

No. 12993

**UNITED STATES OF AMERICA
and
PORTUGAL**

Exchange of notes constituting an agreement relating to trade in wool and man-made fiber textile products with Macau (with annex). Lisbon, 22 December 1972

Exchange of notes constituting an agreement amending the above-mentioned Agreement. Washington, 14 and 18 May 1973

Authentic texts: English.

Registered by the United States of America on 23 January 1974.

**ÉTATS-UNIS D'AMÉRIQUE
et
PORTUGAL**

Échange de notes constituant un accord relatif au commerce des produits textiles en laine et en fibres synthétiques avec Macao (avec annexe). Lisbonne, 22 décembre 1972

Échange de notes constituant un accord portant modification de l'Accord susmentionné. Washington, 14 et 18 mai 1973

Textes authentiques : anglais.

Enregistrés par les États-Unis d'Amérique le 23 janvier 1974.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND PORTUGAL RELATING TO TRADE IN WOOL AND MAN-MADE FIBER TEXTILE PRODUCTS WITH MACAU

I

The American Ambassador to the Portuguese Minister of Foreign Affairs

EMBASSY OF THE UNITED STATES OF AMERICA
LISBON

December 22, 1972

No. 305

Excellency:

I refer to recent discussions between our two governments concerning exports of man-made fiber and wool textile products from Macau to the United States of America. As a result of those discussions, I propose the following agreement:

1. The Government of Portugal shall limit exports of wool and man-made fiber textile products from Macau to the United States for the five agreement years beginning January 1, 1973, and extending through December 31, 1977, to the annual aggregate and specific limits as set forth below, and in accordance with the provisions of this Agreement:

(a) The aggregate limits for exports of man-made fiber textile products from Macau to the United States for the first and second agreement years shall be:

First Agreement Year (Jan. 1, 1973-Dec. 31, 1973)

24,000,000 square yards equivalent

Second Agreement Year (Jan. 1, 1974-Dec. 31, 1974)

25,680,000 square yards equivalent

The aggregate limits for the third, fourth, and fifth years shall be the subject of subsequent consultations for the apportionment of such limits within a total for those years of 82,934,000 square yards equivalent.

(b) The aggregate limit for exports of wool textile products from Macau to the United States for the five years of the Agreement shall be as indicated below:

First Agreement Year (Jan. 1, 1973-Dec. 31, 1973)

2,000,000 square yards equivalent

Second Agreement Year (Jan. 1, 1974-Dec. 31, 1974)

2,020,000 square yards equivalent

Third Agreement Year (Jan. 1, 1975-Dec. 31, 1975)

2,040,200 square yards equivalent

Fourth Agreement Year (Jan. 1, 1976-Dec. 31, 1976)

2,060,600 square yards equivalent

Fifth Agreement Year (Jan. 1, 1977-Dec. 31, 1977)

2,081,210 square yards equivalent.

2. Within the applicable aggregate limits for man-made fibre textiles set forth in paragraph 1(a) above, the following specific limits shall apply for the first and second agreement years:

¹ Came into force on 22 December 1972 by the exchange of the said notes.

Man-Made Fiber Textile Products

		<i>First Agreement Year</i>	
<i>Category</i>		<i>Units</i>	<i>Syds. Equiv.</i>
219	Other shirts and blouses, knit	247,059 Doz.	4,536,000
221	Sweaters and cardigans, knit	142,826 Doz.	5,256,000
222	Trousers, knit WGI	226,517 Doz.	4,032,000
223	Underwear, knit	111,000 Doz.	1,776,000
224	Other knit wearing apparel	193,846 Lbs.	1,512,000
229	Coats, not knit	140,800 Doz.	5,808,000
230	Dresses, not knit	12,715 Doz.	576,000
		<i>Second Agreement Year</i>	
<i>Category</i>		<i>Units</i>	<i>Syds. Equiv.</i>
219	Other shirts and blouses, knit	264,353 Doz.	4,853,520
221	Sweaters and cardigans, knit	152,834 Doz.	5,623,920
222	Trousers, knit WGI	242,373 Doz.	4,314,240
223	Underwear, knit	118,770 Doz.	1,900,320
224	Other knit wearing apparel	207,415 Lbs.	1,617,840
229	Coats, not knit	150,656 Doz.	6,214,560
230	Dresses, not knit	13,351 Doz.	616,320

3. In consideration of transitional problems arising in the implementation of this Agreement, an additional 3,000,000 square yards equivalent of man-made fiber textile products may be exported in the first agreement year or divided between the first and second agreement years. Distribution of this incremental yardage to categories with specific limits and to categories without specific limits shall be made in the same ratio as the limits applicable to categories with and without specific limits bear to the unadjusted aggregate limit applicable in the year in which the incremental yardage is to be applied.

