

No. 11863

**UNITED STATES OF AMERICA
and
JAPAN**

**Exchange of notes constituting an arrangement concerning trade in
cotton textiles (with annexes and related notes). Washington,
28 January 1972**

Authentic text : English.

Registered by the United States of America on 11 July 1972.

**ÉTATS-UNIS D'AMÉRIQUE
et
JAPON**

**Échange de notes constituant un accord relatif au commerce des
textiles de coton (avec annexes et notes connexes). Washington,
28 janvier 1972**

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 11 juillet 1972.

EXCHANGE OF NOTES CONSTITUTING AN ARRANGEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND JAPAN CONCERNING TRADE IN COTTON TEXTILES

I

The Japanese Ambassador to the Secretary of State

EMBASSY OF JAPAN
WASHINGTON, D.C.

Washington, January 28, 1972

Sir :

I have the honor to refer to the Protocol done in Geneva on June 15, 1970,² which extended the Long-Term Arrangement Regarding International Trade in Cotton Textiles done in Geneva on February 9, 1962³ (hereinafter referred to as “ the Long-Term Arrangement ”), and which the Government of Japan accepted on October 1, 1971.⁴

I have further the honor to refer to the recent discussions held between the representatives of the Government of Japan and the Government of the United States of America concerning trade in cotton textiles between Japan and the United States and to the notes exchanged on June 29, 1971,⁵ between the Government of Japan and the Government of the United States of America concerning trade in cotton textiles between Japan and the United States for the year 1971 (hereinafter referred to as “ the Exchange of Notes ”), and to confirm, on behalf of the Government of Japan, the understandings reached between the two Governments that, pursuant to the provisions of article 4 of the Long-Term Arrangement as extended by the said Protocol, and with a view to providing for orderly development of trade in cotton textiles between Japan and the United States, the bilateral arrangement attached hereto will be applied by the two Governments for the period of twenty-one months beginning January 1, 1972.

¹ Came into force on 28 January 1972 by the exchange of the said notes, with retroactive effect from 1 January 1972, in accordance with their provisions.

² United Nations, *Treaty Series*, vol. 753, p. 344.

³ *Ibid.*, 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.

⁴ *Ibid.*, vol. 807, p. 308.

⁵ *Ibid.*, vol. 792, p. 384.

I have further the honor to request you to be good enough to confirm the foregoing understandings on behalf of the Government of the United States of America.

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

NOBUHIKO USHIBA

Enclosure :
Attachment.

The Honorable William P. Rogers
Secretary of State of the United States of America

ARRANGEMENT BETWEEN THE GOVERNMENT OF JAPAN AND THE
GOVERNMENT OF THE UNITED STATES OF AMERICA CONCERNING
TRADE IN COTTON TEXTILES BETWEEN JAPAN AND THE UNITED
STATES

Pursuant to the provisions of article 4 of the Long-Term Arrangement, permitting "mutually acceptable arrangements on other terms not inconsistent with the basic objectives of this Arrangement," the following Arrangement will be applied by the two Governments for the period of twenty-one months beginning January 1, 1972.

1. The purpose of this Arrangement is to provide for orderly development of trade in cotton textiles between Japan and the United States. To achieve this purpose :

- (a) The Government of the United States of America will cooperate with the Government of Japan in promoting orderly development of trade in cotton textiles between Japan and the United States, and
- (b) The Government of Japan will maintain, for the period of twenty-one months beginning January 1, 1972, aggregate limits for exports of cotton textiles to the United States, and limits for major groups and limits or ceilings for certain products within those groups, subject to the provisions of this Arrangement.

2. The aggregate limits for the first twelve months period beginning January 1, 1972, and extending through December 31, 1972 (hereinafter referred to as "the first arrangement period"), and for the remaining nine months period beginning January 1, 1973, and extending through September 30, 1973 (hereinafter referred to as "the second arrangement period") will be 453,478,000 square yards equivalent and 357,114,000 square yards equivalent respectively. These limits will be sub-divided into four major groups as follows :

(a)		<i>The First Arrangement Period (Square Yards Equivalent)</i>	<i>The Second Arrangement Period (Square Yards Equivalent)</i>
Group I.	Cotton cloth	197,952,000	155,888,000
Group II.	Made-up goods, usually in- cluded in U.S. cotton broad woven goods production . .	64,670,000	50,927,000
Group III.	Apparel	175,082,000	137,877,000
Group IV.	Miscellaneous cotton textiles .	15,774,000	12,422,000

(b) Within these major groups, limits or ceilings for specific products are set forth in annex A. Within the aggregate limits, the limits for Groups I, II and IV may be exceeded by not more than 10 percent, and the limit for Group III may be exceeded by not more than 5 percent.

