No. 21168

UNITED STATES OF AMERICA and POLAND

Exchange of notes constituting an agreement relating to trade in textiles and textile products (with annexes). Washington, 15 September 1980 and 20 March 1981

Authentic text: English.

Registered by the United States of America on 27 July 1982.

ÉTATS-UNIS D'AMÉRIQUE et POLOGNE

Échange de notes constituant un accord relatif au commerce des textiles et des produits textiles (avec annexes). Washington, 15 septembre 1980 et 20 mars 1981

Texte authentique: anglais.

Enregistré par les États-Unis d'Amérique le 27 juillet 1982.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT' BETWEEN THE UNITED STATES OF AMERICA AND THE POLISH PEOPLE'S REPUBLIC RELATING TO TRADE IN TEXTILES AND TEXTILE PRODUCTS

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DEPARTMENT OF STATE WASHINGTON

September 15, 1980

Excellency:

I have the honor to refer to the Arrangement regarding international trade in textiles, with annexes, done at Geneva on December 20, 1973,² and extended by Protocol adopted on December 14, 1977,³ at Geneva (hereinafter referred to as the Arrangement).

I have also the honor to refer to recent discussions between representatives of the Government of the United States of America and the Government of the Polish People's Republic concerning exports to the United States of America of cotton, wool, and manmade fiber textiles and textile products manufactured in the Polish People's Republic. As a result of these discussions, and in conformity with article 4 of the Arrangement, I have the honor to propose, on behalf of the Government of the United States of America, the following Agreement relating to trade in cotton, wool, and man-made fiber textiles and textile products between the United States of America and the Polish People's Republic.

- 1. The term of the Agreement shall be the four-year period from January 1, 1981, through December 31, 1984. Each "Agreement Year" shall be a calendar year.
- 2. [(a)] The system of categories and the rates of conversion into square yards equivalent listed in annex A shall apply in implementing the Agreement.
- (b) For purposes of this Agreement, categories 645, 646, and 443, 643, 644 are merged and treated as single categories 645/646 and 443/643/644, respectively.
- 3. Textiles and textile products covered by the Agreement shall be classified in four groups as follows:
- Group I: Cotton, wool, and man-made fiber products other than apparel (categories 300–320, 360–369, 400–429, 464–469, 600–627, 665–669).
- Group II: Cotton and man-made fiber apparel other than suits (categories 330–359, 630–642, 645–659).
- Group III: Wool apparel other than men's and boys' suits (categories 431-442, 444-459).
- Group IV: Men's and boys' suits of wool and all suits of man-made fiber (category 443/643/644).

¹ Came into force on 20 March 1981 by the exchange of the said notes, with retroactive effect from 1 January 1981, in accordance with the provisions of the said notes.

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

³ Ibid., vol. 1078, p. 288.

