

No. 10507

**UNITED STATES OF AMERICA
and
COSTA RICA**

**Exchange of notes constituting an agreement relating to
trade in cotton textiles (with annex). Washington,
1 October 1969**

Authentic texts of the notes: English and Spanish.

Authentic text of the annex: English.

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

**ÉTATS-UNIS D'AMÉRIQUE
et
COSTA RICA**

**Échange de notes constituant un accord relatif au commerce
des textiles de coton (avec annexe). Washington,
1^{er} octobre 1969**

Textes authentiques des notes : anglais et espagnol.

Texte authentique de l'annexe : anglais.

Enregistré par les États-Unis d'Amérique le 2 juin 1970.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹
BETWEEN THE UNITED STATES OF AMERICA AND
COSTA RICA RELATING TO TRADE IN COTTON
TEXTILES

I

DEPARTMENT OF STATE
WASHINGTON

October 1, 1969

Excellency :

I have the honor to refer to recent discussions between the Government of the United States of America and the Government of Costa Rica, as the result of which I wish to propose the following agreement, relating to trade in cotton textiles between Costa Rica and the United States :

1. During the term of this agreement, which shall be from October 1, 1969 to September 30, 1971 inclusive, annual exports of cotton textiles from Costa Rica to the United States shall be limited to aggregate and specific limits specified in the following paragraphs.

2. For the first agreement year, constituting the 12-month period beginning October 1, 1969, the aggregate limit shall be 3.0 million square yards equivalent.

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

<i>Category</i>	<i>Quantity</i>
39	130,000 dozen pair
48	4,500 dozen
53	28,000 dozen
61	85,000 dozen

4. In the second 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

¹ Effective as of 1 October 1969, the date of the exchange of the said notes, in accordance with their provisions.

the preceding 12-month period shall not include any adjustments under paragraphs 5 or 8. The phrase "level of permitted exports" in this paragraph refers to the aggregate and specific limits set out in paragraphs 2 and 3, and to the limitations set out in paragraph 6 of this agreement.

5. Within the aggregate limit, any specific limit may be exceeded by five percent.

6. Categories not given specific limits are subject to consultation levels and to the aggregate limit. In the event Costa Rica desires to export in any category in excess of its consultation level during any agreement year, the Government of Costa Rica shall request consultations with the Government of the United States of America on this question and the Government of the United States of America shall agree to enter into such consultations. Until agreement is reached, the Government of Costa Rica shall limit its exports in the category in question to the consultation level. For the first agreement year, the consultation level for each category not given a specific limit shall be 500,000 square yards equivalent in categories 1-27, and 350,000 square yards equivalent in categories 28-64.

7. 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 or for the purpose described in paragraph 5, provided that the aggregate limit is not thereby exceeded.

8. (a) For any agreement year immediately following a year of shortfall (i.e., a year in which cotton textile exports from Costa Rica to the United States were below the aggregate limit and any specific limit applicable to the category concerned) the Government of Costa Rica may permit exports 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 applicable to the year of the shortfall;
- (ii) In the case of shortfalls in the categories subject to specific limits, the carryover shall not exceed five 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
- (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 of paragraph 5 and shall not be used to exceed the levels in paragraph 6.

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

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

9. The Government of Costa Rica will use its best efforts to space cotton textile exports to the United States within each category as evenly as practicable throughout the agreement year, taking into consideration normal seasonal factors.

10. The Government of the United States of America shall promptly supply the Government of Costa Rica with data on monthly imports of cotton textiles from

Costa Rica; and the Government of Costa Rica 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 pertinent and readily available statistical data requested by the other government.

11. In implementing this agreement, the system of categories and the rates of conversion into square yard 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 a weight or value criterion is used, the chief value criterion used by the Government of the United States of America shall apply.

12. For the duration of this agreement, the Government of the United States of America will not request restraint on the export of cotton textiles from Costa Rica to the United States under the procedures of Articles 3 and 6 (c) of the Long-Term Arrangements Regarding International Trade in Cotton Textiles done at Geneva on February 9, 1962,¹ as extended.²

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

14. The Government of Costa Rica and the Government of the United States of America agree to consult on any question arising in the implementation of this agreement.

15. 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.

16. Both governments will take appropriate measures to assure that trade in articles covered by this agreement is maintained within the limitations provided therein. The nature of these measures may be a matter of discussion between the two governments.

17. The Government of Costa Rica and the Government of the United States of America may at any time propose revisions in the terms of this agreement. Each government agrees to consult promptly with the other government about such proposals with a view to making such revisions to the present agreement, or taking such other appropriate action, as may be mutually agreed upon.

18. This agreement shall continue in force through September 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.

¹ 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.

² *Ibid.*, vol. 620, p. 276.

If these proposals are acceptable to your Government, this note and your note of acceptance on behalf of the Government of Costa Rica shall constitute an agreement between our Governments.