(c) Each group set forth above will be deemed to contain the following categories which are defined in annex B :

- Group I. Categories 5 through 27, and part of Category 32 (i.e. dedicated handkerchief cloth)
- Group II. Categories 28 through 31, 33 through 36, and Categories 32 (except for dedicated handkerchief cloth) and 64 (as specified in paragraph 6 of Annex A)
- Group III. Categories 39 through 62, and part of Category 63 (as specified in paragraph 6 of Annex A)
- Group IV. Categories 1 through 4, 37, 38, and parts of Categories 63 and 64 (as specified in paragraph 6 of Annex A)

3. (a) For each of the two arrangement periods, the Government of Japan may permit exports to exceed the aggregate, group and specific limits and ceilings by carryover in the following amounts and manner :

(1) The first arrangement period

- (i) Exports may exceed the aggregate limit, as well as group and specific limits and ceilings for the first arrangement period by carryover of not more than the lesser of 5 percent of the limits or ceilings for 1971, applied under the exchange of notes or the actual shortfall in exports under such limits or ceilings in the year 1971, and
- (ii) in the case of shortfalls in the categories subject to specific limits other than the specific limit for " all other " categories or " other " categories, and in the case of shortfalls in the categories subject to specific ceilings, the carryover will not exceed 5 percent of the specific limit or ceiling for the year 1971, and will be used in the same category in which the shortfall occurred, and

(iii) in the case of shortfalls not attributable to categories covered in subparagraph (ii) of this subparagraph, the carryover will be used in the same group in which the shortfall occurred, may be used to exceed the specific limit in which the shortfall occurred but will not be used to exceed any other applicable specific limit, except in accordance with the provisions of paragraph 5 of annex A, and will be subject to the provisions of paragraph 5 of this Arrangement and subparagraph 1(b) of annex A.

(2) The second arrangement period

(i) Exports may exceed the aggregate limit as well as group and specific limits and ceilings for the second arrangement period by carryover of not more than the lesser of 5 percent of three fourths of the applicable limits or ceilings for the first arrangement period or three fourths of the actual shortfall in exports under such limits or ceilings in the first arrangement period, and

(ii) in the case of shortfalls in the categories subject to specific limits other than the specific limit for "all other" categories or "other" categories, and in the case of shortfalls in the categories subject to specific ceilings, the carryover will not exceed 5 percent of three fourths of the specific limit or ceiling for the first arrangement period, and will be used in the same category in which the shortfall occurred, and

(iii) in the case of shortfalls not attributable to categories covered in subparagraph (ii) of this subparagraph, the carryover will be used in the same group in which the shortfall occurred, may be used to exceed the specific limit in which the shortfall occurred but will not be used to exceed any other applicable specific limit, except in accordance with the provisions of paragraph 5 of annex A, and will be subject to the provisions of paragraph 5 of this Arrangement and subparagraph 1(b) of annex A.

(b) (i) The limits and ceilings referred to in subparagraph (a) of this paragraph are without any adjustments under this paragraph or subparagraph 2(b) above, or subparagraphs 1(d), 2(b), 3(b) or 4(b) or paragraph 5 of annex A except that for the purpose of this paragraph only the level of each group limit will be deemed to be the maximum amount that Japan could have exported in that group pursuant to subparagraph 2(b) above.

(ii) The provisions of subparagraph (b)(i) above will be applied *mutatis mutandis* to the limits and ceilings for the year 1971 applicable under the exchange of notes.

(c) The carryover will be in addition to the exports permitted under subparagraph 2(b) above, and subparagraphs 1(d), 2(b), 3(b) or 4(b) and paragraph 5 of annex A.

4. In the implementation of this Arrangement, the system of categories and the rates of conversion into square yards equivalent listed in annex B will apply.

5. (a) The two Governments undertake to consult whenever there is any question arising from the implementation of this Arrangement.

(b) If instances of excessive concentration of Japanese exports in any products within the scope of this Arrangement, except those included in categories for which limits or ceilings are specified in annex A, or if instances of excessive concentration of Japanese exports of end products made from a particular type of fabric should cause or threaten to cause disruption of the United States market, the Government of the United States of America may request in writing consultations with the Government of Japan to determine an appropriate course of action. Such a request will be accompanied by a detailed, factual statement of the reasons and justification for the request, including relevant data on imports from third countries. During the course of such consultations, the Government of Japan will maintain exports in the products in question on a quarterly basis at annual levels not in excess of 105 percent of the exports of such products during the twelve most recent months for which relevant export data are available to both Governments.

(c) The provisions in subparagraph (b) above should only be resorted to sparingly. In the event that the Government of Japan considers that the substance of annex A would be seriously affected due to the consultations in subparagraph (b), the Government of Japan may request that the consultations include a discussion of possible modifications of annex A.

6. In recognition of the desire of the Government of the United States of America that excessive concentration in a short period of the year of the exports of particular products from Japan to the United States should be avoided, the Government of Japan will distribute exports from Japan to the United States of particular products equally by quarters as far as practicable and as necessary to meet seasonal demands.

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

8. The two Governments recognize that the successful implementation of this Arrangement depends in large part upon mutual cooperation on statistical questions. Accordingly, each Government agrees to supply promptly any available statistical data requested by the other Government. In particular, the Government of the United States of America will supply the Government of Japan with data on monthly imports of cotton textiles from Japan as well as from third countries, and the Government of Japan will supply the Government of the United States of America with data on monthly exports of cotton textiles to the United States.

9. As regards products in any category under specific limits or ceilings specified in this Arrangement, the Government of the United States of America will keep under review the effect of this Arrangement with a view to orderly development of trade in cotton textiles between Japan and the United States, and will furnish the Government of Japan once a year with available statistics and other relevant data on imports,

production and consumption of such products such as would clarify the impact of imports on the industry concerned.

10. If the Government of Japan considers that as a result of limits and ceilings specified in this Arrangement, Japan is being placed in an inequitable position vis-à-vis a third country the Government of Japan 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 Arrangement.

