

No. 12992

**UNITED STATES OF AMERICA
and
PORTUGAL**

**Exchange of notes constituting an agreement relating to trade
in cotton textiles with Macau (with annex). Lisbon, 22
December 1972**

**Exchange of notes constituting an agreement amending the
above-mentioned Agreement. Lisbon, 30 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 textiles de coton avec Macao (avec annexe). Lis-
bonne, 22 décembre 1972**

**Échange de notes constituant un accord modifiant l'Accord
susmentionné. Lisbonne, 30 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 COTTON TEXTILES 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. 306

Excellency:

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 by Protocol until September 30, 1973.³

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

1. The term of this Agreement shall be from January 1, 1973 through December 31, 1977. During the term of this Agreement the Government of Portugal shall limit annual exports of cotton textiles from Macau to the United States to an aggregate limit at the levels specified in the following paragraphs.

2. For the first agreement year, constituting the 12-month period beginning January 1, 1973 the aggregate limit shall be 2,500,000 square yards equivalent.

3. Within the aggregate limit, the following specific limits shall apply. For the first agreement year the levels shall be as follows:

<i>Category</i>	<i>Units</i>	<i>Syds. Equiv.</i>
50 Men's and boy's trousers	39,332 Doz.	700,000
62 Wearing apparel, knit, n.e.s.	152,174 Lbs.	700,000

4. Within the aggregate limit, specific limits may be exceeded by not more than 5 percent.

5. Categories not given specific limits are subject to consultation levels and to the aggregate limit. In the event the Government of Portugal wishes to permit exports from Macau to the United States in any category in excess of the applicable consultation level during any agreement year, the Government of Portugal 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 Portugal shall limit exports from Macau to the United States in the category in question to the consultation level. For the first agreement

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

² United Nations, *Treaty Series*, vol. 471, p. 296.

³ *Ibid.*, vol. 753, p. 344.

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 any limitation is in effect under this Agreement, the level of exports permitted under such limitation 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 paragraphs 4 or 7.

7. (a) For any agreement year immediately following a year of a shortfall (i.e., a year in which cotton textile exports from Macau to the United States were below the aggregate limit and any 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 either 5 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 not exceed 5 percent of the specific limit in the year of the shortfall, shall be used in the same category in which the shortfall occurred, and shall be in addition to the exports permitted in paragraph 4, and
- (iii) In the case of shortfalls not attributable to categories subject to specific limits, the shortfall shall not be used to exceed any applicable specific limit except in accordance with the provisions of paragraph 4, and shall not be used to exceed the limits in paragraph 5 of the Agreement.

(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 Portugal shall use its best efforts to space exports from Macau 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 Portugal with data on monthly imports of cotton textiles from Macau; and the Government of Portugal shall promptly supply the Government of the United States of America with data on monthly exports of cotton textiles from Macau 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 Portugal 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 Portugal considers that, as a result of limitations specified in this Agreement, Macau is being placed in an inequitable position vis-a-vis a third country, the Government of Portugal 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 Macau to the United States.

15. The Government of the United States of America may assist the Government of Portugal 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 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

<i>Category Number</i>	<i>Description</i>	<i>Unit</i>	<i>Conversion Factor to Syds.</i>
1	Cotton Yarn, carded, singles	Lb.	4.6
2	Cotton Yarn, carded, plied	Lb.	4.6
3	Cotton Yarn, combed, singles	Lb.	4.6
4	Cotton Yarn, combed, plied	Lb.	4.6
5	Gingham, carded	Syd.	Not required
6	Gingham, combed	Syd.	Not required
7	Velveteen	Syd.	Not required
8	Corduroy	Syd.	Not required
9	Sheeting, carded	Syd.	Not required
10	Sheeting, combed	Syd.	Not required
11	Lawns, carded	Syd.	Not required
12	Lawns, combed	Syd.	Not required
13	Voile, carded	Syd.	Not required
14	Voile, combed	Syd.	Not required
15	Poplin and Broadcloth, carded	Syd.	Not required
16	Poplin and Broadcloth, combed	Syd.	Not required
17	Typewriter ribbon cloth	Syd.	Not required
18	Print cloth, shirting type, 80×80 type, carded	Syd.	Not required
19	Print cloth, shirting type, other than 80×80 type, carded	Syd.	Not required
20	Shirting, Jacquard or dobby, carded	Syd.	Not required
21	Shirting, Jacquard or dobby, combed	Syd.	Not required
22	Twill and sateen, carded	Syd.	Not required
23	Twill and sateen, combed	Syd.	Not required
24	Woven fabric, n.e.s., yarn dyed carded	Syd.	Not required