4. For categories not given a specific limit the consultation levels in annex A shall apply. Exports from Macau to the United States shall not exceed these levels without consultation with, and approval of, the United States.

5. The following shall be applied separately to the wool textile aggregate, and to the man-made fiber textile aggregate and specific limits.

(a) For any agreement year subsequent to the first agreement year and immediately following a year of a shortfall (i.e., a year in which textile exports from Macau were below the aggregate limit and specific limits applicable to the category concerned) the Government of Portugal may permit exports from Macau 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 in the year of the shortfall, and
- (ii) In the case of shortfalls in the categories subject to specific limits, the carryover shall be used in the same category in which the shortfall occurred, and shall not exceed five percent of the specific limit in the year of the shortfall, and
- (iii) In the case of shortfalls not attributable to categories subject to specific limits, the carryover shall be used in the categories not subject to specific limits and shall not be used to exceed any applicable specific limit except in accordance with the provisions of paragraph 6 and shall be subject to the provisions of paragraph 4 of this Agreement.

(b) The limits referred to in subparagraph (a) of this paragraph are without any adjustments under this paragraph or paragraph 6.

(c) The carryover shall be in addition to the exports permitted in paragraph 6 of this Agreement and shall not apply to the incremental yardage made available under paragraph 3.

6. Within the applicable aggregate limit as adjusted pursuant to paragraph 5, exports in any category given a specific limit may exceed that limit by not more than five percent; provided, however, that the total of exports authorized for any category under this paragraph shall not exceed five percent of the unadjusted category limit for the year in question. Within

the applicable aggregate limit, the square yard equivalent of any shortfalls occurring in exports in the categories given specific limits may be used in any category not given a specific limit during the year of the shortfall.

7. The Government of Portugal shall use its best efforts to space exports from Macau to the United States of America as evenly as practicable taking into account seasonal factors.

8. Each Government agrees to supply promptly any relevant available statistical data requested by the other Government. In particular, the Governments agree to exchange monthly data on exports and imports of wool and man-made fiber textile products from Macau to the United States of America.

9. (a) For the purpose of this Agreement the schedules of categories and conversion factors attached hereto as annex B shall apply.

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

(b) (ii) For purposes of this Agreement a product covered under (b) (i) and not listed in annex B 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 content, or (c) the product contains no man-made fiber. All other products under (b) (i) but not listed in annex B shall be considered man-made fiber textile products.

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

10. (a) The Governments agree to consult on any question arising in the implementation of this Agreement. 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.

(b) Experts of the two Governments shall meet to consider hardship situations which may arise during the term of the present Agreement. The experts may make recommendations to the two governments for appropriate solutions. In considering these situations, conditions in both countries shall be taken into account.

11. The Government of Portugal shall administer its export control system under this Agreement. The Government of the United States of America may assist the Government of Portugal in implementing the limitations of this Agreement.

12. If the Government of Portugal considers that as a result of limitations specified in this Agreement, Macau is being placed in an inequitable position vis-à-vis a third country, the Government of Portugal 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. In the event that any multilateral international arrangement affecting world trade in cotton, man-made fiber and wool textiles is agreed within the term of this Agreement, and provided that both Governments accept such an arrangement, both Governments agree to consult promptly to review the terms of this Agreement and to effect such adjustment as may be mutually agreed as necessary to render the terms of this Agreement consonant with the rights and obligations of both Governments arising from any such international arrangement.

14. Either Government may terminate this Agreement effective at the end of an agreement year by written notice to the other Government to be 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 Portugal, this note and your note of confirmation on behalf of the Government of Portugal shall constitute an agreement between the Government of Portugal and the Government of the United States of America.

Accept, Excellency, the assurances of my highest consideration.