11. The two Governments understand that the terms and conditions of the Long-Term Arrangement will be applicable to trade in cotton textiles between Japan and the United States except as provided in this Arrangement. The Government of the United States of America agrees that insofar as the exports from Japan of the products falling within the scope of annex A of this Arrangement are conducted within the framework thereof the Government of the United States of America will not invoke article 3 of the Long-Term Arrangement with respect to such products.

12. (a) This Arrangement will continue in force through September 30, 1973, provided that either Government may terminate this Arrangement prior thereto effective at the beginning of a calendar year by giving sixty-days' written notice to the other Government.

(b) Each Government may at any time propose modification of this Arrangement. The other Government will give sympathetic consideration to such proposal.

ANNEX A

1. (a) The following specific limits will apply within the total limits specified in paragraph 2(a) of the Arrangement for Group I "Cotton cloth" during the first and second arrangement periods :

	<i>The First Arrangement Period</i>	<i>The Second Arrangement Period</i>
(1) Gingham (Categories 5 and 6)	72,872,000 syds.	57,387,000 syds.
(2) Velveteens (Category 7)	4,338,000 syds.	3,416,000 syds.
(3) Typewriter ribbon cloth (Category 17)	1,557,000 syds.	1,226,000 syds.
(4) All other Fabrics (Categories 8 through 16, 18 through 27 and a part of Category 32 i.e. dedicated handkerchief cloth)	119,185,000 syds.	93,858,000 syds.

(b) In the event that (1) exports from Japan of "Ginghams, combed" would substantially exceed 75 percent of the limits for "Ginghams" or exports from Japan of "All Other Fabrics" made from combed warp and filling would substantially exceed 54,654,000 square yards for the first arrangement period and 43,040,000 square

yards for the second arrangement period, and (2) as a result of this excess, such exports would cause or threaten to cause disruption of the United States domestic market, the Government of the United States of America may request, in the manner set forth in paragraph 5 of the Arrangement, consultations with the Government of Japan to determine an appropriate course of action. During the course of such consultations, the Government of Japan will maintain exports in the products in question at the same levels as those mentioned in paragraph 5(b) of the Arrangement.

(c) Within "All Other Fabrics", the following specific ceilings will not be exceeded :

	<i>The First Arrangement Period</i>	<i>The Second Arrangement Period</i>
(1) Duck (Part of Categories 26 and 27)	2,760,000 syds.	2,174,000 syds.
(2) Yarn-dyed dedicated handkerchief cloth, n.e.s. (Part of Category 32)	3,549,000 syds.	2,795,000 syds.

(d) Any shortfall below the limits specified in (1), (2) and (3) of paragraph 1(a) may be transferred to (4) "All Other Fabrics".

2. (a) The following specific limits will apply within the total limits specified in paragraph 2(a) of the Arrangement for Group II — "Made-up goods, usually included in U.S. cotton broad woven goods production" during the first and second arrangement periods :

	<i>The First Arrangement Period</i>	<i>The Second Arrangement Period</i>
(1) Pillowcases, plain (Categories 28 and 29)	8,517,000 nos.	6,707,000 nos.
(2) Handkerchiefs, except for dedicated handkerchief cloth (Part of Category 32)	1,987,000 doz.	1,565,000 doz.
(3) Sheets (Categories 34 and 35)	4,637,000 nos.	3,652,000 nos.
(4) All Other Made-Up Goods (Categories 30, 31, 33 and 36 and part of Category 64 as specified in paragraph 6 below)	23,390,000 syds.	18,416,000 syds.
	equiv.	equiv.

(b) Any shortfall below the limits specified in (1), (2) and (3) of paragraph 2(a) may be transferred to (4) — "All Other Made-Up Goods".

3. (a) The following specific limits will apply within the total limits specified in paragraph 2(a) of the Arrangement for Group III — "Apparel" during the first and second arrangement periods :

	<i>The First Arrangement Period</i>	<i>The Second Arrangement Period</i>
(1) T-shirts, knit (Categories 41 and 42)	844,000 doz.	664,000 doz.
(2) Knitshirts, other than T and sweat-shirts (Category 43)	1,276,000 doz.	1,005,000 doz.
(3) Men's and boys' shirts, dress, not knit or crocheted	603,000 doz.	475,000 doz.
(4) Men's and boys' shirts, sports, whether or not in sets, not knit or crocheted (Category 46)	1,132,000 doz.	891,000 doz.
(5) Raincoats $\frac{3}{4}$ length and over (Category 48).	95,000 doz.	75,000 doz.
(6) All other coats (Category 49)	190,000 doz.	149,000 doz.
(7) Trousers, slacks and shorts, outer, whether or not in sets, not knit or crocheted (Categories 50 and 51).	2,365,000 doz.	1,863,000 doz.
(8) Blouses, whether or not in sets, not knit or crocheted (Category 52)	2,799,000 doz.	2,204,000 doz.
(9) Dresses, not knit or crocheted (Category 53)	70,000 doz.	56,000 doz.
(10) Playsuits, sunsuits, washsuits, rompers, creepers etc., not knit or crocheted (Category 54)	284,000 doz.	224,000 doz.
(11) Nightwear and pajamas (Category 60)	190,000 doz.	149,000 doz.
(12) All Other Apparel (Categories 39, 40, 44, 47, 55 through 59, 61, 62 and part of Category 63 as specified in paragraph 6 below)	4,845,000 syds.	3,848,000 syds.
	equiv.	equiv.