- 4. Commencing with the first Agreement Year, and during the subsequent term of the Agreement, the Government of the Polish People's Republic shall limit annual exports from Poland to the United States of America of cotton, wool, and man-made fiber textiles and textile products to the limits set out in annex B, as such limits may be adjusted in accordance with paragraphs 5, 6, and 7. Exports are subject to limits or levels for the year in which exported. The limits set out in annex B do not include any adjustments permitted under paragraphs 5, 6, and 7.
- 5. Within the aggregate limit, in any Agreement Year the group limit for group II may be exceeded by 7 percent, the group limit for group III may be exceeded by 3 percent, and the group limit for group IV may be exceeded by 6 percent.
- 6. During any Agreement Year and within the applicable aggregate and group limits for such Agreement Year as they may be adjusted pursuant to paragraphs 5 and 7, any category specific limit (or sub-limit) set out in annex B may be exceeded by not more than:
- 10 percent if included in group I,
- 7 percent if included in group II,
 - 5 percent if included in group III,
- 6 percent if included in group IV.
- 7. (a) In any Agreement Year, in addition to any adjustment pursuant to paragraphs 5 and 6, exports may exceed by a maximum of 11 percent any limit set out in annex B by allocating to such limit for that Agreement Year an unused portion of the corresponding limit for the previous Agreement Year ("carryover") or a portion of the corresponding limit for the succeeding Agreement Year ("carryforward") subject to the following conditions:
- (1) Carryover may be utilized as available up to 11 percent of the receiving Agreement Year's limits provided, however, that no carryover shall be available for application during the first Agreement Year;
- (2) The combination of carryover and carryforward shall not exceed 11 percent of the receiving Agreement Year's applicable limit in any Agreement Year;
- (3) Carryforward may be utilized up to 6 percent of the receiving Agreement Year's applicable limits and shall be charged against the immediately following Agreement Year's corresponding limits; no carryforward shall be available for application during the fourth Agreement Year;
- (4) Carryover of shortfall (as defined in sub-paragraph 7 (b)) shall not be applied to any limits until the Governments of the United States of America and the Polish People's Republic have agreed upon the amounts of shortfall involved.
- (b) For purposes of the Agreement, a shortfall occurs when exports of textiles or textile products from Poland to the United States of America during an Agreement Year are below any applicable group and category specific limit or sub-limit as set out in annex B. The Agreement Year following the shortfall, such exports from Poland to the United States of America may be permitted to exceed the applicable limits, subject to conditions of sub-paragraph 7 (a), by carryover of shortfalls in the following manner:
- (1) The carryover shall not exceed the amount of shortfall in any applicable limit;
- (2) The shortfall shall be used in the category in which the shortfall occurred.
- (c) The total adjustment permissible under this paragraph for the first Agreement Year shall be 6 percent consisting solely of carryforward.
- 8. Categories not given specific limits are subject to consultation levels and to the aggregate and applicable group limits. In the event the Government of the Polish People's Republic wishes to permit exports to the United States of America in any category in excess of the applicable consultation level during any Agreement Year, the Government of the Polish People's Republic 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 the Polish People's Republic shall limit exports to the United States of America in the category in question to the consultation level. For each Agreement Year, the minimum consultation level for each category not given a

specific limit shall be 1,000,000 square yards equivalent for each cotton and man-made fiber non-apparel category, 700,000 square yards equivalent for each cotton and man-made fiber apparel category, and 100,000 square yards equivalent for each wool category. Annual consultation levels above these stated amounts are specified in annex C hereto.

- 9. Shipments of textiles and apparel from Poland to the United States individually valued at \$250.00 or less shall not be charged to the limits or consultation levels set out in this Agreement.
- 10. The Government of the Polish People's Republic shall use its best efforts to space exports from Poland to the United States within each category evenly throughout the Agreement Year, taking into consideration normal seasonal factors. Exports from Poland in excess of authorized levels for each Agreement Year will, if allowed entry into the United States, be charged to the applicable level for the succeeding Agreement Year.
- 11. The Government of the United States of America shall promptly supply the Government of the Polish People's Republic with monthly data on imports of textiles from Poland, and the Government of the Polish People's Republic shall promptly supply the Government of the United States of America with quarterly data on exports of textiles to the United States. Each Government agrees to supply promptly any other pertinent and readily available statistical data requested by the other Government.
- 12. (A) Tops, yarns, piece goods, made-up articles, garments, and other textile manufactured products (being products which derive their chief characteristics from their textile components) of cotton, wool, man-made fibers, or blends thereof, in which any or all of these fibers in combination represent either the chief value of the fibers or 50 percent or more by weight (or 17 percent or more by weight of wool) of the product, are subject to the Agreement.
- (B) For purposes of the Agreement, textiles and textile products shall be classified as cotton, wool or man-made fiber textiles if wholly or in chief value of either of these fibers.
- (C) Any product covered by sub-paragraph (A) but not in chief value of cotton, wool, or man-made fiber shall be classified as: (I) cotton textiles if containing 50 percent or more by weight of cotton or if the cotton component exceeds by weight the wool and the man-made fiber components; (II) wool textiles if not cotton and the wool equals or exceeds 17 percent by weight of all component fibers; and (III) man-made fiber textiles if neither of the foregoing applies.
- 13. Fabric in chief weight rubber or plastic, presently classified in category 369, TSUSA Number 359.1010, shall not be subject to the levels of the Agreement.
- 14. The Government of the United States of America and the Government of the Polish People's Republic agree to consult on any question arising in the implementation of the Agreement.
- 15. 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.
- 16. If the Government of the Polish People's Republic considers that, as a result of a limitation specified in this Agreement, Poland is being placed in an inequitable position *vis-à-vis* a third country, the Government of the Polish People's Republic 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 the Agreement.
- 17. At the request of either Government, the two Governments will undertake a major review of this Agreement during the second half of the second Agreement Year.
- 18. For the duration of the Agreement, the Government of the United States of America shall not invoke the procedures of article 3 of the Arrangement to request restraints on the export from Poland of textiles covered by the Agreement.
- 19. The Government of the United States may assist the Government of the Polish People's Republic in implementing the limitation provisions of the Agreement by controlling its imports of the textiles covered by the Agreement.
- 20. Either Government may terminate the 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 the Agreement.

