

No. 10914

**UNITED STATES OF AMERICA
and
MALAYSIA**

**Exchange of notes constituting an agreement concerning the
export of wool and man-made fiber textile products from
Malaysia to the United States (with annex). Washington,
8 September 1970**

Authentic text: English.

Registered by the United States of America on 7 January 1971.

**ÉTATS-UNIS D'AMÉRIQUE
et
MALAISIE**

**Échange de notes constituant un accord relatif à l'exportation
aux États-Unis d'articles malaisiens en laine et en textiles
de fibre synthétique (avec annexe). Washington,
8 septembre 1970**

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 7 janvier 1971.

**EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹
BETWEEN THE UNITED STATES OF AMERICA AND
MALAYSIA CONCERNING THE EXPORT OF WOOL
AND MAN-MADE FIBER TEXTILE PRODUCTS FROM
MALAYSIA TO THE UNITED STATES**

I

DEPARTMENT OF STATE
WASHINGTON

September 8, 1970

Sir :

I refer to recent discussions concerning the export of wool and man-made fiber textile products from Malaysia to the United States. As a result of these discussions, I wish to propose the following agreement relating to the trade in these products between our two countries.

1. The Government of Malaysia will limit annual exports of wool textile products and man-made fiber textile products to the United States for a period of four years beginning September 1, 1970, to the limits set forth below and in accordance with this agreement.

2. Man-made fiber textile products and wool textile products shall be subject to an aggregate limit for the first agreement year of 5 million square yards equivalent. Within the aggregate limit the following specific limits shall apply to man-made fiber textile products:

<i>Specific Limits</i>	<i>Unit</i>	<i>In Square Yards Equivalent</i>
Category 228	30,000 Doz.	435,900
Category 229	18,000 "	742,500
Category 234	40,000 "	887,600
Category 235	50,000 "	1,223,000
Category 238	25,000 "	445,000

¹ Came into force on 8 September 1970, with retroactive effect from 1 September 1970, in accordance with the provisions of the said notes.

3. Subsequent to the first agreement year, the limits set forth in paragraph 2 shall apply in each agreement year as adjusted in the same manner and by the same percentage as the level of consumption in the United States domestic market for all man-made fiber textile products in the preceding 12-month period ending March 31 was greater or less than the level in the 12-month period ending March 21, 1970.

4. (a) Within the aggregate limit, for the first agreement year exports in any category not subject to a specific limit may not exceed 350,000 square yards equivalent for any man-made fiber textile apparel category; 500,000 square yards equivalent for any man-made fiber textile non-apparel category; or 100,000 square yards equivalent Government of the United States of America following consultations requested by the Government of Malaysia. The Government of the United States of America shall enter into such consultations promptly at the request of the Government of Malaysia.

(b) Subsequent to the first agreement year.

- (i) The limits for man-made fiber textile categories set forth in (a) of this paragraph shall apply in each agreement year as adjusted in the same manner and by the same percentage as the level of consumption in the United States domestic market for all man-made fiber textile products in the preceding 12-month period ending March 31 was greater or less than the level in the 12-month period ending March 31, 1970.
- (ii) The limit for wool textile categories set forth in (a) of this paragraph shall apply in each agreement year as adjusted in the same manner and by the same percentage as the level of consumption in the United States domestic market for all wool textile products in the preceding 12-month period ending March 31 was greater or less than the level in the 12-month period ending March 31, 1970.

5. (a) Provided that exports in the preceding agreement year were below each limit applicable to the category concerned, exports in any agreement year may exceed the applicable aggregate and specific limits by an amount equal to 5 percent of the corresponding limit for the preceding agreement year or the amount by which exports were below each of the limits applicable to the category in the preceding agreement year, whichever is less.

(b) The limits for the preceding agreement year referred to in (a) of this paragraph are without any adjustments under this paragraph. Exports authorized under (a) of this paragraph in categories not subject to specific limits shall be subject to the provisions of paragraph 4.

6. 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.

7. (a) For the purposes of this agreement the schedules of categories and conversion factors attached hereto as Annex A shall apply.

(b) (i) Any textile product which is wholly or in part of wool and/or man-made fiber, but is not in chief value cotton, shall be subject to the terms of this agreement, whether or not listed in Annex A.

