

No. 10780

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**UNITED STATES OF AMERICA  
and  
PAKISTAN**

**Exchange of notes constituting an agreement concerning trade  
in cotton textiles (with annexes and related notes).  
Washington, 6 May 1970**

*Authentic text: English.*

*Registered by the United States of America on 6 October 1970.*

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

**Échange de notes constituant un accord relatif au commerce  
des textiles de coton (avec annexes et notes connexes).  
Washington, 6 mai 1970**

*Texte authentique : anglais.*

*Enregistré par les États-Unis d'Amérique le 6 octobre 1970.*

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup>  
BETWEEN THE UNITED STATES OF AMERICA AND  
PAKISTAN CONCERNING TRADE IN COTTON  
TEXTILES

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I

DEPARTMENT OF STATE  
WASHINGTON

May 6, 1970

Excellency:

I have the honor to refer to recent discussions held in Washington between representatives of our two Governments concerning exports of cotton textiles from Pakistan to the United States. As a result of these discussions, I propose the following agreement relating to such exports:

1. The term of this agreement shall be from July 1, 1970 through June 30, 1974. During the term of this agreement, annual exports of cotton textiles from Pakistan to the United States shall be limited 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 July 1, 1970, the aggregate limit shall be 85 million square yards equivalent.

3. Within the aggregate limit, the following group limits (in square yard equivalents) shall apply for the first agreement year:

Group I (Categories 1-27) . . . .75 million

Group II (Categories 28-64) . . . .10 million

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

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<sup>1</sup> Came into force on 6 May 1970 by the exchange of the said notes.

*Group I**In Syds  
Equivalent*

Sheeting, carded or combed (Categories 9 and 10) . . . . .	36,000,000
Poplin and broadcloth, carded or combed (Categories 15 and 16) . . . . .	3,000,000
Print cloth (Categories 18, 19 and parts of 26)* . . . . .	16,000,000
Twill and sateen, carded or combed (Categories 22 and 23) . . . . .	4,000,000
Barkcloth (Parts of Category 26)* . . . . .	6,000,000
Duck (Parts of Category 26) . . . . .	8,500,000
Other** . . . . .	1,500,000

*Group II**Units**In Syds  
Equivalent*

Shop towels (Part of Category 31) . . . . .	4,816,000 pieces	1,676,000
T-shirts (Categories 41 and 42) . . . . .	410,976 dozen	2,973,000
Other** . . . . .		5,351,000

5. Within the aggregate limit, the limit for Group I may be exceeded by not more than 10 percent and the limit for Group II 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. In 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 14.

7. In the event of undue concentration in exports from Pakistan to the United States of cotton textiles in any category not given a specific limit, the Government of the United States of America may request consultation with the Government of Pakistan to determine an appropriate course of action. Until a mutually satisfactory solution is reached, exports in the category in question from Pakistan to the United States starting with the 12-month period beginning on the date of the request for consultation shall be limited. The limit shall be 105 percent of the exports of such products from Pakistan to the United States during the most recent 12-month period preceding the request for consultation and for which statistics are available to our two Governments.

\* Print cloth and Bark cloth are further described in Annex A.

\*\* These "other" categories are not subject to specific limits. Hence, within the aggregate and the applicable group limits, as they may be adjusted under paragraph 5, the square yard equivalent of shortfalls in exports in categories with specific limits may be used in these "other" categories subject to the provisions of paragraph 7.

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

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 Pakistan with data on monthly imports of cotton textiles from Pakistan. The Government of Pakistan 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 B 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 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 Pakistan 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 Pakistan considers that as a result of limitations specified in this agreement, or its term, Pakistan is being placed in an inequitable position vis-a-vis a third country, the Government of Pakistan may request consultation with the Government of the United States of America with the view to taking appropriate remedial action such as a reasonable modification of this agreement.

14. (a) For any agreement year immediately following a year of a shortfall under this agreement or the agreement effected by an exchange of notes dated

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\* Long-Term Arrangement Regarding International Trade in Cotton Textiles, done in Geneva on February 9, 1962, extended by Protocol through September 30, 1970. [For the Long-Term Arrangement, see United Nations, *Treaty Series*, vol. 471, p. 296. As registered by the Executive Secretary to 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. For the Protocol, see *Ibid.*, vol. 620, p. 276.]

