

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1043\*  
22 March 1985

Special Distribution

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Textiles Surveillance Body

## ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

### Notification under Article 4:4

#### Bilateral Agreement between Canada and Indonesia

The Textiles Surveillance Body has received from Canada a notification of a new bilateral agreement with Indonesia, concluded under Article 4 of the MFA, valid for a three-year period beginning 1 January 1984.

The TSB, pursuant to its procedures regarding bilateral agreements notified under Article 4<sup>2</sup>, has examined the relevant documentation and is forwarding the text of the notification to participating countries for their information.

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<sup>1</sup> The previous bilateral agreement between the parties was concluded under Article 3:4 and is contained in COM.TEX/SB/958

<sup>2</sup> See COM.TEX/SB/35, Annex B

\* English only/Anglais seulement/Inglés solamente

Jakarta, 11 May 1984

The Embassy of Canada presents its compliments to the Department of Foreign Affairs of the Republic of Indonesia and has the honour to advise that Canadian authorities wish to refer to the Memorandum of Understanding between the Government of Canada and the Government of Indonesia relating to the export from Indonesia of certain textiles and textile products for import into Canada, which was signed by representatives of our two governments in Jakarta on 26 April 1984. Pursuant to paragraph 38 of the Memorandum of Understanding, Canadian authorities wish to propose that this note, together with the Indonesian reply, confirming acceptance by the Government of Indonesia, give effect to the Memorandum of Understanding as an arrangement between our two governments.

The Embassy avails itself of this opportunity to renew to the Department of Foreign Affairs of the Republic of Indonesia the assurances of its highest consideration.

Departemen Luar Negeri Republik Indonesia menyampaikan salam hormatnya kepada Kedutaan Besar Kanada di Jakarta, dan dengan hormat memberitahukan bahwa Departemen Luar Negeri telah menerima Nota Kedutaan Besar No. 076 tertanggal 11 Mei 1984 mengenai Memorandum of Understanding antara Pemerintah Kanada dan Pemerintah Indonesia tentang ekspor tekstil dan produk tekstil tertentu Indonesia ke Kanada, yang telah ditandatangani oleh wakil-wakil kedua Pemerintah di Jakarta tanggal 26 April 1984.

Selanjutnya Departemen Luar Negeri memberitahukan dengan hormat kepada Kedutaan Besar bahwa Pemerintah Indonesia dapat menerima usul Pemerintah Kanada dan menyetujui bahwa Nota Kedutaan Besar dan Nota ini, memberlakukan Memorandum of Understanding sebagai suatu pengaturan antara kedua Pemerintah.

Departemen Luar Negeri Republik Indonesia menggunakan kesempatan ini untuk sekali lagi menyampaikan salam hormat yang setinggi-tingginya kepada Kedutaan Besar Kanada di Jakarta.

Jakarta, 28 Mei 1984.

Kepada :  
Kedutaan Besar Kanada  
di

J A K A R T A.



Unofficial translation

The Department of Foreign Affairs of the Republic of Indonesia presents its compliments to the Embassy of Canada and has the honour to acknowledge receipt of the Embassy's Note No. 076 dated 11 May 1984 regarding the Memorandum of Understanding between the Government of Canada and the Government of Indonesia relating to the export from Indonesia of certain textiles and textile products for import into Canada, which was signed by representatives of our two Governments in Jakarta on April 26, 1984.

The Department has further the honour to inform the Embassy the acceptance of the proposal of the Canadian authorities by the Government of Indonesia and to agree that the Embassy's Note and this Note, give effect to the Memorandum of Understanding as an arrangement between the two Governments.

The Department of Foreign Affairs of the Republic of Indonesia avails itself of this opportunity to renew to the Embassy of Canada the assurances of its highest consideration.

Jakarta, May 28, 1984.

The  
Embassy of Canada  
J A K A R T A

MEMORANDUM OF UNDERSTANDING  
BETWEEN THE GOVERNMENT OF CANADA AND  
THE GOVERNMENT OF INDONESIA RELATING TO THE  
EXPORT FROM INDONESIA OF CERTAIN  
TEXTILES AND TEXTILE PRODUCTS  
FOR IMPORT INTO CANADA

Introduction

1. This Memorandum of Understanding (MOU) sets out the arrangements that have been agreed between the Government of Canada and the Government of Indonesia regarding the export of certain textiles and textile products from Indonesia for import into Canada.
2. These arrangements have been made having regard to the Arrangement Regarding International Trade in Textiles (hereinafter referred as "the MFA") and in particular to Article 4 thereof, and to the Protocol extending the said Arrangement.