If the foregoing proposal is acceptable to the Government of the Polish People's Republic, this note and Your Excellency's note of confirmation on behalf of the Government of the Polish People's Republic shall constitute an Agreement between our two Governments.

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

For the Secretary of State: [Signed — Signé]¹

His Excellency Romuald Spasowski Ambassador of the Polish People's Republic

ANNEX A				
Catego	y Description	Conversion Factor	Unit of Measure	
Cuitgo	Yarn		11200001	
	Cotton			
300	Carded	4.6	Lb.	
301	Combed	4.6	Lb.	
	Wool			
400	Tops and yarns	2.0	Lb.	
	Man-made Fiber			
600	Textured	3.5	Lb.	
601	Cont. cellulosic	- 5.2	Lb.	
602	Cont. noncellulosic	11.6	Lb.	
603	Spun cellulosic	3.4	Lb.	
604	Spun noncellulosic	4.1	Lb.	
605	Other yarns	3.5	Lb.	
	Fabric			
	Cotton			
310	Ginghams	1.0	Syd.	
311	Velveteens	1.0	Syd.	
312	Corduroy	1.0	Syd.	
313	Sheeting	1.0	Syd.	
314	Broadcloth	1.0	Syd.	
315	Printcloths	1.0	Syd.	
316	Shirtings	1.0	Syd.	
317	Twills and sateens	1.0	Syd.	
318	Yarn-dyed	1.0	Syd.	
319	Duck	1.0	Syd.	
320	Other fabrics, n.k	1.0	Syd.	
	Wool			
410	Woolen and worsted	1.0	Syd.	
411	Tapestries and upholstery	1.0	Syd.	
425	Knit	2.0	Lb.	
429	Other fabrics	1.0	Syd.	

¹ Signed by Harry Kopp — Signé par Harry Kopp.

