

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/523

15 February 1980

Special Distribution

Textiles Surveillance Body

Original: English

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Article 4:4 Notification

Bilateral Agreement between Canada and Singapore

The Textiles Surveillance Body has received from Canada a notification of a bilateral agreement^{1/} which has been concluded under Article 4 of the Arrangement between Canada and Singapore, for a three-year period starting 1 July 1979.

The TSB, pursuant to its procedure regarding bilateral agreements notified under Article 4^{2/}, has examined the relevant documentation and is circulating the text of this agreement to participating countries for their information.^{3/}

^{1/} Previous agreement concluded under Article 3 for the year 1974, see COM.TEX/SB/42.

^{2/} See COM.TEX/SB/35, Annex B.

^{3/} For the observations of the TSB see COM.TEX/SB/537, paragraph 9.

The Ministry of Foreign Affairs presents its compliments to the Canadian High Commission and has the honour to refer to the latter's Note No. 82 dated 22 August 1979 regarding the Memorandum of Understanding Relating to Exports from Singapore of Selected Textiles and Textile Products for Imports into Canada initialled in Singapore on 28 June 1979.

The Ministry is pleased to inform the High Commission that the Government of Singapore is agreeable to the High Commission's proposal that its note and this reply, confirming the Memorandum of Understanding, shall constitute an arrangement between the Government of Singapore and the Government of Canada.

The Ministry of Foreign Affairs avails itself of this opportunity to present to the Canadian High Commission the assurances of its highest consideration.

Singapore,
29 September 1979

The Canadian High Commission,
Singapore

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

Introduction

1. This Memorandum of Understanding (MOU) sets out the arrangement that has been agreed between the Government of Canada as represented by the Department of Industry, Trade and Commerce (hereinafter referred to as the Canadian authority) and the Government of Singapore as represented by the Department of Trade, Ministry of Trade and Industry (hereinafter referred to as the Singaporean authority) regarding the export of certain clothing and textile products from Singapore for import into Canada.
2. The arrangement has been made having regard to the Arrangement Regarding International Trade in Textiles (hereinafter referred to as "the ITA") and in particular to Article 4 thereof, and to the Protocol extending the said arrangement.

Coverage and restraint limits

3. During the time this arrangement is in force both of the parties agree that the export of the clothing products set out in Annex A to this MOU from Singapore to Canada will be executed by the Singaporean authority within the mutually agreed quantitative limits.
4. For the purposes of classifying clothing products in the appropriate category, the definitions and notes set out in Annex A should apply.

Restraint periods

5. This arrangement will be effective for three years starting on 1 July 1979 and ending on 30 June 1982.
6. In this arrangement, "restraint period" means any period of 12 consecutive months commencing 1 July 1979 during the life of this arrangement.

Administration

7. The parties agree that the quantitative limits established under this arrangement will be managed under a system of export control operated by the Singaporean authority.
8. The Government of Canada shall admit imports of the textile products described in Annex A provided such imports are covered by a copy of the Singapore export certificate endorsed and issued by the Department of Trade

(a copy of which is contained in Annex B) to the effect that the imports covered by the certificate have been debited to the applicable limit or export authorization as set out in Annex A.

9. All shipments valued at less than \$250 (Canadian) f.o.b. will not be subject to this arrangement.

Swing

10. Subject to the specific limitations set out in Annex A, any quantitative limit shown therein may be exceeded by the percentage shown in column (e) thereof provided that an equivalent amount is deducted from any other quantitative limit shown therein.

11. For the purpose of implementing these swing provisions the conversion factors shown in column (d) of Annex A will apply.

Carryover - borrow/forward

12. Following notification to the Canadian authority of the quantities involved, portions of any quantitative limit set out in Annex A which are not used during any restraint period may be carried over and added to the corresponding quantitative limit for the following restraint period within the higher percentage limit set out in column (f) of the Annex.

13. Any quantitative limit may be increased within the lower percentage limit set out in column (f) of Annex A by an amount advanced from the corresponding quantitative limit for the following restraint period. The quantitative limit for the following restraint period will be reduced by an amount equal to the amount so advanced.