Duration

3. Restraint levels for any of the items included in these arrangements will apply for three calendar years commencing on 1 January 1984 and ending on 31 December 1986. Licensing provisions for all textiles and textile products listed in Annex II will apply for a period commencing on 1 January 1984 for the textile products and on 1 July 1984 for textiles and will remain in effect unless terminated pursuant to paragraph 36.

Restraint Levels

4. Except as provided for in paragraphs 13 to 18, the Government of Indonesia will restrain its exports to Canada of the textile products described in Annex I for the calendar year commencing 1 January 1984 to the limits specified therein.
5. For the two calendar year periods commencing 1 January 1985 and ending on 31 December 1986, the Government of Indonesia will restrain its exports to Canada of the textile products described in Annex I to the limits specified therein advanced on an annual basis by the growth rate specified in column (D).

Coverage

6. For the purpose of classifying textiles and textile products in the appropriate category, the definitions and notes set out in Annex II will apply.

Administration

7. These arrangements will be implemented on the basis of the export control system operated by the Government of Indonesia.
8. For the purpose of implementing these arrangements, the date of export from Indonesia will be used to determine within which restraint period any textiles or textile products subject to quantitative limits in these arrangements will be counted.

9. The Government of Canada will admit imports of the textiles or textile products described in Annex II provided such imports are covered by a copy of an Indonesian "Certificate of Origin" (Form K) as per specimen in Annex III endorsed and issued by the proper Indonesian authorities. It will be indicated in Box 13 of the Certificate of Origin (Form K) whether the textiles or textile products are subject to a quantitative limit. Where textiles or textile products are subject to quantitative limits, Indonesian authorities will indicate on the Certificates of Origin (Form K) that imports covered by the Certificate have been debited to the applicable quantitative limit as set out in Annex I.

10. The Certificates issued by the Government of Indonesia in respect of products subject to this arrangement will contain the following information:

1. Country of destination,
2. Country of origin,
3. License number,
4. Importer's name and address,
5. Exporter's name and address,
6. Category number and description of product as set out in Annex II of the MOU,
7. Quantity expressed in the units appropriate to the category,
8. F.O.B. or C.I.F. value except for non-commercial consignments,
9. Indication of whether the textiles or textile products are subject to quantitative limits, and
10. Certification by the Indonesian Authority that the quantities for textiles or textile products subject to quantitative limits have been debited against the agreed restraint level for exports to Canada.

11. In the event any quantity covered by a certificate of origin is not shipped, the Government of Indonesia will notify the Government of Canada of such quantity which may be credited by the Government of Indonesia to the appropriate restraint level.

12. The Government of Indonesia will endeavour to ensure that exports of all textiles and textile products which are listed in Annex I are spaced out as evenly as possible during each restraint period, due account being taken of seasonal factors and of normal channels of trade.

#### Swing

13. Subject to the specific limitations set out in Annex I, and following notification to the Canadian authorities, any restraint level may be exceeded by the percentage shown in column (E) provided that an equivalent amount is deducted from any other restraint level. When any restraint level is exceeded by the application of swing, the Government of Indonesia will so indicate in subsequent monthly returns.

14. For the purpose of implementing the swing provisions in paragraph 13 the conversion factors shown in Annex I will apply.

Carry-Over/Carry-Forward

15. Following notification to the Government of Canada of the quantities involved, portions of any quantitative limit set out in Annex I which are not used during the restraint period may be carried over and added to the corresponding quantitative limit for the following restraint period. The restraint level for any such restraint period will be increased within the higher percentage limit set out in column (F) of Annex I. This provision will come into effect in the second restraint year under this Memorandum of Understanding.

16. Any restraint level may be increased within the lower percentage limit set out in column (F) of Annex I by an amount advanced from the corresponding restraint level for the following restraint period. The restraint level for any such following restraint period will be reduced by an amount equal to the amount so advanced.

17. Notwithstanding the foregoing, the carry-over/carry-forward provisions may be used in combination only up to the higher percentage limit set out in column (F) of Annex I.

