

No. 20987

**UNITED STATES OF AMERICA
and
AUSTRALIA**

Trade Agreement reached in bilateral negotiations on the Tokyo Round of multilateral trade negotiations (with annexes and related letters of 4 February and 26 March 1980). Signed at Washington on 29 March, 22 and 26 October 1979

Authentic text: English.

Registered by the United States of America on 15 April 1982.

**ÉTATS-UNIS D'AMÉRIQUE
et
AUSTRALIE**

Arrangement conclu lors des négociations bilatérales dans le cadre des négociations commerciales multilatérales dites de Tokyo (avec annexes et lettres connexes des 4 février et 26 mars 1980). Signé à Washington les 29 mars, 22 et 26 octobre 1979

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 15 avril 1982.

AGREED RECORD¹ OF CONCLUSIONS REACHED IN BILATERAL NEGOTIATIONS BETWEEN UNITED STATES AND AUSTRALIA IN THE GATT² MULTILATERAL TRADE NEGOTIATIONS, TOKYO ROUND

The arrangements agreed upon in the bilateral negotiations are as set out in the accompanying annexes, namely:

- (I) Understanding on Meat
- (II) Understanding on Dairy Products
- (III) U.S. Tariff Concessions
- (IV) Australian Tariff Concessions
- (V) Understanding regarding Staging

The concessions specified will commence on January 1, 1980, or whatever alternative date is decided upon in the protocol on tariffs, except insofar as is qualified in the annexes.

Confirmed:

[Signed]

ROBERT S. STRAUSS
Special Trade Representative

United States of America

Washington, D.C., United States of America
March 29, 1979

[Signed]

J. D. ANTHONY
Deputy Prime Minister
and Minister for Trade and Resources
Australia

ANNEX I

AUSTRALIA/U.S.A. UNDERSTANDING ON MEAT

[1.] The United States is prepared to incorporate in schedule XX of GATT a minimum global access commitment for imports of fresh, chilled, or frozen beef, veal, mutton and goat meats (TSUS Nos. 106.10 and 106.20) at 1.2 billion lbs. annually. When the base quota calculated in accordance with the U.S. Meat Import Law (Public Law 88-482) is at or above this level, and voluntary restraint agreements are in effect, a 1.3 billion lb. minimum global access level would be provided.

2. Country allocations within any global access commitment or level will be made taking into account the position of traditional suppliers in a representative period; any allocation to new entrants being subject to consultation.

¹ Came into force on 31 March 1980, when schedule XX (United States) to the Geneva (1979) Protocol* and schedule I (Australia) to the Supplementary Protocol had both become schedules to the General Agreement on Tariffs and Trade,** in accordance with the provisions of the said letters of 4 February and 26 March 1980.

* United Nations, *Treaty Series*, vol. 1187, p. 2.

** *Ibid.*, vol. 55, p. 187.

² United Nations, *Treaty Series*, vol. 55, p. 187.

3. In the event that legislation containing a countercyclical formula results in a level of imports below 1.3 billion lbs. (TSUS Nos. 106.10 and 106.20) and/or an allocation to Australia not in accordance with para 2 of this agreement, the balance of concessions achieved in the MTN between Australia and the United States could be affected. Under such circumstances, the Governments of Australia and of the United States would enter into consultations with a view to preserving a mutually satisfactory balance of concessions. In the event that the level of imports under such legislation falls below 1.3 billion lbs. the balance of concessions would not necessarily be affected if Australia's level of market access were maintained at a mutually satisfactory level.

4. When imports through the operation of the U.S. Meat Import Law (Public Law 88-482) or any subsequent legislation have been allocated up to the levels provided for in this agreement any shortfalls in country allocations will be reapportioned promptly among those suppliers able to furnish additional quantities to maintain importations at the minimum levels set forth.

ANNEX II

UNDERSTANDING ON DAIRY PRODUCTS

1. The U.S. will provide, annually, a minimum level of access for cheese exported from Australia as follows:

| | |
|--------------------------|--------------|
| Cheddar | 1,200 tonnes |
| Granular (American type) | 1,000 tonnes |
| Other N.S.P.F. | 950 tonnes |
| Low Fat | 550 tonnes |
| Swiss type | 300 tonnes |

2. The U.S. will provide, annually, a minimum level of access for 2,000 tonnes of chocolate crumb (TSUS 950.16) exported from Australia.