14. Notwithstanding the foregoing, the carryover and borrow-forward provisions may be used in combination only up to the higher percentage limit set out in column (f) of Annex A.

Export authorization system

15. The Singaporean authority shall require that all exports to Canada of the clothing products not subject to a quantitative limit listed in Annex I be covered by an E/A issued by the Department of Trade, Singapore. An E/A shall be issued only on evidence of a firm contract for the supply of the goods involved and shall be valid for three months from the date of issue or until the end of the calendar year in which it is issued whichever is the shorter.

16. Export certificates to ship goods covered by an E/A shall be issued by the Department of Trade on presentation of the relevant E/A within its validity. The Singaporean authority shall not issue export certificates in respect of exports to Canada subject to these provisions which are not covered by a valid E/A.

17. The Government of Canada shall admit imports of the clothing products of Singaporean origin subject to these provisions where such imports satisfy all normal conditions of entry and are accompanied by a copy of the Singaporean export certificate endorsed and issued by the Department of Trade to the effect that the quantities covered by the export certificate have been assigned to the appropriate clothing category.

18. The Singaporean authority shall provide the Canadian authority with monthly statistical reports showing the quantities covered by E/A's issued to Singaporean exporters in respect of the clothing products subject to these provisions.

19. The Canadian authority may request the Singaporean authority to suspend the issue of E/A's if, in the opinion of the Canadian authority a limitation on further trade in the clothing products subject to these provisions may be necessary to eliminate real risk of market disruption. Such a request shall be accompanied by a request for consultations and by a statement of the reasons and justification for the request.

20. Upon receipt of such a request for suspension of E/A's and for consultations, the Singaporean authority shall suspend immediately the issue of E/A's in respect of those clothing products concerned. The Singaporean authority may, however, continue to issue export certificates against valid E/A's issued before any such suspension.

Exchange of statistics

21. The two parties agree to exchange all useful information concerning their mutual trade in clothing and textiles in order to ensure the successful implementation of this arrangement.

22. The Singaporean authority agrees to furnish the Canadian authority with precise statistical information, on a monthly basis, of all export certificates issued by them for all categories of clothing and textile product exports to which this arrangement applies.

23. The Canadian authority agrees to provide the Singaporean authority with monthly statistics of total imports and of imports from Singapore and from other significant suppliers in respect of textile products subject to these arrangements.

Concentration

24. The Singaporean authority will endeavour to space out as evenly as possible over each of the restraint periods the export of all clothing products for which quantitative limits may be established under this arrangement, due account being taken of seasonal factors and market trends.

Consultation

25. Each party agrees at the request of the other party to enter promptly into consultations with each other on any problems arising from the application of the arrangement.

26. Further, in view of the desire of both parties to avoid, on the one hand, real risks of market disruption in Canada and, on the other hand, disruption to the clothing trade of Singapore, and having full regard to the need for equitable treatment of participating countries in the ITA, the following specific consultation procedures will apply to the trade in clothing or textile products not specifically provided for in this arrangement.

27. The Canadian authority may request consultations with the Singaporean authority with a view to reaching agreement on an appropriate level of restraint for any clothing or textile products not specifically provided for in this arrangement whenever, in the view of the Canadian authority, conditions in the Canadian market are such that a limitation on further trade in any such clothing or textile products may be necessary to eliminate real risk of market disruption.

28. The request for such consultation shall be accompanied within twenty-one days by a statement of the market conditions in Canada, which, in the opinion of the Canadian authority make necessary the request for consultations. The statement shall include data in respect of the existence of real risk of market disruption.

29. Until such time as a mutually satisfactory conclusion has been reached, the Singaporean authority undertakes, if so requested by the Canadian authority, to limit shipments from the date on which Canada requests consultations, in order to ensure that exports of the products in question to Canada do not exceed, based on an annual rate, the level of 106 per cent of the exports recorded in the twelve-month period ending two months before the month in which the request for consultation was made. Should, in the opinion of the Singaporean authority, the application of these provisions give rise to difficulties causing hardship to the commercial interests involved, the Singaporean authority may request consultations to which the Canadian authority will respond promptly. Canada will, in particular, give full and sympathetic consideration to the treatment of goods for which there are outstanding bona fide contracts and letters of credit.