18. Further to paragraphs 13 to 17 above, where applicable, the restraint levels in column (C) of Annex I may not be increased by the combined use of swing, carry-over and carry-forward by more than the percentage indicated in column (G) of Annex I.

Exchange of Statistics

19. Both Governments will exchange such other statistical data relating to exports of textiles or textile products as may reasonably be required.

20. The Government of Indonesia will provide the Government of Canada through the Canadian Embassy with monthly statistics relating to exports of the textiles and textile products listed in Annex II which are licensed for export to Canada.

21. When submitting the monthly statistics mentioned in paragraph 20, the Government of Indonesia undertakes to include the following information:

- a. Category, quantities and description of goods as set out in Annex II,
- b. Total quantity issued for the calendar year to date in the units designated in Annex I,
- c. Original and adjusted restraint level for the restraint period for textiles or textile products included in Annex I,
- d. Notification of any utilization of swing, carry-over or carry-forward provisions and the quantities involved as provided for in paragraphs 13, and 15-18 above for textiles or textile products included in Annex I.

This information should be provided as soon as possible following the end of each month.

22. The Government of Canada through the Canadian Embassy in Jakarta will provide the Government of Indonesia with monthly statistics relating to import permits issued for imports originating in Indonesia of the textiles and textile products listed in Annex II along lines similar to the statistics to be provided by the Government of Indonesia pursuant to paragraph 20 above. In addition, the Government of Canada will provide the Government of Indonesia with monthly statistics of total imports from other significant suppliers in respect of textiles and textile products categorized as in Annex II.

23. Both Governments reserve the option of requesting, should it be necessary, more specific and detailed information.

#### Equity

24. Should either Government consider, as a result of these arrangements, that it is placed in an inequitable position vis-a-vis any third party, that Government may request the other to consult as provided in paragraphs 32 and 33 with a view to implementing appropriate remedial measures.

#### Re-Exports

25. The Government of Canada will, so far as possible, inform the Government of Indonesia when imports into Canada of textiles or textile products subject to these arrangements are subsequently re-exported from Canada. Where such re-exports have been debited by the Canadian Government to quantitative limits the Government of Indonesia may then credit the amount involved to the appropriate quantitative limits.

#### Handicraft Products

26. With reference to Article 12(3) of the MFA, this arrangement shall not apply to bona fide handicraft products as defined in Annex IV when accompanied on importation by a Certificate validated by the competent Indonesian authorities. A copy of this Certificate is attached as Annex V.

#### Consultation Mechanism Standard

27. In the event that the Government of Canada believes that imports from Indonesia classified in any category or sub-category not covered by specific limits are, due to market disruption or the threat thereof, threatening to impede the orderly development of trade between the two countries, the Government of Canada may request consultations with the Indonesian Government with a view to easing or avoiding such market disruption. The Government of Canada will provide the Government of Indonesia at the time of the request with available data which are indicative of the market situation and in the opinion of the Government of Canada show:

1. The existence of market disruption, or the threat thereof, and



2. The role of exports from Indonesia in that disruption.

28. The Government of Indonesia agrees to consult with the Government of Canada within 30 days of receipt of the request for consultations. Both governments agree to make every effort to reach agreement on a mutually satisfactory resolution of the issue within 90 days of the receipt of such request, unless this period is extended by mutual agreement.

29. During that 90-day period, the Government of Indonesia agrees to hold its exports to Canada in the category or sub-category concerned to a level no greater than 35 percent of the amount entered, as recorded by Special Trade Relations Bureau import statistics, during the first 12 of the most recent 14 months preceding the month in which the request for consultations was made.

30. If no mutually satisfactory solution is reached during these consultations, the Government of Canada may establish a specific limit for the duration of this agreement in accordance with paragraph 31 below for shipments in the category or sub-category concerned exported on and after the date on which the request for consultations was made. This limit will not be less than the amount of imports, as recorded by Special Trade Relations Bureau import statistics, which are entered during the first 12 of the most recent 14 months preceding the month in which the request for consultations was made, plus 20 percent.

