

No. 10406

**UNITED STATES OF AMERICA
and
CZECHOSLOVAKIA**

**Exchange of notes constituting an agreement concerning trade in
cotton textiles (with annex). Washington, 29 August 1969**

Authentic text: English.

Registered by the United States of America on 2 April 1970.

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

**Échange de notes constituant un accord relatif au commerce des
textiles de coton (avec annexe). Washington, 29 août 1969**

Texte authentique: anglais.

Enregistré par les Etats-Unis d'Amérique le 2 avril 1970.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT ¹
BETWEEN THE UNITED STATES OF AMERICA AND
CZECHOSLOVAKIA CONCERNING TRADE IN COTTON
TEXTILES

I

DEPARTMENT OF STATE
WASHINGTON

August 29, 1969

Excellency:

I have the honor to refer to the Long-term Arrangement Regarding International Trade in Cotton Textiles, hereinafter referred to as the LTA, done in Geneva on February 9, 1962,² and to the Protocol extending the LTA through September 30, 1970.³

I also refer to recent discussions between the Government of the United States of America and the Government of the Czechoslovak Socialist Republic, as the result of which I have the honor to propose the following agreement, pursuant to the provisions of Article IV of the LTA as extended by the Protocol, relating to trade in cotton textiles between Czechoslovakia and the United States:

1. During the term of this agreement, which shall be from May 1, 1969, to April 30, 1971, inclusive, the Government of the Czechoslovak Socialist Republic shall limit annual exports of cotton textiles from Czechoslovakia to the United States to aggregate and specific limits specified in the following paragraphs.

2. For the first agreement year, constituting the 12-month period beginning May 1, 1969, the aggregate limit shall be 2.5 million square yards equivalent.

3. Within this aggregate limit, exports in Category 26 (other than duck) shall be limited to 1 million square yards, except as provided in paragraphs 4, 5, and 7.

¹ Came into force on 29 August 1969, with effect from 1 May 1969, in accordance with the provisions of the said notes.

² United Nations, *Treaty Series*, vol. 471, p. 296. 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.

³ *Ibid.*, vol. 620, p. 276.

4. In the second and any succeeding 12-month period that any limitation is applicable under this agreement, the level of permitted exports shall be increased by five percent over the corresponding level for the preceding 12-month period. The corresponding level for the preceding 12-month period shall not include any adjustments under paragraphs 5 or 7.

5. Within the aggregate limit, the limitation on Category 26 (other than duck) may be exceeded by five percent.

6. The Government of the Czechoslovak Socialist Republic and the Government of the United States agree to consult on any questions concerning trade in cotton textiles between their two countries, including levels of exports in categories not given specific limits and in made-up goods or apparel made from a particular fabric. Except by mutual agreement of the two governments or as provided in paragraph 3, exports in any one category during the first agreement year shall not exceed 500,000 square yards equivalent in Categories 1-27 or 350,000 square yards equivalent in Categories 28-64.

7. (a) For any agreement year subsequent to the first, and immediately following a year of shortfall (i.e., a year in which cotton textile exports from Czechoslovakia to the United States were below the aggregate limit and any specific limit applicable to the category concerned), exports may be permitted to exceed these 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 specific limit and shall not exceed five percent of the aggregate limit in the year of the shortfall, and
- (ii) in the case of shortfalls in any category subject to specific limits the carryover shall be used in the same category in which the shortfall occurred and shall not exceed five percent of the specific limit in the year of the shortfall, and
- (iii) in the case of shortfalls not attributable to categories subject to specific limits, the carryover shall not be used to exceed any applicable specific limit except in accordance with the provisions in paragraph 5 and shall be subject to the provisions of 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.

8. Cotton textile exports from Czechoslovakia to the United States within each category shall be spaced as evenly as practicable throughout the agreement year, taking into consideration normal seasonal factors.

9. The Government of the United States shall promptly supply the Government of the Czechoslovak Socialist Republic with data on monthly imports of cotton textiles from Czechoslovakia; and the Government of the Czechoslovak Socialist Republic shall promptly supply the Government of the United States with data on monthly exports of cotton textiles to the United States. Each government agrees to supply promptly any other pertinent and readily available statistical data requested by the other government.

10. In implementing this agreement, the system of categories and the rates of conversion into square yards equivalents listed in the annex 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 LTA or the criterion provided for in paragraph 2 of Annex E of the LTA 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. For the duration of this agreement, the Government of the United States of America shall not invoke the procedures of Article 3 and 6 (c) of the LTA to request restraint on the export of cotton textiles from Czechoslovakia to the United States.

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

13. 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 procedures or operation.

14. This agreement shall continue in force through April 30, 1971, except that either government may terminate it effective at the end of any agreement year by written notice to the other government to be given at least 90 days prior to such termination date. Either government may at any time propose revisions in this agreement.

15. Each Government shall take appropriate measures of export control or import control, as applicable, to implement the limitation provisions of the agreement.

I have the honor to propose that this note and your Excellency's note of confirmation on behalf of the Government of the Czechoslovak Socialist Republic shall constitute an agreement between our two Governments.

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

For the Secretary of State:

Philip H. TREZISE

Enclosure:

Annex.