		Conversion	Unit of
Category	Description	Factor	Measure
	Man-made fiber	1.0	
610	Cont. cellulosic, n.k.	1.0	Syd.
611	Spun cellulosic, n.k	1.0	Syd.
612	Cont. noncellulosic, n.k.	1.0	Syd.
613	Spun noncellulosic, n.k	1.0	Syd.
614	Other fabrics, n.k	1.0	Syd.
625	Knit	7.8	Lb.
626	Pile and tufted	1.0	Syd.
627	Specialty	7.8	Lb.
1	Apparel Cotton		
330	Handkerchiefs	1.7	Dz.
331	Gloves	3.5	Dz. Dpr.
332	Hosiery	4.6	Dpr.
333	Suit-type coats, M and B	36.2	Dpr. Dz
334	Other coats, M and B	41.3	Dz.
335	Coats, W, G and I	41.3	Dz.
336	Dresses (incl. uniforms)	45.3	Dz.
337	Playsuits, sunsuits, washsuits, creepers	25.0	Dz.
338	Knit shirts (inc. T-shirts, other and sweatshirts),	2010	22.
000	M and B	7.2	Dz.
339	Knit shirts and blouses incl. T-shirts,		
007	other sweatshirts), W, G and I	7.2	Dz.
340	Shirts, n.k	24.0	Dz.
341	Blouses, n.k	14.5	Dz.
342	Skirts	17.8	Dz.
345	Sweaters	36.8	Dz.
347	Trousers, slacks, and shorts (outer), M and B	17.8	Dz.
348	Trousers, slacks and shorts (outer), W, G and I	17.8	Dz.
349	Brassieres, etc	4.8	Dz.
350	Dressing gowns, incl. bathrobes, and beach house		
	coats and dusters	51.0	Dz.
351	Pajamas and other nightwear	52.0	Dz.
352	Underwear (incl. union suits)	11.0	Dz.
359	Other apparel	4.6	Lb.

401	Wool	2.1	
431	Gloves	2.1	Dpr.
432	Hosiery	2.8	Dpr.
433	Suit-type coats, M and B	36.0	Dz.
434	Other coats, M and B	54.0	Dz.
435	Coats, W, G and I	54.0 49.2	Dz. Dz.
436 438	Dresses	49.2 15.0	Dz. Dz.
440	Shirts and blouses, n.k.	24.0	Dz. Dz.
440	Skirts	18.0	Dz. Dz.
442		54.0	Dz. Dz.
444	Suits, M and B	54.0	Dz. Dz.
444	Sweaters, M and B	14.88	Dz. Dz.
446	Sweaters, W, G and I	14.88	Dz. Dz.
447	Trousers, slacks and shorts (outer), M and B	18.0	Dz. Dz.
448	Trousers, slacks and shorts (outer), W, G and I	18.0	Dz. Dz.
459	Other wool apparel	2.0	Lb.
707	••	2.0	20.
-a-	Man-made Fiber		_
630	Handkerchiefs	1.7	Dz.
631	Gloves	3.5	Dpr.
632	Hosiery	4.6	Dpr.

		Conversion	Unit of
Category	Description	Factor	Measure
633	Suit-type coats, M and B	36.2	Dz.
634	Other coats, M and B	41.3	Dz.
635	Coats, W, G and I	41.3	Dz.
636	Dresses	45.3	Dz.
637	Playsuits, sunsuits, washsuits, etc	21.3	Dz.
638	Knit shirts (incl. T-shirts), M and B	18.0	Dz.
639	Knit shirts and blouses (incl. T-shirts), W, G and I	15.0	Dz.
640	Shirts, n.k	24.0	Dz.
641	Blouses, n.k	14.5	Dz.
642	Skirts	17.8	Dz.
643	Suits, M and B	54.0	Dz.
644	Suits, W, G and I	54.0	Dz.
645	Sweaters, M and B	36.8	Dz.
646	Sweaters, W, G and I	36.8	Dz.
647	Trousers, slacks and shorts (outer), M and B	17.8	Dz.
648	Trousers, slacks and shorts (outer), W, G and I	17.8	Dz.
649	Brassieres, etc	4.8	Dz.
650	Dressing gowns, incl. bath and beach robes	51.0	Dz.
651	Pajamas and other nightwear	52.0	Dz.
652	Underwear	16.0	Dz.
659	Other apparel	7.8	Lb.
	Made-ups and misc.		
	Cotton		
360	Pillowcases	1.1	No.
361	Sheets	6.2	No.
362	Bedspreads and quilts	6.2	No.
363	Terry and other pile towels	0.5	No.
369	Other cotton manufactures	4.6	Lb.
	Wool		
464	Blankets and auto robes	1.3	Lb.
465	Floor covering	0.1	Sft.
469	Other wool manufactures	2.0	Lb.
	Man-made fiber		
665	Floor coverings	0.1	Sft.
666	Other furnishings	7.8	Lb.
669	Other man-made manufactures	7.8	Lb.