(b) Any shortfall below the limits specified in (1) through (11) of paragraph 3(a) may be transferred to (12) — "All Other Apparel".

(c) Within the specific limits set forth in subparagraph (a)(7) above for "Trousers, slacks and shorts, outer, whether or not in sets, not knit or crocheted", the following specific ceilings will not be exceeded during the first and second arrangement periods :

	<i>The First Arrangement Period</i>	<i>The Second Arrangement Period</i>
(1) Men's and boys' (Category 50)	789,000 doz.	621,000 doz.
(2) Women's, misses' and children's (Category 51)	1,834,000 doz.	1,444,000 doz.

(d) The aggregate volume of exports of the following apparel items manufactured of corduroy, where the chief weight of the item is corduroy, will be limited to 33,676,000 square yards equivalent for the first arrangement period and 26,520,000 square yards equivalent for the second arrangement period, based upon the conversion factors for the items in question which appear in annex B :

<i>Category No.</i>	<i>Description</i>
46	Sportshirts
49	All other coats
50-51	Trousers
54	Playsuits

4. (a) The following specific limits will apply within the total limits specified in paragraph 2(a) of the Arrangement for Group IV "Miscellaneous cotton textiles" during the first and second arrangement periods :

	<i>The First Arrangement Period</i>	<i>The Second Arrangement Period</i>
(1) Zipper tapes, n.e.s.	1,277,000 lbs.	1,006,000 lbs.
(2) Other (Categories 1 through 4, 37, 38, parts of Categories 63 and 64 as specified in paragraph 6 below)	9,900,000 syds. equiv.	7,794,000 syds. equiv.

(b) Any shortfall below the limit specified in (1) in paragraph 4(a) may be transferred to (2) — "Other".

5. Within the aggregate limits and the limitations for each group provided for in paragraph 2 of the Arrangement, the limits and ceilings set for specific products may be exceeded by not more than 5 percent.

6. With regard to Categories 63 and 64 referred to in subparagraph 2(c) of the Arrangement and in paragraph 2, 3 and 4 of this annex, the following items or products as identified by TSUSA numbers will be included :

CATEGORY 63 (To be included in Group III except as noted otherwise)

372.1040	380.0055	382.0084
(scarves) ⁽¹⁾⁽²⁾	380.0070	382.0086
372.1540	380.0073	382.0088
(mufflers, scarves) ⁽¹⁾⁽²⁾	380.3000 ⁽³⁾	382.2700
372.1560	380.3300	382.3000
(mufflers, scarves) ⁽¹⁾⁽²⁾	380.3600	382.3334
373.0540	382.0052	382.3336
373.1045	382.0054	382.3338
380.0040	382.0056	382.3340
380.0043	382.0072	382.3342
380.0046	382.0080	382.3344
380.0052	382.0082	702.1020 ⁽³⁾
PART OF :		
380.0076 ⁽²⁾	380.3994 ⁽²⁾	382.3392 ⁽²⁾
380.3992 ⁽²⁾	382.0090 ⁽²⁾	382.3394 ⁽²⁾

i.e.

Pullovers	Diaper sets
Aprons	Dress shields ⁽³⁾
Alter cassocks	Sash belts ⁽³⁾
Beachwear sets	Apparel with bib
Swim wear	
Baseball uniforms	Bibs ⁽³⁾
Sleeping bags for infants	Belts for apparel ⁽³⁾
Halters	Shoulder straps for brassieres ⁽³⁾
Men's and boys' coveralls and overalls	Entireties

⁽¹⁾ These items will be included in Group II.⁽²⁾ The two Governments will consult as to whether or not any product other than the products enumerated for the footnoted items may be classified as an addition to these items. Such consultations will not cover shoe-uppers, Japan items, belts (other than sash belts and belts for apparel), suspenders and braces.⁽³⁾ These items will be included in Group IV.

CATEGORY 64 (To be included in Group IV except as noted otherwise)

303.2040	346.4560	347.3380
303.2042	347.1000	348.0010
315.0500 (cotton cords)	347.1500	348.0510
	347.2520 (candle wicking	350.0010
315.1000 (cotton cords)	and other wicking with	351.0500
	fast edges excluding	351.2510
315.1500 (cotton cords)	lamp and stove	351.4010
	wicking)	351.4610
345.1020		351.5010
345.1040	347.3340	351.6010

CATEGORY 64 (continued)