31. If a specific limit is established under paragraph 30 in the course of a calendar year, it will be prorated to correspond to the time period between the date of the request for consultations and the end of the calendar year in which the request is made. Any flexibility available during this period will be calculated on this prorated limit. Provisions for swing, carry-over and carry-forward will not be less than the levels established in the MFA (ie. carry-over and carry-forward not less than 10 percent of which carry-forward is not less than 5 percent, and 5 percent for swing). Carry-over will not be available in the calendar year during which the request for consultation is made. For the second and each succeeding calendar year for which this arrangement applies, specific units established will be increased by no less than 6 percent annual growth.

Consultations

32. Either Government has the right to request consultations with the other Government on any matter arising from the implementation or operation of these arrangements or on any matter germane thereto. Such consultations will be governed by the following:

- Any request for consultations will be notified in writing to the other Government;
- The request for consultations will be accompanied by or followed within a reasonable period (and in any case not later than twenty-one days following the

request) by a statement setting out the reasons and circumstances which, in the opinion of the requesting Government, justify the submission of such a request;

- The other Government will accept such a request and such consultations will be held within thirty days of the date of notification of the request;
- Both Governments will enter into consultations with a view to reaching a mutually acceptable conclusion within thirty days of the date on which actual consultations commence.

33. Any consultations held under these provisions will be approached by both Governments in a spirit of cooperation and with a desire to reconcile the differences between them.

#### MFA Rights

34. Each Government reserves its rights under the MFA with respect to textiles and textile products not subject to quantitative limits in these arrangements. For textiles and textile products covered by these arrangements it is understood that either Government may have recourse to any or all of the provisions of the MFA, save that the Government of Canada waives its rights under Article 3 of the MFA with respect to restrained products covered by these arrangements as long as this MOU remains in effect.

#### Revisions and Termination

35. Either Government may at any time propose revisions to the terms of these arrangements having regard to the MFA and to the Protocol extending it.

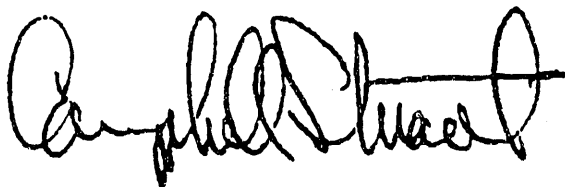
36. Either Government may terminate these arrangements effective at the end of any calendar year by written notice to the other Government, to be given at least ninety days prior to the end of such calendar year.

#### Annexes

37. The annexes to this Memorandum of Understanding will be considered an integral part of it.

#### Final Provisions

38. This Memorandum of Understanding will become effective on 1 January 1984 subsequent to an exchange of notes between the two Governments confirming their acceptance of these arrangements.



For the Government of Canada

Jakarta, 26 April 1984



For the Government of Indonesia

ANNEX I

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
ITEM NUMBER	PRODUCT DESCRIPTION	RESTRAINT LEVEL	GROWTH	SWING	CARRYOVER/ BORROW FORWARD	COMBINED FLEXIBILITY	CONVERSION FACTOR (M2)
2A	Trousers, pants, slacks and jeans	575,000	6%	7%	11(6)%	-	1.9
3	Shirts, tailored-collar MB	575,000	7%	6%	11(6)%	15%	1.8

Special borrow forward provisions will be available, if required, for items 2A and 3 for the 1984 restraint period only, with any quantities transferred to the 1984 restraint period through such provisions to be repaid in two equal installments from the 1985 and 1986 restraint periods. The maximum quantities subject to such special borrow forward will be, in the case of item 3, 50,543 units and, in the case of item 2A, 105,570 units.

ANNEX II

Definitions and Description of Terms

General Notes

1. Gender - unless otherwise indicated, all definitions of garments apply to garments for men, boys, women, girls, children and infants. Children's and infants' garments include all garments sized 0-6X.
2. Unless otherwise indicated, swing is permitted from adult garments to childrens' and infants' garments at a 3 to 5 ratio.
3. All garment items include partially manufactured garments, i.e. garments which have been cut and sewn, or otherwise assembled, but which require further manufacture or processing.
4. Garments of indeterminate gender, including unisex garments, are to be counted as of male gender.
5. "Wholly or mainly" is 50 per cent or more in all items unless otherwise indicated.