[Signed]

RIDGWAY B. KNIGHT

His Excellency Rui Manuel d'Espiney Patrício
Minister of Foreign Affairs
Lisbon

ANNEX A

Consultation levels for categories not given specific limits shall increase for each successive year of the Agreement as indicated below:

Man-Made Fiber Textile Products

<i>Agreement Year</i>	<i>For Apparel Categories (Cats. 214-240)</i>	<i>For Non-apparel Categories (Cats. 200-213 & 241-243)</i>
First	350,000	500,000
Second	367,500	525,000
Third	385,875	551,250
Fourth	405,169	578,813
Fifth	425,427	607,753

Wool Textile Products (all)

<i>Agreement Year</i>	<i>Level</i>
First	100,000
Second	101,000
Third	102,010
Fourth	103,030
Fifth	104,060

ANNEX B

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
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.	1.0
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 infant 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 boys' suits	No.	4.5
121	Men's and boys' outer coats	No.	4.5
122	Woman's, misses', and children's coats and suits	No.	4.75

<i>Category</i>	<i>Description</i>	<i>Unit of Measure</i>	<i>Syd. Conversion</i>
123	Woman's, misses's, 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 article including veiling	Lb.	1.95
128	Miscellaneous wool manufactures	Lb.	1.95
131	Braided floor coverings	Sft.	.0111
132	Wool floor coverings, nes.	Sft.	.0111

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, cellulose	Lb.	5.19
202	Yarn wholly of continuous filament, other ..	Lb.	11.6
203	Yarn wholly of non-continuous filament, cellulose	Lb.	3.4
204	Yarn wholly of non-continuous filament, other	Lb.	4.12
205	Yarns, other	Lb.	3.51
206	Woven fabrics, cellulose, wholly of continuous man-made fiber.	Lb.	1.0
207	Woven fabrics, cellulose, 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 fabric 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
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	Lb.	7.8
228	Blouses, not knit	Doz.	14.53

Category	Description	Unit of Measure	Syd. Conversion
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

The Portuguese Minister of Foreign Affairs to the American Ambassador

MINISTÉRIO DOS NEGÓCIOS ESTRANGEIROS
GABINETE DO MINISTRO¹

December 22, 1972

Excellency,

I have the honor to acknowledge the receipt of your note of December 22, 1972, relating to your proposed agreement between our two Governments concerning exports of man-made fiber and wool textile products from Macau to the United States of America.

I confirm that the Government of Portugal 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, Excellency, the renewed assurances of my highest consideration.

RUI PATRÍCIO

His Excellency Ridgway B. Knight
Ambassador of the United States of America
Lisbon

¹ Ministry of Foreign Affairs, Office of the Minister.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND PORTUGAL AMENDING THE AGREEMENT OF 22 DECEMBER 1972 RELATING TO TRADE IN WOOL AND MAN-MADE FIBER TEXTILE PRODUCTS WITH MACAU²

I

The Secretary of State to the Portuguese Ambassador

May 14, 1973

Excellency:

I have the honor to refer to the Agreement between Portugal and the United States of America concerning trade in wool and man-made fiber textiles with Macao effected by exchange of notes at Lisbon on December 22, 1972.²

I further have the honor to refer to annex B of the Agreement and propose an amendment thereto in order to correct an error in the text. The units to square yards conversion factors for Categories 131 and 132 should read 0.11, not .0111 as at present.

If the foregoing is acceptable to your Government, this note and Your Excellency's note of acceptance on behalf of the Government of Portugal will constitute an amendment to the Agreement.

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

For the Secretary of State:

WILLIS C. ARMSTRONG

His Excellency João Hall Themido
Ambassador of Portugal

¹ Came into force on 18 May 1973 by the exchange of the said notes.

² See p. 36 of this volume.

II

*The Portuguese Ambassador to the Secretary of State*PORTUGUESE EMBASSY
WASHINGTON

May 18, 1973

Excellency:

I have the honor to refer to Your Excellency's note of May 14, 1973, proposing an amendment to correct an error which appeared in categories 131 and 132 of annex B of the Agreement between Portugal and the United States of America concerning trade in wool and man-made fiber textiles with Macao, effected by exchange of notes at Lisbon on December 22, 1972.

I further have the honor to inform Your Excellency that the Government of Portugal agrees that the units to square yards conversion factors for said categories should read 0.11, not .0111 as at present; and that Your Excellency's note and this note of acceptance will constitute an amendment to the Agreement.

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

JOÃO HALL THEMIDO

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