

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/856

10 June 1983

Special Distribution

Textiles Surveillance Body

Original: English

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Bilateral Agreement between Canada and Czechoslovakia

The Textiles Surveillance Body has received from Canada a notification of a new bilateral agreement with Czechoslovakia, concluded under Article 4 of the MFA, valid for the period 1 January 1982 to 31 December 1986.

The TSB, pursuant to its procedures regarding bilateral agreements notified under Article 4¹, has examined the relevant documentation and is forwarding the text of the notification to participating countries for their information.

¹ See COM.TEX/SB/35, Annex B.

CZECHOSLOVAKIA NOTE 1

The Embassy of the Czechoslovak Socialist Republic presents its compliments to the Department of External Affairs and has the honour to advise that the Arrangement between the Government of the Czechoslovak Socialist Republic and the Government of Canada relating to the Export from Czechoslovak Socialist Republic of certain Textiles and textile Products for Import into Canada, signed in Prague on March 18, 1982, has been approved by the appropriate Czechoslovak authorities.

The Embassy of the Czechoslovak Socialist Republic avails itself of this opportunity to renew to the Department of External Affairs the assurances of its highest consideration.

Ottawa, July 16, 1982.



Department
of External Affairs
O t t a w a

CANADA NOTE

The Canadian Embassy presents its compliments to the Federal Ministry of Foreign Affairs and has the honour to refer to the Arrangement between the Government of Czechoslovak Socialist Republic and the Government of Canada relating to the export from Czechoslovakia of certain textiles and textile products for import into Canada as signed by representatives of our two Governments in Prague on March 18, 1982 for the five year period commencing January 1, 1982.

Canadian authorities have the further honour to confirm the Government of Canada's acceptance of the Arrangement as constituting an Arrangement between our two Governments which will enter into effect on January 1, 1982 for five calendar years. Accordingly, Canadian authorities have the honour to propose that this Note and the reply thereto confirming the Arrangement will constitute an Arrangement between our two Governments.

The Canadian Embassy avails itself of this opportunity to renew to the Federal Ministry of Foreign Affairs the assurances of its highest consideration.

PRAGUE

September 24, 1982

CZECHOSLOVAKIA NOTE 2

The Federal Ministry of Foreign Affairs of the Czechoslovak Socialist Republic presents its compliments to the Canadian Embassy in Prague and has the honour to confirm the receipt of its Note No. 181 of September 24, 1982. At the same time the Ministry wishes to advise that the Embassy of the Czechoslovak Socialist Republic in Canada by its Note No. 225/82 of July 16, 1982 addressed to the Ministry of Foreign Affairs of Canada has already announced that the Agreement between the Government of the Czechoslovak Socialist Republic and the Government of Canada concerning the export of certain textiles and textile products from Czechoslovakia for the import to Canada has been approved by the responsible Czechoslovak authorities. According to the opinion of the Federal Ministry of Foreign Affairs by the mentioned exchange of the notes confirming the consent of both Governments to this Agreement, its validity has been put in force from January 1, 1982 and was confirmed thereby.

The Federal Ministry of Foreign Affairs of the Czechoslovak Socialist Republic avails itself of this opportunity to renew to the Canadian Embassy the assurance of its highest consideration.

Prague, October 19, 1982

To the:
Embassy of Canada
Prague

TRANSLATED AT THE CANADIAN EMBASSY, PRAGUE, Nov. 2, 1982

ARRANGEMENT BETWEEN THE GOVERNMENT OF THE
CZECHOSLOVAK SOCIALIST REPUBLIC AND THE
GOVERNMENT OF CANADA RELATING TO THE EXPORT FROM
CZECHOSLOVAKIA OF CERTAIN TEXTILES AND TEXTILE
PRODUCTS FOR IMPORT INTO CANADA

Introduction

1. This Arrangement sets out the arrangements that have been agreed between the Governments of the Czechoslovak Socialist Republic and Canada regarding the export of certain textiles and textile products from Czechoslovakia for import into Canada.

2. These arrangements have been made in compliance with the Arrangement Regarding International Trade in Textiles (hereinafter referred to as "the MFA") and in particular to Article 4 thereof, and with the Protocol extending the said Arrangement.