Description of Product Categories

CLOTHING

1. Winter outerwear garments

Winter outerwear garments (commonly referred to as snowsuits, snowmobile suits, ski-suits, ski-pants, and snow-pants, and jackets, and similar jacket-type garments) that have an outer shell manufactured substantially by surface area with woven fabrics and that are lined and designed to protect the wearer against cold, e.g. quilted linings, down or fibre filling, etc. but not plain acetate or viscose lining, wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof. Excluded are unlined outerwear; all coats three-quarter length or longer, that is, to the knee or below the knee; garments commonly known as squall jackets, windbreakers or similar jacket-type garments where there is no thermal insulation; and ski-pants and cross-country ski-suits which do not meet the above description (e.g. constructed entirely from knitted fabric).

Note: A unit comprises garments which have been designed to be sold as a set, e.g. matching or co-ordinated ski-jackets and ski-pants comprising a ski-suit will be counted as one unit if packed and shipped as a set. Vests are counted separately.

2. Trousers, shorts, overalls and coveralls

- A. Trousers, pants, slacks and jeans wholly or mainly by weight of cotton, man-made fibres, or wool or blends thereof, being garments which do not extend above the waist but extend to the knee or below. Included are jodhpurs, knickers, footless tights, gauchos.

Note: Men's and boys' garments in this item manufactured of fabric containing 5 per cent or more by weight of wool or hair are considered to be woollen garments.

- B. Overalls and coveralls wholly or mainly be weight of cotton, man-made fibres or wool, or blends thereof. Overalls and coveralls are one-piece garments, as either pants or shorts but extending above the waist in the form of a bib (or permanently affixed straps) or other structure which partially or fully covers the upper part of the body. One-piece jumpsuits are included.

- C. Outershorts, wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof. Shorts are garments similar to pants but not extending to the knees.

3. Shirts, tailored-collar

Shirts with tailored-collars, men's and boys' wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof, knitted or woven, being garments covering the upper part of the body normally worn next to the skin or directly over underwear and with a full or partial front opening which may include a zipper and may be designed to be worn either inside or outside of pants. Included are all men's and boys' shirts meeting this description whether exported separately or part of a set.

Note: Included are children's sizes 4-6X.

Note: A "tailored-collar" consists of one or more pieces of material which are cut and sewn or cut and fused and designed with two pointed or rounded ends. The following may be used, when needed, in the construction: stays, lining, stiffening by any means.

4. Shirts, blouses, T-shirts, sweatshirts

- A. Blouses and shirts, women's and girls', children's and infants' wholly or mainly be weight of cotton, man-made fibres, or wool, or blends thereof, knitted or woven, being garments which may have a complete or partial front or back opening covering the upper part of the body, excluding underwear, jackets, T-shirts, sweatshirts and sweaters.

- B. Shirts, men's and boys', children's and infants, other than with tailored-collars, including full-fashioned collars, wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof. A full-fashioned collar consists of one-piece knitted to shape collar. For a full description of "shirts" see description for Item 3 above.
- C. T-shirts, wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof. T-shirts are knitted garments which may have collarless front openings or no front opening covering the upper part of the body of construction 19 cut or finer, i.e. 19 or more vertical stitches per inch.
- D. Sweatshirts, wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof, being garments at least one side of which is brushed or fleeced, covering the upper part of the body. Sweaters are not included.

Note: The definitions of T-shirts and sweatshirts for men and boys are subject to the over-riding definitions of men's and boys' shirts with tailored or full-fashioned collars.

5. Sweaters, pullovers and cardigans

Sweaters, pullovers, cardigans (including knitted ponchos), wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof, being knitted or crocheted garments covering the upper part of the body and which may be of any length of construction coarser than 19 cut, i.e. less than 19 vertical stitches per inch. Included are such items with co-ordinating or matching accessories, e.g. hats, scarves, gloves, mittens, booties, etc. A garment in this item when shipped with such co-ordinating or matching accessories will be considered a set and counted as one unit.

6. Sleepwear and bathrobes

- A. Pyjamas and sleepwear, wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof, being garments normally worn for sleeping.
- B. Bathrobes, dressing gowns and housecoats, wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof, being garments other than sleepwear normally worn in privacy, including bed jackets and negligees.

7. Dresses and skirts

- A. Dresses, women's and girls', children's and infants', wholly or mainly by weight of cotton, man-made fibres, or wool, or blends thereof. Dresses are one-piece garments extended above the waist, including jumpers, evening gowns, dusters and house dresses (other than sleepwear).

