

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/76

23 May 1975

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Textiles Surveillance Body

Original: English

## ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

### Article 4 Notifications

#### Agreement between Canada and Poland

The Textiles Surveillance Body (TSB) has received from the Government of CANADA a notification of an agreement between Canada and Poland concerning trade in textiles. This agreement has been notified by Canada under Article 4, paragraph 4, of the Arrangement.

The TSB, pursuant to its procedure regarding bilateral agreements notified under Article 4, has examined the relevant documentation. The TSB is circulating the text of this agreement to participating countries in the Arrangement for their information.

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<sup>1</sup>See COM.TEX/SB/35, Annex B.

18 April 1975

Dear Mr. Wurth,

In accordance with Article 4(4) of the Arrangement Regarding International Trade in Textiles, I am enclosing for the information of the Textiles Surveillance Body a copy of a Memorandum of Understanding signed by the competent authorities of Canada and Poland on 13 January, regarding restraints to be applied by Poland on exports to Canada of filament rayon fabrics during 1974 and 1975, which has been concluded under the provisions of Article 4.

Also enclosed, for the information of the Textiles Surveillance Body, is a copy of a Report by the Canadian Textile and Clothing Board dated 5 February 1974 on its inquiry respecting woven fabrics of nylon or filament rayon (Annex B) and a Canadian Government statement with respect to this report (Annex A).

As noted in the attached Annex A, the Canadian Government accepted the findings of the Textile and Clothing Board that there existed a threat of serious injury to Canadian producers of filament rayon fabrics arising from imports of these products from some countries, including Poland, and that there was a real risk that the removal of the existing restraint with Poland would result in serious injury. The existing restraint, as notified to you under Article 2(1) (reference COM.TEX/SB/2) provided for a restraint level for the calendar year 1974 of 2,864,430 square yards. The attached Memorandum of Understanding provides for a restraint level for 1974 of 3,036,296 square yards, and for 1975 of 3,218,474 square yards. This represents an increase of 6 per cent over the restraint originally agreed for 1974 and a growth of 6 per cent in 1975.

In addition, the Memorandum of Understanding provides for carry forward and carry over as set out in paragraph 3 of the Memorandum. Also, the restraint applies only to exports to Canada of filament rayon fabrics, other than pile, printed, dobby, jacquard or yarn dyed fabrics.

In the view of the Canadian Government this arrangement with Poland meets the requirements of Article 4 of the Arrangement Regarding International Trade in Textiles.

Yours sincerely,

(signed)  
W.H. Barton  
Ambassador and Permanent  
Representative of Canada

MEMORANDUM OF UNDERSTANDING

1. This Memorandum of Understanding sets out the arrangement which has been agreed between the appropriate authorities of the Governments of Poland and Canada regarding the restraint to be applied by Poland to exports of filament rayon fabrics, other than pile, printed, dobby, jacquard or yarn dyed fabrics in accordance with Article 4 of the Arrangement Regarding International Trade in Textiles.
2. It is agreed that:
  - (a) For the second year of the arrangement reached in Ottawa on 14 December 1973 constituting the twelve-month period beginning 1 January 1974, the restraint level for exports of such filament rayon fabric from Poland to Canada is established at 3,036,296 square yards or 2,024,197 running yards.
  - (b) For the twelve-month period beginning 1 January 1975 the restraint level for exports from Poland to Canada will be 3,218,474 square yards or 2,145,649 running yards.
3. It was agreed, further, that the restraint may be exceeded by carrying forward the short fall which occurred in the previous year and/or by borrowing forward from the succeeding year, up to a maximum of 10 per cent of which borrow-forward should not represent more than 5 per cent. In the event advantage is taken of the borrow-forward provision the quantity involved should be deducted from the restraint to apply for the period from which the borrowing takes place that is if a restraint is required for that period.
4. The appropriate Polish State-trading corporation will affix to all customs invoices covering exports to Canada of filament rayon fabrics, other than pile, printed, dobby, jacquard or yarn dyed fabrics, a certification to the effect that the shipments are authorized for export to Canada within the agreed restraint levels. Canadian authorities may refuse entry to shipments of these products manufactured in Poland which are not accompanied by the appropriate certification.
5. Polish and Canadian authorities agree to enter into consultations promptly to review the arrangements regarding filament rayon fabrics, as denoted herein, in the light of any recommendations by the Textile and Clothing Board and the Canadian Government's decisions arising therefrom on these products.
6. Polish and Canadian authorities will provide each other on request with any available statistical data relevant to this arrangement.

7. Polish and Canadian authorities will enter into consultations on request about any matter arising from or related to this arrangement.

(signed)

W. Topko

Consul and Deputy Trade  
Commissioner of the  
Polish People's Republic  
in Canada  
Montreal, Quebec.

(signed)

J.M. MacKillop,

Director

Office of Special Import Policy  
Department of Industry,  
Trade and Commerce  
Ottawa, Ontario.

13 January 1975