Restraint Levels

3. Except as provided for in paragraphs 11 to 16 below, the Government of the Czechoslovak Socialist Republic will restrain its exports to Canada of the textiles and textile products described in Annex I for the calendar year commencing 1 January 1982 to the limits specified therein.

4. For the four calendar year periods commencing 1 January 1983 and ending on 31 December 1986, the Government of the Czechoslovak Socialist Republic 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

5. For the purpose of these arrangements, the expression "textiles" will have the meaning ascribed to the expression in Article 12.1 of the MFA.

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 the Czechoslovak Socialist Republic.

8. The Government of Canada will admit imports of the textiles and textile products described in Annex II and subject to a specific quantitative limit in Annex I, provided such imports are covered by an original copy of a Czechoslovak "Export Licence" endorsed and issued by the proper Czechoslovak authority to the effect that the imports covered by the licence have been debited to the applicable quantitative limit as set out in Annex I.

9. The export licences issued by the Government of the Czechoslovak Socialist Republic in respect of products subject to restraint levels as specified in Annex I of this arrangement will contain the following information on the recommended form in Annex III:

1. Country of destination
2. Country of origin
3. Licence 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 I of the Arrangement
7. Quantity expressed in the units as designated in Annex I of the Arrangement. If more than one set of measure is established, all should be indicated; where the quantity is expressed other than as designated in the Arrangement, the equivalent weight, units or m2 should be calculated in accordance with the conversion factors set out in Annex I
8. F.O.B. or C.I.F. value except for non-commercial consignments
9. Certification by the proper Czechoslovak authority that the quantity has been debited against the agreed restraint level for export to Canada
10. Quota year.

10. In the event any quantity covered by an export licence is not shipped, or any part of it is returned, regardless of the reason, the Government of the Czechoslovak Socialist Republic will notify the Government of Canada of such quantities which may be credited by the Government of the Czechoslovak Socialist Republic to the appropriate restraint level.

Swing

11. 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 the Czechoslovak Socialist Republic will so indicate in subsequent quarterly returns.

12. For the purpose of implementing the swing provisions in paragraph 11, the conversion factors shown in Annex I will apply.

Carry-Over/Carry-Forward

13. 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.

14. 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.

15. 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.

16. Further to paragraphs 11 to 15 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

17. The Government of the Czechoslovak Socialist Republic will provide the Government of Canada with quarterly statistics relating to exports of the textiles and textile products listed in Annex II which are licensed for export to Canada and debited against restraint levels for each restraint period as per Annex I.

18. When submitting the quarterly statistics mentioned in paragraph 17, the Government of the Czechoslovak Socialist Republic undertakes to include the following information:

- a. Category and description of goods as set out in Annex I;
- b. Original and adjusted restraint level for each restraint period;
- c. Total quantity issued for the restraint period to date in the units designated 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 11, and 13-16 above.

This information would be provided as soon as possible following the end of each quarter.

19. The Government of Canada will provide the Government of the Czechoslovak Socialist Republic with quarterly statistics relating to import permits issued for imports originating in Czechoslovakia of the textiles and textile products listed in Annex II.

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

Equity

21. Should either Government consider, as a result of these arrangements, that it is placed in an inequitable position compared with any third party, that Government may request the other to consult as provided in paragraphs 23 and 24 with a view to implementing appropriate remedial measures.

Re-exports

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

Consultations

23. 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.

24. Any consultation 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

25. Each Government reserves its rights under the MFA with respect to textiles and textile products not subjects to these arrangements.

Revisions and Termination

26. 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.

27. Either Government may terminate these arrangements 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 any restraint period.

Annexes

28. The annexes to this Arrangement will be considered an integral part of it.

Transitional Arrangements

29. Any difficulties which may arise as a consequence of the transition to the 1982 arrangement will be brought immediately to the attention of the one Government by the other Government and efforts will be made by both Governments, through consultations or other means, to resolve such difficulties to their mutual satisfaction.

Final Provisions

30. This Arrangement is provisionally in force from the date of its signature and will be confirmed by an exchange of notes between the two Governments confirming their acceptance of these arrangements.

