

GENERAL AGREEMENT
ON TARIFFS AND
TRADE

ACCORD GENERAL SUR
LES TARIFS DOUANIERS
ET LE COMMERCE

CONFIDENTIAL

TEX.SB/397/Add.1

7 June 1979

Textiles Surveillance Body

Organe de surveillance des textiles

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Amendments to the bilateral agreements between
the United States and Brazil

Note by the Chairman

Attached hereto is a communication from the United States mission relating to an extension and modification of the United States/Brazil cotton textiles agreement together with an extension of their manmade fibre textiles agreement.

The prior amendment to the above cotton textiles agreement, which is pending review by the TSB, was circulated to members in TEX.SB/397.¹

¹For original agreements and their amendments see COM.TEX/SB/178, 329 and 357.

ARRANGEMENT CONCERNANT LE COMMERCE INTERNATIONAL DES TEXTILES

Notification conformément à l'article 4:4

Modifications apportées aux accords bilatéraux entre
les Etats-Unis et le Brésil

Note du Président

La Mission des Etats-Unis a fait parvenir au secrétariat la communication ci-jointe relative à la prorogation et une modification de l'accord sur les textiles de coton conclu entre les Etats-Unis et le Brésil, ainsi qu'à la prorogation de leur accord sur les textiles en fibres synthétiques et artificielles.

La modification antérieure de l'accord susmentionné concernant les textiles de coton, qui doit être examinée par l'OST, a été communiquée aux membres sous la cote TEX.SB/397.¹

¹Pour le texte initial de ces accords et les modifications qui y ont été apportées, voir les documents COM.TEX/SB/178, 329 et 357.



UNITED STATES MISSION TO INTERNATIONAL ORGANIZATIONS
GENEVA, SWITZERLAND

June 1, 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 extension and amendment of the cotton textiles agreement and the extension of the man-made fiber textiles agreement between the Government of the United States of America and the Government of the Federative Republic of Brazil. The original agreements were circulated as COM.TEX/SB/178 of 17 July 1976. Amendments to both agreements were notified and subsequently circulated as COM.TEX/SB/357 of 28 September 1978. A further amendment was notified to the TSB on May 15, 1979 and is presently awaiting review.

Both cotton agreement and the man-made fiber agreements have been extended by amendment of the term provisions of both agreements to read "The term of this agreement shall be from April 1, 1976 through March 31, 1982." In order to provide for 7% annual growth throughout the period of the extended cotton agreement it was necessary to amend the language of paragraph 7 thereof.

The cotton agreement was further amended by the establishment of five new specific limit levels for categories which were under specific limit under the old agreement. Purpose of this amendment was to bring the levels of those categories in to closer correlation with the needs of the trade. The net effect of these changes is shown in square yards equivalent in the following table:

<u>Item</u>	<u>Old Level</u>	<u>New Level</u>	<u>Net Change</u> <u>(Sq.Yds.Equiv.)</u>
Cat. 337 Playsuits	63,357 doz.	79,995 doz.	415,950(+)
Cat. 340 Shirts not knit	198,881 doz.	131,642 doz.	1,613,736(-)
Cat. 350 Dressing gowns	44,940 doz.	56,741 doz.	601,851(+)
Cat. 363 Terry & pile towels	7,895,862 nos.	9,969,314	1,036,726(+)
Ex Cat. 369 Floor coverings	497,782 lbs.	628,500 lbs.	601,302(+)

Finally, the designated consultation level for Cat. 359 (other cotton apparel) has been increased from 700,000 square yards equivalent in the old agreement to 1,000,000 square yards in the new agreement.

Attached hereto is a copy of State Department Press Release No. 94 setting forth full texts of the exchange of Notes giving effect to the extensions and the amendments.

Sincerely,



Harry M. Phelan, Jr.
Minister Counselor

Enclosure: as stated

DEPARTMENT OF STATE

April 11, 1979
No. 94

UNITED STATES AND BRAZIL AMEND TEXTILE AGREEMENT

Handwritten:
1979
3/27

The United States and Brazil exchanged notes dated March 27, 1979, to amend their bilateral textile agreement. The texts of the notes are as follows:

U.S. NOTE

March 27, 1979

The Honorable
Alvaro da Costa-Franco
Brazilian Charge d'Affaires ad interim.

Sir:

I refer to the Arrangement Regarding International Trade in Textiles, with Annexes, done at Geneva on December 20, 1973, and extended by a Protocol adopted on December 14, 1977 at Geneva.

I also refer to the U.S.-Brazilian Agreement relating to trade in cotton textiles and textile products, with Annex, as amended, (the Cotton Agreement) and to the U.S.-Brazilian Agreement relating to trade in man-made fiber textiles and textile products, with Annex, as amended, (the Man-made Fiber Agreement), both of which were effected by exchange of notes April 22, 1976. On behalf of the Government of the United States of America, I propose the following.

1. Sentence one of paragraph one of the Cotton Agreement and paragraph one of the Man-made Fiber Agreement be amended to read, "The term of this Agreement shall be from April 1, 1976 through March 31, 1982."

2. Paragraph 7 of the Cotton Agreement be amended to read, "The aggregate, group and specific limits shall be increased in the second and succeeding years by seven percent annually."

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3. Paragraph 4 of the Cotton Agreement be further amended to establish new specific limits for five categories for the April 1, 1979 - March 31, 1980 Agreement Year as follows:

Category 337 ✓	79,995 dozen
Category 340 ✓	131,642 dozen
Category 350 ✓	56,741 dozen
Category 363 ✓	9,969,314 pieces
Category 369 ✓ (floor coverings)	628,500 lbs.

4. A designated consultation level of 1,000,000 square yards equivalent be established under the Cotton Agreement for Category 359 (other cotton apparel).

If the foregoing proposal is acceptable to the Government of the Federative Republic of Brazil, this note and your Excellency's note of confirmation on behalf of the Government of the Federative Republic of Brazil shall constitute an Agreement between the Government of the United States of America and the Government of the Federative Republic of Brazil, amending the Cotton Agreement and the Man-made Fiber Agreement accordingly.

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

For the Secretary of State:

/S/ William Barraclough

BRAZILIAN NOTE

Washington, D.C., March 27, 1979.

His Excellency
Cyrus Vance
Secretary of State
of the United States of America

Excellency:

I have the honor to acknowledge receipt of the note of March 27, 1979, in which the Government of the United States of America proposes that the Brazil/United States agreement relating to trade in cotton textiles and textile products, with annex, as amended (the cotton agreement) and the Brazil/United States agreement relating to trade in man-made

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fiber textiles and textile products, with annex, as amended (the man-made fiber agreement), in force between our two Governments, be amended and extended. Your Excellency's note, translated into Portuguese, reads as follows:

See U.S. note.

2. In reply, I have the honor to inform Your Excellency that the Government of the Federative Republic of Brazil concurs in the proposal made in your note and agrees that your note and this reply shall constitute an Agreement between the Government of the Federative Republic of Brazil and the Government of the United States of America, amending and extending the Cotton Agreement and the Man-made Fiber Agreement accordingly.

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

/S/ Alvara da Costa Franco
Charge d'Affaires, a.i.