

GENERAL AGREEMENT
ON TARIFFS AND
TRADE

ACCORD GENERAL SUR
LES TARIFS DOUANIERS
ET LE COMMERCE

CONFIDENTIAL
TEX.SB/328
31 August 1978

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

The attached notification received from the United States mission concerns an amendment plus a deletion to the existing bilateral agreement,¹ between the United States and India.

¹For original agreement see COM.TEX/SB/315.

ARRANGEMENT CONCERNANT LE COMMERCE INTERNATIONAL DES TEXTILES

Notification conformément à l'article 4, paragraphe 4

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

Note du Président

La Mission des Etats-Unis a fait parvenir au secrétariat la notification ci-jointe relative à une modification de l'accord bilatéral¹ en vigueur entre les Etats-Unis et l'Inde, dont une disposition a en outre été supprimée.

¹Pour le texte initial de l'accord, voir le document COM.TEX/SB/315.

TS/140-4



UNITED STATES MISSION TO INTERNATIONAL ORGANIZATIONS
GENEVA, SWITZERLAND

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REG 28 AUG 1978

	Action	Comment	Inf.
TRADE POLICY DE:			
Gen. Div.			
Agri. Div.			
Special Proj.			
TRADE DEVELOP. DE:			
Sp. Asst. Tr. Negs.			
Dev. Div.			
Int. E. Div.			
TEXTILES	X		
OFFICE OF LEGAL ATTACHÉ			
Consultant (ADC)			X
Int. Div.			

August 24, 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 Article 4 of the Arrangement Regarding International Trade in Textiles, I am instructed by my government to inform the Textiles Surveillance Body (TSB) of agreement through an exchange of letters between the Government of the United States of America and the Government of India to remove certain hand-knotted rugs and hand-inserted pile rugs from coverage under the existing bilateral agreement (see COM.TEX/SB/315) between the two countries. Further, I am instructed to inform the TSB of an amendment of the existing agreement effected in response to a request by the Government of India to increase the consultation level for Category 369 (other cotton apparel) from 700,000 syds equiv. to 1.5 million syds. equiv.

Attached hereto is a copy of State Department Press Release No. 305 of July 31, 1978, which sets forth the self-explanatory texts of letters removing certain rugs from coverage and a Note exchange effecting the amendment of the bilateral.

Sincerely,

Harry M. Phelan, Jr.
Minister-Counselor

Enclosure:
As stated

DEPARTMENT OF STATE

July 31, 1978
No. 305

UNITED STATES AND INDIA AMEND TEXTILE AGREEMENT

The United States and India have amended their bilateral textile agreement by means of the following exchanges:

*Received
8/15/78*

INDIAN LETTER

June 19, 1978

Mr. John St. John
Chief
Fibers & Textiles Division
U.S. Department of State
Washington, D.C.

Dear Mr. St. John,

I am writing with reference to the bilateral textile agreement effected by exchange of notes of December 30, 1977 (the Textile Agreement), and to the administrative arrangement set out in the letter of February 18, 1976, from Mrs. Susan Fouz of the Department of State to me (the Administrative Arrangement).

Under the Textile Agreement, imports of hand tufted or knotted wool rugs of pile or tuft construction are presently charged against the consultation level for Category 465. I propose that such products, being traditional handicraft products, be hereby added to the list of India Items and not be subject to the limits set out in the Textile Agreement.

The Government of India shall certify exports of such floor coverings in accordance with paragraph 2 of the Administrative Arrangement.

If you agree with the above arrangement, this letter and your reply confirming its contents shall constitute an amendment to the bilateral Textile Agreement between India and USA effected by exchange of letters in December 1977.

Yours sincerely,

/S/ (J. N. Dixit)

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UNITED STATES LETTER

June 19, 1978

J. N. Dixit, Esq.
Minister, Commerce and Supply
Embassy of India
2536 Massachusetts Ave. N.W.
Washington, D.C. 20008

Dear Mr. Dixit:

Thank you for your letter of June 19, 1978, concerning the treatment of hand knotted or hand tufted wool rugs as India Items. On behalf of the Government of the United States of America, I confirm that the Arrangement set out in paragraphs 2 and 3 of your letter is acceptable and, hence, your letter and this letter shall constitute an amendment of the Administrative Arrangement.

