

WORLD TRADE ORGANIZATION

G/TMB/N/199

29 November 1996

(96-5047)

Textiles Monitoring Body

Original: Spanish

AGREEMENT ON TEXTILES AND CLOTHING

Notification under Article 6.9

Memorandum of Understanding between the United States and El Salvador

Cotton and man-made fibre skirts (US category 342/642)

The Textiles Monitoring Body has received from El Salvador, pursuant to paragraph 9 of Article 6, the notification of a Memorandum of Understanding between the United States and El Salvador¹ and is forwarding the text of this notification to WTO Members for their information.

¹See also G/TMB/R/19, paragraphs 6 to 12.

Permanent Mission of El Salvador
to the United Nations
and Other International Organizations
at Geneva

BO44-96

Geneva, 22 July 1996

Dear Ambassador Szepesi,

I wish to inform you that on 18 July the Government of El Salvador and the Government of the United States of America signed the attached Memorandum of Understanding applicable to categories 342/642.

Yours sincerely,

(Signed) Alexander A. Kravetz
Ambassador
Permanent Representative

Ambassador András Szepesi
Chairman
Textiles Monitoring Body (TMB)
World Trade Organization
Geneva

MEMORANDUM OF UNDERSTANDING BETWEEN THE GOVERNMENTS OF
THE UNITED STATES OF AMERICA AND EL SALVADOR

Representatives of the Governments of the United States of America and El Salvador met in Washington, D.C. on 30-31 May at the request of the United States for consultations to establish a level on exports of Category 342/642 (Cotton and Man-made Fibre Skirts) from El Salvador to the United States, pursuant to Article 6 of the Agreement on Textiles and Clothing. As a result of these and subsequent discussions, they agreed to the following arrangement for Category 342/642:

Category	Period	Transitional Limit	Specific Limit	Guaranteed Access Level
342/642	29 March 1996- 31 December 1996	500,000 dz.		
	1 January 1997- 31 December 1997		337,500 dz.	400,000 dz.
	1 January 1998- 31 December 1998		357,750 dz.	400,000 dz.
	1 January 1999- 28 March 1999		379,215* dz.	400,000* dz.

*To be prorated for period of coverage.

In addition, they agreed that at such time as the Caribbean Basin Trade Security Act, or any other comparable act that provides for quota-free treatment for particular goods from El Salvador that satisfy certain rules of origin, is enacted into law and takes effect in the United States and El Salvador receives benefits of that act, an appropriate adjustment will be made to the specific limit for Category 342/642, pursuant to the WTO Agreement on Textiles and Clothing, *inter alia*, Article 4, due to the fact that such legislation will result in a change to such trade. Both parties agree to hold consultations within 180 days of the date on which El Salvador receives such benefits, and agree to reduce the specific limit for Category 342/642 contained in this Memorandum of Understanding by the amount of specific limit trade that has become quota-free as a result of such legislation.

The provisions of this Memorandum of Understanding shall be applied upon signature until an agreement is effected by an exchange of Diplomatic Notes.

(Signed) _____
For the Government of
El Salvador

(Signed) _____
For the Government of
the United States of America

18 July 1996