351.8010	363.4020 ⁽¹⁾	366.6300 ⁽¹⁾
351.9010	363.4040 ⁽¹⁾	366.6500 ⁽¹⁾
352.1010	363.4520 ⁽¹⁾	366.6900 ⁽¹⁾
352.3010	363.4540 ⁽¹⁾	366.7700 (table and
352.4010	364.1220 ⁽¹⁾	bureau covers, center-
352.5000	365.0000 ⁽¹⁾	pieces, runners, scarfs
352.8010	365.1510 ⁽¹⁾	and doilies, plain-
353.1010	365.2510 ⁽¹⁾	woven, wholly of
353.5012	365.3110 ⁽¹⁾	cotton) ¹
353.5014	365.3510 ⁽¹⁾	
353.5016	365.4010 ⁽¹⁾	372.0400 ⁽¹⁾
357.6010	365.5010 ⁽¹⁾	385.2500 ⁽¹⁾
357.7010	365.7010 ⁽¹⁾	385.3000 ⁽¹⁾
357.8010	365.7510 ⁽¹⁾	385.4000
360.2000	365.7700 ⁽¹⁾	385.6020
360.2500	365.7830 ⁽¹⁾	386.0400
360.3000	366.0300 ⁽¹⁾	386.2000
360.7522	366.0600 ⁽¹⁾	386.2500
361.0522	366.0900 ⁽¹⁾	386.3000
361.0542	366.4500 ⁽¹⁾ (plain-woven,	386.4000
361.5000	wholly of cotton)	386.5000 (zipper tape with
363.0100 ⁽¹⁾		cord attached)
363.0510 ⁽¹⁾	366.4600 ⁽¹⁾	734.5045
363.0525 ⁽¹⁾	366.6000 ⁽¹⁾	

⁽¹⁾ These items will be included in Group II.

ANNEX B

<i>Category</i>	<i>Description</i>	<i>Unit</i>	<i>Conversion Factor</i>
1.	Cotton yarn, singles, carded, not ornamented, etc.	lb.	4.6
2.	Cotton yarn, plied, carded, not ornamented, etc.	lb.	4.6
3.	Cotton yarn, singles, combed, not ornamented, etc.	lb.	4.6
4.	Cotton yarn, plied, combed, not ornamented, etc.	lb.	4.6
5.	Ginghams, carded yarn	syd.	1.0
6.	Ginghams, combed yarn	syd.	1.0
7.	Velveteens.	syd.	1.0
8.	Corduroy	syd.	1.0
9.	Sheeting, carded yarn.	syd.	1.0
10.	Sheeting, combed yarn	syd.	1.0
11.	Lawns, carded yarn	syd.	1.0
12.	Lawns, combed yarn	syd.	1.0
13.	Voiles, carded yarn.	syd.	1.0

<i>Category</i>	<i>Description</i>	<i>Unit</i>	<i>Conversion Factor</i>
14.	Voiles, combed yarn	syd.	1.0
15.	Poplin and broadcloth, carded yarn	syd.	1.0
16.	Poplin and broadcloth, combed yarn	syd.	1.0
17.	Typewriter ribbon cloth.	syd.	1.0
18.	Print cloth, shirting type, 80 × 80 type, carded yarn	syd.	1.0
19.	Print cloth, shirting type, other than 80 × 80 type, carded yarn	syd.	1.0
20.	Shirting, carded yarn	syd.	1.0
21.	Shirting, combed yarn	syd.	1.0
22.	Twill and sateen, carded yarn	syd.	1.0
23.	Twill and sateen, combed yarn.	syd.	1.0
24.	Yarn-dyed fabrics, n.e.s., carded yarn.	syd.	1.0
25.	Yarn-dyed fabrics, n.e.s., combed yarn	syd.	1.0
26.	Fabrics, n.e.s., carded yarn	syd.	1.0
27.	Fabrics, n.e.s., combed yarn	syd.	1.0
28.	Pillowcases, plain, carded yarn.	no.	1.084
29.	Pillowcases, plain, combed yarn	no.	1.084
30.	Dish towels	no.	.348
31.	Towels, other than dish towels.	no.	.348
32.	Handkerchiefs	doz.	1.66
33.	Table damasks and manufactures	lb.	3.17
34.	Sheets, carded yarn.	no.	6.2
35.	Sheets, combed yarn	no.	6.2
36.	Bedspreads, including quilts	no.	6.9
37.	Braided and woven elastics	lb.	4.6
38.	Fishing nets	lb.	4.6
39.	Gloves and mittens.	doz. pr.	3.527
40.	Hose and half hose.	doz. pr.	4.6
41.	Men's and boys' all white T-shirts, knits or crocheted	doz.	7.234
42.	Other T-shirts	doz.	7.234
43.	Knitshirts, other than T-shirts and sweatshirts (including infants)	doz.	7.234
44.	Sweaters and cardigans	doz.	36.8
45.	Men's and boys' shirts, dress, not knit or crocheted	doz.	22.186
46.	Men's and boys' shirts, sport, not knit or crocheted	doz.	24.457
47.	Men's and boys' shirts, work, not knit or crocheted	doz.	22.186
48.	Raincoats, $\frac{3}{4}$ length or over	doz.	50.0

Category	Description	Unit	Conversion Factor
49.	All other coats.	doz.	32.5
50.	Men's and boys' trousers, slacks and shorts, outer, whether or not in sets, not knit or crocheted.	doz.	17.797
51.	Women's, misses' and children's trousers, slacks and shorts, outer, whether or not in sets, not knit or crocheted.	doz.	17.797
52.	Blouses, whether or not in sets.	doz.	14.53
53.	Women's, misses', children's and infants' dresses (including nurses, and other uniform dresses), not knit or crocheted.	doz.	45.3
54.	Playsuits, sunsuits, washsuits, creepers, rompers, etc. (except blouses and shorts; blouses and trousers; or blouses, shorts and skirt sets).	doz.	25.0
55.	Dressing gowns, including bathrobes and beachrobes, lounging gowns, dusters and housecoats, not knit or crocheted.	doz.	51.0
56.	Men's and boys' undershirts (not T-shirts).	doz.	9.2
57.	Men's and boys' briefs and undershorts.	doz.	11.25
58.	Drawers, shorts and briefs (except men's and boy's briefs), knit or crocheted.	doz.	5.0
59.	All other underwear, not knit or crocheted.	doz.	16.0
60.	Nightwear and pajamas.	doz.	51.96
61.	Brassieres and other body supporting garments.	doz.	4.75
62.	Other knitted or crocheted clothing.	lb.	4.6
63.	Other clothing, not knit or crocheted.	lb.	4.6
64. ⁽¹⁾	All other cotton textile items.	lb.	4.6

(¹) Floor coverings will be measured by actual square yardages.