3. In the event that the minimum levels of access for Australia referred to in 1 and 2 above are not incorporated in the United States GATT Schedule, the United States will accord to Australia treatment as if the concession had been incorporated in that schedule.

4. The U.S. undertakes to pursue efforts to find an expeditious settlement to the outstanding countervailing duty order on butter exports from Australia.

ANNEX III

U.S. TARIFF OFFERS

| <i>TSUS Item</i> | <i>Abbreviated Description</i> | <i>Offer Rate</i> |
|------------------|--|-------------------|
| 106.10 | Fresh, chilled or frozen meat of cattle | 2C/lb |
| 107.55 | Beef and veal, prepared or preserved, N.S.P.F. valued not over 30C/lb | 2C/lb |
| Ex 107.75 | Lamb or mutton, prepared or preserved, except offal, valued over 30C/lb | Free |
| 107.80 | Extract of meat including fluid | Free |
| 126.33 | Clover seed N.S.P.F. | Free |
| 148.81 | Pears, fresh or in brine, if entered during the period 1 April-30 June inclusive | Free |
| 148.83 | Dried pears | Free |
| 154.40 | Candied ginger root | 5.4 percent |

| <i>TSUS Item</i> | <i>Abbreviated Description</i> | <i>Offer Rate</i> |
|------------------|---|--------------------|
| 182.92 | Edible preparations N.S.P.F. | 16 percent |
| 182.96 | Wheat gluten (A) for other than feed | 8 percent |
| | (B) for feed | 4 percent |
| 190.25 | Catgut | 7.7 percent |
| 306.31 | Wool, finer than 44's, in the grease or washed, not sorted | 10.2C/per clean lb |
| 306.33 | Wool, finer than 44's, scoured | 11.1C/per clean lb |
| 418.74 | Copper oxide | 4.3 percent A.V.E. |
| 495.10 | Surgical sutures | 3.5 percent |
| 513.11 | Sand containing 95 percent or more of silica | Free |
| 603.70 | Other metal-bearing materials N.S.P.F. | 5 percent |
| 622.25 | Tin bars, rods, angles, shapes and sections | 4.2 percent |

The U.S. undertakes in the final adjustment process to make a maximum effort to avoid adjustments of the offers on the following items of interest to Australia.

| <i>TSUS Item</i> | <i>Abbreviated Description</i> | <i>Offer Rate</i> |
|---|---|--------------------------------|
| 106.20 | Meat of goat and sheep (except lambs) | |
| | (A) ex goat meat | Free |
| | (B) other | 1.5C/lb |
| 106.30 | Meat of lamb | 0.5C/lb |
| 106.80 | Edible meat offal valued not over 20C/lb | Free |
| 106.85 | Edible meat offal valued over 20C/lb | Free |
| 117.15 | Cheddar cheese | 12 percent |
| 117.20 | Cheddar cheese | 16 percent |
| 117.60 | Swiss or emmenthaler cheese | 6.4 percent |
| Ex 117.85 | Italian cheese | 7.5 percent |
| 155.40 | Sugar imported for use other than | |
| | (A) The commercial extraction of sugar or | Free |
| | (B) Human consumption | Free |
| 306.10 to 306.34 other than 306.31 and 306.33 | Wool | Reduced rates by 60 percent |
| 307.02 | Wool burr and card waste | 3C/lb |
| 307.06 | Wool noils | 4.2C/lb |
| 307.18 | Other wool waste | 3.4C/lb |
| 531.11 | Refractory and heat insulating mortars | 3 percent |
| 624.02 and 624.03 | Unwrought lead | 4 percent |

Notes:

The offer rates shown above may be adjusted slightly as a result of the application of a general rounding rule.