30. The parties will consult following the communication of the statement referred to in paragraph 28 above and will use their best efforts to reach a mutually satisfactory conclusion within 30 days of the communication.

Equity

31. If, having regard to the provisions of the ITA, either party considers that it is being placed in an inequitable position in respect of trade in textile and clothing products as compared with a third country, that party may seek consultations with the other with a view to taking appropriate remedial action.

Revisions and termination

32. Either party may terminate this arrangement effective at the end of any restraint period by written notice to the other government to be given at least ninety days prior to the end of such restraint period.

Handloom products

33. With reference to Article 12(3) of the ITA, this arrangement shall not apply to bona fide handmade clothing of handloomed fabric as defined in Annex C when accompanied on importation by a certificate validated by the competent Singaporean authorities. A sample certificate is contained in Annex C.

34. Either government may request consultations in respect to any aspect of the trade in such handloom products whenever it considers such consultations necessary. Consultations will begin within thirty days of the request of such consultations with a view to reaching a mutually acceptable conclusion within one month at the latest.

Final provisions

35. Annexes A, B and C to this arrangement and letters of exchange between the two parties shall form an integral part thereof.

36. This Memorandum of Understanding will become effective on an exchange of letters between the two governments confirming their acceptance of this arrangement and will apply for the three-year period commencing on 1 July 1979 and terminating on 30 June 1982.

ANNEX A

(a) Item No.	(b) Description of Product	(c) Restraint Level	(d) Conversion Factor	(e) Swing	(f) Carryover/ Borrow Forward
	<p>Hunter outerwear garments, men's, boys', women's, girls', children's and infants', (commonly referred to as snowsuits, snow-mobile suits, ski suits, ski pants and snow-pants, and jackets & vests including parkas, ski-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 fillings, etc., but not plain acetate or viscose lining, wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof, but excluding: all 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; bona fide industrial end-use clothing, although they meet the requirements of the above description; and ski-pants and cross-country ski-suits which do not meet the above description (e.g., constructed entirely from knitted fabric).</p> <p><u>Footnotes:</u> (1) 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.</p>	<p>1 July 1979- : 75,000 30 June 1980 1 July 1980- : 79,500 30 June 1981 1 July 1981- : 84,270 30 June 1982</p>	<p>3.50</p>	<p>7%</p>	<p>11% of which not more than 6% shall be borrow-forward</p>

ANNEX A

(a) Item No.	(b) Description of Product	(c) Restraint Level	(d) Conversion Factor	(e) Swing	(f) Carryover/ Borrow Forward
2	<p><u>Shirts, blouses, T-shirts and sweatshirts</u></p>				
a)	<p>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 sipper. Included are all men's and boys' shirts meeting this description whether exported separately or as part of a set.</p>	<p>1 July 1979- : 1,150,000 30 Jun 1980</p> <p>1 July 1980- : 1,219,000 30 June 1981</p> <p>1 July 1981- : 1,292,140 30 June 1982</p>	2.10	7%	17% of which not more than 6% shall be borrow forward.
b)	<p><u>Footnotes: (1) 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.</u></p>				
c)	<p><u>Shirts, men's and boys' 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 1 piece knitted to shape collar.</u></p> <p><u>Blouses and Shirts, women's and girls'; children's and infants' wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof, knitted or woven, being garments with complete or partial front or back opening covering the upper part of the body, excluding underwear and jackets.</u></p>		1.70		

