percent
442	30,993 doz.	1.0 percent
442	33,519 doz.	1.0 percent
	(for the period July 1, 1989- June 30, 1990)	

Further, the specific limits listed in (2) above, and the current specific limit for Category 442, shall be prorated for the period July 1-December 31, 1987. Also the specific limits listed in (4) above shall be prorated for the period January 1-June 30, 1988. Carryover and carryforward of 100 percent shall be available for these prorated periods. If the Harmonized Code is implemented on a later date, the same principle shall apply.

(5) The U.S. Government shall provide additional information on 1985 trade patterns as they relate to the Harmonized Code. Should the Government of Uruguay believe that the adjustments made as a result of the conversion to the Harmonized Code do not reflect historical trade patterns, the United States agrees to consult promptly with a view toward reaching a mutually satisfactory solution.

(6) Paragraph 12(b)(I) of the Agreement shall be amended to read:

"Exports of textile products set out in Annex A which are properly marked commercial samples or items for the personal use of the importer shall be exempt from the provisions of this agreement."

(7) Paragraph 3 of the agreement shall be amended to read as follows:

"(a) Textile products listed in Annex A which derive their chief characteristics from their textile components, if all those fibers represent either the chief value of the fibers or 50 percent or more by weight (or 17 percent or more by weight of wool) of the products, are subject to this agreement.

(b) For the purpose of this agreement, textile products shall be classified as cotton, wool or man-made fiber textiles if wholly or in chief value of any of these fibers. Any products covered by Paragraph 3 but not in chief value of cotton, wool or man-made fiber shall be classified as:

(I) cotton textiles if containing 50 percent or more by weight of cotton, or if the cotton component exceeds by weight the wool and/or the man-made fiber components;

(II) wool textiles if not cotton, and wool equals or exceeds 17 percent by weight of all component fibers; and

(III) man-made fiber textiles if neither of the foregoing applies."

If these changes are acceptable to the Government of the Oriental Republic of Uruguay, this note and the note of confirmation of the Government of the Oriental Republic of Uruguay shall constitute an amendment to the agreement.

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

Chargé d'Affaires ad interim

URUGUYAN NOTE

The Uruguyan Note is the Spanish version of the amendment which agrees in all substantive respects with the U.S. note (the English text.)