His Excellency Dr. Karel Duda
Ambassador of the Czechoslovak Socialist Republic

A N N E X

<i>Category Number</i>	<i>Description</i>	<i>Unit</i>	<i>Conversion Factor to Sq. yds.</i>
1	Cotton yarn, carded, singles	Lb.	4.6
2	Cotton yarn, carded, piled	Lb.	4.6
3	Cotton yarn, combed, singles	Lb.	4.6
4	Cotton yarn, combed, piled	Lb.	4.6
5	Gingham, carded	Sq. yds.	Not required
6	Gingham, combed	Sq. yds.	Not required
7	Velveteen	Sq. yds.	Not required
8	Corduroy	Sq. yds.	Not required
9	Sheeting, carded	Sq. yds.	Not required
10	Sheeting, combed	Sq. yds.	Not required
11	Lawns, carded	Sq. yds.	Not required
12	Lawns, combed	Sq. yds.	Not required
13	Voile, carded	Sq. yds.	Not required
14	Voile, combed	Sq. yds.	Not required
15	Poplin and Broadcloth, carded	Sq. yds.	Not required
16	Poplin and Broadcloth, combed	Sq. yds.	Not required
17	Typewriter ribbon cloth	Sq. yds.	Not required
18	Print cloth, shirting, type, 80 × 80 type, carded.	Sq. yds.	Not required
19	Print cloth, shirting, type other than 80 × 80 type, carded.	Sq. yds.	Not required

<i>Category Number</i>	<i>Description</i>	<i>Unit</i>	<i>Conversion Factor to Sq. yds.</i>
20	Shirting, Jacquard or dobby, carded . . .	Sq. yds.	Not required
21	Shirting, Jacquard or dobby, combed . . .	Sq. yds.	Not required
22	Twill and sateen, carded	Sq. yds.	Not required
23	Twill and sateen, combed	Sq. yds.	Not required
24	Woven fabric, n.e.s., yarn dyed, carded . .	Sq. yds.	Not required
25	Woven fabric, n.e.s., yarn dyed, combed . .	Sq. yds.	Not required
26	Woven fabric, n.e.s., other, carded	Sq. yds.	Not required
27	Woven fabric, n.e.s., other, combed	Sq. yds.	Not required
28	Pillowcases, not ornamented, carded . . .	Num- bers	1.084
29	Pillowcases, not ornamented, combed . . .	Num- bers	1.084
30	Towels, dish	Num- bers	.348
31	Towels, other	Num- bers	.348
32	Handkerchiefs, whether or not in the piece	Dozen	1.66
33	Table damask and manufactures	Lb.	3.17
34	Sheets, carded	Num- bers	6.2
35	Sheets, combed	Num- bers	6.2
36	Bedspreads and quilts	Num- bers	6.9
37	Braided and woven elastic	Lb.	4.6
38	Fishing nets and fish netting	Lb.	4.6
39	Gloves and mittens	Dozen	3.527
40	Hose and half hose	Doz. prs.	4.6
41	T-shirts, all white, knit, men's and boys'	Dozen	7.234
42	T-shirts, other knit	Dozen	7.234
43	Shirts, knit, other than T-shirts and sweat- shirts	Dozen	7.234
44	Sweaters and cardigans	Dozen	36.8
45	Shirts, dress, not knit, men's and boys' . .	Dozen	22.186

<i>Category Number</i>	<i>Description</i>	<i>Unit</i>	<i>Conversion Factor to Sq. yds.</i>
46	Shirts, sport, not knit, men's and boys' . .	Dozen	24.457
47	Shirts, work, not knit, men's and boys' . .	Dozen	22.186
48	Raincoats, $\frac{3}{4}$ length or longer, not knit . .	Dozen	50.0
49	Coats, other, not knit	Dozen	32.5
50	Trousers, slacks, and shorts (outer), not knit, men's and boys'	Dozen	17.797
51	Trousers, slacks, and shorts (outer), not knit, women's, girls' and infants'	Dozen	17.797
52	Blouses, not knit	Dozen	14.53
53	Dresses (including uniforms), not knit	Dozen	45.3
54	Playsuits, sunsuits, washsuits, creepers, rom- pers, etc., not knit, n.e.s.	Dozen	25.0
55	Dressing gowns, including bathrobes and beachrobes, lounging gowns, housecoats, and dusters, not knit	Dozen	51.0
56	Undershirts, knit, men's and boys'	Dozen	9.2
57	Briefs and undershorts, men's and boys' . .	Dozen	11.25
58	Drawers, shorts, and briefs, knit, n.e.s. . .	Dozen	5.0
59	All other underwear, not knit	Dozen	16.0
60	Pajamas and other nightwear	Dozen	51.96
61	Brassieres and other body supporting gar- ments	Dozen	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

II

August 29, 1969

Excellency:

I have the honor to acknowledge the receipt of your note of August 29, 1969 relating to exports of cotton textiles from the Czechoslovak Socialist Republic to the United States of America which reads as follows:

[*See note I*]

I confirm that this is also the understanding of the Government of the Czechoslovak Socialist Republic. It is therefore agreed that your note and this note of confirmation shall constitute an agreement between our two Governments.

Please, accept, Excellency, the renewed assurances of my highest consideration.

Dr. Karel DUDA

Ambassador of the Czechoslovak Socialist Republic

His Excellency William P. Rogers
Secretary of State of the United States of America