

No. 11052

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**UNITED STATES OF AMERICA  
and  
UNITED ARAB REPUBLIC**

**Exchange of notes constituting an agreement concerning  
trade in cotton textiles (with annex). Washington,  
30 September and 5 October 1970**

*Authentic text: English.*

*Registered by the United States of America on 4 May 1971.*

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**ÉTATS-UNIS D'AMÉRIQUE  
et  
RÉPUBLIQUE ARABE UNIE**

**Échange de notes constituant un accord relatif au commerce  
des textiles de coton (avec annexe). Washington, 30 sep-  
tembre et 5 octobre 1970**

*Texte authentique : anglais.*

*Enregistré par les États-Unis d'Amérique le 4 mai 1971.*

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

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## I

DEPARTMENT OF STATE  
WASHINGTON

September 30, 1970

Excellency :

I have the honor to request that Your Excellency, in your capacity as representative of the interests of the Government of the United Arab Republic, convey the following information to that Government :

"The Secretary of State refers to the agreement concerning trade in cotton textiles between the United States and the United Arab Republic effected by exchange of notes dated November 6, 1968<sup>2</sup> and extended through September 30, 1970 by exchange of notes dated September 4, 1969.<sup>3</sup>

"The Government of the United States of America proposes that upon expiration of the above-mentioned agreement the following agreement shall apply to exports of cotton textiles from the United Arab Republic to the United States :

"1. The term of this agreement shall be from October 1, 1970 through September 30, 1973. During the term of this agreement, the Government of the United Arab Republic shall limit annual exports of cotton textiles from the United Arab Republic to the United States to the levels specified in the following paragraphs.

"2. For the first agreement year, constituting the 12-month period beginning October 1, 1970, the aggregate limit shall be 52.5 million square yards equivalent.

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<sup>1</sup> Came into force on 5 October 1970 with retroactive effect from 1 October 1970, in accordance with the provisions of the said notes.

<sup>2</sup> United Nations, *Treaty Series*, vol. 720, p. 286.

<sup>3</sup> *Ibid.*, vol. 724, No. A-7368.

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

- a. Categories 1 and 2 — 3,200,000 pounds. (Within this limit annual exports in Category 1 and Category 2 shall not exceed 3,000,000 pounds and 400,000 pounds, respectively.)
- b. Categories 3 and 4 — 600,000 pounds. (Within this limit annual exports in Category 4 shall not exceed 60,000 pounds.)
- c. Categories 9 and 26 — 30,000,000 square yards. (Within this limit annual exports in Category 9 and Category 26 shall not exceed 25,000,000 square yards and 10,000,000 square yards, respectively.)
- d. Categories 16, 21, 22 and 27 — 9,000,000 square yards. (Within this limit annual exports shall not exceed the following limits :
  - Category 16 — 3,250,000 square yards
  - Category 21 — 3,500,000 square yards
  - Category 22 — 3,500,000 square yards
  - Category 27 — 1,950,000 square yards.)

“4. Within the aggregate limit, exports in each category not having a specific limit shall be limited to the consultation level, except by mutual consent of the two Governments. For the first agreement year, the consultation level for each category not given a specific limit shall be 350,000 square yards equivalent.

“5. In the second and succeeding 12-month periods for which any limitation is in force under this agreement, including the aggregate limit, 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 paragraph 6.

“6. For any agreement year subsequent to the first agreement year and immediately following a year of a shortfall (i.e., a year in which cotton textile exports from the United Arab Republic to the United States were below the aggregate limit and any specific limits applicable to the category concerned) the Government of the United Arab Republic 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 5 percent of the aggregate limit applicable to 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 not be used to exceed any applicable specific limit or the limits in paragraph 4 of the agreement.

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

"8. 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 the United Arab Republic with data on monthly imports of cotton textiles from the United Arab Republic. The Government of the United Arab Republic 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.

"9. In the implementation of this agreement, the system of categories and the rates of conversion into square yards equivalent 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 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.

"10. The Government of the United States of America and the Government of the United Arab Republic agree to consult on any question arising in the implementation of this agreement. In particular, the Government of the United States agrees to undertake, at the request of the Government of the United Arab Republic, a joint re-examination of the aggregate limit established in this agreement in the light of developments in the United Arab Republic cotton textile industry, the performance record of the United Arab Republic in meeting ceilings established by this agreement, and the condition of the United States cotton textile market.

\*Long-Term Arrangement Regarding International Trade in Cotton Textiles, done in Geneva on February 9, 1962,<sup>1</sup> extended by Protocol<sup>2</sup> through September 30, 1973.

<sup>1</sup> 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.

<sup>2</sup> *Ibid.*, vol. 620, p. 276, and annex A in volume 753.

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

“12. If the Government of the United Arab Republic considers that as a result of limitations specified in this agreement, the United Arab Republic is being placed in an inequitable position vis-à-vis a third country, the Government of the United Arab Republic 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.

“13. 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 the United Arab Republic 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 the United Arab Republic and the United States shall otherwise be unaffected by this agreement.

“14. In the event concentration in exports from the United Arab Republic to the United States of items of apparel made up of a particular fabric causes or threatens to cause market disruption in the United States, the Government of the United States of America may call for consultations with the Government of the United Arab Republic in order to reach a mutually satisfactory solution to the problem. The Government of the United Arab Republic shall agree to enter into such consultation, and, during the course thereof, shall limit exports of the item in question at an annual level of 105 percent of exports of the item in question during the twelve-month period immediately preceding the month in which consultations are requested.

“15. 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.

“16. The Government of the United States of America may assist the Government of the United Arab Republic in implementing the limitation provisions of this agreement by controlling the imports of cotton textiles covered by the agreement.

“If this proposal is acceptable to the Government of the United Arab Republic, the note of September 30, 1970, from the Secretary of State to the Ambassador of India and the Ambassador's reply stating that the Government of the United Arab Republic has accepted the proposal and has requested that information regarding such acceptance be communicated to the Secretary of State shall constitute an agreement between the Government of the United States of America and the Government of the United Arab Republic. In the absence of diplomatic relations between

these two Governments, such other diplomatic channels as may be established will be utilized when appropriate under this agreement.”

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

For the Secretary of State :

PHILIP M. TREZISE

Enclosure :  
Annex.

His Excellency Lakshmi Kant Jha  
Ambassador of India

#### A N N E X

<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

## ANNEX (continued)

<i>Category Number</i>	<i>Description</i>	<i>Unit</i>	<i>Conversion Factor to Syds.</i>
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
31	Towels, other . . . . .	Numbers	. 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 sweatshirts	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, $\frac{3}{4}$ 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

## ANNEX (continued)

<i>Category Number</i>	<i>Description</i>	<i>Unit</i>	<i>Conversion Factor to Syds.</i>
52	Blouses, not knit . . . . .	Dozen	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
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

## II

EMBASSY OF INDIA  
UNITED ARAB REPUBLIC INTERESTS SECTION  
WASHINGTON D. C.

October 5, 1970

Excellency :

I have the honour to refer to your note of September 30, 1970 in which you request that, in my capacity as representative of the interests of the Government of the United Arab Republic, I convey to that Government information concerning a proposed agreement relating to trade in cotton textiles between the United Arab Republic and the United States of America.

At the request of the Government of the United Arab Republic, I have the honour to inform you that proposal set forth in the aforementioned note is acceptable to that Government. Accordingly, your note of Septem-



ber 30, 1970 and this reply constitute an agreement between the Government of the United States of America and the Government of the United Arab Republic.

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

[*Signed*]

LAKSHMI KANT JHA  
Ambassador of India

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