ANNEX IV

AUSTRALIA'S TARIFF OFFER

| <i>Tariff Item</i> | <i>Brief Description</i> | <i>Offered Rate</i> |
|--------------------|--|--------------------------------|
| EX 03.03.900 | Crustaceans and molluscs, fresh, chilled, etc. other than shrimps and prawns | Free |
| 07.02.900 | Other frozen vegetables | DLRS 0.003/KG |
| 07.04.900 | Other vegetables, dried, dehydrated, etc. | DLRS 0.42/KG |
| 07.05.200 | Dried peas and beans | DLRS 0.42/KG |
| 08.05.100 | Almonds, fresh or dried | 12 percent |
| EX 16.02.900 | Frozen, cooked turkey roll, canned poultry | 3 percent and DLRS 0.032/KG |

| <i>Tariff Item</i> | <i>Brief Description</i> | <i>Offered Rate</i> |
|--------------------|---|---|
| 16.05.900 | Crustaceans, prepared or preserved, other than potted, concentrates, extracts, etc. | Free |
| 20.06.210 | Almonds, prepared or preserved | 12 percent |
| 20.07.290 | Juices other than orange | DLRS 0.041/litre (X) |
| 23.04.000 | Oil cake | Free |
| 24.01.110 | Unmanufactured tobacco for manufacture of cigars, etc. .. | Free |
| 24.01.120 | Unmanufactured tobacco for manufacturing of cigarettes, etc. | DLRS 1.42/KG |
| 24.01.130 | Unmanufactured tobacco for manufacture of tobacco NSA .. | DLRS 1.07/KG |
| 24.01.210 | Unmanufactured tobacco for manufacture of cigarettes, etc. (by-law) (and bind local content requirement at 50 percent) .. | DLRS 0.47/KG |
| 24.01.220 | Unmanufactured tobacco for manufacture of tobacco NSA (by-law) (and bind local content requirement at 50 percent) .. | DLRS 0.33/KG |
| 24.01.900 | Unmanufactured tobacco, other | DLRS 1.99/KG |
| 29.39.000 | Hormones and derivatives thereof, etc. | Free |
| 29.44.900 | Other antibiotics | Free |
| 30.03.900 | Other medicaments, NSA | 24 percent (X) |
| EX 30.05.000 | Other pharmaceutical goods, excluding dental products ... | Free |
| 32.12.100 | Glaziers putty, etc., of polyester | 20 percent |
| 32.12.900 | Glaziers putty, etc., other | 7.5 percent |
| 34.02.100 | Organic surface-active agents, etc., in small packs | Free |
| 35.02.000 | Albumen | Free |
| 35.04.100 | Protein isolates | 6 percent |
| 35.04.900 | Peptones and other protein substances | Free |
| EX 37.02.200 | Photographic film, unexposed, in bulk rolls not perforated, excluding spools and reels | 6 percent |
| 38.11.400 | Disinfectants, herbicides, stock washes, etc. | 30 percent |
| 39.01.132 | Silicone fluids | 30 percent |
| EX 39.01.139 | Silicone rubber | 30 percent |
| 39.01.500 | Planar forms NSA of polyester coated with an adhesive .. | 19 percent |
| 39.01.600 | Profile shapes NSA of polyamides or of polyurethane | 12 percent |
| 39.01.700 | Planar forms, NSA of polyurethane | 12 percent |
| EX 39.02.690 | Polymerisation films (to be defined) | 22.5 percent |
| 39.03.150 | Goods of hydroxyethyl-cellulose, not being adhesives | 22.5 percent |
| 48.01.990 | Other paper and board in sheets or rolls NSA | 30 percent O.I.L. DLRS 48.23 per tonne |
| 48.07.690 | Paper and board, substance not exceeding 205 GSM coated, other | 25 percent (X) |
| EX 03.03.900 | Crustaceans and molluscs, fresh, chilled, etc., other than shrimps and prawns | Free |
| 07.02.900 | Other frozen vegetables | DLRS 0.003/KG |
| 07.04.900 | Other vegetables, dried, dehydrated, etc. | DLRS 0.42/KG |
| 07.05.200 | Dried peas and beans | DLRS 0.42/KG |