(a) Item No.	(b) Description of Product	(c) Restraint Level	(d) Conversion Factor	(e) Swing	(f) Carryover/ Borrow Forward
d)	<p><u>T-shirts and Sweaters, men's and boys', women's and girls', children's and infants', wholly or mainly by weight of cotton, man-made fibres of wool, or blends thereof. T-shirts are knitted garment without front opening covering the upper part of the body of construction 19 out or finer, i.e. 19 or more vertical stitches per inch. Sweaters are garments, at least one side of which is brushed or fleeced, covering the upper part of the body. Sweaters are not included.</u></p> <p>of which shirts with tailored collars</p> <p>of which other shirt categories</p>	<p>1 July 1979- : 300,000 30 June 1980</p> <p>1 July 1980- : 318,000 30 June 1981</p> <p>1 July 1981- : 337,000 30 June 1982</p> <p>1 July 1979- : 850,000 30 June 1980</p> <p>1 July 1980- : 901,000 30 June 1981</p> <p>1 July 1981- : 955,060 30 June 1982</p>			

ANNEX A

(a) Item No	(b) Description of Product	(c) Restraint Level	(d) Conversion Factor	(e) Swing	(f) Carryover/ Borrow Forward
3. a	<p>Dresses, Skirts and Suits</p> <p><u>Dresses and skirts, women's and girls', wholly or mainly by weight of cotton, man-made fibres, or wool, or blends thereof. Dresses are one-piece garments extending above the waist, including jumpers, evening gowns, dusters, house dresses and caftans (other than sleepwear). Skirts are one-piece garments not extending above the waist including golf skirts, kilts (including men's and boys') and culottes.</u></p>	<p>1 July 1979-: 400,000 30 June 1980</p> <p>1 July 1980- :424,000 30 June 1981</p> <p>1 July 1981- :449,440 30 June 1982</p>	3.20	7%	17% of which not more than 6% shall be borrowed forward
b	<p><u>Suits, women's and girls', children's and infants'; co-ordinates and outerwear sets, including athletic sets or suits, men's, boys', women's and girls', 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 as a set. Co-ordinates include: coat and dress sets, blouse and pant or skirt sets, shirt and skirt sets, cabana sets, beach pyjamas, lounging pyjamas, shorts sets, and beachwear. Athletic sets or suits 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 as a set, normally worn for participating in athletic activities and not covered by any other definition in these arrangements, including leotards covering the trunk of the body, judo sets, track suits, jogging suits, cross country ski-suits (subject to the description in Annex 1).</u></p>				

ANNEX A

(a) Item No.	(b) Description of Product	(c) Restraint Level	(d) Conversion Factor	(e) Swing	(f) Carryover/Borrow Forward
4	<p><u>Jackets, men's, boys', women's, girls' children's and infants', wholly or mainly by weight of cotton, man-made fibres, or wool, or blends thereof.</u> <u>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 by Item (1).</u></p>	<p>1 July 1979- :300,000 30 June 1980 1 July 1980- :318,000 30 June 1981 1 July 1981- :337,080 30 June 1982</p>	3.50	7%	<p>17% of which not more than 6% shall be borrow-forward</p>

(a) Item No	(b) Description of Product	(c) Restraint Level	(d) Conversion Factor	(e) Swing	(f) Carryover/ Borrow Forward
5	<p>Structured suits, sportcoats, and blazers, men's and boys' wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof.</p> <p>The suit-jacket, sportcoat or blazer must contain the following three elements or equivalent:</p> <ul style="list-style-type: none"> (i) lining; (ii) shoulder padding; and (iii) front stiffening <p><u>Footnotes:</u></p> <p>A unit is either a jacket 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 together.</p>	<p>1 July 1979- : 20,000 30 June 1980</p> <p>1 July 1980- : 21,200 30 June 1981</p> <p>1 July 1981- : 22,472 30 June 1982</p>	4.50	7%	<p>1% of which not more than 6% shall be borrow-forward</p>

ANNEX A

(a) Item No	(b) Description of Product	(c) Restraint Level	(d) Conversion Factor	(e) Swing	(f) Carryover/ Borrow Forward
6	All types of machine- and hand-knitting acrylic yarn containing 50% or more by weight of acrylic fibre, except those yarns spun on the cotton system	1 July 1979-: 150,000 lbs 30 June 1980-: 150,000 lbs 1 July 1980-: 159,000 lbs 30 June 1981-: 159,000 lbs 1 July 1981-: 168,540 lbs 30 June 1982-: 168,540 lbs	-	-	11% of which not more than 6% shall be borrow forward

