No. 14652

UNITED STATES OF AMERICA and ROMANIA

Exchange of notes constituting an agreement concerning trade in cotton textiles (with annex). Washington, 2 June 1975

Authentic text: English. Registered by the United States of America on 11 March 1976.

ÉTATS-UNIS D'AMÉRIQUE et ROUMANIE

Échange de notes constituant un accord relatif au commerce des textiles de coton (avec annexe). Washington, 2 juin 1975

Texte authentique : anglais. Enregistré par les États-Unis d'Amérique le 11 mars 1976.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT' BE-TWEEN THE UNITED STATES OF AMERICA AND THE SOCIAL-IST REPUBLIC OF ROMANIA CONCERNING TRADE IN COT-TON TEXTILES

I

The Secretary of State to the Romanian Ambassador

June 2, 1975

Excellency:

I refer to the Arrangement Regarding International Trade in Textiles done at Geneva on December 20, 1973,² hereinafter referred to as the Arrangement. I also refer to the recent discussions between Representatives of our two Governments concerning exports of cotton textiles from Romania to the United States. As a result of those discussions, and in conformity with Articles 4 and 6 of the Arrangement, I wish to propose the following Agreement relating to trade in cotton textiles between Romania and the United States to replace and supersede, effective January 1, 1975, the existing Cotton Textile Agreement of December 31, 1970,³ relating to this trade.

1. The term of this Agreement shall be from January 1, 1975, through December 31, 1977. During such term, the Government of the Socialist Republic of Romania shall limit annual exports from Romania to the United States of America to the annual levels specified in the following paragraphs.

2. The aggregate limit for the three Agreement years shall be as follows:

	square yards equivalent
1st Agreement year (January 1-December 31, 1975)	18,000,000
2nd Agreement year (January 1-December 31, 1976)	19,260,000
3rd Agreement year (January 1-December 31, 1977)	20,608,000

3. (a) Within the aggregate limit, exports in individual categories shall be subject to category consultation levels. For categories not listed in (b) of this paragraph, the annual consultation levels shall be 1,000,000 square yards equivalent for each nonapparel category and 700,000 square yards equivalent for each apparel category.

(b) The following categories shall have designated annual consultation levels as indicated:

	Designated annual consultation level
26 (part). Other cotton fabrics, carded, except duck	3,000,000
41. All white T-shirts	3,000,000
42. Other T-shirts	3,000,000
43. Other knit shirts	3,000,000
47. Work shirts, not knit	1,500,000
48. Raincoats, 34 length or longer	3,000,000
49. Other coats	3,000,000
50. Trousers, slacks and shorts, men's and boys'	3,000,000

¹ Came into force on 2 June 1975 by the exchange of the said notes, with retroactive effect from 1 January 1975, in accordance with their provisions.

² United Nations, Treaty Series, vol. 930, p. 166.

³ Ibid., vol. 776, p. 173.

(c) In the event the Government of the Socialist Republic of Romania wishes to export to the United States of America textile products in excess of the applicable consultation levels, the Government of the Socialist Republic of Romania shall request the higher levels and the Government of the United States of America shall consider the request sympathetically and shall respond promptly. If, because of problems of market disruption in the United States of America in a category subject to such request, the United States of America is unable to comply fully, the United States of America will so inform the Government of the Socialist Republic of Romania and will supply information which forms the basis of the position taken by the United States of America. The Government of the United States of America will consult promptly with the Government of the Socialist Republic of Romania to arrive at a mutually satisfactory solution. Until a mutually satisfactory solution is reached, shipments shall not exceed the existing consultation level.

4. (a) In any Agreement year, exports may exceed by a maximum of 11 percent the aggregate limit by allocating to the limit for that year an unused portion of the aggregate limit for the previous Agreement year (carryover) or a portion of the aggregate limit for the succeeding Agreement year (carry forward):

- (i) carryover may be utilized as available up to 11 percent of the receiving year's aggregate limit, but for the first Agreement year only shall be limited to 5 percent;
- (ii) carry forward may be utilized up to 6 percent of the receiving year's aggregate limit and charged against the next year's aggregate limit;
- (iii) the combination of carryover and carry forward may not exceed 11 percent of the receiving year's aggregate limit in any Agreement year.

(b) For purposes of this Agreement a shortfall occurs when exports from the Socialist Republic of Romania to the United States of America during an Agreement year are below the aggregate limit in this Agreement or the limit in force for the year ending December 31, 1974, provided for in the Cotton Textile Agreement of December 31, 1970. The carryover shall not exceed the amount of such shortfalls.

(c) Carryover and carry forward shall not be used to exceed any category consultation level except in accordance with the consultation procedures of paragraph 3(c), hereof.