- B. Skirts, women's and girls', children's and infants', wholly or mainly by weight of cotton, man-made fibres, or wool, or blends thereof. Skirts are one-piece garments not extending above the waist including golf skirts, kilts (including men's and boys') and culottes.

8. Suits, co-ordinates and outerwear sets

- A. Co-ordinates or matching sets and blazers, men's and boys', children's and infants', wholly or mainly by weight of cotton, man-made fibres or wool or blends thereof packed, shipped and sold as a set and not covered by other definitions in this annex.
- B. Suits, co-ordinates, or matching sets and blazers, women's and girls', children's and infants', wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof. Suits are garments comprising two or more matched or co-ordinated pieces, covering both the upper and lower parts of the body, packed and shipped and sold as a set. Co-ordinates include: coat or jacket and dress sets, blouses and pant or skirt sets, shirt and skirt or pants sets, jacket and pant or skirt sets, coat and pant or skirt sets.
- C. Miscellaneous garments, children's and infants' garments not meeting any of the descriptions relating to children's and infants' wear contained elsewhere in this annex, including sunsuits, christening sets, pram sets, creepers, rompers, crawlers, diaper sets, sleepers and blanket sleepers where the legs of the garments extend to completely encase the feet.
- D. Athletic sets or suits, wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof and are garments normally comprising two or more matched or co-ordinated pieces covering both the lower and upper parts of the body, packed and shipped and sold as a set, normally worn for participation in athletic activities and not covered by any other definition in this annex including leotards covering the trunk of the body, judo sets, tracksuits, jogging suits, cross-country ski-suits (subject to the description in Item 1).
- E. Leisure wear, co-ordinates or sets not defined by any definitions in this annex. These may include short sets, beachwear, beach pyjamas, lounging pyjamas, cabana sets, caftans and loungewear, n.e.s.

9. Underwear

Underwear wholly or mainly by weight of cotton, man-made fibres or wool or blends thereof. Included are slips and bloomers.

Note: In the case of underwear sets, each piece it to be counted separately.

10. Swimwear

Swimwear, wholly or mainly by weight of cotton, man-made fibres or wool or blends thereof, being garments normally worn for swimming and bathing. Included are bathing trunks and bathing suits.

Note: Garments fitting this description which consist of two (or more) pieces must be matched or co-ordinated, and packed and shipped as a unit, otherwise they are classified under the appropriate item elsewhere in this annex as individual garments.

Co-ordinated or matched sets comprising garments in addition to those described as meeting the criteria of this item, e.g. beachwear sets, are classified as sets and co-ordinates in Item 8.

11. Foundation garments

Foundation garments, wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof. Included are: brassières, girdles, corselettes and panty girdles.

12. Coats, jackets and rainwear

- A. Jackets, wholly or mainly by weight of cotton, man-made fibres, or wool, or blends thereof. Jackets are outerwear garments covering the upper part of the body not extending to the knee, including woven ponchos, vests, boleros, but excluding garments covered elsewhere in this annex.
- B. Overcoats and topcoats, wholly or mainly by weight of cotton, man-made fibres, or wool, or blends thereof being outerwear garments extending to the knee or below excluding rainwear.
- C. Professional and shop coats, wholly or mainly by weight of cotton, man-made fibres, or wool, or blends thereof. Professional and shop coats are one-piece garments including barber coats, clinical coats, medical coats, laboratory coats and surgical gowns.
- D. Rainwear, wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof. Rainwear are garments of coated, impregnated or treated fabrics, normally worn to protect against rain (including rainsuits, sets, capes and ponchos).

13. Fine suits

Fine suits, sports coats and blazers, men's and boys', wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof.

Note: The suit jacket, sports coat or blazers may include lapels, lining, shoulder padding and front stiffening, and would normally be worn over another outergarment.



Note: A unit is either a jacket, sports coat or a suit. A suit is a two- or three-piece garment consisting of matching or co-ordinated jacket/pants or jacket/vest/pants packed and shipped and sold as a set.

