

GENERAL AGREEMENT ON

CONFIDENTIAL

TEX.SB/1638*

5 April 1990

TARIFFS AND TRADE

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notifioation under Articles 7 and 8

Bilateral Agreement between the United States and the USSR

Note by the Chairman

Attached is a notification received from the United States of a bilateral agreement concluded with the USSR with respect to Category 313/315 for the period 1 January 1990 to 31 December 1992.¹

This notification has been made pursuant to a request made by the Textiles Committee that agreements concluded with non-participants be notified.

¹The previous bilateral agreement between the parties is contained in COM.TEX/SB/1406.

* English only/Anglais seulement/Inglés solamente



UNITED STATES TRADE REPRESENTATIVE

1-3 AVENUE DE LA PAIX

1202 GENEVA, SWITZERLAND

TELEPHONE: 732 09 70

March 29, 1990

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 Articles 7 and 8 of the Arrangement Regarding International Trade in Textiles, I am instructed by my government to inform the Textiles Surveillance Body of a bilateral textile agreement between the Government of the United States of America and the U.S.S.R. Copies of the notes giving effect to this amendment are attached.

Sincerely,

A handwritten signature in cursive script, appearing to read "Robert E. Shepherd".

Robert E. Shepherd
Minister Counsellor

Attachment

February 14, 1990

UNITED STATES AND THE USSR
SIGN NEW BILATERAL TEXTILE AGREEMENT

The United States and the USSR exchanged letters dated December 28, 1989 to establish a new bilateral textile agreement.

UNITED STATES LETTER

Washington, D.C.
December 28, 1989

Mr. Robert N. Ruzanov
Trade Representative of the
U.S.S.R. in the U.S.A.
2001 Connecticut Ave N.W.
Washington, D.C. 20008

Dear Mr. Ruzanov:

I have the honor to refer to discussions between representatives of our two Governments held in Washington, November 20-22, 1989. As a result of these discussions, I have the honor to propose the following agreement between the Governments of the Union of Soviet Socialist Republics (U.S.S.R.) and of the United States of America (U.S.A.) relating to trade in certain cotton textile fabric products (hereinafter referred to as the Agreement).

AGREEMENT TERM

1. The term of the Agreement shall be from January 1, 1990 to December 31, 1992. Each "Agreement period" shall be a calendar year.

For more
information
contact:

COVERAGE OF AGREEMENT AND CLASSIFICATION BY FIBER

2. (a) The textiles and textile products covered by this Agreement are those contained in Annex A. The system of categories and the rates of conversion into square meters equivalent (SME) listed in Annex A shall apply in implementing this agreement.

(b) For the purposes of this Agreement, textile products covered by this paragraph shall be classified as cotton textiles if the product is in chief weight of cotton, unless it is a woven fabric containing 36 percent or more by weight of wool, or if cotton with wool and/or man-made fibers in the aggregate equal or exceed 50 percent by weight of the component fibers thereof and the cotton component equals or exceeds the weight of each of the total wool and/or man-made fiber components.

(c) For the purposes of the Agreement, categories 313 and 315 are merged and treated as a single category 313/315.

SPECIFIC LIMITS

3. During the term of the Agreement, the Government of the U.S.S.R. shall limit exports from the U.S.S.R. to the U.S.A. of the categories of cotton textile products listed in Annex A, to the specific limits set forth in Annex B, as such limits may be adjusted in accordance with paragraph 4. Exports are subject to a limit for the period in which they are exported.

CARRYOVER/CARRYFORWARD

4. The extent to which any specific limit set out in Annex B may be exceeded in any agreement-period by carryforward (borrowing a portion of the corresponding specific limit from the succeeding agreement-period) and/or carryover (the use of unused meterage shortfall of the corresponding specific limit for the previous agreement period) is 11 percent, of which carryover shall not exceed 11 percent and carryforward shall not constitute more than 6 percent. However, no carryover shall be available in the first agreement period and no carryforward shall be available in the final agreement period. For the purposes of the Agreement, a shortfall in a specific limit occurs when exports from the U.S.S.R. during any agreement period are less than the applicable specific limit set out in Annex B or when such exports are below the specific limits as adjusted downward.

IMPLEMENTATION

5. (a) The Government of the U.S.S.R. shall administer its export control system under the Agreement. The Government of the U.S.A. may assist the Government of the U.S.S.R. in implementing the limitation provisions of the Agreement.

(b) Cotton textile products exported from the U.S.S.R. in excess of authorized limits in any agreement period may be denied entry into the U.S.A. and charged to the applicable limit in the succeeding agreement period.

(c) Exports from the U.S.S.R. in excess of the authorized limit in any agreement period, if allowed entry into the U.S.A. during that agreement period, will be charged to the applicable limit in the succeeding agreement period.

(d) The Government of the U.S.A. shall promptly inform the Government of the U.S.S.R. of any charges made pursuant to sub-paragraphs 5 (b) and (c).