II

The Secretary of State to the Japanese Ambassador

DEPARTMENT OF STATE

WASHINGTON

January 28, 1972

Excellency :

I have the honor to acknowledge receipt of your note of today's date and the bilateral arrangement attached thereto concerning trade in cotton textiles between Japan and the United States which reads as follows :

[See note I]

I have further the honor to confirm the foregoing understanding on behalf of the Government of the United States of America.

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

WILLIAM P. ROGERS

His Excellency Nobuhiko Ushiba
Ambassador of Japan

RELATED NOTES

I, *a*

DEPARTMENT OF STATE
WASHINGTON

January 28, 1972

Excellency :

With reference to the Arrangement between the Government of Japan and the Government of the United States of America concerning trade in cotton textiles between Japan and the United States effected by the exchange of notes today, I have the honor to inform you of the following views and intentions of the Government of the United States of America.

1. With reference to paragraph 5(*b*) of the Arrangement, the Government of the United States of America recognizes that exports of the end products containing fabrics potentially falling under the so-called concentration clause are themselves subject to limits established in annex A of the Arrangement. It further recognizes that changing demands in the United States market may, from time to time, lead to changes in the types of fabric appearing in imports into the United States. Considering these and other circumstances, the Government of the United States of America does not intend to invoke paragraph 5(*b*) on any type of fabric except in the case of a sharp and substantial increase from present levels in imports from Japan of that fabric in the form of end items. It is to be understood that a sharp and substantial increase would be considered to apply only in those cases where present levels of imports from Japan of the fabric concerned in the form of end items already are in substantial volume in relation to total consumption in the United States.

In any event, the Government of the United States of America would give the Government of Japan advance notice prior to any invocation of the clause under discussion.

2. The Government of the United States of America wishes to assure the Government of Japan that its policy is to maintain a uniform system of classification for cotton textiles at all ports of entry. Should any difficulties arise in the implementation of the Arrangement relating to the classification of any cotton textile product, including Categories 45 and 46, at any of the several ports of entry in the United States, the Government of the United States of America, on being advised of these problems by the Government of Japan, will investigate and will take whatever steps may be necessary to correct such difficulties.

I have further the honor to request you to be good enough to acknowledge the receipt of this letter on behalf of your Government.

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

WILLIAM P. ROGERS

His Excellency Nobuhiko Ushiba
Ambassador of Japan

II, a

EMBASSY OF JAPAN
WASHINGTON, D.C.

Washington, January 28, 1972

Sir :

I have the honor to acknowledge, on behalf of my Government, receipt of your letter of today's date, which reads as follows :

[See note I, a]

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

NOBUHIKO USHIBA

The Honorable William P. Rogers
Secretary of State of the United States of America

I, b

DEPARTMENT OF STATE
WASHINGTON

January 28, 1972

Excellency :

I have the honor to confirm on behalf of my Government, the following understandings between the two Governments with reference to the Arrangement between the Government of Japan and the Government of the United States of America concerning trade in cotton textiles between Japan and the United States effected by the exchange of notes today.

1. With reference to annex A of the Arrangement, if any problem arises regarding the classification in the implementation of the Arrangement, the two Governments will consult each other with a view to finding an appropriate solution. Particularly, when questions arise whether certain products fall within the scope of annex A, the two Governments will study such questions taking into account, *inter alia*, such international standards as B.T.N. and S.I.T.C.

2. In order to avoid unnecessary work and difficulties, no change will be made in the classification of cotton textiles in the implementation of this Arrangement, except for such minor modifications relating to the classification of textiles into categories as are mutually agreed to as desirable for effective implementation of the Arrangement.

I have further the honor to request you to be good enough to confirm these understandings on behalf of your Government.

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

WILLIAM P. ROGERS

His Excellency Nobuhiko Ushiba
Ambassador of Japan

II, b

EMBASSY OF JAPAN
WASHINGTON, D.C.

Washington, January 28, 1972

Sir :

I have the honor to acknowledge receipt of your letter of today's date which reads as follows :

[See note I, b]

I have further the honor to confirm on behalf of my Government the understandings set forth in your letter.

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

NOBUHIKO USHIBA

The Honorable William P. Rogers
Secretary of State of the United States of America

I, c

EMBASSY OF JAPAN
WASHINGTON, D.C.

Washington, January 28, 1972

Sir :

With reference to annex A of the Arrangement between the Government of Japan and the Government of the United States of America concerning trade in cotton textiles between Japan and the United States effected by the exchange of notes today, I have the honor to state our understanding that the exports of uniquely Japanese products called "Japan Items" will not be included in annex A of the Arrangement. The attachment to this letter provides for the definition of "Japan Items" and enumerates those products which have been and are likely to be exported to the United States as "Japan Items". Additional items may be added to the above attachment through agreement after consultations as may become necessary in the future.

