

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

COT/109/Add.1

17 December 1968

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ARRANGEMENT REGARDING INTERNATIONAL TRADE IN COTTON TEXTILES

Agreement Between Hong Kong and Canada

Addendum

The following communication has been received by the Director-General from the Canadian mission for notification to the Cotton Textiles Committee.

In light of discussions our delegation had with the British representative for Hong Kong during the recent meetings of the Cotton Textiles Committee we consider it advisable that the complete text of the Canada-Hong Kong Memorandum of Understanding should be circulated to supplement the information contained in COT/109 of 3 October 1968. A copy of this Memorandum is enclosed.

9 September 1968

Memorandum of Understanding

1. This Memorandum of Understanding sets out the arrangements which have been agreed between the Governments of Canada and Hong Kong regarding the limits to be applied by the Government of Hong Kong to exports of certain cotton apparel and cotton towels to Canada.
2. The Governments of Canada and Hong Kong agree that:
 - (a) these arrangements are made under Article 3 of the Long-Term Arrangement;
 - (b) these arrangements relate to the period 1 October 1968 to 30 September 1969;
 - (c) these arrangements relate to the products listed in the Annex which shall form an integral part of this Memorandum of Understanding;
 - (d) any of the limits on the categories listed in the Annex, with the exception of cotton towels, may be increased by not more than twelve and one half per cent, with equivalent reductions in other limits, using the following conversion factors:

Category No.	Description	Conversion Factor
1	Woven shirts	24.457 yd./doz.
2	Woven blouses	14.53 yd./doz.
3	Nightwear	51.96 yd./doz.
4	Trousers, slacks and shorts	17.797 yd./doz.

3. The Governments of Canada and Hong Kong will provide for each other on request any available statistical data relevant to these arrangements.
4. The Governments of Canada and Hong Kong will enter into consultations on request about any matter arising from or related to these arrangements.

ANNEX

Cotton apparel and cotton towels subject to export restraint during the period 1 October 1968 to 30 September 1969. This Annex is to be read in conjunction with the Memorandum of Understanding dated 9 September 1968, of which it forms an integral part.

Category No.	Hong Kong Export Classification No.	Description	Limit
1	841-161 841-163	Cotton woven shirts of which not more than 56,800 dozen may be children's	142,000 dozen
2	841-137 841-140 including jumpers	Cotton woven blouses of which not more than 20,500 dozen may be children's	82,000 dozen
3	841-170 841-186 and that part of 841-190 relating to infants' night garments	Cotton woven nightwear	96,820 dozen
4(i)	841-117 841-146	Cotton woven trousers, slacks and shorts - children's	139,000 dozen
4(ii)	841-117 841-146	Cotton woven trousers, slacks and shorts - men's and women's of which not more than 90,000 dozen may be either men's or women's	137,000 dozen
5	656-917 656-919 ex 656-999	Cotton woven towels and industrial wiper towels	1,350,000 pounds ^{1/}

^{1/} The Hong Kong Government will require shippers of towels to apply for export authorizations which will be valid for three months from date of issue. No export licences will be issued other than against these authorizations. If and when applications for export authorizations exceed the levels indicated in respect of any one of the following categories of towels, the Hong Kong Government will immediately inform the Canadian Government, through its Senior Trade Commissioner in Hong Kong. The Canadian Government will, within twenty-one days, notify the Hong Kong Government if it wishes to consult in regard to the category or categories concerned. In the absence of such notification, the Hong Kong Government will issue the export authorizations applied for; but will continue to notify the Canadian Government immediately if and when further applications are received in regard to the category or categories concerned, at which time the same procedure as before will be followed.

Category	Description	Consultation Level
5(i)	Terry, Jacquard	250,000 pounds
(ii)	Terry, other than Jacquard	500,000 pounds
(iii)	Cabinet towels	170,000 pounds
(iv)	Industrial wiper towels	200,000 pounds
(v)	Other than terry, cabinet and industrial wiper towels	230,000 pounds