M and B = Men's and Boys' W, G, and I = Women's, Girls', and Infants

n.k. = not knit

ANNEX B SPECIFIC LIMITS

Agreement Year

	(Square Yards Equivalent)			
	1981	1982	1983	1984
Aggregate	53,753,759	57,247,753	60,968,857	64,931,833
Category 410	2,200,000	2,222,000	2,244,220	2,266,662
Group II	41,685,560	44,186,694	46,837,895	49,648,169
Category				
333	2,678,800	2,839,528	3,009,900	3,190,494
334	7,497,089	7,946,914	8,423,729	8,929,152
335	1,476,860	1,565,471	1,659,400	1,758,964
338	4,000,000	4,240,000	4,494,400	4,764,064
(TSUSA 380.0652)	(1,600,000)	(1,696,000)	(1,797,760)	(1,905,626)
339	1,643,602	1,742,218	1,846,751	1,957,556
634	5,002,267	5,302,403	5,620,547	5,957,780
(knit)	(3,710,000)	(3,932,600)	(4,168,556)	(4,418,669)

	Agreement Year (Square Yards Equivalent)			
	1981	1982	1983	1984
(not knit)	(1,590,000)	(1,685,400)	(1,786,524)	(1,893,715)
635	2,620,235	2,777,449	2,944,096	3,120,742
(not knit)	(1,191,016)	(1,262,477)	(1,338,226)	(1,418,519)
638	3,496,726	3,601,628	3,709,677	3,820,967
639	2,185,454	2,251,018	2,318,548	2,388,105
645/646	3,342,036	3,542,558	3,755,112	3,980,418
647	2,143,829	2,272,459	2,408,806	2,553,334
(not knit)	(833,711)	(883,734)	(936,758)	(992,963)
648	1,191,016	1,262,477	1,338,226	1,418,519
(not knit)	(476,406)	(504,991)	(535,290)	(567,408)
659	1,191,016	1,262,477	1,338,226	1,418,519
Group III	2,215,147	2,237,299	2,259,672	2,282,268
Category	, ,	, ,	, ,	, ,
433	257,575	260,151	262,753	265,380
435	309,090	312,181	315,303	318,456
440	175,000	176,750	178,518	180,303
444	257,575	260,151	262,753	265,380
445	206,060	208,121	210,202	212,304
446	180,303	182,106	183,928	185,767
447	206,060	208,121	210,202	212,304
459	206,060	208,121	210,202	212,304
Group IV			•	
443/643/644	802,000	810,020	818,120	826,301
Sub-limit			•	
(443/643/644 except leisure suits)	(702,000)	(709,020)	(716,110)	(723, 271)

ANNEX C DESIGNATED CONSULTATION LEVELS (Square Yards Equivalent)

Category	Consultation Level
363	1,500,000
612	2,000,000
614	1,200,000
340	1,500,000
347	1,174,800
359	1,518,000
(334-part, other than zippered sweatshirts currently in TSU	SA 380.0611) (700,000)
434	200,000

 \mathbf{II}

EMBASSY OF THE POLISH PEOPLE'S REPUBLIC WASHINGTON, D.C.

Washington, March 20, 1981

Dear Mr. Secretary,

I have the honor to acknowledge receipt of your note dated September 15, 1980, which reads as follows:

[See note 1]

I have the honor to inform that the Government of the Polish People's Republic accepts the above-mentioned proposal and agrees that your note and this reply shall constitute an agreement between our two Governments.

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

[Signed]
ROMUALD SPASOWSKI
Ambassador

The Honorable Alexander M. Haig, Jr. Secretary of State Washington, D.C.

[Annexes as under note I]