| <i>Tariff Item</i> | <i>Brief Description</i> | <i>Offered Rate</i> |
|--------------------|---|---|
| 08.05.100 | Almonds, fresh or dried | 12 percent |
| EX 16.02.900 | Frozen, cooked turkey roll, canned poultry | 3 percent and DLRS 0.032/KG |
| 16.05.900 | Crustaceans, prepared or preserved, other than potted, concentrates, extracts, etc. | Free |
| 20.06.210 | Almonds, prepared or preserved | 12 percent |
| 20.07.290 | Juices other than orange | DLRS 0.041/litre (X) |
| 23.04.000 | Oil cake | Free |
| 24.01.110 | Unmanufactured tobacco for manufacture of cigars, etc. .. | Free |
| 24.01.120 | Unmanufactured tobacco for manufacturing of cigarettes, etc. | DLRS 1.42/KG |
| 24.01.130 | Unmanufactured tobacco for manufacture of tobacco NSA .. | DLRS 1.07/KG |
| 24.01.210 | Unmanufactured tobacco for manufacture of cigarettes etc. (by law) (and bind local content requirement at 50 percent) | DLRS 0.47/KG |
| 24.01.220 | Unmanufactured tobacco for manufacture of tobacco NSA (by-law) (and bind local content requirement at 50 percent) .. | DLRS 0.33/KG |
| 24.01.900 | Unmanufactured tobacco, other | DLRS 1.99/KG |
| 29.39.000 | Hormones and derivatives thereof, etc. | Free |
| 84.23.200 | Road rollers, graders, scrapers, etc. | (A) As per parent item (Tractor Bases) (B) 30 percent |
| 84.23.311 | Leaders, backhoes, etc., up to 50 tonnes, self-propelling, arc up to 270 degrees | (A) As per parent item (Tractor Bases) (B) 30 percent (C) 40 percent |
| 84.23.319 | Other excavating, levelling and tamping machines having a working weight of up to 50 tonnes | (A) As per parent item (Tractor Bases) (B) 30 percent |
| EX 84.23.320 | Other excavating, levelling and tamping machines excluding direct current mill type motors | (A) As per parent item (Tractor Bases) (B) 30 percent (C) 20 percent |
| 84.23.330 | Loading equipment (buckets; dippers, etc.) for excavating, etc., machinery | 30 percent |
| 84.23.400 | Wearing parts, etc. for boring, extracting, etc., machinery ... | 19 percent |
| 84.23.910 | Diamond drilling machines and parts | 22.5 percent |
| 84.23.920 | Drill rods or pipes for diamond drilling machines | 15 percent |
| 84.23.990 | Other boring, extracting, etc., machinery | 6 percent |
| EX 84.24.900 | Other agricultural, etc., machinery viz: ploughs | 15 percent |
| 84.25.900 | Other harvesting and threshing machinery, etc. | 15 percent |
| 84.26.000 | Dairy machinery (incl. milking machines) | 15 percent (X) |
| 84.28.000 | Other agricultural, horticultural, etc., machinery | 15 percent |

| <i>Tariff Item</i> | <i>Brief Description</i> | <i>Offered Rate</i> |
|--------------------|---|-----------------------------------|
| 84.30.100 | Machinery of a kind used in chocolate or confectionary manufacture, sugar manufacture or brewing | 15 percent (X) |
| 84.33.100 | Cutting machines for cutting out sheets, etc. | 15 percent (X) |
| 84.49.100 | Chain saws other than pneumatic or hydraulic type | 26 percent |
| EX 84.52.000 | Calculating machines, accounting machines excluding AC adaptors or AC adaptor/rechargers imported with electronic calculators | 6 percent (X) |
| 84.53.100 | Cathode ray display terminals | 24 percent |
| 84.53.900 | Automatic data processing machines N.E.S. | (A) 25% (B) 24% (C) 6% |
| 84.61.200 | Hydraulic control valves for use in agricultural tractors for operation of implements | Free |
| EX 85.01.190 | Generators exceeding 500 KVA excluding parts | Free |
| 85.12.990 | Other electric heating appliances | 25 percent (X) |
| 85.15.900 | Other radio telegraphic, etc. transmission apparatus | 30 percent |
| 85.19.700 | Electrical light fittings—connectors, ceiling roses, adaptors, sockets, fuses, etc. | 30 percent (X) |
| 85.21.900 | Thermionic, cold cathode, etc., tubes, valves, etc., other | 35 percent (X) |
| 86.09.900 | Parts for railway and tramway locomotives, rolling stock, etc. | 30 percent |
| 86.10.000 | Railway and tramway track fixtures, etc. | 30 percent |
| 87.01.200 | Tractors of the track-laying type | Free |
| 87.01.310 | (A) Agricultural wheeled tractors of, or exceeding 15 KW at the power take-off, excluding specified components as set out in (B) to (J) below | Free |
| | (B) Winches, electrically operated or manually operated spur gear type | 40 percent |
| | (C) Other winches not pneumatically operated | 30 percent |
| | (D) Pneumatic tyres | 15 percent |
| | (E) Pneumatic tubes | 15 percent O.I.H. DLRS 0.17/KG |
| | (F) Radio receivers | 35 percent |
| | (G) Tape players | 35 percent |
| | (H) Self contained air containers comprising a motor driven fan and elements for changing the temperature and humidity of air | 25 percent |
| | (I) Evaporative cooler air conditioners | 25 percent |
| | (J) Other air conditioning equipment | 20 percent |
| 87.01.900 | Other tractors | 20 percent |
| 87.06.300 | Parts and accessories for tractors falling in 87.01.9 N.S.A. | 20 percent |
| 90.17.100 | Catheters, cannulae, defibrillators, etc. | 30 percent |
| 90.17.200 | Specified medical and dental equipment (drills, incubators, etc.) | 20 percent |
| 90.17.300 | Ophthalmic instruments and appliances | Free |

