

**No. 8753**

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**UNITED STATES OF AMERICA  
and  
MALTA**

**Exchange of notes constituting an agreement concerning  
exports of cotton textiles from Malta (with annex).  
Valletta, 14 June 1967**

*Official text: English.*

*Registered by the United States of America on 31 August 1967.*

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**ÉTATS-UNIS D'AMÉRIQUE  
et  
MALTE**

**Échange de notes constituant un accord relatif aux exporta-  
tions de textiles de coton de Malte (avec annexe). La  
Valette, 14 juin 1967**

*Texte officiel anglais.*

*Enregistré par les États-Unis d'Amérique le 31 août 1967.*

No. 8753. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND MALTA CONCERNING EXPORTS OF COTTON TEXTILES FROM MALTA. VALLETTA, 14 JUNE 1967

I

*The American Embassy to the Maltese Ministry of Commonwealth and Foreign Affairs*

P-358

The Embassy of the United States of America presents its compliments to the Ministry of Commonwealth and Foreign Affairs and has the honor to refer to recent discussions held in Valletta between representatives of the Government of the United States and the Government of Malta concerning exports of cotton textiles from Malta to the United States. As a result of these discussions, the Embassy proposes the following agreement relating to this trade :

1. The term of this agreement shall be from January 1, 1967 through December 31, 1970. During the term of this agreement the Government of Malta shall limit annual exports of cotton textiles from Malta to the United States to aggregate, group and specific limits at the levels specified in the following paragraphs.

2. For the first agreement year, constituting the 12-month period beginning January 1, 1967, the aggregate limit shall be 12.7 million square yards equivalent.

3. Within the aggregate limit, the following group limits shall apply for the first agreement year :

		<i>In Square Yards Equivalent</i>
Group I	Yarn (Categories 1-4) . . . . .	9,000,000
Group II	Fabrics, made up goods and miscellaneous (Categories 5-38 and 64) . . . . .	200,000
Group III	Apparel (Categories 39-63) . . . . .	3,500,000

4. Within the aggregate limit and the applicable group limits, the following specific limits shall apply for the first agreement year :

<i>Group III</i>	<i>Units (dozen)</i>	<i>Square Yard Equivalent</i>
Category 43 . . . . .	63,600	(460,082 sq. yds.)
Category 51 . . . . .	22,500	(400,433 sq. yds.)
Category 60 . . . . .	38,500	(2,000,460 sq. yds.)

<sup>1</sup> Came into force on 14 June 1967 with retroactive effect from 1 January 1967, in accordance with the provisions of the said notes.

5. Within the aggregate limit, the limits for Groups I and II may be exceeded by not more than 10 percent, and the limit for Group III may be exceeded by not more than 5 percent. Within the applicable group limit, as it may be adjusted under this provision, specific limits may be exceeded by not more than 5 percent.

6. (a) Within the group limit for each group the square yard equivalent of any shortfalls occurring in exports in the categories given specific limits may be used in any category not given a specific limit.

(b) In the event of undue concentration in exports to the United States of cotton textiles from Malta in any category in Group I, the Government of the United States of America may request consultation with the Government of Malta to determine an appropriate course of action. Until a mutually satisfactory solution is reached, the Government of Malta shall limit exports in the category in question to the United States starting with the 12-month period beginning on the date of the request for consultation. This limit shall be 105 percent of the exports of such products to the United States during the most recent 12-month period preceding the request for consultation for which statistics are available to the two Governments.

(c) In the event the Government of Malta desires to permit exports during any agreement year of more than the level of the consultation limit in any category in Group III not having a specific limit, the Government of Malta shall request consultation with the Government of the United States of America on this question. For the first agreement year the level of the consultation limit for each category in Group III not having a specific limit shall be 350,000 square yards equivalent. The Government of the United States of America shall enter into such consultations and, during the course thereof, shall provide the Government of Malta with information on the condition of the United States market in the category in question. Until agreement is reached, the Government of Malta shall continue to limit exports in that category for that agreement year to the consultation limit.

7. The Government of Malta shall use its best efforts to space exports to the United States within each category evenly throughout the agreement year, taking into consideration normal seasonal factors.

8. In the second and succeeding 12-month periods for which any limitation is in force under this agreement, the level of exports permitted under such limitation shall be increased by 5 percent of the corresponding level for the preceding 12-month period, the latter level not to include any adjustments under paragraphs 5 or 16.

9. The two Governments recognize that the successful implementation of this agreement depends in large part upon mutual cooperation on statistical questions. The Government of the United States of America shall promptly supply the Government of Malta with monthly data on the import of cotton textiles from Malta. The Government of Malta shall promptly supply the Government of the United States of America with data on monthly exports of cotton textiles to the United States. Each Government agrees to supply promptly any other available relevant statistical data requested by the other Government.

