GENERAL AGREEMENT ON TARIFFS AND TRADE

CONFIDENTIAL
TEX.SB/761*
28 September 1982

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Modification to the Bilateral Agreement between the United States and Japan

Note by the Chairman

Attached is a notification received from the United States of a modification to its Article 4 bilateral agreement with Japan, concerning changes in restraint levels for 1981. $\underline{1}$ /

 $[\]frac{1}{}$ The original agreement is to be found in COM.TEX/SB/498

^{*}English only/Anglais seulement.



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UNITED STATES TRADE REPRESENTATIVE

1-3 AVENUE DE LA PAIX 1202 GENEVA, SWITZERLAND

Telephone: 32 09 70

September 22, 1982

The Honorable
Ambassador Marcelo Raffaelli
Chairman, Textiles Surveillance Body
GATT
154, rue de Lausanne
CH-1211 Geneva 21

Dear Mr. Chairman:

Pursuant to the provisions of paragraph 4 of Article 4 of the Arrangement Regarding International Trade in Textiles, I am instructed by my government to inform the Textiles Surveillance Body of modifications to the restraint levels for 1981 under the cotton, wool and man-made fiber textile agreement between the Government of the United States of America and the Government of Japan.

While these modifications had been agreed to by representatives of the two governments well before the end of 1981, they were not formally set out until early December of that year. The memorandum of understanding giving effect to these modifications is attached hereto.

Sincerely, Capinet of DG Off. Legal Aff. Halfti fe. 3 Robert E. Shepherd EST VALVIAN Minister-Counselor PER. DEPT. A. as stated Enclosures: Tegh, Cash, Div. Liter - Age: cy Ail. TEX SB)761 żg. Opecial Projects

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RECORD OF DISCUSSION

- 1. During the course of talks between the representatives of the Government of Japan and of the Government of the United States of America on trade in textile products held in Honolulu in April 1980, in Geneva in July and October 1980, in Washington in April 1981, and in Geneva in May 1981, Japanese exports to the United States of America of five items in the attached list were discussed.
- 2. The representatives of the Government of the United States of America explained the overall import situation with respect to these items, and requested Japanese cooperation by limiting exports of these items from Japan. The representative of the Government of Japan expressed his Government's readiness and intention to see to it that the exports of these items from Japan to the United States of America not exceed the respective limits set forth in the list, and the representatives of the Government of the United States of America concurred.
- 3. The limits for Categories 435, 442 and 448 as set forth in the August 22, 1979 Record of Discussion dated August 22, 1979 are adjusted to the amount set forth under "New Level of Limit" of the list by amounts of shift agreed during these discussions. In addition, these limits may be increased by certain amounts, provided an equal amount in square yards equivalent is deducted from another of these categories. In addition, the representative of the Government of Japan stated in the above talks that its Government would make its best efforts to insure that not more than 60 percent of the limit remaining for 1980 and 1981, would be shipped in either of those years. The limits in the August 22, 1979 Record of Discussion dated August 22, 1979 will continue to be the basis for any future discussions concerning exports from Japan of these products to the United States during 1982 and beyond.

FOR THE DELEGATION OF THE GOVERNMENT OF JAPAN:

FOR THE DELEGATION OF THE GOVERNMENT OF THE UNITED STATES:

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WASHINGTON, December 3, 1981

I. Categories 435, 442, 448:

Cat.	New Level of Limit	Allowable Increase and Corresponding Decrease			r Limit	(s)
435	96,223 doz. (4 years)	-allowable increase: -amount of decrease			2,597	doz.
	(4 years)	in other limit(s)			140,238	SYE
442	70,437 doz. (4 years)	-allowable increase: -amount of decrease	í	••	1,771	doz.
	(4 years)	in other limit(s)			31,878	SYE
448	86,788 doz. (4 years)	-allowable increase:			2,585	doz.
		<pre>-amount of decrease in other limit(s)</pre>			46,530	SYE

II. Category 612:

Category	1980 Limit				
612	206,040,000 \$	SYE			

The Government of Japan will make every effort to insure that monthly shipments will not exceed 20 million syds.

The two Governments will consult on a quota for 1981.

III. Category 335:

The adjusted 3-year limit for Cat. 335 (1979-81) will be 536,575 dozen or 22,160,547 SYE.