(b) (ii) For purposes of this agreement a product covered under (b) (i) and not listed in Annex A shall be treated as a wool textile product if (a) it is 17 percent or more by weight of wool, or (b) the weight of the wool component is not less than the weight of the man-made fiber component, or (c) the product contains no man-made fiber. All other products under (b) (i) but not listed in Annex A shall be considered man-made fiber textile products.

(b) (iii) For purposes of this agreement the term "man-made fiber" refers to any fiber other than a natural fiber.

(c) Both Governments agree to take such measures as may be appropriate to prevent the evasion of this agreement by substitution, transshipment, or other means.

8. The Government of Malaysia agrees to supply promptly to the Government of the United States of America data on monthly exports to the United States of products covered by this agreement, and the Government of the United States of America agrees to supply promptly to the Government of Malaysia data on monthly imports of products covered by this agreement. The two Governments agree to cooperate in such further exchange of statistical data as may be deemed appropriate.

9. The two Governments agree to take such measures of export and import control as may be appropriate to assure that exports and imports do not exceed the limitations provided for in this agreement.

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

11. The two Governments agree to consult promptly at the request of the other Government concerning any matter relating to the operation of this agreement.

12. 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.

If this proposal is acceptable to the Government of Malaysia, this note and your note of confirmation on behalf of the Government of Malaysia shall constitute an agreement between the Government of Malaysia 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

Enclosure: Annex A.

The Honorable Jamaluddin bin Haji Abu Bakar
Chargé d'Affaires ad interim of Malaysia

ANNEX A

CATEGORIES OF WOOL TEXTILE PRODUCTS *

<i>Category</i>	<i>Description</i>	<i>Unit of Measure</i>	<i>Syd. Conversion</i>
101	Wool tops and wool advanced	Lb.	1.95
102	Yarns of Angora Rabbit hair	Lb.	1.95
103	Other yarns of wool and hair	Lb.	1.95

* The categories and descriptions in this list correspond to United States categories for reporting imports of wool textile manufactures. These categories are further defined in terms of TSUSA numbers in the publication "Correlation of Textile Categories with Tariff Schedules of the United States Annotated", available from the United States Department of Commerce. The correlation set forth in that publication, as it may be revised from time to time, shall be controlling for purposes of defining the categories set forth in this Annex.

<i>Category</i>	<i>Description</i>	<i>Unit of Measure</i>	<i>Syd. Conversion</i>
104	Woven fabrics of wool, including blankets (carriage robes, lap robes, steamer rugs, etc.) over 3 yards in length	Syd.	1.00
105	Billiard cloth	Syd.	1.00
106	Blankets	Lb.	1.295
107	Carriage and auto robes, etc., nes	Lb.	1.295
108	Tapestries and upholstery fabrics	Syd.	1.0
109	Pile and tufted fabrics	Syd.	1.0
110	Knit fabrics in the piece	Lb.	1.95
111	Hosiery	Doz. Pr.	2.7814
112	Gloves and mittens	Doz. Pr.	2.093
113	Underwear, knit	Lb.	1.95
114	Other infants articles, knit, not ornamented . . .	Lb.	1.95
115	Knit hats and similar items	Lb.	1.95
116	Knit wearing apparel, nes., valued not over \$5 per pound	Lb.	1.95
117	Knit wearing apparel, nes., valued over \$5 per pound	Lb.	1.95
118	Hats, caps, not blocked	Lb.	1.95
119	Hats, caps, blocked, finished	Lb.	1.95
120	Men's and boy's suits	No.	4.5
121	Men's and boys' outer coast	No.	4.5
122	Women's misses', and children's coats and suits .	No.	4.75
123	Women's misses', children's separate skirts . . .	No.	1.5
124	Trousers, slacks and shorts	No.	1.5
125	Articles of wearing apparel, nes.	Lb.	2.0
126	Lace and net articles including veiling	Lb.	1.95
128	Miscellaneous wool manufactures	Lb.	1.95
131	Braided floor covering	Sft.	.1111
132	Wool floor coverings, nes.	Sft.	.1111