It is further understood that the exports of "Japan Items" will be made with certification by the Government of Japan. In the event that the Government of the United States of America finds that any particular products imported from Japan as "Japan Items" should not be properly classified as such, the Government of the United States of America may request consultations with the Government of Japan with a view to finding the appropriate classification of the product in question within annex A of the Arrangement.

I have further the honor to request you to be good enough to confirm these understandings on behalf of your Government.

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

NOBUHIKO USHIBA

Enclosure:
Attachment.

The Honorable William P. Rogers
Secretary of State of the United States of America

ATTACHMENT

1. *Definition of "Japan Items"*

"Japan Items" to be kept outside annex A of the said Arrangement are the items which are uniquely Japanese products. Whether a particular product should be considered as "Japan Items" or not will be determined on the basis of the following criterion.

Designed for the use in the traditional Japanese way of life, wearing "Kimono", living in "Tatami" rooms, decorating for traditional Japanese ceremonies or festivals, playing Japanese sports, etc. In other words, not in use in the regular western way of life except for hobbies or special likings.

2. *List of "Japan Items"*

The names of the items which have been and are likely to be exported as "Japan Items" are as follows:

(a) Cloth

- Kimono* Traditional Japanese style dress.
- Yukata* A type of Kimono, summer-wear made of Yukata-Ji (Plain-woven light fabrics printed in simple colors).
- Juban* Underwear for Kimono, fundamentally same style as Kimono.
- Haori* Overcoat for Kimono, usually less than $\frac{3}{4}$ length.
- Wafuku-koto* Raincoat or duster coat to be worn over Kimono, basically same style as Kimono, different from Haori in not being open in front and longer than $\frac{3}{4}$ length.
- Happi* Workers' overcoat, similar style with Haori but not dressy.
- Judogi* Kimono-style sports wear for Judo, usually accompanied by slim and $\frac{3}{4}$ length trousers and by belts.
- Kendogi* Kimono-style sports wear for Kendo, usually accompanied by Hakama (men's skirts, full length). Different from Judogi in being lighter, tighter and half-sleeves.
- Kappogi* Apron to be worn over Kimono with broad sleeves, chest and shoulders covered.
- Mcmohiki* Carpenters' or Rikishamen's trousers, often cover-alls to be worn in combination with Happi. Different from western style trousers in being extremely light and small in lower ends, usually black in color. Combination sets of Happi and Momohiki are often traded as "Carpenter Apparel".
- Sashiko* Quilted coat which is almost like Happi, typically used by firemen.

b) Clothing accessories

- Obi* (1) Wide thick belts for Kimono, usually a few inches wide or more.
 (2) Wide, thin belts for men's Kimono or Yukata, both longer than western style belts by a few times.
 (3) Judo belts, narrow but approximately twice as wide and longer than western style belts, no buckles.
- Obishime*. Woven decorative belt to be used on top of the *Obi* (1) above.
- Tabi*. Socks to be worn when one wears "Kimono" made of woven fabrics, tightly in the form of foot, having a separate division for the big toe. Reaches just above the ankle and is fastened at the back by means of an overlap having metal hook tabs.
- Koshihimo* Narrow, soft belt to be used between *Obi* and Kimono, or Kimono and Juban.
- Erisugata* A length of stiff cotton cloth to be sewn inside "Eri" collar to give a form or shape.
- Sodeguchi* Extra broad sleeves which are based on the short sleeves of Juban.
- Homaekake* Men's working apron, thick and heavy. Big in size, usually simple in color.

(c) Household goods

- Futon* Japanese style bedding, mattress and thick, large blankets. Mattress different from western style in the stuffing much softer and the covering cloth lighter. Blankets are as thick as an inch or more, also with soft stuffing.
- Futon-cover*. Cover for "Futon". Different from sheets as it covers the stuffing directly, also different in sizes as it is made to contain voluminous stuffings, usually printed or dyed.
- Zabuton* Cushion to sit on in Japanese "Tatami" rooms. Approximately a yard square, a few inches thick with soft stuffing.
- Furoshiki*. Wrapping cloth of about one and a half yards square. Different from scarf in the thickness of the fabric.
- Koinobori* Artificial carp to fly on top of a long pole on the occasion of "Boys' Festival" in the Japanese custom.
- Tenugui* Oblong towel, woven, usually with Japanese decorative design.
- Noren* Shop curtain to hang at the entrance of shops, short, with vertical cuts in several parts.

II, c

DEPARTMENT OF STATE
WASHINGTON

January 28, 1972

Excellency :

I have the honor to acknowledge receipt of your letter of today's date, which reads as follows :

[See note I, c]

I have further the honor to confirm on behalf of my Government, the understandings set forth in your letter.