31. These arrangements will apply for five (5) years commencing on 1 January 1982 and ending on 31 December 1986.

32. Done at Prague on March 18, 1982 in English in duplicate, both copies being equally authentic.

For the
Government of Canada

For the Government of the
Czechoslovak Socialist Republic


Pierre Gosselin


Josef Keller

ANNEX I - RESTRAINT LEVELS

(A) ITEM NO.	(B) SHORT DESCRIPTION	CONVERSION FACTOR (M2/UNIT)	(C) RESTRAINT LEVEL	(D) GROWTH	(E) SWING	(F) CARRY-OVER/ CARRY-FORWARD	(G) COMBINED FLEXIBILITY (E) & (F)
<u>GROUP A</u>							
1.	Trousers, shorts, overalls and coveralls MBWGCI, of which: wool pants up to (125,000)	1.4	400,000 units	6%	5%	10(5)%	11%
2.	Fine suits MB	3.6	40,000 units	3%	5%	10(5)%	11%
<u>GROUP B</u>							
3.	Worsted fabrics (kg)	3.8	155,000 kg	3%	5%	10(5)%	11%
4.	Cotton terry towels wash cloths and sets (kg)	2.8	165,000 kg	6%	5%	10(5)%	11%

NOTE: No swing between products in Group A and products in Group B.

**ANNEX II - DEFINITIONS AND DESCRIPTIONS OF
TERMS USED IN ANNEX I**

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 percent or more in all items unless otherwise indicated.

Description of Product Categories

1. Trousers, Shorts, Overalls and Coveralls

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 percent or more by weight of wool or hair are considered to be woollen garments.

Overalls and coveralls wholly or mainly by 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.

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.

2. Fine Suits

Fine Suits, sportscoats & blazers, men's and boys', wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof.

Note: The suit-jacket, sportscoat or blazer may include lapels, lining, shoulder padding, and front stiffening and would normally be worn over another outer-garment.


Note: A unit is either a jacket, sportscoat 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.

3. Worsted Fabrics

Broadwoven fabric, having 17% or more by weight of wool and in which at least the warp is made from worsted spun yarn.

4. Cotton Terry Towels, Washcloths and Sets

Cotton terry towels, washcloths and sets, containing 50% or more by weight of cotton. Cotton terry towels, washcloths or 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.

		3 Quota year Année contingentaire	4 Category number Numéro de catégorie	
5 Consignee (name, full address, country) Destinataire (nom, adresse complète, pays)		EXPORT LICENCE (Textile products) <hr/> LICENCE D'EXPORTATION (Produits textiles)		
		5 Country of origin Pays d'origine	7 Country of destination Pays de destination	
8 Place and date of shipment - Means of transport Lieu et date d'embarquement - Moyen de transport		9 Supplementary details Détails supplémentaires		
10 Marks and numbers - Name and kind of packings - DESCRIPTION OF GOODS Marques et numéros - Nom et espèce des emballages - DÉSIGNATION DES MARCHANDISES		11 Number (1) Numéro (1)	12 FOB Value (2) Valeur FOB (2)	
<p>SAMPLE ONLY</p> <p>SAMPLE OF EXPORT LICENCE</p>				
13 CERTIFICATION BY THE COMPETENT AUTHORITY - VISA DE L'AUTORITE COMPETENTE				
I, the undersigned, certify that the goods described above have been charged against the quantities 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 of textile products with the European Economic Community - CANADA Je soussigné certifie que les marchandises désignées ci-dessus ont été imputées sur la limite quantitative fixée pour l'année indiquée dans la case No. 3 pour la catégorie désignée dans la case No. 4 dans le cadre des dispositions régissant les échanges de produits textiles avec la Communauté économique européenne - CANADA				
14 Competent authority (name, full address, country) Autorité compétente (nom, adresse complète, pays)		FEDERAL MINISTRY OF FOREIGN TRADE LICENCE DEPT. DIV. 10 1400 R. BRASS 4, CZECHOSLOVAKIA		
nam, und no 1400 R. BRASS 4, CZECHOSLOVAKIA		A. PERUS 		

(1) Show net weight (1g) and also quantity in the unit prescribed for category where other than net weight - Indiquer le poids net (1g) ainsi que la quantité dans l'unité prévue pour la catégorie si celle-ci n'est pas le poids net
 (2) In the currency of the sale contract - Dans la monnaie du contrat de vente