

GENERAL AGREEMENT ON

CONFIDENTIAL

TEX.SB/1611

28 September 1989

TARIFFS AND TRADE

Textile Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Amendment of the bilateral agreement between the United States and Mexico

Note by the Chairman

Attached is a notification received from the United States of amendments of its agreement with Mexico resulting from the implementation by the United States of the harmonized commodity code.¹

¹The bilateral agreement is contained in COM.TEX/SB/1394.

*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 modifications to take account of changes involving implementation by the United States of the harmonized commodity code (Harmonized System). The governments involved are: China, Macao, Mexico, Peru, Romania, Singapore and Yugoslavia. Copies of the notes giving effect to these amendments are attached.

Sincerely,


Robert E. Shepherd
Minister Counsellor

Attachment

ANSWERED	DOC. ISSUED	FILED
REG 15 AUG 1989		
For	Act.	Inf.
Director General:		
TEB	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.

January 6, 1989

UNITED STATES AND MEXICO AMEND BILATERAL TEXTILE AGREEMENT

The United States and Mexico exchanged letters dated November 11, 1988 and November 23, 1988 to amend their bilateral textile agreement. Texts of the letters follow:

UNITED STATES LETTER

November 23, 1988

Mr. Mario Rodriguez Montero
Minister for Trade and Fiscal Affairs
Mexican Embassy Trade Office
1101 15th Street, N.W.
Suite 710
Washington, D.C. 20005

Dear Mr. Rodriguez:

I am writing to respond to your November 17 letter referring to the bilateral textile agreement between the Government of Mexico and the Government of the United States effected by an exchange of notes in Mazatlan, Mexico dated February 13, 1988, and to the Memorandum of Understanding signed in Washington on June 15, 1988.

I am pleased to advise you that the Government of the United States agrees to your government's proposal to merge, beginning in January 1989, categories 359-C (cotton coveralls) and 659-C (man-made fiber coveralls) with a base level of 1,586,666 kilograms. This level shall have no sublimits and shall have a level of 10 percent which will not be subject to the Special Regime.

Your letter also requested an increase in the base level applicable to Category 239 (cotton and man-made fiber infant's sets) because of trade migration from categories 651 (nightwear and pajamas) and 659 (other man-made fiber apparel) which resulted from the United States' January 1, 1989 implementation of the Harmonized System. In this regard, my government would prefer to meet with representatives of the Government of Mexico early in January 1989 to discuss the need for adjustments to the various categories based on Government of Mexico data for actual trade that has migrated. My government is willing, however, to increase the Minimum Consultation Level (MCL) to 515,000 pounds for the 1989 agreement year. We will be pleased to reevaluate this situation following our January discussions.

With regard to the question of wool rugs, the United States Government is continuing its review of a possible breakout from the United States tariff schedule for hand-tufted and hand-knotted rugs from Mexico.

Finally, the United States Government agrees to retain the concepts of Designated Consultation Levels (DCLS) and Minimum Consultation Levels (MCLS) in the bilateral agreement for the 1989 agreement year. However, we prefer to consider increases to DCLs and MCLs at such time in 1989 when we can consider requests for increases in the light of market conditions in the United States and actual trade flows. We are, of course, willing to meet with representatives of the Government of Mexico as early as possible in 1989 to consider any such requests.

Sincerely,

Robin R. Ritterhoff

Robin R. Ritterhoff
Acting Chief, Textile Division
Bureau of Economic and
Business Affairs

MEXICO LETTER

November 17, 1988

Mr. Donald K. Steinberg
Acting Chief Textile Negotiator
Office of the U. S. Trade Representative
500 - 17th Street, N.W., Room 300
Washington, D.C. 20506

Attention: Caroyl L. Miller

RE: Bilateral Textile Agreement

This in reference to the new Bilateral Textile Agreement signed by the governments of Mexico and the United States on February 13, 1988 in Mazatlán, México and to the Memorandum of Understanding signed on June 15, 1988.

- A) Regarding the Memorandum of Understanding, the Government of Mexico very respectfully requests the following:
- Paragraph (2): to maintain for 1989 the Designated Consultation Levels (DCL's) and Minimum Consultation Levels (MCL's) concepts, as well as the levels assigned to each category.
 - Paragraph (7): we would like to know the status of the breakouts for hand-tufted and/or hand knotted wool rugs.
- B) We agree with the idea to merge, beginning in January 1989, without sub-limits, Categories 359-C (Cotton Coveralls) and 659-C (MMF Coveralls), with a base level of 1,586,666 lbs. and the 10% not subject to Special Regime.
- C) Due to the fact that Categories 651 (nightwear and pajamas) and 659 (other MMF apparel) will migrate to Category 239 (Cotton and MMF infant's sets) by reason of the implementation of the Harmonized Commodity System on January 1, 1989, we request an increase from 515,000 lbs. to a base level of 1,200,000 lbs. for Category 239.

D) In regard to Category 359 (Other cotton apparel),
we request an additional 50,000 lbs. for 1989, based on
the growing exports of disposable diapers from México.

We would very much appreciate your favorable reply to
these matters.

Sincerely yours,


Mario Rodríguez Montero
Minister for Trade & Fiscal Affairs