| <i>Tariff Item</i> | <i>Brief Description</i> | <i>Offered Rate</i> |
|--------------------|--|---------------------|
| EX 90.17.900 | Other medical, etc., appliances (excluding operating hand pieces for dental equipment) | Free |
| 90.25.100 | Ultra-violet absorbance monitors | 15 percent |
| 90.25.900 | Other instruments, etc., for physical or chemical analysis.. | Free |
| 90.28.100 | Distortion meters, cathode ray oscilloscopes, etc. | 30 percent |
| 90.28.200 | Instruments, etc. for measuring or checking electrical quantities | 25 percent |
| 90.28.300 | Specified electrical measuring instruments (planimeters, etc.)..... | 15 percent |
| 90.28.900 | Other electrical measuring instruments | Free |

NOTES:

(I) All values are expressed in Australian dollars.

(II) Descriptions for whole tariff lines will be the description applying as at 20 March 1979.

(III) In the event that at the conclusion of the MTN, the items marked with an "X" are not bound in schedule I (Australia) annexed to the GATT, Australia will accord to the United States GATT treatment as if the items had been bound in GATT schedule I to the U.S. at the rates indicated. Australia would retain the rights which would apply in respect of a GATT bound item. In any renegotiation occasioned by the withdrawal or modification of these concessions, the U.S. will have the rights accorded under the GATT as though it were the initial negotiation of the concession without regard to its supplier position. The trade which would be the subject of consultations and/or compensatory adjustments would be that which occurred in a previous representative period.

ANNEX V

UNDERSTANDING REGARDING STAGING OF CERTAIN CONCESSIONS

The United States undertakes to implement the reduction of duties on TSUS items 306.31 and 306.33 as indicated in annex III in three annual stages as from 1 January 1980. Australia will implement as from 1 January 1980 the duty concessions on items 24.01.210 and 24.01.220 and the binding of the local content requirement as indicated in annex IV.

With regard to the staging of concessions for other products covered by the understandings, it was mutually agreed that there would be parallel movement on both sides, and that all efforts would be made to accelerate the phasing of concessions.

EXCHANGE OF LETTERS

I

DEPUTY SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON, D.C.

October 22, 1979

Dear Mr. Birch:

I am writing to confirm the understanding on several trade matters signed by Mr. L. P. Duthie and Mr. J. H. Starkey representing the Government of

Australia and the Government of the United States, respectively, on September 7, 1979, in Canberra. Various matters were agreed upon to clarify the Agreed Record of Conclusions reached in bilateral negotiations between the United States and Australia in the GATT Multilateral Trade Negotiations in Washington, D.C., on March 29, 1979.