### TEXTILES

14. A. Work gloves, both finished and partially manufactured that are wholly or mainly of textile fabrics, wholly or mainly by weight of cotton, man-made fibres or blends thereof whether or not impregnated or coated including such gloves manufactured partly of leather.
- B. Work glove liners, liners or shells wholly of textile fabrics which are wholly or mainly of cotton, man-made fibres or blends thereof, neither impregnated or coated and without any other non-textile components, for incorporation in work gloves.
15. Hosiery, is knitted footwear for adults, children and infants. Excluded are men's and boys' woollen hosiery (over 50 per cent of wool by weight) and ladies seamless or full-fashioned full-length hosiery and knee-highs produced on machines of 400 needles or above and made from yarn of 30 denier or finer, and panty hose.
16. Handbags, made of fabrics whether uncoated, coated or bonded or man-made fibres or blends of fibres, with a body area, excluding handles, between 258 or 1,226 square centimetres, in the manufacture of which leather and plastic materials may be used as trim and finish but not a major component of the shell.
17. Household textiles
  - A. Bed sheets, woven, wholly or mainly by weight of cotton, man-made fibres or blends thereof including flannelette sheets.
  - B. Pillowcases, woven, wholly or mainly by weight of cotton, man-made fibres or blends thereof.
  - C. Bedding, other than bed sheets and pillowcases, wholly or mainly by weight of cotton, man-made fibres or blends thereof.
  - D. Cotton terry towels, washcloths and sets containing 50 per cent or more by weight of cotton. Cotton terry towels, washcloths and sets are of fabrics woven on a terry loom using single or piled cotton (or blends thereof) yarns with loop pile on one or both sides covering the entire surface on either plain or patterned weave, whether greige, bleached, dyed or printed, including tea, hand, beach and bath towels and bath sheets, barmops and towel blanks.

- E. Towels, other than cotton terry towels, wholly or mainly by weight of cotton, man-made fabrics or blends thereof.

18. Yarns

- A. Cotton yarn, comprises all yarns consisting of 100 per cent cotton fibres either combed or carded, in a state ready for further processing.
- B. Acrylic yarn, includes all types of yarns containing 50 per cent or more by weight of acrylic fibres.
- C. Polyester yarn, comprises all yarns consisting of 100 per cent polyester fibres or filaments or where polyester fibres in combination represent either the chief value or 50 per cent or more by weight.
- D. Polyester/cotton yarn, comprises all yarns consisting of blended polyester and cotton fibres in which the combination of polyester and cotton fibres represent either the chief value or 50 per cent or more by weight.
- E. Rayon yarn, spun or filament, where the total of rayon fibres in combination represent either the chief value or 50 per cent or more by weight.
- F. Nylon yarn, spun or filament, where the total of the nylon fibres in combination represent either the chief value or 50 per cent or more by weight.
- G. Mixed fibre yarns, spun or filament, containing 50 per cent or more by weight of man-made fibre, n.e.s.

19. Fabrics

- A. Polyester fabrics, are woven fabrics in which the warp is composed of filament flat or textured polyester yarn.
- B. Polyester/cotton broadwoven fabric, are fabrics made from blends of cotton and polyester fibres, where polyester fibres represent 50 per cent or more by weight.
- C. Polyester fabrics, n.e.s.
- D. Worsted fabrics, are woven fabrics having 17 per cent or more by weight of wool in which at least the warp is made from worsted spun yarn.
- E. Wool blend fabrics, n.e.s.

- F. Nylon fabrics, are fabrics in which the nylon fibre accounts for 50 per cent or more by weight or thread count or where the nylon fibres in combination with other fibres represents the chief value.
- G. Nylon fabrics, n.e.s.
- H. Cotton fabrics, are woven fabrics wholly or mainly by weight of cotton and include the following:
- (i) Duck and allied fabrics, including awning fabric, tent cloth and canvas.
  - (ii) Drill, twill and warp sateen including gabardine and cord fabric.
  - (iii) Flannel, napped, bleached, unbleached and coloured including billiard cloth, blanket cloth and flannelette.
  - (iv) Denim and corduroy.
  - (v) Pile fabric, n.e.s. including plush fabric, velour, velveteens, velvet and flocked fabrics.
  - (vi) Print cloth and sheeting.
  - (vii) Terry cloth.
  - (viii) Cotton fabric, n.e.s.
- I. Broadwoven fabrics, n.e.s. which include the following:
- (i) Rayon
  - (ii) Rayon/polyester
  - (iii) Rayon blend, n.e.s.
  - (iv) Mixed fibre, n.e.s.
  - (v) Broadwoven fabrics, n.e.s.
20. Miscellaneous textiles, n.e.s., which include the following:
- vinyl and polyurethane coated fabrics.
  - cordage, rope and twine.
21. Leather coats, leather outdoor jackets, overcoats, topcoats and sports coats including those made of genuine leather, genuine sheepskin and genuine suede.

