

GENERAL AGREEMENT ON

CONFIDENTIAL

TEX.SB/1643*

5 April 1990

TARIFFS AND TRADE

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 3:8 and paragraph 8 of the 1986 Protocol of Extension

United States/Thailand

Note by the Chairman

Attached is a notification received from the United States of the extension of restraints on Categories 313 (cotton sheeting), 315 (cotton printcloth) and 638/639 man-made fibre knit shirts and blouses) for an additional twelve-month period ending 30 March 1991.

The extension of restraints on Categories 313 and 315 were agreed under Article 3:8 of the MFA. In the absence of an agreement on Category 638/639, the United States invoked the provisions of paragraph 8 of the 1986 Protocol to extend the restraint.¹

¹At its second meeting of 1990, the TSB after its review under Article 3:5, had found that market disruption had been demonstrated with respect to Categories 313 and 315 (TEX.SB/W/522). Both the United States and Thailand had reported that they had reached agreement for a restraint on Category 638/639. (See COM.TEX/SB/1530). This agreement for the period 31 March 1989 to 30 March 1990 is contained in TEX.SB/1641.

*English only/Anglais seulement/Inglés solamente



UNITED STATES TRADE REPRESENTATIVE

1-3 AVENUE DE LA PAIX
1202 GENEVA, SWITZERLAND
TELEPHONE: 732 09 70

. April 2, 1990

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

Dear Ambassador Raffaelli:

Further to my earlier oral notification, and supplementing my letter to you of March 29, 1990, I am attaching copies of additional U.S. and Thai notes dealing with the extension of restraints on categories 313, 315 and 638/639.

As noted therein, the two parties agreed to the extension of restraints on categories 313 and 315. The two parties did not agree, however, on the terms of extension for category 638/639, and the United States has invoked the provisions of paragraph 8 of the 1986 Protocol of Extension to extend that restraint.

The notes attached to this letter and my letter of March 29, are submitted, therefore, as the formal notification of these actions as called for in Article 3.8 of the Arrangement, paragraph 8 of the 1986 Protocol of Extension, and the TSB's general observation on the latter. A copy of the market statement for category 638/639 referred to in the U.S. note of March 30 will be provided under separate cover.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Robert E. Shepherd".

Robert E. Shepherd
Minister Counsellor

U.S./Thailand Note
March 30, 1990

THE DEPARTMENT OF STATE REFERS TO THE ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES, WITH ANNEXES, DONE AT GENEVA ON DECEMBER 27, 1973, (THE ARRANGEMENT) AND TO THE PROTOCOL OF EXTENSION DATED JULY 31, 1985, (THE PROTOCOL). THE DEPARTMENT FURTHER REFERS TO THE U.S. EMBASSY IN BANGKOK'S NOTE OF MARCH 26, 1990 REGARDING RENEWAL OF THE RESTRAINTS ON CATEGORIES 313, 315 AND 638/639, AND THE RESPONSE OF MARCH 29 FROM THE GOVERNMENT OF THAILAND'S MINISTRY OF COMMERCE.

THE GOVERNMENT OF THE UNITED STATES APPRECIATES THE GOVERNMENT OF THAILAND'S ACCEPTANCE OF THE PROPOSED LEVELS FOR CATEGORIES 313 AND 315.

IN LIGHT OF CURRENT MARKET CONDITIONS IN CATEGORY 638/639, THE GOVERNMENT OF THE UNITED STATES, IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE 3, PARAGRAPH B OF THE ARRANGEMENT, PARAGRAPHS 3 AND 5 OF ANNEX B OF THE ARRANGEMENT AND PARAGRAPH 8 OF THE PROTOCOL, IS EXTENDING THE RESTRAINT LEVEL FOR CATEGORY 638/639 FOR AN ADDITIONAL TWELVE MONTHS AT THE LEVEL PROPOSED IN THE NOTE OF MARCH 26, 1990.

TO CONFIRM, FOLLOWING ARE THE RESTRAINT LEVELS EXTENDED FOR THE PERIOD MARCH 31, 1990 - MARCH 30, 1991:

CATEGORY -----	LIMIT -----
313	12,415,579 SQUARE METERS
315	16,297,979 SQUARE METERS
638/639	1,773,959 DOZEN

ATTACHED FOR REVIEW IS A COMPLETE, UPDATED MARKET STATEMENT FOR CATEGORY 638/639.

