

# GENERAL AGREEMENT ON TARIFFS AND TRADE

CONFIDENTIAL

TEX.SB/762\*  
28 September 1982

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Textiles Surveillance Body

## ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

### Notification under Article 4:4

#### Extension of Bilateral Agreement between the United States and Japan

#### Note by the Chairman

Attached is a notification received from the United States concerning the extension for the four years 1 January 1982 - 31 December 1985, of its bilateral agreement, concluded under Article 4 of the MFA, with Japan. <sup>1/</sup>

The notification also includes a record of discussion setting out export restraint levels with respect to eleven categories.

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<sup>1/</sup> The original agreement and an amendment to it are contained in COM.TEX/SB/498 and TEX.SB/761

\*English only/Anglais seulement.



ANSWERED	DOC. ISSUED	FOLIO
REG 27 SE 1982		

**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 the four-year extension (1/1/82-12/31/85) of the cotton, wool and man-made fiber textile agreement between the Government of the United States of America and the Government of Japan.

I am also notifying a record of discussion under which the Government of Japan has agreed to limit its exports of eleven categories to the levels set forth therein.

Copies of the diplomatic notes and the record of discussion giving effect to this agreement and these restraints are attached hereto.

Sincerely,

  
Robert E. Shepherd  
Minister-Counselor

Enclosures: as stated



EMBASSY OF JAPAN  
WASHINGTON, D. C.

September 1, 1982

Excellency,

I have the honor to refer to the Arrangement Regarding International Trade in Textiles done in Geneva on December 20, 1973 and extended by Protocols done in Geneva on December 14, 1977 and December 22, 1981.

I have further the honor to refer to the recent discussions held between the representatives of the Government of Japan and the Government of the United States of America with regard to the Arrangement between the Government of Japan and the Government of the United States of America concerning Trade in Cotton, Wool and Man-made Fiber Textiles between Japan and the United States of America (hereinafter referred to as "the Arrangement") effected by the Exchange of Notes of August 17, 1979, and to confirm, on behalf of the Government of Japan, the understanding reached between the two Governments that the Arrangement, including the Record of Understanding attached to it, will be applied for a four-year period from January 1, 1982 through December 31, 1985 by the two Governments with the understanding that the Arrangement will be amended as follows:

His Excellency  
Mr. George P. Shultz  
The Secretary of State

1. Paragraph 3 of the Arrangement will be deleted and replaced by the following:


"3. For the period beginning January 1, 1982 and extending through December 31, 1985, existing cotton categories 300 through 369, existing wool categories 400 through 469, and existing man-made fiber categories 603 through 669 (numbers 706.3400, 706.3900, 706.4140, and 706.4150 excluded from category 669), as specified in the U.S. Correlation of January 1982 (Textile and Apparel Categories with Tariff Schedules of the United States Annotated) and any subsequent technical modifications thereof, will not be subject to numerical limits other than those arising under the provisions of paragraph 4 hereof."

2. Subparagraph (2) of paragraph 10 of the Arrangement will be deleted and replaced by the following:

"(2) In the implementation of this Arrangement, the system of textile categories and the rates of conversion are set forth in the U.S. Correlation of January 1982 and any subsequent technical modifications thereof. The assignments of products to categories listed in the Correlation will be determined in accordance with the United States Customs classification and definitions, subject to further clarification where necessary."

I have further the honor to request Your Excellency to be good enough to confirm the foregoing understanding on behalf of the Government of the United States of America.

Accept, Excellency, the renewed assurances of my highest consideration.

  
Yoshio Okawara  
Ambassador Extraordinary  
and Plenipotentiary of  
Japan

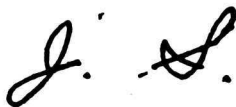
RECORD OF DISCUSSION

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 Geneva in December 1981, Japanese exports to the United States of America of eleven items in the attached list were discussed.

2. The representatives of the Delegation 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 Delegation 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 levels set forth in the attached list, and the representatives of the Delegation of the Government of the United States of America concurred.