10. In the implementation of this agreement, the system of categories and the rates of conversion into square yard equivalents listed in Annex A hereto shall apply. In any situation where the determination of an article to be a cotton textile would be affected by whether the criterion provided for in Article 9 of the Long-Term Arrangements Regarding International Trade in Cotton Textiles done at Geneva on February 9, 1962<sup>1</sup> (hereinafter referred to as the Long-Term Arrangement) is used or the criterion provided for in paragraph 2 of Annex E of the Long-Term Arrangement is used, the chief-value criterion used by the Government of the United States of America in accordance with paragraph 2 of Annex E shall apply.

11. The Government of the United States of America and the Government of Malta agree to consult on any question arising in the implementation of the agreement.

12. Mutually satisfactory administrative arrangements or adjustments may be made to resolve minor problems arising in the implementation of this agreement including differences in points of procedure or operation.

13. If the Government of Malta considers that as a result of limitations specified in this agreement, Malta is being placed in an inequitable position vis-à-vis a third country, the Government of Malta may request consultation with the Government of the United States of America with the view to taking appropriate remedial action such as reasonable modification of this agreement.

14. During the term of this agreement, the Government of the United States of America will not apply the provisions of Articles 6 (c) and 3 of the Long-Term Arrangement to restrain the export of cotton textiles from Malta to the United States.

15. The Government of the United States of America may assist the Government of Malta in implementing the provisions of this agreement by controlling imports of cotton textiles.

16. (a) For any agreement year immediately following a year of a shortfall (i.e., a year in which cotton textile exports from Malta to the United States were below the aggregate limit and any group and specific limits applicable to the category concerned) the Government of Malta may permit exports to exceed the aggregate, group and specific limits by carryover in the following amounts and manner :

- (i) The carryover shall not exceed the amount of the shortfall in either the aggregate limit or any applicable group or specific limit and shall not exceed either 5 percent of the aggregate limit or 5 percent of the applicable group limit in the year of the shortfall, and
- (ii) in the case of shortfalls in the categories subject to specific limits the carryover shall not exceed 5 percent of the specific limit in the year of the shortfall, and shall be used in the same category in which the shortfall occurred, and

<sup>1</sup> United Nations, *Treaty Series*, Vol. 471, p. 296 and Vol. 596, p. 524. As registered by the Executive Secretary of the Contracting Parties to the General Agreement on Tariffs and Trade, this Arrangement is identified in the United Nations *Treaty Series* by the date of its entry into force, i.e., 1 October 1962.

(iii) in the case of shortfalls not attributable to categories subject to specific limits, the carryover shall be used in the same group in which the shortfall occurred, shall not be used to exceed any applicable specific limit except in accordance with the provisions of paragraph 5, and shall not be used to exceed the limits in paragraph 6.

(b) The limits referred to in subparagraph *a* of this paragraph are without any adjustments under this paragraph or paragraph 5.

(c) The carryover shall be in addition to the exports permitted in paragraph 5.

17. Either Government may terminate this agreement, effective at the end of an agreement year, by written notice to the other Government to be given at least 90 days prior to the end of such agreement year. Either Government may at any time propose revisions in the terms of this agreement.

If this proposal is acceptable to the Government of Malta, this note and your note of acceptance on behalf of the Government of Malta shall constitute an agreement between our Governments.

The Embassy of the United States of America avails itself of this opportunity to renew to the Ministry of Commonwealth and Foreign Affairs the assurance of its highest consideration.

Enclosure :