(e) Any action taken pursuant to sub-paragraphs 5 (b) and (c) above will not prejudice the rights of either Government regarding consultations.

SPACING PROVISIONS

6. The Government of the U.S.S.R. shall use its best efforts to space exports from the U.S.S.R. to the U.S.A. of the cotton textile products covered by the Agreement evenly throughout each agreement period, taking into account normal seasonal factors.

EXCHANGE OF INFORMATION AND DATA

7. (a) The competent bodies of the U.S.A. shall promptly supply the competent bodies of the U.S.S.R. with data on monthly imports of cotton textile products subject to the Agreement into the U.S.A. from the U.S.S.R.

(b) The competent bodies of the U.S.S.R. shall promptly supply the competent bodies of the U.S.A. with data on quarterly exports of cotton textile products subject to the Agreement from the U.S.S.R. to the U.S.A.

(c) The competent bodies of each country agree to supply promptly any information reasonably believed to be necessary to the enforcement of the Agreement requested by the other.

CONSULTATIONS ON IMPLEMENTATION

8. The Government of the U.S.A. and the Government of the U.S.S.R. agree to consult upon the request of the other on any questions arising in the implementation of the Agreement.

RIGHT TO PROPOSE REVISIONS TO THE AGREEMENT

9. Either Government may at any time propose revisions to the terms of the Agreement. Each Government agrees to consult promptly with the other about such proposals with a view to making such revisions to the Agreement or taking such other appropriate action as may be mutually agreed upon.

COOPERATION IN THE PREVENTION OF CIRCUMVENTION

10. (a) The Government of the United States and the Government of the Union of Soviet Socialist Republics will cooperate to prevent circumvention of the Agreement.

(b) Subject to domestic laws, the competent authorities of the U.S.S.R will cooperate with the competent authorities of the United States in ensuring that the Agreement is not circumvented by transshipment, rerouting, misdescription, underinvoicing or by whatever means. To this end, the competent authorities of the U.S.S.R. and those of the United States will assist each other in securing documents, correspondence, reports and other information considered relevant to investigations.

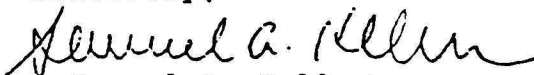
(c) Where information available to the Government of the United States or to the Government of the U.S.S.R., as a result of investigations, constitutes evidence that products subject to this Agreement have been transshipped, re-routed, mis-described, underinvoiced or otherwise traded in circumvention of this agreement, either Government may request consultations. Such consultation shall take place and be concluded within 120 days of such request.

RIGHT TO TERMINATE THE AGREEMENT

11. Either Government may terminate the Agreement effective at the end of any agreement period by written notice to the other Government to be given at least ninety days prior to the end of such agreement period.

If the foregoing proposal is acceptable to the Government of the Union of Soviet Socialist Republics, this letter and a letter of acceptance on behalf of the Government of the Union of Soviet Socialist Republics shall constitute an Agreement between the Government of the Union of Soviet Socialist Republics and the Government of the United States of America, effective January 1, 1990.

Sincerely,



Samuel A. Keller

Assistant Chief, Textile Division
Bureau of Economic and Business Affairs

ANNEX A

<u>Category</u>	<u>Unit of Measure</u>	<u>Conversion Factor</u>
313/315	Square Meter	1:1

ANNEX B

<u>Category</u>	<u>Unit</u>	<u>1/1/90- 12/31/90</u>	<u>1/1/91- 12/31/91</u>	<u>1/1/92- 12/31/92</u>
313/315	M2	23,000,000	24,000,000	25,000,000
315*	M2	4,000,000	4,000,000	4,000,000

*category 315 is a sublimit of category 313/315

USSR LETTER

FOLLOWING IS A TRANSLATION OF
THE ORIGINAL USSR LETTER:

Trade Representation of the
Union of Soviet Socialist Republics
in the United States of America

2001 Connecticut Ave., N.W.
Washington, D.C. 20008
Tel. (202) 232-5988

Washington, D.C., December 28, 1989

[To:]

Mr. Samuel A. Keller
Assistant Chief of the Textile Division
Bureau of Economic and Business Affairs
U.S. Department of State
Washington, D.C. 20520

Dear Mr. Keller:

I have the honor to confirm receipt of your letter of December 28, 1989, in which you refer to the talks between representatives of our Governments held in Washington, and in which you propose, on behalf of your Government, a bilateral Agreement to govern trade in certain cotton textile fabric products between the Union of the Soviet Socialist Republics and the United States of America.

On behalf of my Government, I should like to inform you that the proposed ~~bilateral~~ Agreement, whose terms are set forth in your letter, is acceptable, and to confirm that your letter and this letter of acceptance shall constitute an Agreement between the Government of the Union of Soviet Socialist Republics and the Government of the United States of America, effective January 1, 1990.

Sincerely,

[flourish]

Robert N. Rusanov

Trade Representative of the USSR in the United States