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**UNITED STATES OF AMERICA  
and  
ISRAEL**

**Exchange of notes constituting an agreement concerning trade in  
cotton textiles (with annex). Washington, 27 January 1967**

*Authentic text: English.*

*Registered by the United States of America on 2 September 1969.*

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

**Échange de notes constituant un accord relatif au commerce des  
textiles de coton (avec annexe). Washington, 27 janvier 1967**

*Texte authentique: anglais.*

*Enregistré par les États-Unis d'Amérique le 2 septembre 1969.*

## EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT <sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND ISRAEL CONCERNING TRADE IN COTTON TEXTILES

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### I

DEPARTMENT OF STATE  
WASHINGTON

January 27, 1967

Excellency:

I have the honor to refer to recent discussions held in Washington between representatives of the Government of the United States of America and the Government of Israel concerning the cotton textiles agreement between our two Governments effected by an exchange of notes signed at Tel Aviv and Jerusalem November 5 and 22, 1963,<sup>2</sup> an amendment to that agreement effected by an exchange of notes signed at Washington June 30, 1966,<sup>3</sup> and the Long Term Arrangements Regarding International Trade in Cotton Textiles done at Geneva on February 9, 1962<sup>4</sup> (hereinafter referred to as the Long Term Arrangements). In accordance with these discussions, the Government of the United States of America understands that the agreement, but not the amendment, which provides a one-time allowance extending through December 31, 1966, is replaced as of October 1, 1966 with the following new agreement:

1. The term of this agreement shall be from October 1, 1966 through September 30, 1970. During the term of this agreement the Government of Israel shall limit annual exports of cotton textiles from Israel to the United States to aggregate, group and specific limits at the levels specified in the following paragraphs.

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<sup>1</sup> Came into force on 27 January 1967 with retroactive effect from 1 October 1966, in accordance with the provisions of the said notes.

<sup>2</sup> United Nations, *Treaty Series*, vol. 494, p. 89.

<sup>3</sup> *Ibid.*, vol. 593, p. 318.

<sup>4</sup> *Ibid.*, vol. 471, p. 296. As registered by the Executive Secretary of the Contracting Parties to the General Agreement on Tariffs and Trade, this Arrangement is identified in the United Nations *Treaty Series* by the date of its entry into force, i.e., 1 October 1962.

2. For the first agreement year, constituting the 12-month period beginning October 1, 1966, the aggregate limit shall be 23 million square yards equivalent.

3. Within the aggregate limit, the following group limits shall apply for the first agreement year:

	<i>In Million Square Yards Equivalent</i>
Group I. Yarn (Categories 1-4) . . . . .	11.5
Group II. Fabric and Miscellaneous (Categories 5-38 and 64) . .	7.5
Group III. Apparel (Categories 39-63) . . . . .	4

4. Within the aggregate limit and the applicable group limits, the following specific limits shall apply for the first agreement year:

GROUP I. *Yarn*

Category 1/2 . . . . . 2,150,000 pounds (9,890,000 square yards equivalent) (of which exports in Category 2 may not exceed 100,000 pounds) (460,000 square yards equivalent).

Category 3 . . . . . 350,000 pounds (1,610,000 square yard equivalent).

GROUP II. *Fabrics and Miscellaneous*

Category 9/10 . . . . . 1 million square yards

Category 22/23 . . . . . 2 million square yards

Category 26/27 (of which exports in duck may not exceed 1.75 million square yards). . . . . 2.5 million square yards

Category 64 . . . . . 220,000 pounds (1,012,000 square yards equivalent)

GROUP III. *Apparel*

		<i>In Square Yards Equivalent</i>
Category 48 . . . . .	30,098 dozens	1,504,900
Category 52 . . . . .	25,000 dozens	363,250
Category 53 . . . . .	10,000 dozens	453,000
Category 62 . . . . .	220,000 pounds	1,012,000
Category 63 . . . . .	100,000 pounds	460,000

5. Within the aggregate limit, the limits for Groups I and II may be exceeded by not more than 10%, and the limit for Group III may be exceeded by not more than 5%. Within the applicable group limit, as it may be adjusted under this provision, specific limits may be exceeded by not more than 5%.

6. Within group limits for each group the square yard equivalent of any short-falls occurring in exports in the categories given specific limits may be used in any category not given a specific limit. In the event the Government of Israel desires to permit exports during any agreement year of more than the level of the consultation limit in any category not having a specific limit, the Government of Israel shall request consultations with the Government of the United States of America on this question. For the first agreement year the level of the consultation limit for Category 4 and for each category in Group II not having a specific limit shall be 500,000 square yards equivalent, and for each category in Group III not having a specific limit shall be 300,000 square yards equivalent. The Government of the United States of America shall enter into such consultations and, during the course thereof, shall provide the Government of Israel with information on the condition of the United States market in the category in question. Until agreement is reached, the Government of Israel shall continue to limit exports in that category for that agreement year to the consultation limit.

7. The Government of Israel shall use its best efforts to space exports from Israel to the United States within each category evenly throughout the agreement year, taking into consideration normal seasonal factors.

8. In the second and succeeding 12-month periods for which any limitations are in force under this agreement, the level of exports permitted under such limitations shall be increased by 5% of the corresponding levels for the preceding 12-month period, the latter levels not to include any adjustments under paragraph 5 above.

9. The two Governments recognize that the successful implementation of this agreement depends in large part upon mutual cooperation on statistical questions. The Government of the United States of America shall promptly supply the Government of Israel with monthly data on the import of cotton textiles from Israel. The Government of Israel shall promptly supply the Government of the United States of America with data on monthly exports of cotton textiles to the United States. Each Government agrees to supply promptly any other available relevant statistical data requested by the other Government.