

GENERAL AGREEMENT ON TARIFFS AND TRADE

CONFIDENTIAL

TEX.SB/1604
28 September 1989

Textile Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Amendment of the bilateral agreement between the United States and Hong Kong

Note by the Chairman

Attached is a notification received from the United States of an amendment of its agreement with Hong Kong. These amendments, resulting from the application of the Harmonized System, concerned the replacement of Categories 337 and 637 by new Category 237, and changes in certain administrative aspects of implementing the agreement.¹

¹The bilateral agreement and a previous amendment are contained in COM.TEX/SB/1186 and 1454.

*English only/Anglais seulement/Inglés solamente



UNITED STATES TRADE REPRESENTATIVE

1-3 AVENUE DE LA PAIX

1202 GENEVA, SWITZERLAND

Telephone: 32 09 70

August 10, 1989

The Honorable
Ambassador Marcelo Raffaelli
Chairman, Textiles Surveillance Body
General Agreement on Tariffs & Trade
Rue de Lausanne 154
1211 Geneva

Dear Ambassador Raffaelli:

Pursuant to the provisions of Article 4 of the Arrangement Regarding International Trade in Textiles, I am informing the Textiles Surveillance Body of the amendment of several bilateral textile agreements between the United States of America and other governments participating in the MFA. Each of these amendments involves an explanation as to how adoption by the United States of the harmonized commodity code (Harmonized System) will affect various administrative aspects of implementing the bilaterals. This includes in each case the merger of cotton and mmf playsuits (categories 337 and 637) into one new category (category 237). The governments involved are: Brazil, Hong Kong, Malaysia, Mexico, Sri Lanka and Romania. Copies of the notes giving effect to these agreements are attached.

Sincerely,


Robert E. Shepherd
Minister Counsellor

Attachment

ANSWERED	DOC ISSUED	POL 18
REG 15 AUG 1989		
For	Act	Inf
Director General:		
TSE	X	
OPER. DEPT. A		X
OPER. DEPT. B		



Textiles Division

Public Release

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

December 5, 1988

UNITED STATES AND HONG KONG AMEND BILATERAL TEXTILE AGREEMENT

The United States and Hong Kong exchanged letters in Washington to amend their bilateral textile agreement. Text of the letters follow.

UNITED STATES LETTER

Washington, DC
November 4, 1988

Mr. P. C. Leung
Counsellor
Hong Kong Economic & Trade Affairs
1233 20th St., N.W., Suite 504
Washington, D.C. 20036

Dear Mr. Leung

I have the honor to refer to the Agreement on Trade in Cotton, Wool, Man-Made Fiber, Silk-Blend and Non-Cotton Vegetable Fiber Textiles and Textile Products Between the Government of Hong Kong and the Government of the United States of America dated August 4, 1986, as amended (the Agreement). I further refer to the amendments to the Agreement effected by exchange of letters in Washington dated March 2 and 7, and July 15 and 20, 1988 (the Amendments).

The Government of the United States of America will implement the Harmonized Commodity Code (Harmonized System) on January 1, 1989. In order to facilitate successful implementation of the Harmonized System, I would like to describe how the implementation will affect the treatment of textile products exported from Hong Kong to the United States on or after January 1, 1989. The two Governments agree that implementation of the Harmonized System should not impose undue hinderance to trade and that the two Governments shall consult at the request of either Government with regard to any problem which may arise. Such consultations should be held as soon as possible after the request is made.

For more
information
contact:

