

# GENERAL AGREEMENT ON

CONFIDENTIAL

## TARIFFS AND TRADE

TEX.SB/1694\*  
6 November 1990

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Textiles Surveillance Body

### ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

#### Notification under Article 8:2

United States/Macao

Note by the Chairman

Attached is a notification received from the United States of the inability of the United States and Macao to find a mutually satisfactory solution to problems concerning transshipment of apparel products, and consequent invocation by the United States of paragraph 19 of the United States/Macao agreement to terminate the agreement on 31 December 1990, should a solution not be found by that date.<sup>1</sup>

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<sup>1</sup>The bilateral agreement is contained in COM.TEX/SB/959.  
\*English only/Anglais seulement/Inglés solamente

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**UNITED STATES TRADE REPRESENTATIVE**

1-3 AVENUE DE LA PAIX  
1202 GENEVA, SWITZERLAND  
Telephone: 32 09 70

October 15, 1990

TEX 58/1694  
19 OCT 1990  
Geneva  
DEPT A

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

Dear Ambassador Raffaelli:

I am instructed by my government, further to my earlier oral notification, to inform the TSB that the United States and Macau have been unable to reach a mutually satisfactory solution to problems of circumvention involving the transshipment of large quantities of apparel products which are not of Macau origin through Macau to the United States.

The United States does not consider that the government of Macau has in the past taken appropriate action to avoid such circumvention or made adequate provisions to do so in the future. The government of the United States has, therefore, informed the government of Macau that it is invoking the provisions of paragraph 19 of the U.S.-Macau bilateral agreement to permit termination of the agreement, effective December 31, 1990, should a satisfactory solution not be agreed upon by that date. The government of the United States also reserves its right to take further actions as necessary to deal with this circumvention.

Given the circumstances as outlined above, the government of the United States wishes to refer this matter to the Textiles Surveillance Body under Article 8:2 for review at its earliest convenience. My government will provide an additional notification under the terms of Article 8:4 for the TSB review.

Sincerely,

  
Robert E. Shepherd  
Minister Counsellor