July 3, 1967<sup>1</sup> (i.e., a year in which cotton textile exports from Pakistan to the United States were below the aggregate limit and any group and specific limits applicable to the category concerned) the Government of Pakistan 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 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
- (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 7 of the agreement.

(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.

15. During the term of this agreement, the Government of the United States of America will not request restraint on the export of cotton textiles from Pakistan to the United States under the procedures of Article 3 of the Long-Term Arrangement. The applicability of the Long-Term Arrangement to trade in cotton textiles between Pakistan and the United States shall otherwise be unaffected by this agreement.

16. The Government of the United States of America may assist the Government of Pakistan in implementing the limitation provisions of this agreement by controlling the imports of cotton textiles covered by the agreement until agreement is reached that Pakistan will control these exports in accordance with the limitations of the agreement.

17. The two Governments agree to consult at a mutually acceptable time during each agreement year to review this agreement and whenever there is any question arising in the implementation of this agreement.

18. 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

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<sup>1</sup> United Nations, *Treaty Series*, vol. 686, p. 79.

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 Pakistan, this note and your Excellency's note of confirmation on behalf of the Government of Pakistan shall constitute an agreement between our Governments.

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

For the Secretary of State:

PHILIP H. TREZISE

Enclosures:

Annex A

Annex B

His Excellency Agha Hilaly  
Ambassador of Pakistan

## ANNEX A

### I. Printcloth

Printcloth is a term applied to a plain woven fabric made of singles un-combed yarns. The fabric is not napped, not fancy and not figured. The difference in the yarns per inch of the warp and of the filling does not usually exceed 15. The average yarn number ranges between 27 and 44 per inch.

Printcloth falls under Category 18 "Printcloth, shirting type, 80 × 80 type, carded"; Category 19 "Printcloth, shirting type, other than 80 × 80 type, carded"; and under the T.S.U.S.A. numbers of Category 26 "Woven fabric, not elsewhere specified, other, carded" listed below:

#### *T.S.U.S.A. Numbers*

- 320. xx 34 Printcloth other than printcloth type shirting, not combed, wholly of cotton, not fancy or figured, not bleached or colored.
- 321. xx 34 Printcloth other than printcloth type shirting, not combed, wholly of cotton, not fancy or figured, not bleached but not colored.
- 322. xx 34 Printcloth other than printcloth type shirting, not combed, wholly of cotton, not fancy or figured, colored, whether or not bleached.
- 326. xx 34 Printcloth other than printcloth type shirting, not combed, chief value, but not wholly of cotton, containing silk or man-made fibers or both, not fancy or figured, not bleached or colored.

327. xx 34 Printcloth other than printcloth type shirting, not combed, chief value, but not wholly of cotton, containing silk or man-made fibers, or both, but fancy or figured, bleached but not colored.
328. xx 34 Printcloth other than printcloth type shirting, not combed, chief value, but not wholly of cotton, containing silk or man-made fibers, or both, not fancy or figured, colored, whether or not bleached.

## II. Barkcloth

Barkcloth is a term applied to a fabric most commonly used in the drapery and upholstery fields. The fabric is often made with heavy filling yarn and fine warp yarns with 2 or 3 times as many warp threads as filling threads per inch, or with heavy warp filling yarns with a fairly even number of warp and filling threads per inch. The weave is of an irregular design with long warp and filling floats resulting in a rough or barklike fabric surface. Barkcloth is most commonly woven with 6 harnesses but should it be advantageous to do so, could easily be produced with 8 or more harnesses.

Barkcloth-type fabrics are those fabrics classified as "Woven fabrics, not elsewhere specified, other, carded" and which fall under the numbers of the Tariff Schedules of the United States (T.S.U.S.A.) listed below. For administrative purposes, barkcloth-type fabrics shall be considered as including all fabrics falling under these numbers. Complete definitions applicable to these numbers are found in Schedule 3 of the T.S.U.S.A. All yarn counts, represented by the fourth and fifth digits ("xx") of the following numbers and specifically described in Schedule 3 of the T.S.U.S.A., are included in the restraint action.