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

For the Secretary of State :

Philip H. TREZISE

Enclosure :
Annex A

His Excellency Luis Demetrio Tinoco
Ambassador of Costa Rica

ANNEX A

<i>Category Number</i>	<i>Description</i>	<i>Unit</i>	<i>Conversion Factor to Syds.</i>
1	Cotton Yarn, carded, singles	lbs.	4.6
2	Cotton Yarn, carded, plied	lbs.	4.6
3	Cotton Yarn, combed, singles	lbs.	4.6
4	Cotton Yarn, combed, plied	lbs.	4.6
5	Gingham, carded	Syds.	Not required
6	Gingham, combed	Syds.	Not required
7	Velveteen	Syds.	Not required
8	Corduroy	Syds.	Not required
9	Sheeting, carded	Syds.	Not required
10	Sheeting, combed	Syds.	Not required
11	Lawns, carded	Syds.	Not required
12	Lawns, combed	Syds.	Not required
13	Voile, carded	Syds.	Not required
14	Voile, combed	Syds.	Not required
15	Poplin and Broadcloth, carded	Syds.	Not required
16	Poplin and Broadcloth, combed	Syds.	Not required
17	Typewriter ribbon cloth	Syds.	Not required
18	Print cloth, shirting type, 80 × 80 type, carded.	Syds.	Not required
19	Print cloth, shirting type, other than 80 × 80 type, carded	Syds.	Not required
20	Shirting, Jacquard or dobby, carded	Syds.	Not required
21	Shirting, Jacquard or dobby, combed	Syds.	Not required
22	Twill and sateen, carded	Syds.	Not required
23	Twill and sateen, combed	Syds.	Not required
24	Woven fabric, n.e.s., yard dyed, carded	Syds.	Not required
25	Woven fabric, n.e.s., yard dyed, combed	Syds.	Not required
26	Woven fabric, n.e.s., other, carded	Syds.	Not required
27	Woven fabric, n.e.s., other, combed	Syds.	Not required

ANNEX A (continued)

<i>Category Number</i>	<i>Description</i>	<i>Unit</i>	<i>Conversion Factor to Syds.</i>
28	Pillowcases, not ornamented, carded	Numbers	1.084
29	Pillowcases, not ornamented, combed	Numbers	1.084
30	Towels, dish	Numbers	0.348
31	Towels, other	Numbers	0.348
32	Handkerchiefs, whether or not in the piece . .	Dozen	1.66
33	Table damask and manufactures	lbs.	3.17
34	Sheets, carded	Numbers	6.2
35	Sheets, combed	Numbers	6.2
36	Bedspreads and quilts.	Numbers	6.9
37	Braided and woven elastic	lbs.	4.6
38	Fishing nets and fish netting	lbs.	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
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, 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	51.95
61	Brassieres and other body supporting garments.	Dozen	4.75
62	Wearing apparel, knit, n.e.s.	Lbs	4.6
63	Wearing apparel, not knit, n.e.s.	Lbs.	4.6
64	All other cotton textiles	Lbs.	4.6

Si estas propuestas son aceptables a su Gobierno, esta nota y la nota de aceptación de Vuestra Excelencia, en nombre del Gobierno de Costa Rica, constituirán un Acuerdo entre nuestros Gobiernos.

Acepte, Excelencia, las renovadas seguridades de mi más alta consideración. »

Las propuestas contenidas en dicha nota son aceptables al Gobierno de Costa Rica, incluso la propuesta de que la nota y esta respuesta constituyan un Acuerdo entre el Gobierno de Costa Rica y el Gobierno de los Estados Unidos de América, el cual entrará en vigor definitivamente en la fecha de la nota en que se comunique al Gobierno de los Estados Unidos de América que el Gobierno de Costa Rica ha completado sus procesos constitucionales.

A pesar de que mi Gobierno no está en capacidad de aceptar definitivamente el Acuerdo antes de que los procesos constitucionales se hayan completado, se ajustará a los términos de ese Acuerdo por medio de ciertos mecanismos internos, sin perjuicio de los derechos que el Gobierno de Vuestra Excelencia puede ejercer según los términos del Acuerdo, incluyendo los del Artículo 16.

Reitero a Vuestra Excelencia el testimonio de mi más alta y distinguida consideración.

Luis D. TINOCO
Embajador

Excelentísimo Señor William P. Rogers
Secretario de Estado
Washington, D.C.

*[English version of Costa Rican note —
Version anglaise de la note costa-ricienne]*

EMBAJADA DE COSTA RICA ¹
WASHINGTON, D.C. 20008

October 1, 1969

Nº 2271

Excellency :

I have the honor to refer to Your Excellency's note of October 1, 1969, concerning exports of cotton textiles from Costa Rica to the United States of America, which reads as follows :

[See note I]

¹ Embassy of Costa Rica.

The proposals contained in said note are acceptable to the Government of Costa Rica, including the proposal that the note and this reply should constitute an agreement between the Government of Costa Rica and the Government of the United States of America, which will come into force definitively on the date of a note informing the Government of the United States that the Government of Costa Rica has completed its constitutional processes.

Even though my Government is unable to accept the agreement definitively pending completion of its constitutional processes, it will abide by the terms of that agreement through certain internal mechanisms, without prejudice to rights Your Excellency's Government may exercise under the terms of this agreement, including Article 16.

Accept, Excellency, the testimony of my highest consideration.

Luis D. TINOCO
Ambassador

His Excellency William P. Rogers
Secretary of State
Washington, D.C.