EB/TEX: DANIEL MOORE

(202) 647-2777

- I. The Amendments to take account of the effects on the Agreement of changes in the United States category system for textiles and textile products related to the adoption of the Harmonized System by the United States will take effect on January 1, 1989. All textile shipments subject to the Agreement which are exported in 1988 and which arrive in the United States on or after January 1, 1989, will be classified under the provisions of the interim textile category system established for 1988 so long as the categories remain unfilled.
- II. Pursuant to I above, all textiles and textile products subject to the Agreement, exported from Hong Kong on or after January 1, 1989 must conform to the provisions of the Harmonized System.
- III. The Agreement provides for calendar-year "agreement years" that end on December 31. If overshipments are determined following consultations to have occurred in 1988, they will be reclassified under the 1989 Harmonized System textile category system.
- IV. With regard to the visa system, all textiles and textile products covered by the Agreement and exported from Hong Kong on or after January 1, 1989 must be covered by a visa showing the correct Harmonized System category number and correct quantity. All measurements must be in metric units rather than in imperial units as provided for in Annexes A and B of the March 2 and 7, 1988 amendment to the Agreement.
- V. I have the honor to refer to our exchange of letters of July 15 and 20, 1988 regarding the arrangements for playsuits, sunsuits, washsuits, rompers, creepers, etc. of cotton or man-made fiber and propose the following amendments to the Agreement:
 - i) Effective January 1, 1989, Annex A, Group II shall be amended to delete merged category 337/637 and replace it with new category 237.
 - ii) New category 237, which covers cotton and man-made fiber playsuits, sunsuits, washsuits, rompers, creepers etc., hitherto classified under old categories 337 and 637 and continues to exclude man-made fiber knit overalls, and coveralls and jumpsuits in commercial sizes 2-6 which are classified under category 659 (1), shall be added to Annex A, Group II as follows:

Group II:

Cotton, Wool and Man-Made Fiber Apparel

Cotton/Man-made Fiber

		<u>Metric Units</u>			
	<u>Category or Sub-Category</u>	<u>Unit of Measure</u>	<u>Fourth Year Units</u>	<u>Fifth Year Units</u>	<u>Sixth Year Units</u>
Playsuits, sunsuits, washsuits, rompers, creepers, etc.	237	Doz	877,318	899,251	921,733

iii) Effective January 1, 1989, Annex B shall be amended to delete categories 337 and 637 and replace it with new category 237 as follows:

<u>Category</u>	<u>Description</u>	<u>Conversion Factor to Square Meters</u>	<u>Unit of Measure</u>
237	Playsuits, sunsuits, etc Cotton or Man-Made Fiber	19.2	Doz

iv) Effective January 1, 1989, Annex C shall be amended to replace merged category 337/637 with category 237 as follows:

<u>Category or Sub-Category Number</u>	<u>Percentage</u>
237	7

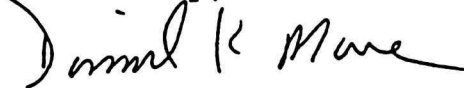
v) Effective January 1, 1989, paragraph 3(b) of the Agreement shall be amended to delete categories 337 and 637 and add category 237.

vi) Effective January 1, 1989, paragraph 9(b) shall be amended to delete merged category 337/637.

vii) The carryforward and carryover provisions set out in paragraph 6 of the Agreement shall apply to new category 237.

If the foregoing is acceptable to your Government, this letter and a letter of confirmation on behalf of your Government shall constitute an amendment (concerning playsuits) to the Agreement.

Sincerely,



Daniel K. Moore
Acting Chief, Textiles Division
Bureau of Economic and
Business Affairs

HONG KONG LETTER

November 7, 1988

Mr. Daniel K. Moore
Acting Chief
Textiles Division
Bureau of Economic and
Business Affairs
United States Department
of State
2201 C Street, N.W.
Washington D.C. 20520

Dear Mr. Moore

Thank you for your letter of 4 November 1988 setting out the implementation arrangements to be applied to exports of textiles and textile products covered by the HK/US Bilateral Textiles Agreement of 4 August 1986 (as amended) as from 1 January 1989 with the adoption of the Harmonised Commodity Code by the United States and proposing certain amendments in respect of the arrangements for cotton/man-made fiber playsuits, sunsuits, washsuits, rompers, creepers etc. set out in our exchange of letters of 15 and 20 July 1988.

On behalf of the Government of Hong Kong, I have the honour to accept the amendments in respect of cotton/mmF playsuits etc. as proposed by the Government of the United States.

It is understood that the Government of the United States will ensure that no hindrance to the entry of shipments shall arise from these implementation arrangements. It is further understood that the two Governments shall consult at the request of either Government with regard to any problem which may arise. Such consultations should be held as soon as possible after the request is made.

Yours sincerely



(P.C. Leung)
Counsellor
Hong Kong Economic and Trade Affairs