Sincerely,

/S/ John J. St. John
Chief
Textiles Division

INDIAN LETTER

No. COM./105/2/78

July 19, 1978

Mr. John J. St. John
Chief
Textiles Division
U.S. Department of State
Room 3333
2201, "C" ST. N.W.
Washington, D.C. 20520

Dear Mr. St. John,

I am writing with reference to the bilateral textile agreement effected by exchange of notes of December 30, 1977 (the Textile Agreement), and to the administrative arrangement set out in the letter of February 18, 1976, from Mrs. Susan Fouts of the Department of State to Minister J. N. Dixit (the Administrative Arrangement), and to the June 19, 1978 exchange of letters regarding rugs between Minister J. N. Dixit and Mr. John J. St. John.

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In addition to the handtufted or hand knotted wool rugs of pile or tuft construction recently added to the Textile Agreement's list of India Items, and the "Gabba" and "Ghandni/Gaddiposh" items contained in the list as it appears in Annexure C of the Textile Agreement, there are other hand crafted Indian rugs which being traditional handicraft products, should also be added to the list of India Items and not be subject to the limits set out in the agreement. Such rugs include:

- 1) Rugs with pile hand-inserted or hand-knotted during weaving having pile containing over 50 percent by weight of hair. (TSUSA 360.0500)
- 2) Woven cotton, wool or man-made fiber rugs, not made on a powerdriven loom. (TSUSA 361.4200, 4400, 5422, 5425)
- 3) The Government of India shall certify exports of such rugs in accordance with paragraph 2 of the Administrative Arrangement.

If the foregoing is acceptable to the Government of the United States of America, this letter and your reply confirming its contents will constitute an amendment to the Textile Agreement.

Yours sincerely,

/S/ (J. S. Baijal)

UNITED STATES LETTER

July 25, 1978

Mr. J. S. Baijal
Minister (Economic)
Embassy of India
2107 Massachusetts Ave. N.W.
Washington, D.C. 20008

Dear Mr. Baijal:

I refer to your letter of July 19, 1978 to Mr. John J. St. John proposing that certain Indian rugs which are traditional handicraft products not be subject to the limits set out in our December 30, 1977 bilateral textile agreement.

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My Government agrees to your proposal as set out in paragraph 2 of your letter and, therefore, your letter and this letter shall constitute an agreement amending our textile agreement.

Sincerely,

/S/ William Barraclough
Deputy Assistant Secretary for
International Trade Policy

INDIAN NOTE

May 9, 1978

No. Com./105/2/78

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

Excellency:

I have the honour to refer to the agreement between India and the United States of America effected through an exchange of letters between our two Governments on December 30, 1977 regarding trade in cotton, wool, and man-made fiber textiles and textile products, with Annexures (hereinafter referred to as the Agreement).

Exports of other apparel covered under category 359 of the Agreement are likely to exceed the consultation level of 700,000 SYE specified for this category under paragraph 6 of the Agreement. Accordingly, I have the honour to propose on behalf of the Government of India that the consultation level in respect of this category be raised to 1.5 million SYE for the first Agreement year.

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

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

For the Ambassador of India
to the United States of America

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

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UNITED STATES NOTE

July 18, 1978

His Excellency
N. A. Palkhivala
Ambassador of India

Excellency:

I have the honor to refer to the agreement between the United States and India done at Washington by exchange of notes on December 30, 1977, regarding trade in cotton, wool and man-made fiber textiles and textile products, with Annexes, as amended (hereinafter referred to as the Agreement) and to Your Excellency's note of May 9, 1978 to the Department of State, proposing on behalf of the Government of India that the consultation level for Category 359 be changed to 1.5 million square yards equivalent for the first Agreement Year.

This is to confirm that the proposal made on behalf of the Government of India in Your Excellency's note of May 9, 1978 is acceptable to the Government of the United States of America and that this note and Your Excellency's note constitute an agreement amending the Agreement.

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

For the Secretary of State:

/S/ William Barrack