ENCLOSURE: MARKET STATEMENT FOR CATEGORY 638/639

DEPARTMENT OF STATE,
WASHINGTON,

Thailand/U.S. Note

March 29, 1990

WE ARE IN RECEIPT OF YOUR LETTER OF MARCH 26, 1990
REQUESTING FOR THE RENEWAL OF RESTRAINTS FOR
CATEGORIES 313, 315, AND 638/639 FOR AN ADDITIONAL
PERIOD OF 12 MONTHS AT THE LEVELS INDICATED BELOW.

CATEGORY -----	LIMIT -----
313	12,415,579 SQUARE METERS
315	16,297,979 SQUARE METERS
638/639	1,773,959 DOZEN

WE SHOULD LIKE TO CONFIRM OUR ACCEPTANCE OF YOUR
REQUEST TO RENEW CATEGORIES 313 AND 315. HOWEVER, THE
RESTRAINT FOR CATEGORY 638/639 CANNOT BE ACCEPTED
UNLESS A GROWTH RATE OF 6 PERCENT IS ACCORDED.



UNITED STATES TRADE REPRESENTATIVE

**1-3 AVENUE DE LA PAIX
1202 GENEVA, SWITZERLAND
TELEPHONE: 732 09 70**

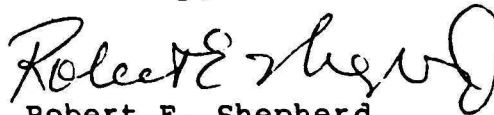
March 29, 1990

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

Dear Ambassador Raffaelli:

Further to my earlier oral notification, I am herewith attaching a copy of the U.S. note requesting the agreement of the Government of Thailand to extend, pursuant to Article 3.8 of the Arrangement, the restraints on three products.

Sincerely,


Robert E. Shepherd
Minister Counsellor

Attachment

MARCH 27, 1990

TEXT OF USG NOTE:

(COMPLIMENTARY OPENING)... 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 SECRETARY OF STATE'S NOTES DATED MARCH 31, 1989 REGARDING THE REQUEST FOR CONSULTATIONS ON IMPORTS FROM THAILAND OF COTTON SHEETING IN CATEGORY 313, COTTON PRINTCLOTH IN CATEGORY 315, AND MEN'S AND WOMEN'S MAN-MADE FIBER KNIT SHIRTS AND BLOUSES IN CATEGORY 638/639. FOLLOWING THE REQUEST FOR CONSULTATIONS THE FOLLOWING RESTRAINT LEVELS

WERE IMPOSED FOR THE PERIOD MARCH 31, 1989 - MARCH 30, 1990:

CATEGORY -----	LIMIT -----
313	11,712,810 SQUARE METERS
315	15,375,452 SQUARE METERS
638/639	1,722,290 DOZEN

IN VIEW OF THE RECENT TEXTILE SURVEILLANCE BODY FINDINGS OF MARKET DISRUPTION ON CATEGORIES 313 AND 315, AND YOUR ACCEPTANCE OF THE CURRENT LEVELS ON CATEGORY 638/639, AND IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE 3, PARAGRAPH 8 OF THE ARRANGEMENT, PARAGRAPH 8 OF THE PROTOCOL AND PARAGRAPHS 3 AND 5 OF ANNEX B OF THE ARRANGEMENT, THE GOVERNMENT OF THE UNITED STATES REQUESTS CONCURRENCE BY

LIMITED OFFICIAL USE

THE GOVERNMENT OF THAILAND TO RENEW THE RESTRAINTS FOR CATEGORIES 313, 315 AND 638/639 FOR AN ADDITIONAL 12 MONTHS. THE PERIOD OF CONTROL WOULD BE MARCH 31, 1990 - MARCH 30, 1991 AT THE LEVELS SHOWN BELOW:

CATEGORY -----	LIMIT -----
313	12,415,579 SQUARE METERS
315	16,297,979 SQUARE METERS
638/639	1,773,959 DOZEN

THE GOVERNMENT OF THE UNITED STATES REQUESTS ACCEPTANCE BY THE GOVERNMENT OF THE KINGDOM OF THAILAND OF THE RENEWAL OF THE CATEGORIES AT THE LEVELS SHOWN ABOVE.

IN THE ABSENCE OF AGREEMENT BY THE GOVERNMENT OF THE KINGDOM OF THAILAND TO THE ABOVE REQUEST, THE GOVERNMENT OF THE UNITED STATES WILL FIND IT NECESSARY TO INVOKE THE PROVISIONS OF PARAGRAPH 8 OF THE 1986 PROTOCOL OF EXTENSION. IN VIEW OF THE PROCEDURES TO BE FOLLOWED IN SUCH CASES, A REPLY IS REQUESTED NO LATER THAN MARCH 29, 1990.

(COMPLIMENTARY CLOSE)