### *T.S.U.S.A. Numbers:*

320.	xx88	320.	xx92
321.	xx88	321.	xx92
322.	xx88	322.	xx92
323.	xx88	323.	xx92
324.	xx88	324.	xx92
325.	xx88	325.	xx92
326.	xx88	326.	xx92
327.	xx88	327.	xx92
328.	xx88	328.	xx92
329.	xx88	329.	xx92
330.	xx88	330.	xx92
331.	xx88	331.	xx92

Should the Government of Pakistan have further questions concerning the fabrics covered herein, the United States Government would be pleased to consult on this problem.

## ANNEX B

<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., yarn dyed, carded . . . . .	Syds.	Not required
25	Woven fabric, n.e.s., yarn 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
28	Pillowcases, not ornamented, carded . . . . .	Numbers	1. 084
29	Pillowcases, not ornamented, combed . . . . .	Numbers	1. 084
30	Towels, dish . . . . .	Numbers	. 348



<i>Category Number</i>	<i>Description</i>	<i>Unit</i>	<i>Conversion Factor to Syds.</i>
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, <sup>3</sup> / <sub>4</sub> 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 boy's . . . . .	Dozen	17.797
51	Trousers, slacks and shorts (outer), not knit, women's, girls' and infants' . . . . .	Dozen	17.797
52	Blouses, not knit . . . . .		14.53
53	Dresses (including uniforms) not knit . .	Dozen	45.3
54	Playsuits, sunsuits, washsuits, creepers, rompers, etc., not knit, n.e.s. . . . .	Dozen	25.0

<i>Category Number</i>	<i>Description</i>	<i>Unit</i>	<i>Factor to Syds.</i>
55	Dressing gowns, including bathrobes and beachrobes, lounging gowns, housecoats, and dusters, not knit . . . . .	Dozen	51.0
56	Undershirts, knit, men's and boys' . . . .		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

## II

EMBASSY OF PAKISTAN  
WASHINGTON, D. C.

No. 12 (5)-ED/70

May 6, 1970

Dear Mr. Secretary,

I have the honour to acknowledge the receipt of your note of 6th May relating to exports of cotton textiles from Pakistan to the United States.

I confirm that the Government of Pakistan agrees to the proposal set forth in your note and that your Excellency's note and this reply constitute an agreement between our Governments.

Accept, Mr. Secretary, the renewed assurances of my highest consideration.

[Signed]  
AGHA HILALY  
Ambassador

The Honourable William P. Rogers  
Secretary  
U.S. Department of State  
Washington, D.C.

## [RELATED NOTES]

## I

May 6, 1970

Dear Mr. Ambassador:

Upon the exchange of notes constituting a new four- year bilateral agreement between the Governments of the United States and Pakistan concerning exports of cotton textiles from Pakistan to the United States the following measures will be taken by the Government of the United States, subject to other applicable laws and regulations governing the entry of goods into the United States.

All cotton textiles exported to the United States from Pakistan prior to March 1, 1970, in excess of any limit applicable under the agreement of July 3, 1967 will be permitted to be entered without being counted against such limit.

All cotton textiles exported to the United States during the period March 1, 1970 through April 30, 1970 will be permitted to be entered and will be charged first against the unused amounts in the applicable limits for the agreement year July 1, 1969 through June 30, 1970, and, if these have been exhausted, against the applicable limits for the new agreement year beginning July 1, 1970.

I would appreciate your confirmation that this arrangement is acceptable to your government.

Sincerely yours,

[Signed]  
PHILIP H. TREZISE  
Assistant Secretary

His Excellency Agha Hilaly  
Ambassador of Pakistan

## II

EMBASSY OF PAKISTAN  
WASHINGTON, D.C.

May 6, 1970

No. 12 (5)-ED/70.

Dear Mr. Assistant Secretary,

I have the honour to refer to your letter of May 6, 1970 concerning arrangements to be made with regard to certain exports of cotton textiles.

I confirm that the arrangements you propose in your letter are acceptable to my Government.

[Signed]  
AGHA HILALY  
Ambassador

The Honourable Philip H. Trezise  
Assistant Secretary,  
U.S. Department of State  
Washington D.C.

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