

GENERAL AGREEMENT
ON TARIFFS AND
TRADE

ACCORD GENERAL SUR
LES TARIFS DOUANIERS
ET LE COMMERCE

CONFIDENTIAL

TEX.SB/395
7 June 1979

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 Hong Kong

Note by the Chairman

The attached notification received from the United States mission concerns a further amendment to the bilateral agreement¹ covering certain textile products between the United States and Hong Kong.

¹For details of the agreement and previous amendments see COM.TEX/SB/321 and 393.

ARRANGEMENT CONCERNANT LE COMMERCE INTERNATIONAL DES TEXTILES

Notification conformément à l'article 4:4

Modification de l'Accord bilatéral entre
les Etats-Unis et Hong-kong

Note du Président

La Mission des Etats-Unis a fait parvenir au secrétariat la notification ci-jointe relative à une nouvelle modification de l'accord bilatéral¹ portant sur certains produits textiles, conclu entre les Etats-Unis et Hong-kong.

¹Pour le détail de l'accord et les modifications précédentes, voir les documents COM.TEX/SB/321 et 393.



UNITED STATES MISSION TO INTERNATIONAL ORGANIZATIONS
GENEVA, SWITZERLAND

May 15, 1979

The Honorable
Ambassador Paul Wurth
Chairman, Textiles Surveillance Body
G.A.T.T.
154, rue de Lausanne
CH-1211 Geneva 21

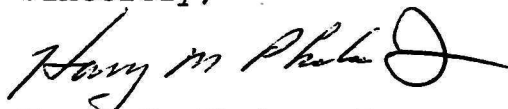
Dear Mr. Chairman:

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 cotton, wool and man-made fiber textile agreement between the Government of the United States of America and the Government of Hong Kong. The original agreement and prior amendments were circulated as COM.TEX/SB/321 and 393.

When the original agreement was negotiated, the parties established a specific limit for merged category 645/646 for the first agreement year only with the understanding that establishment of specific limits for the remaining years of the agreement would be the subject of subsequent consultations. In the course of these consultations the parties were unable to agree on specific limits but did agree to subject this merged category to the provisions of paragraph 9 of the basic agreement (the "call" mechanism). For its part the United States agreed not to exercise its "call" right until export authorizations reached levels stipulated in the present amendment.

Attached hereto is a copy of State Department Press Release No. 63 setting forth the self-explanatory full texts of the exchange of letters giving effect to the amendment.

Sincerely,

A handwritten signature in cursive script, appearing to read "Harry M. Phelan, Jr.", with a large, stylized flourish at the end.

Harry M. Phelan, Jr.
Minister Counselor

Enclosure: as stated

March 9, 1979
No. 63

UNITED STATES AND HONG KONG
AMEND TEXTILE AGREEMENT

The United States and Hong Kong exchanged letters dated February 2, 1979 and February 13, 1979 to amend the existing bilateral textile agreement. The texts of the letters follow:

UNITED STATES LETTER

February 2, 1979

The Honorable D. H. Jordan, C.M.G., M.B.E., J.P.
Director of Trade, Industry and Customs
Trade Industry and Customs Department
Ocean Centre, Room 1501, 15/F
Canton Road
Kowloon

Dear Mr. Jordan:

I have the honor to refer to the Agreement concerning trade in cotton, wool and man-made fiber textiles and textile products between the Government of Hong Kong and the Government of the United States of America, dated August 8, 1977, with annexes, as amended (the Agreement). I have further the honor to refer to discussions between representatives of the Government of Hong Kong and the Government of the United States of America in Washington from 28-29 November 1978, concerning the establishment of Specified Limits for merged Category 645/646 for the agreement years 1979 through 1982. Because of the special, difficult and different problems encountered by Hong Kong and the United States of America with respect to products in this merged Category, it was not possible to agree on Specified Limits for this merged Category for 1979 through 1982.

-2-

Recalling that a Specified Limit for merged Category 645/646 was established for 1978 alone and that it was not possible to reach agreement on Specified Limits thereafter, it was agreed that trade in merged Category 645/646 will be subject to the provisions of paragraph 9 of the Agreement for the final four agreement years. In this regard the Government of the United States of America undertakes that it will not invoke the provisions of paragraph 9 of the Agreement at least until the level of Export Authorizations issued by Hong Kong reaches the following amounts:

<u>Year</u>	<u>EA's Issued (Dozens)</u>
1979	1,200,000
1980	1,201,000
1981	1,202,000
1982	1,203,000

It is my understanding that the Government of Hong Kong will not issue Export Authorizations for merged Category 645/646 in excess of these amounts without prior consultations with and agreement by the Government of the United States of America.

If the foregoing arrangement is acceptable to the Government of Hong Kong this letter and your letter of acceptance on behalf of the Government of Hong Kong shall constitute an amendment to the Agreement, effective as of January 1, 1979.

Accept, Sir, the renewal of my highest consideration.

Yours sincerely,

/S/ Thomas P. Shoesmith
Consul General

HONG KONG LETTER

13 February 1979

Mr. Thomas P. Shoesmith
Consul-General
Consulate General of the
United States of America
26 Garden Road
Hong Kong

Dear Mr. Shoesmith,

I refer to your letter of 2 February 1979 regarding an amendment to the Agreement concerning trade in cotton, wool

-3-

and man-made fibre textiles and textile products between the Government of the United States of America and the Government of Hong Kong, of August 8, 1977, as amended. I wish to confirm that the arrangement is acceptable to my Government and that your understanding is correct. This letter and your letter constitute an amendment to the Agreement.

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

Yours sincerely,

/S/ (D. H. Jordan)