

GENERAL AGREEMENT  
ON TARIFFS AND  
TRADE

ACCORD GENERAL SUR  
LES TARIFS DOUANIERS  
ET LE COMMERCE

CONFIDENTIAL  
TEX.SB/311  
26 June 1978

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Textiles Surveillance Body

Organe de surveillance des textiles

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Amendment to the bilateral agreement between the  
United States and India

Note by the Chairman

Attached hereto is a communication received from the United States mission regarding an amendment to the existing multifibre textile agreement between the United States and India.<sup>1</sup> The amendment concerns two categories, 342 (cotton skirts) and 465 (wool floor covering).

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<sup>1</sup>For original agreement see COM.TEX/SB/315 of 26 April 1978.

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ARRANGEMENT CONCERNANT LE COMMERCE INTERNATIONAL DES TEXTILES

Notification conformément à l'article 4:4

Modification de l'accord bilatéral conclu entre  
les Etats-Unis et l'Inde

Note du Président

La Mission des Etats-Unis a fait parvenir au secrétariat la communication ci-jointe relative à une modification de l'accord multifibres conclu entre les Etats-Unis et l'Inde<sup>1</sup>. Cette modification concerne les catégories 342 (chemises en coton) et 465 (couvre-parquets en laine).

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<sup>1</sup>Pour le texte initial de l'accord, voir le document COM.TEX/SB/315 du 26 avril 1978.



UNITED STATES MISSION TO INTERNATIONAL ORGANIZATIONS  
GENEVA, SWITZERLAND

June 21, 1978

The Honorable  
Ambassador Paul Wurth  
Chairman, Textiles Surveillance Body  
Centre William Rappard  
154, rue de Lausanne  
CH-1211 Geneva 21

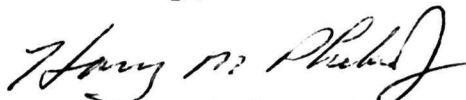
Dear Mr. Chairman:

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 amendment of the bilateral cotton, wool and man-made fiber textile agreement between the Government of the United States of America and the Government of India. The original agreement was notified to the TSB and circulated to the Textiles Committee as COM.TEX/SB/315 of April 26, 1978.

The subject amendment was the result of a request by the Government of India to exceed the consultation levels stipulated in the new bilateral agreement during the first year thereof for Categories 342 (cotton skirts) and 465 (wool floor covering). India had requested a 1,200% increase in the Category 465 consultation level but owing to the sensitivity of all wool textile imports into the U.S. market, the U.S. could not accede in full to the Indian request. The U.S. was able, however, to grant an increase of 800%. The consultation level in the basic agreement for Category 465 was 100,000 syds.equiv.; India requested this be increased to 1,200,000 syds. equiv.; and, the U.S. was able to increase the level to 800,000 syds. equiv. In the case of Category 342, India requested that the consultation level be raised from 700,000 syds. equiv. in the first year to 1,750,000 syds. equiv., a 125% increase. Owing to continuing sensitivity in the U.S. women's apparel market, the United States could not accede to the Indian request in full but did establish a new level of 1,500,000 syds. equiv.; an increase of over 100% above the level stipulated in the bilateral agreement (700,000 syds. equiv.).

Attached hereto is a copy of State Department Press Release No. 178 of April 20, 1978, setting forth full texts of the exchange of Notes giving effect to the amendment.

Sincerely,



Harry M. Phelan, Jr.  
Minister-Counselor

Enclosure:  
As stated

# PRESS DEPARTMENT OF STATE

April 20, 1978

No. 178

*Received  
8/16/78*



## UNITED STATES AND INDIA AMEND TEXTILE AGREEMENT

The United States and India exchanged notes on April 18, 1978 to amend their bilateral agreement on trade in cotton, wool, and man-made fiber textiles. The texts of the notes follow:

### UNITED STATES NOTE

April 18, 1978

His Excellency  
N. A. Palkhivala  
: Ambassador of India

Excellency:

I have the honor to refer to the agreement between the United States of America and India done at Washington December 30, 1977 regarding trade in cotton, wool, and man-made fiber textiles and textile products, with Annexes (hereinafter referred to as the Agreement), and to the notes of April 14, 1978 from the Embassy of India to the Department of State.

I have the honor to propose, on behalf of my government, the following new consultation levels for the current agreement year:

Category 342	1,500,000 square yards equivalent
Category 465	800,000 square yards equivalent

If the foregoing proposal is acceptable to the Government of India, this note and Your Excellency's note of confirmation on behalf of the Government of India shall constitute an agreement amending the Agreement.

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

For the Acting Secretary of State:  
/S/ William Barraclough

For further information contact: EB - Mr. C. Hand (202) 6 632-1682

INDIAN NOTE

April 18, 1978

His Excellency  
Hon'ble Mr. Cyrus R. Vance  
Secretary of State  
Washington, D.C.

Excellency:

I have the honour to refer to your letter dated April 18, 1978 responding to the notes of the Embassy of India of April 14, 1978 concerning the Agreement between the United States of America and India on trade in cotton, wool and man-made fiber textiles and textile products. I note that as against the Government of India's request for a higher consultation level of 1.2 million SYE for Indian exports covered by category 465, you have suggested the consultation level of 800,000 SYE. I also note that as against the Government of India's interim request for a higher consultation level of 1,750,000 SYE for exports covered under category 342, you have suggested a consultation level of 1.5 million SYE.

This is to confirm that the proposals made by you are acceptable to the Government of India as an interim solution to the problems affecting trade flows from India to the United States of America in textiles which were discussed between the officials of the Embassy of India and the officials of the United States Government on April 14, 1978 and that your proposals constitute an agreement to amend the Bilateral Textile Agreement signed between the United States of America and India on December 30, 1977.

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

For the Ambassador of India  
/S/ (J. N. Dixit)  
Minister of the Embassy

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