(d) The limits referred to in subparagraphs (a) and (b) of this paragraph are without any adjustments hereunder.

5. In accordance with Article 12, paragraph 3, of the Arrangement and subject to the establishment of a mutually agreed upon certification system, exports from the Socialist Republic of Romania to the United States of America of handloom fabrics of the cottage industry of Romania, or handmade cottage industry products of such handloom fabrics, or traditional folklore textile products shall not be subject to the provisions of this Agreement.

6. The Government of the Socialist Republic of Romania shall use its best efforts to space exports from Romania to the United States within each category evenly throughout the Agreement year, taking into consideration normal seasonal factors.

7. The Government of the United States of America shall promptly supply the Government of the Socialist Republic of Romania with data on monthly imports of cotton textiles from Romania; and the Government of the Socialist Republic of Romania shall promptly supply the Government of the United States of America with quarterly data on exports of cotton textiles to the United States. Each Government agrees to supply promptly any other pertinent and readily available statistical data requested by the other Government.

8. In implementing this Agreement, the system of categories and the rates of conversion into square yards equivalent 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 chief weight or chief value criterion provided for in Article 12 of the Arrangement is used, the chief value criterion used by the Government of the United States of America shall apply.

9. The Government of the Socialist Republic of Romania and the Government of the United States of America agree to consult on any question arising in the implementation of this Agreement.

10. 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.

11. If the Government of the Socialist Republic of Romania considers that, as a result of limitations specified in this Agreement, Romania is being placed in an inequitable position visà-vis a third country, the Government of the Socialist Republic of Romania may request consultation with the Government of the United States of America with a view to taking appropriate remedial action such as reasonable modification of this Agreement.

12. For the duration of this Agreement, the Government of the United States of America shall not invoke the procedures of Article 3 of the Arrangement to request restraint on the export of cotton textiles from Romania to the United States.

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

14. Either Government may terminate this Agreement effective at the end of any Agreement year by written notice to the other Government to be given at least 90 days prior to the end of such Agreement year. Either Government may at any time propose revisions in the terms of this Agreement.

If the foregoing proposal is acceptable to the Government of the Socialist Republic of Romania, this note and your note of confirmation on behalf of the Government of the Socialist Republic of Romania shall constitute an agreement between the Government of the Socialist Republic of Romania and the Government of the United States of America.

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

For the Secretary of State: JULIUS L. KATZ

His Excellency Corneliu Bogdan Ambassador of the Socialist Republic of Romania

ANNEX

Category	Description	Unit	Conversion factor
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

A /	2		Conversion
Category 14.	Description	Unit Sud	factor 1.0
14.	Voiles, combed yarn Poplin and broadcloth, carded yarn	Syd. Syd.	1.0
15.	Poplin and broadcloth, combed yarn	Syd.	1.0
10.	Typewriter ribbon cloth	Syd.	1.0
18.	Print cloth, shirting type, 80×80 type, carded yarn	Syd.	1.0
19.	Print cloth, shirting type, obx so type, carded yarn \dots	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.	0.348
31.	Towels, other than dish towels	No.	0.348
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. 46.	Men's and boys' shirts, dress, not knit or crocheted	Doz.	22.186
40. 47.	Men's and boys' shirts, sport, not knit or crocheted	Doz.	24.457
47.	Men's and boys' shirts, work, not knit or crocheted Raincoats, 34 length or over	Doz. Doz.	22.186 50.0
40. 49.	All other coats	Doz. Doz.	32.5
49. 50.	Men's and boys' trousers, slacks and shorts, outer, whether or not	D02.	32.5
50.	in sets, not knit or crocheted	Doz.	17.797
51.	Women's, misses' and children's trousers, slacks and shorts, outer,	D02.	17.72.
51.	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',	202.	11.55
	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 beach robes, 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 boys' 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.	All other cotton textile items	Lb.	4.6

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The Romanian Ambassador to the Secretary of State

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

June 2, 1975

Dear Mr. Secretary:

I have the honor to acknowledge the receipt of your letter of June 2, 1975, referring to the Arrangement on trade in cotton textiles between the Socialist Republic of Romania and the United States of America, as it is presented in this letter, resulted from the discussions held in Bucharest between May 5-7 between the representatives of our two Governments and based on Articles 4 and 6 of the Arrangement Regarding International Trade in Textiles done at Geneva on December 20, 1973.

I have the honor to confirm on behalf of the Government of the Socialist Republic of Romania that the above-mentioned letter and this reply constitute an agreement between our two Governments relating to trade in cotton textiles between the Socialist Republic of Romania and the United States of America.

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

[Signed] Corneliu Bogdan Ambassador

The Honorable Henry Kissinger Secretary of State