ANNEX III

1. Exporter (name, full address, country)	ORIGINAL		2. NO.
	2. Quota year		4. Category number
5. Consignee (name, full address, country)	<b>CERTIFICATE OF ORIGIN</b>		
	<b>FORM K</b>		
8. Place and date of shipment - Means of transport	6. Country of origin		7. Country of destination
	9. Supplementary details		
10. Marks and number - Number and kind of packages - DESCRIPTION OF GOODS		11. Quantity (1)	12. FOB Value (2)
<p><b>13. CERTIFICATION BY THE COMPETENT AUTHORITY</b></p> <p>I, the undersigned, certify that the goods described above have been charged against the quantitative limit established for the year shown in box No 3 in respect of the category shown in box No 4 by the provisions regulating trade in textile products with the Government of Canada.</p>			
14. Competent authority (name, full address, country)		At ..... on .....	

net weight (kg) and also quantity in the unit prescribed for category where other than net weight for currency of the sale contract.

ANNEX IV

1. The exemption provided for in paragraph 16 of this Memorandum of Understanding in respect of cottage industry products will apply only to the following products:

(a) garments or other textile articles of a kind traditionally made in the cottage industry, having been cut, sewn and embroidered, if applicable, solely by hand from handloom textile fabrics without the aid of any machine. Handloom textile fabrics are fabrics which have been woven on looms operated solely by hand or foot and are of a kind traditionally made in the cottage industry.

(b) traditional Indonesian handicraft batik fabrics and clothing products made by hand from such batik fabrics. Handicraft batik is produced by a process which involves the following three operations, carried out by hand, for each of the colours or shades applied to the fabric:

(i) Waxing (application of wax by hand to the fabric);

(ii) Dyeing/printing (application of colour either by the traditional cottage method of dyeing or hand-printing);

(iii) Dewaxing (boiling the fabric to remove the wax).

2. The exemption will apply only in the respect of products covered by a certificate issued by the competent Indonesian authorities.

3. Such certificates will indicate the grounds on which the exemption is based and will be accepted by Canadian authorities provided that they are satisfied that the products concerned conform to the conditions set out in this Annex.

ANNEX V

<b>GOVERNMENT OF INDONESIA</b>		
<b>1. Exporter (Name, full address)</b>	<b>2. NO.</b>	
<b>3. Importer (Name, full Address)</b>	<b>CERTIFICATE in regard to HANDLOOMS TEXTILE HANDICRAFTS, TRADITIONAL INDONESIAN HANDICRAFT BATIK, and TRADITIONAL TEXTILE PRODUCTS OF THE COTTAGE INDUSTRY</b>	
	<b>4. Country of Origin</b>	<b>5. Country of Destination</b>
<b>6. Place and date of shipment-Means of transportation</b>	<b>7. Supplementary details</b>	
<b>8. Marks and numbers-Number and kind of packages - DESCRIPTION OF GOODS</b>	<b>9. Quantity</b>	<b>10. FOB Value</b>
<p><b>11. Certification by the competent authority:</b></p> <p>I the undersigned, certify that the consignment above includes of the following textile products of the cottage industry of the country shown only in box no. 4.</p> <p><input type="checkbox"/> - handloom textile fabrics, containing not more than 5% by weight of man-made fibers, being fabrics woven on looms operated solely by hand or foot and a kind traditionally made in the cottage industry</p> <p><input type="checkbox"/> - traditional Indonesian Handicraft Batik</p> <p><input type="checkbox"/> - garments or other textile articles, of a kind traditionally made in the cottage industry having been cut, sewn and embroidered if applicable, solely by hand from handloom textile fabrics as described above without the aid of any machine</p> <p><input type="checkbox"/> - traditional folklore handicraft textile products made by hand in the cottage industry</p>		
<b>12. Competent authority: ... (address, country)</b>		