The agreed clarifications were as follows:

- Australia will amend the binding on item 48.01.990 to 30 percent;
- The United States will implement the concessions on TSUS items 106.10 and 107.55 in two equal stages on January 1, 1980, and January 1, 1981;
- The United States will meet Australia's request for readjustment in the minimum level of access for cheese exported from Australia as indicated below:

| | |
|-----------------|------------|
| Cheddar | 1,200 tons |
| American type | 1,000 tons |
| Other, N.S.P.F. | 1,050 tons |
| Low fat | 250 tons |
| Swiss type | 500 tons |

- The United States reaffirms its intention to fully honor the commitments contained in paragraph 3 of the Australia/U.S. Government Understanding on meat (annex I).

All other provisions of the March 29 agreement remain as indicated therein, with confirmation by the Government of Australia that it will implement all its MTN concessions on January 1, 1980, and with the technical correction of

- (i) Paragraph 2 of annex II to read "TSUS 950.15";
- (ii) Description of item 20.07.290 in annex IV to read as follows:

"Citrus juices other than unsweetened lime juice, orange juice, tangerine (including mandarin) juice and the juices of hybrids of oranges and tangerines (including mandarins)."

I am pleased to inform you that the Government of the United States formally approves this understanding and has taken the necessary measures to implement all U.S. commitments therein.

Sincerely,

[Signed]

WILLIAM B. KELLY, Jr.
Acting Deputy

Honorable Robert N. Birch
Chargé d'affaires
Embassy of Australia
Washington, D.C.

II

EMBASSY OF AUSTRALIA
OFFICE OF THE MINISTER (COMMERCIAL)
WASHINGTON, D.C.

October 26, 1979

201/1/36

Dear Mr. Kelly,

Thank you for your letter of October 23, 1979,* confirming the understanding reached during discussions on September 7, 1979, in Canberra on the Agreed Record of Conclusions reached between Australia and the United States in the GATT Multilateral Trade Negotiations on March 29, 1979.

Yours sincerely,

[Signed]
R. N. BIRCH
Chargé d'affaires

Mr. William B. Kelly, Jr.
Acting Deputy
Office of the Special Representative for Trade Negotiations
Executive Office of the President
Washington, D.C.

RELATED LETTERS

I

OFFICE OF THE SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON

February 04, 1980

Dear Mr. Birch:

I refer to the Agreed Record of Conclusions of March 29, 1979, and to the Exchange of letters of October 22 and 26, 1979, negotiated during the Multilateral Trade Negotiations.

In order to comply with certain technical legal requirements, the United States intends to treat these two documents as an agreement between our two Governments as contracting parties to GATT,¹ effective when schedule XX (United States) to the Geneva (1979) Protocol² and schedule I (Australia) to the

* Should read "October 22, 1979".

¹ United Nations, *Treaty Series*, vol. 55, p. 187.

² *Ibid.*, vol. 1187, p. 2.

Supplementary Protocol have both become schedules to GATT. Some of the tariff and dairy product provisions of the bilateral agreement have been superseded by these two schedules to GATT.

It is intended that the United States commitments relating to tariffs and dairy products in the October exchange of letters will be made a part of schedule XX by the GATT certification procedure.

Sincerely,

[Signed]

ROBERT C. CASSIDY, JR.
General Counsel

Mr. Robert N. Birch
Minister
Embassy of Australia
Washington, D.C.

II

EMBASSY OF AUSTRALIA
OFFICE OF THE MINISTER (COMMERCIAL)
WASHINGTON, D.C.

March 26, 1980

In reply quote: 201/1/36

Dear Mr. Cassidy,

I refer to your letter of 4 February 1980, advising that the United States intends to treat the Agreed Record of Conclusions of March 29, 1979, and the Exchange of Letters of October 22 and 25, 1979,* negotiated during the Multilateral Trade Negotiations as an agreement between Australia and the United States as contracting parties to the GATT, effective when schedule XX (United States) to the Geneva Protocol and schedule I (Australia) to the Supplementary Protocol have become schedules to the GATT. I understand that the purpose of this is to provide an effective termination date to this Agreement as required by the United States Trade Agreements Legislation and that the termination date which would result from the above action would be the date on which the United States withdrew from the General Agreement on Tariffs and Trade. On this basis we have no objection to the procedure outlined in your letter.

Yours sincerely,

[Signed]

E. W. MUIR
Commercial Counsellor

Mr. R. C. Cassidy, Jr.
General Counsel
Office of the U.S. Trade Representative
Washington, D.C.

* Should read "October 22 and 26, 1979".