CATEGORIES OF MAN-MADE FIBER TEXTILE PRODUCTS *

<i>Category</i>	<i>Description</i>	<i>Unit of Measure</i>	<i>Syd. Conversion</i>
200	Textured yarns	Lb.	3. 51
201	Yarn wholly of continuous filament, cellulosic . .	Lb.	5. 19
202	Yarn wholly of continuous filament, other	Lb.	11. 6
203	Yarn wholly of non-continuous filament, cellulosic	Lb.	3. 4
204	Yarn wholly of non-continuous filament, other . .	Lb.	4. 12
205	Yarns, other	Lb.	3. 51
206	Woven fabrics, cellulosic, wholly of continuous man-made fiber	Syd.	1. 0
207	Woven fabrics, cellulosic, wholly of non-continuous fibers	Syd.	1. 0
208	Woven fabrics, other, wholly of continuous man-made fiber	Syd.	1. 0
209	Woven fabrics, other, wholly of non-continuous fibers	Syd.	1. 0
210	Woven fabrics, other, of man-made fibers (including fabrics containing more than 17% by weight of wool; glass fabrics and mixed yarn fabrics) . .	Syd.	1. 0
211	Knit fabrics	Lb.	7. 8
212	Pile and tufted fabrics	Syd.	1. 0
213	Specialty fabrics	Lb.	7. 8
214	Gloves and mittens, knit, whether or not ornamented	Doz. Pr.	3. 53
215	Hosiery	Doz. Pr.	4. 6
216	Dresses, knit	Doz.	45. 3
217	Pajamas and other nightwear, knit	Doz.	51. 96

* The categories and descriptions in this list correspond to United States categories for reporting imports of man-made textile manufactures. These categories are further defined in terms of TSUSA numbers in the publication "Correlation of Textile Categories with Tariff Schedules of the United States Annotated", available from the United States Department of Commerce. The correlation set forth in that publication, as it may be revised from time to time, shall be controlling for purposes of defining the categories set forth in this Annex.

<i>Category</i>	<i>Description</i>	<i>Unit of Measure</i>	<i>Syd. Conversion</i>
218	T-Shirts, knit	Doz.	7. 24
219	Shirts, other (including blouses), knit	Doz.	18. 36
220	Skirts, knit	Doz.	17. 8
221	Sweaters and cardigans, knit	Doz.	36. 8
222	Trousers, slacks and shorts, knit, women's girls' and infants'	Doz.	17. 8
223	Underwear, knit	Doz.	16. 0
224	Other wearing apparel, knit, whether or not ornamented	Lb.	7. 8
225	Body supporting garments	Doz.	4. 75
226	Handkerchiefs	Doz.	1. 66
227	Mufflers, scarves and shawls, not knit	Lg.	7. 8
228	Blouses, not knit	Doz.	14. 53
229	Coats, not knit	Doz.	41. 25
230	Dresses, not knit	Doz.	45. 3
231	Dressing gowns, including bathrobes and beach robes, not knit	Doz.	51. 0
232	Pajamas and other nightwear, not knit	Doz.	51. 96
233	Playsuits, sunsuits, washsuits, etc., not knit	Doz.	21. 3
234	Dress shirts, not knit	Doz.	22. 19
235	Shirts, other, not knit	Doz.	24. 46
236	Skirts, not knit	Doz.	17. 8
237	Suits, not knit	No.	4. 5
238	Trousers, slacks and shorts, not knit	Doz.	17. 8
239	Underwear, not knit	Doz.	16. 0
240	Other wearing apparel, not knit, whether or not ornamented	Lb.	7. 8
241	Floor coverings	Sft.	0. 11
242	Other furnishings	Lb.	7. 8
243	Man-made fiber manufactures, nes.	Lb.	7. 8

II

KEDUTAAN BESAR MALAYSIA ¹
WASHINGTON

EMBASSY OF MALAYSIA
WASHINGTON, D.C.

September 8, 1970

Dear Mr. Secretary,

I have the honour to acknowledge the receipt of your Note of September 8, 1970, relating to exports of wool and man-made fibre textile products from Malaysia to the United States.

I confirm that the Government of Malaysia 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]

JAMALUDDIN BIN HAJI ABU BAKAR
Chargé d'Affaires, a.i.

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

¹ Embassy of Malaysia.