List of Cotton Textile Categories & Conversion Factors

Embassy of the United States of America  
Valletta, Malta, June 14, 1967

## ANNEX A

## COTTON TEXTILE CATEGORIES AND CONVERSION FACTORS

<i>Category</i>	<i>Description</i>	<i>Unit</i>	<i>Conversion Factor (Square Yards)</i>
1.	Yarn, carded, singles . . . . .	Lb.	4.6
2.	Yarn, carded, plied . . . . .	Lb.	4.6
3.	Yarn, combed, singles . . . . .	Lb.	4.6
4.	Yarn, combed, plied . . . . .	Lb.	4.6
5.	Gingham, carded . . . . .	Syd.	1.0
6.	Gingham, combed . . . . .	Syd.	1.0
7.	Velveteen . . . . .	Syd.	1.0
8.	Corduroy . . . . .	Syd.	1.0
9.	Sheeting, carded . . . . .	Syd.	1.0
10.	Sheeting, combed . . . . .	Syd.	1.0
11.	Lawn, carded . . . . .	Syd.	1.0
12.	Lawn, combed . . . . .	Syd.	1.0
13.	Voile, carded . . . . .	Syd.	1.0
14.	Voile, combed . . . . .	Syd.	1.0
15.	Poplin and broadcloth, carded . . . . .	Syd.	1.0
16.	Poplin and broadcloth, combed . . . . .	Syd.	1.0
17.	Typewriter ribbon cloth . . . . .	Syd.	1.0
18.	Print cloth, shirting type, 80 × 80 type, carded . . . .	Syd.	1.0
19.	Print cloth, shirting type, other than 80 × 80 type, carded	Syd.	1.0
20.	Shirting, Jacquard or dobby, carded . . . . .	Syd.	1.0
21.	Shirting, Jacquard or dobby, combed . . . . .	Syd.	1.0
22.	Twill and sateen, carded . . . . .	Syd.	1.0
23.	Twill and sateen, combed . . . . .	Syd.	1.0
24.	Woven fabric, n.e.s., yarn dyed, carded . . . . .	Syd.	1.0
25.	Woven fabric, n.e.s., yarn dyed, combed . . . . .	Syd.	1.0
26.	Woven fabric, other, carded, n.e.s. . . . .	Syd.	1.0
27.	Woven fabric, other, combed, n.e.s. . . . .	Syd.	1.0
28.	Pillowcases, carded . . . . .	No.	1.084
29.	Pillowcases, combed . . . . .	No.	1.084
30.	Dish towels . . . . .	No.	.348
31.	Other towels . . . . .	No.	.348
32.	Handkerchiefs, whether or not in the piece . . . . .	Doz.	1.66
33.	Table damask and manufactures . . . . .	Lb.	3.17
34.	Sheets, carded . . . . .	No.	6.2
35.	Sheets, combed . . . . .	No.	6.2
36.	Bedspreads and quilts . . . . .	No.	6.9
37.	Braided and woven elastics . . . . .	Lb.	4.6
38.	Fishing nets and fish netting . . . . .	Lb.	4.6
39.	Gloves and mittens . . . . .	Doz. Prs.	3.527

<i>Category</i>	<i>Description</i>	<i>Unit</i>	<i>Conversion Factor (Square Yards)</i>
40.	Hose and half hose . . . . .	Doz. Prs.	4.6
41.	T-shirts, all white, knit, men's and boys' . . . . .	Doz.	7.234
42.	T-shirts, other, knit . . . . .	Doz.	7.234
43.	Shirts, knit, other than T-shirts or sweatshirts . . . . .	Doz.	7.234
44.	Sweaters and cardigans . . . . .	Doz.	36.8
45.	Shirts, dress, not knit, men's and boys' . . . . .	Doz.	22.186
46.	Shirts, sport, not knit, men's and boys' . . . . .	Doz.	24.457
47.	Shirts, work, not knit, men's and boys' . . . . .	Doz.	22.186
48.	Raincoats, $\frac{3}{4}$ length or longer, not knit . . . . .	Doz.	50.0
49.	Other coats, not knit . . . . .	Doz.	32.5
50.	Trousers, slacks and shorts (outer), not knit, men's and boys' . . . . .	Doz.	17.797
51.	Trousers, slacks and shorts (outer), not knit, women's, girls' and infants' . . . . .	Doz.	17.797
52.	Blouses, not knit . . . . .	Doz.	14.53
53.	Dresses (including uniforms), not knit . . . . .	Doz.	45.3
54.	Playsuits, washsuits, sunsuits, creepers, rompers, etc., not knit n.e.s. . . . .	Doz.	25.0
55.	Dressing gowns, including bathrobes, beachrobes, lounging gowns, housecoats and dusters, not knit . . . . .	Doz.	51.0
56.	Undershirts, knit, men's and boys' . . . . .	Doz.	9.2
57.	Briefs and undershorts, men's and boys' . . . . .	Doz.	11.25
58.	Other underwear knit, n.e.s. . . . .	Doz.	5.0
59.	All other underwear, not knit . . . . .	Doz.	16.0
60.	Pajamas and other nightwear . . . . .	Doz.	51.96
61.	Brassieres and other body-supporting garments . . . . .	Doz.	4.75
62.	Wearing apparel, knit, n.e.s. . . . .	Lb.	4.6
63.	Wearing apparel, not knit, n.e.s. . . . .	Lb.	4.6
64.	All other cotton textiles . . . . .	Lb.	4.6

Apparel items exported in sets shall be recorded under separate categories of the component items.

## II

*The Maltese Ministry of Commonwealth and Foreign Affairs to the American Embassy*

## MINISTRY OF COMMONWEALTH AND FOREIGN AFFAIRS

## VALLETTA, MALTA

CFA 1757/66

The Ministry of Commonwealth and Foreign Affairs presents its compliments to the Embassy of the United States of America and has the honour to refer to the Embassy's Note P-358 of the 14th June, 1967, which proposes the terms of an agreement on the export of cotton textiles from Malta to the United States of America, and which (without the Annex thereto) reads as follows :

[See note I]

The Ministry of Commonwealth and Foreign Affairs has the honour to confirm to the Embassy of the United States of America that the agreement proposed in the above Note and the Annex thereto is acceptable to the Government of Malta, and further agrees that the Embassy's Note and the Annex thereto, and this Note in reply shall constitute an agreement between our two Governments in the matter.

The Ministry of Commonwealth and Foreign Affairs avails itself of this opportunity to renew to the Embassy of the United States of America the assurance of its highest consideration.

14th June, 1967

[SEAL]

The Embassy of the United States of America  
Sliema

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