

No. 11060

**UNITED STATES OF AMERICA
and
ROMANIA**

**Exchange of notes constituting an agreement concerning
trade in cotton textiles. Washington, 31 December 1970**

Authentic text: English.

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

**ÉTATS-UNIS D'AMÉRIQUE
et
ROUMANIE**

**Échange de notes constituant un accord concernant le
commerce des textiles de coton. Washington, 31 décembre 1970**

Texte authentique : anglais.

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

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹
BETWEEN THE UNITED STATES OF AMERICA AND
THE SOCIALIST REPUBLIC OF ROMANIA CONCERN-
ING TRADE IN COTTON TEXTILES

I

DEPARTMENT OF STATE
WASHINGTON

December 31, 1970

Sir,

I refer to the Long-Term Arrangement Regarding International Trade in Cotton Textiles (hereinafter referred to as the Long-Term Arrangement), done in Geneva on February 9, 1962,² as extended until September 30, 1973.³

I also refer to recent discussions between our two Governments concerning the export of cotton textiles from Romania to the United States. As a result of these discussions, I propose the following agreement relating to trade in cotton textiles between Romania and the United States.

1. The term of this agreement shall be from January 1, 1971, through December 31, 1975. During the term of this agreement the Government of the Socialist Republic of Romania shall limit annual exports of cotton textiles from Romania to the United States to aggregate 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, 1971, the aggregate limit shall be 9,000,000 square yards equivalent.

¹ Came into force on 31 December 1970 by the exchange of the said notes.

² 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.

³ *Ibid.*, vol. 620, p. 276, and annex A in volume 753.

3. Within this aggregate limit, the following specific limits shall apply :

<i>Category</i>	<i>Quantity</i>	<i>Equivalent Square Yards</i>
19.	1,100,000 square yards	
26.	2,200,000 square yards (with duck not to exceed 500,000)	
47.	40,566 dozen	900,000
49.	21,538 dozen	700,000
55.	13,725 dozen	700,000
60.	19,246 dozen	1,000,000
63.	347,826 pounds	1,600,000

4. Within the aggregate limit, the specific limits for categories 19, 26, 47, 49, 55, 60, and 63 may be exceeded by not more than five percent.

5. Categories not given specific limits are subject to consultation levels and to the aggregate limit. In the event Romania wishes to export in any category in excess of the applicable consultation level during any agreement year, the Government of the Socialist Republic of Romania 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 enter into such consultations. Until agreement on a different level of exports is reached, the Government of the Socialist Republic of Romania shall limit 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—38 and category 64 and 350,000 square yards equivalent in categories 39—63.

6. In the second and any succeeding 12-month period for which this agreement is in effect, the level of exports permitted under each limitation in the agreement shall be increased by five percent of the corresponding level for the preceding 12-month period, the latter level not to include any adjustments under paragraph 4 or 7.

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

- (i) The carryover shall not exceed the amount of 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 categories subject to specific limits, the carryover shall be used in the same category in which the shortfall occurred, shall not exceed five percent of the specific limit applicable to the category in the year of the shortfall, and shall be in addition to the exports permitted by paragraph 4.
- (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 4 and shall be subject to the provisions of paragraph 5.
- (b) The limits referred to in subparagraph (a) of this paragraph are without any adjustments under this paragraph or paragraph 4.
8. The Government of the Socialist Republic of Romania shall use its best efforts to space exports from Romania to the United States within each category evenly throughout the agreement year, taking into consideration normal seasonal factors.
9. The Government of the United States of America shall promptly supply the Government of the Socialist Republic of Romania with data on monthly imports of cotton textiles from Romania; and the Government of the Socialist Republic of Romania shall promptly supply the Government of the United States of America with quarterly data on 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 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 the criterion provided for in Article 9 of the Long-Term Arrangement 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 Socialist Republic of Romania and the Government of the United States of America agree to consult on any question arising in the implementation of this 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 the Socialist Republic of Romania considers that, as a result of limitations specified in this agreement, Romania is being placed in an inequitable position vis-a-vis a third country, the Government of the Socialist Republic of Romania may request consultation with the Government of the United States of America with a view to taking appropriate remedial action such as reasonable modification of this agreement.

14. For the duration of this agreement, the Government of the United States of America shall not invoke the procedures of Article 3 or 6 (c) of the Long-Term Arrangement to request restraint on the export of cotton textiles from Romania to the United States.

15. The Government of the United States may assist the Government of the Socialist Republic of Romania in implementing the limitation provisions of this agreement by controlling imports of cotton textiles covered by the agreement.

16. Either Government may terminate this agreement effective at the end of any 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 the foregoing proposal is acceptable to the Government of the Socialist Republic of Romania, this note and your note of confirmation on behalf of the Government of the Socialist Republic of Romania shall constitute an agreement between the Government of the Socialist Republic of Romania and the Government of the United States of America.

Accept, Sir, the renewed assurances of my high consideration.

For the Secretary of State :

JULIUS L. KATZ

Dr. Gheorghe Ionita
Chargé d'Affaires ad interim
of the Socialist Republic of Romania

II

EMBASSY OF THE SOCIALIST REPUBLIC OF ROMANIA
WASHINGTON, D.C.

Washington, D.C., December 31, 1970

My dear Mr. Secretary :

I have the honor to acknowledge receipt of your note of December 31, 1970 proposing an agreement between our two Governments relating to trade in cotton textiles between Romania and the United States.

I have the honor to confirm on behalf of the Government of the Socialist Republic of Romania that the proposal set forth in your note is acceptable to my Government and that your note and this reply shall constitute an agreement between our two Governments.

Please accept, Mr. Secretary, the renewed assurances of my highest consideration.

[Signed]
CORNELIU BODGAN
Ambassador

The Honorable William Rogers
The Secretary of State