<i>Category Number</i>	<i>Description</i>	<i>Unit</i>	<i>Conversion Factor to Syds.</i>
25	Woven fabric, n.e.s., Yarn dyed combed . . .	Syd.	Not required
26	Woven fabric, n.e.s., other, carded	Syd.	Not required
27	Woven fabric, n.e.s., other, combed	Syd.	Not required
28	Pillowcases, not ornamented, carded	Nos.	1.084
29	Pillowcases, not ornamented, combed	Nos.	1.084
30	Towels, dish	Nos.	.348
31	Towels, other	Nos.	.348
32	Handkerchiefs, whether or not in the piece . .	Doz.	1.66
33	Table damask and manufactures	Lb.	3.17
34	Sheets, carded	Nos.	6.2
35	Sheets, combed	Nos.	6.2
36	Bedspreads and quilts	Nos.	6.9
37	Braided and woven elastic	Lb.	4.6
38	Fishing nets and fish netting	Lb.	4.6
39	Gloves and mittens	Doz. prs.	3.527
40	Hose and half hose	Doz. prs.	4.6
41	T-shirts, all white, knit, men's and boys'	Doz.	7.234
42	T-shirts, other knit	Doz.	7.234
43	Shirts, knit, other than T-shirts and sweat-shirts	Doz.	7.234
44	Sweaters and cardigans	Doz.	36.8
45	Shirts, dress, not knit, men's and boys'	Doz.	22.186
46	Shirts, sport, not knit, men's and boys'	Doz.	24.457
47	Shirts, work, not knit, men's and boys'	Doz.	22.186
48	Raincoats, $\frac{3}{4}$ length or longer, not knit	Doz.	50.0
49	Coats, other, not knit	Doz.	32.5
50	Trousers, slacks, and shorts (outer), not knit, men's and boys'	Doz.	17.797
51	Trousers, slacks and shorts (outer), not knit, women's, girls', and infants'	Doz.	17.797
52	Blouses, not knit	Doz.	14.53
53	Dresses (including uniforms)	Doz.	45.3
54	Playsuits, sunsuits, washsuits, creepers, rompers, etc., not knit, n.e.s.	Doz.	25.0
55	Dressing gowns, including bathrobes and beachrobes, lounging gowns, housecoats, and dusters, not knit	Doz.	51.0
56	Undershirts, knit, men's and boys'	Doz.	9.2
57	Briefs and undershorts, men's and boys'	Doz.	11.25
58	Drawers, shorts and briefs, knit, n.e.s.	Doz.	5.0
59	All other underwear, not knit	Doz.	16.0
60	Pajamas and other nightwear	Doz.	51.96
61	Brassieres and other body supporting garments	Doz.	4.75
62	Wearing apparel, knit, n.e.s.	Lb.	4.6
63	Wearing apparel, not knit, n.e.s.	Lb.	4.6
64	All other cotton textiles	Lb.	4.6

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 cotton textiles 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
Lisboa

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 COTTON TEXTILES WITH MACAU²

I

The American Chargé d'Affaires ad interim to the Portuguese Minister of Foreign Affairs

Lisbon, May 30, 1973

No. 135

Excellency:

I have the honor to refer to the cotton textile agreement between our two Governments effected by exchange of notes on December 22, 1972.² As a result of conversations between representatives of our Governments, I have the honor to propose that the aforementioned Agreement be amended as provided in the following paragraphs:

A. Paragraph 2 is amended to read as follows:

“For the first agreement year, constituting the twelve-month period beginning January 1, 1973, the aggregate limit shall be 3,100,000 square yards equivalent.”

B. Paragraph 3 is amended to read as follows:

“Within the aggregate limit, the following specific limits shall apply. For the first agreement year, the levels shall be as follows:

<i>Category</i>	<i>Units</i>	<i>Syds. Equiv.</i>
49 Coats, other, not knit	27,692 Doz.	900,000
50/51 Trousers, slacks, and shorts (outer), not knit	53,330 Doz.	950,000
62 Wearing apparel, knit, n.e.s.	152,174 Lbs.	700,000”

If the foregoing is acceptable to your Government, this note and Your Excellency's note of acceptance on behalf of the Government of Portugal shall constitute an amendment of the cotton textile agreement effected by exchange of notes on December 22, 1972.

Accept, Excellency, the assurances of my highest consideration.

[Signed]

RICHARD ST. F. POST

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

¹ Came into force on 30 May 1973 by the exchange of the said notes.

² See p. 20 of this volume.

II

*The Portuguese Minister of Foreign Affairs
to the American Chargé d'Affaires ad interim*

MINISTÉRIO DOS NEGÓCIOS ESTRANGEIROS
GABINETE DO MINISTRO¹

May 30, 1973

Excellency:

I have the honour to acknowledge the receipt of your note of May 30, 1973, relating to your proposed amendments to the cotton textile agreement between our two Governments effected by exchange of notes on December 22, 1972.

I confirm that the Government of Portugal agrees to the proposals set forth in your note and that Your Excellency's note and this reply constitute an amendment of the cotton textile agreement effected by exchange of notes on December 22, 1972.

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

[Signed]

RUI PATRÍCIO
Minister of Foreign Affairs

His Excellency Richard St. F. Post
Chargé d'Affaires a.i. of the United States of America
Lisbon

¹ Ministry of Foreign Affairs, Office of the Minister.