ANNEX A

(a) Item No	(b) Description of Product	(c) Restraint Level	(d) Conversion Factor	(e) Swing	(f) Carryover/Borrow Forward
7	<u>Pants, men's, boys', women's, girls', children's and infants'</u>	EA			
a	<u>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, and gauchos.</u>				
b	<u>Outer shorts, as pants and slacks, but not extending to the knee.</u>				
c	<u>Overalls and Coveralls, a one-piece garment 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 in this item.</u>				

ANNEX A

(a) Item No.	(b) Description of Product	(c) Restraint Level	(d) Conversion Factor	(e) Swing	(f) Carryover/ Borrow Forward
8	<p><u>Sweaters, pullovers, cardigans</u> (including knitted ponchos), men's, boys', women's, girls', children's and infants', wholly or mainly by weight of cotton, man-made fibers or wool, or blends thereof, being knitted garments covering the upper part of the body, of construction coarser than 19 out, 16 less than 19 vertical stitches per inch. Included are such items with co-ordinating or matching accessories, eg hats, scarves, gloves, mittens, booties, etc.</p> <p><u>Note:</u> A garment in this item when shipped with such co-ordinating or matching accessories will be considered a set and counted as one unit.</p>	RA		--	-

ANNEX A

Explanatory Notes

1. Partially manufactured garments, i.e. garments which have been cut and sewn, or otherwise assembled, but which require further manufacture or processing, are also included in all the foregoing items, and are to be counted against the item number of the end product. For example, outerwear shells which are to be filled or lined are considered as partially manufactured products falling within Item No. 1.
2. Children's and infants' garments are sizes 0-6X.
3. Swing is permitted from adult sizes to children and infant sizes at a 3 to 5 ratio.
4. The restraint limits in column C may not be increased by more than 15 per cent by the combined use of swing, carryover and borrow forward.

REGISTRATION NO.

REPUBLIC OF SINGAPORE

CERTIFICATE OF ORIGIN/PROCESSING

No:

Consignee

Country of Origin of Goods

Country of Final Destination

Departure Date

Vessel's Name/Aircraft, etc.

Port of Discharge

(*Include Brand names if necessary)

NO UNAUTHORISED
ADDITION/
ALTERATION MAY
BE MADE TO THIS
CERTIFICATE ONCE
IT IS ISSUED

Marks & Numbers

No. & Kind of Packages
Description of Goods*

Quantity
& Unit

I hereby certify that evidence has been produced to satisfy me that the goods specified above are the manufacture or produce of the country as shown above.

EXPORT CERTIFICATE

This consignment is authorised for export and has been debited against Singapore's restraint level.

for Controller of
Imports & Exports
Republic of Singapore
Date:

ANNEX C

1. The exemption provided for in paragraph 33 of this MOU in respect of cottage industry products will apply only to the following products:

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, containing not more than 5 per cent by weight of man-made fibres, which have been woven on looms operated solely by hand or foot and are of a kind traditionally made in the cottage industry.

2. The exemption will apply only in respect of products covered by a certificate issued by the competent Singaporean authorities conforming to the specimen attached to this Annex.

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.

1. Exporter (name, full address)	2.	
3. Importer (name, full address)	CERTIFICATE IN REGARD TO HANDLOOMS, TEXTILE HANDICRAFTS AND TRADITIONAL TEXTILE PRODUCTS OF THE COTTAGE INDUSTRY	
6. Place and date of shipment—Means of transport	4. Country of Origin	5. Country of Destination
8. Marks and numbers—Number and kind of packages - DESCRIPTION OF GOODS	7. Supplementary details	
11. Certification by competent authority	9. Quantity 10. FOB Value	

- a) handloom textile fabrics, being fabric woven on looms operated solely by hand or foot;
- b) garments or other textile articles made in the cottage industry, by hand, from handloom textile fabrics as described in (a) above.

12. Competent authority (name, full address, country)

At _____, On _____