FOR THE DELEGATION OF THE  
GOVERNMENT OF JAPAN:

FOR THE DELEGATION OF THE  
GOVERNMENT OF THE UNITED  
STATES OF AMERICA:



SEPTEMBER 1, 1982

Japan's export restraints on specific categories

<u>Category</u>	<u>Level of limit, growth</u>	<u>Swing and others</u>
(1) TQ 335	Total of 806,852 dozen over 4 years	Swing from other categories under restraint will be raised if necessary. The GOJ will make every effort to insure that Japan shall not export more than 35% of a multi-year limit in any year.
(2) TQ 348	Total of 4,955,506 dozen over 4 years	
(3) TQ 435	Total of 96,118 dozen over 4 years	
(4) TQ 442	Total of 70,488 dozen over 4 years	
(5) TQ 448	Total of 107,651 dozen over 4 years	
(6) TQ 331	Not more than 1,663,284 dozen pairs in 1982. Standstill in 1983, 1984 & 1985. The USG shall consult with the GOJ when the latter requests the consultations on the size of quotas for 1983, 1984 & 1985.	Swing from other categories under restraints will be raised if necessary.
(7) TQ 338	Not more than 769,020 dozen in 1982. 3% annual growth rate in 1983, 1984 & 1985.	
(8) TQ 339	Not more than 2,149,722 dozen in 1982. 3% annual growth rate in 1983, 1984 & 1985.	
TQ 612	Not more than 208,100,400 syds in 1982. 1% annual growth rate in 1983, 1984 & 1985.	The GOJ will make every effort to insure that monthly shipments will not exceed 20 million syds during the period of any restraint.
(10) TQ 410	Not more than 14,424,214 syds in 1982. 1% annual growth rate in 1983, 1984 & 1985. Annual export level will not exceed 6 million syds over previous year's export level during the period of 1982-1985.	5% swing from the part of TQ 614 (TSUSA 338-1000, 338-1515 through 338-1580) during the period of 1982-1985.
(11) Pt of TQ 614	Not more than 19,674,236 syds in 1982. 3% annual growth rate in 1983, 1984 & 1985.	7% swing from TQ 410 during the period of 1982-1985.

DEPARTMENT OF STATE  
WASHINGTON

September 1, 1982

Excellency:

I have the honor to acknowledge the receipt of Your Excellency's note of today's date, which reads as follows:

"I have the honor to refer to the Arrangement Regarding International Trade in Textiles done in Geneva on December 20, 1973 and extended by Protocols done in Geneva on December 14, 1977 and December 22, 1981.

"I have further the honor to refer to the recent discussions held between the representatives of the Government of Japan and the Government of the United States of America with regard to the Arrangement between the Government of Japan and the Government of the United States of America concerning Trade in Cotton, Wool and Man-made Fiber Textiles between Japan and the United States of America (hereinafter referred to as 'the Arrangement') effected by the Exchange of Notes of August 17, 1979, and to confirm, on behalf of the Government of Japan, the understanding reached between

His Excellency

Yoshio Okawara,

Ambassador of Japan

the two Governments that the Arrangement, including the Record of Understanding attached to it, will be applied for a four-year period from January 1, 1982 through December 31, 1985 by the two Governments with the understanding that the Arrangement will be amended as follows:

"1. Paragraph 3 of the Arrangement will be deleted and replaced by the following:

'3. For the period beginning January 1, 1982 and extending through December 31, 1985, existing cotton categories 300 through 369, existing wool categories 400 through 469, and existing man-made fiber categories 603 through 669 (numbers 706.3400, 706.3900, 706.4140, and 706.4150 excluded from category 669), as specified in the U.S. Correlation of January 1982 (Textile and Apparel Categories with Tariff Schedules of the United States Annotated) and any subsequent technical modifications thereof, will not be subject to numerical limits other than those arising under the provisions of paragraph 4 hereof.'



"2. Subparagraph (2) of paragraph 10 of the Arrangement will be deleted and replaced by the following:

'(2) In the implementation of this Arrangement, the system of textile categories and the rates of conversion are set forth in the U.S. Correlation of January 1982 and any subsequent technical modifications thereof. The assignments of products to categories listed in the Correlation will be determined in accordance with the United States Customs classification and definitions, subject to further clarification where necessary.'

"I have further the honor to request your Excellency to be good enough to confirm the foregoing understanding on behalf of the Government of the United States of America."

I have further the honor to confirm the foregoing understanding on behalf of the Government of the United States of America.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:

A handwritten signature in dark ink, appearing to read "Robert L. Morris", is written over a horizontal line. The signature is stylized with a large, sweeping flourish at the end.