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

WILLIAM P. ROGERS

His Excellency Nobuhiko Ushiba
Ambassador of Japan

I, d

DEPARTMENT OF STATE
WASHINGTON

January 28, 1972

Excellency :

On the occasion of the exchange of notes effecting thereby the Arrangement between the Government of Japan and the Government of the United States of America concerning trade in cotton textiles between Japan and the United States, I have the honor to state that there are certain items not included in annex A of the Arrangement but which are classified as "cotton textiles" by the Government of the United States of America. A list of these items, identified by the numbers of "Tariff Schedules of the United States Annotated", in effect as of January 1, 1968, is attached to this letter. It is the understanding of the Government of the United States of America that the Government of Japan does not consider some products covered by the TSUSA numbers on this list to be cotton textiles.

Nevertheless, in the event imports from Japan in any of the items or products enumerated in the attached list should cause or threaten to cause disruption of the United States domestic market, the Government of the United States of America may request consultations with the Government of Japan for the purpose of finding an appropriate course of action.

The consultations will be conducted in the manner provided in paragraph 5 of the Arrangement if the item or product in question is considered a cotton textile by the Government of Japan, or in any other manner agreeable to both Governments if the item or product in question is not considered a cotton textile by the Government of Japan. The Government of Japan will promptly notify the Government of the United States of America whether or not it considers the item or product in question to be a cotton textile.

While the Government of the United States of America agrees and prefers to seek a mutually satisfactory solution through the means mentioned above, it reserves its right, if such a settlement cannot be reached expeditiously, to invoke article 3 of the

Long-Term Arrangement Regarding International Trade in Cotton Textiles, concerning the items or products enumerated in the attached list.

I have further the honor to request you to be good enough to confirm these understandings on behalf of your Government.

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

WILLIAM P. ROGERS

Enclosure :

Attachment.

His Excellency Nobuhiko Ushiba
Ambassador of Japan

ATTACHMENT

300.6020	349.1010	358.2610	366.4500 ⁽³⁾	385.7020
300.6022	349.1012	359.1020	366.4700	385.7520
300.6024	355.0200	359.1040	366.7700 ⁽⁴⁾	385.8020
300.6026	355.5000	359.1060	366.7900	386.5000 ⁽⁶⁾
300.6028	355.6510	360.8022	376.0420	706.2015
303.1000	356.1010	361.1820	376.5400	706.2240
315.0500 ⁽¹⁾	356.1510	361.2010	380.0076 ⁽⁵⁾	706.2270
315.1000 ⁽¹⁾	356.2000	361.5422	380.3980	706.2415
315.1500 ⁽¹⁾	356.2510	361.5622	380.3994 ⁽⁵⁾	727.8020
332.4020	358.0210	363.6025	382.0090 ⁽⁵⁾	727.8040
332.4040	358.0510	363.6040	382.3380	731.4000
347.2520 ⁽²⁾	358.0610	364.1520	382.3394 ⁽⁵⁾	
347.3320	358.2410	366.1520	385.5520	

⁽¹⁾ Part of these items included, i.e., other than cords.

⁽²⁾ Part of this item included, i.e., lamp and stove wicking and other wicking without fast edges.

⁽³⁾ Part of this item included, i.e., other than plain-woven and wholly cotton.

⁽⁴⁾ Part of this item included, i.e., other than table and bureau covers, center-pieces, runners, doilies, plain-woven and wholly of cotton.

⁽⁵⁾ Part of these items included, i.e., shoe uppers, belts (other than sash belts and belts for apparel), suspenders and braces.

⁽⁶⁾ Part of this item excluded, i.e., zipper tapes with cord attached.

II, d

EMBASSY OF JAPAN

WASHINGTON

Washington, January 28, 1972

Sir :

I have the honor to acknowledge receipt of your letter of today's date, which reads as follows :

[See note I, d]

With regard to the above-stated understandings of the Government of the

United States of America, I wish to confirm, on behalf of my Government, that these are also the understandings of the Government of Japan with the following reservation.

In the event the Government of the United States of America exercises its right to invoke article 3 of the Long-Term Arrangement, the Government of Japan may exercise its rights as an exporting country in accordance with the various relevant provisions of the Long-Term Arrangement, including the right to bring questions of interpretation or application of the Long-Term Arrangement to the GATT Cotton Textiles Committee in accordance with article 8 of the Long-Term Arrangement.

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

NOBUHIKO USHIBA

The Honorable William P. Rogers
Secretary of State of the United States of America

I, e

DEPARTMENT OF STATE
WASHINGTON

January 28, 1972

Excellency :

With reference to the Arrangement between the Government of Japan and the Government of the United States of America concerning trade in cotton textiles between Japan and the United States attached to the Notes exchanged today, I have the honor to state the understanding of my Government that, at a mutually acceptable date prior to the reversion of Okinawa, the two Governments will consult to amend the Arrangement referred to above in order to accommodate the cotton textile export limits on exports of cotton textiles from Okinawa to the United States under the arrangements made on October 1, 1970, by the United States Civil Administration of the Ryukyu Islands for the industries concerned of Okinawa.*

I have further the honor to request you to be good enough to confirm that this is also the understanding of your Government.

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

WILLIAM P. ROGERS

His Excellency Nobuhiko Ushiba
Ambassador of Japan

II, e

EMBASSY OF JAPAN
WASHINGTON

Washington, January 28, 1972

Sir :

I have the honor to acknowledge receipt of your note of today's date which reads as follows :

[See note I, e]

* Not printed.

I have further the honor to confirm that the above is also the understanding of my Government.

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

NOBUHIKO USHIBA

The Honorable William P. Rogers
Secretary of State of the United States of America
