

RESTRICTED

COM.TEX/SB/981*

1 August 1984

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GENERAL AGREEMENT ON TARIFFS AND TRADE

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Modification of the Bilateral Agreement between Canada and China

The Textiles Surveillance Body has received a notification from Canada concerning an amendment to its bilateral agreement with China. The amendment provides for the inclusion of dresses and¹skirts; athletic sets or suits, and foundation garments in the agreement.

The TSB, pursuant to its procedures regarding notifications under Article 4², has examined the relevant documentation, and is forwarding the text of the notification to participating countries for their information.

¹The original bilateral agreement notified under Articles 7 and 8 is contained in COM.TEX/SB/881.

²See COM.TEX/SB/35, Annex B.

* English only/Anglais seulement/Inglés solamente.

Canada/China Textile Consultations
Agreed Record of Discussions

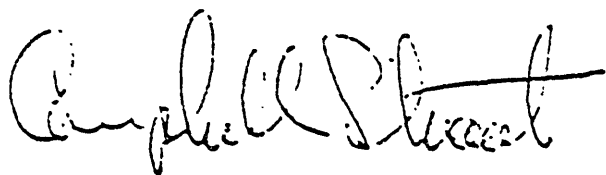
1. Delegations representing the Government of the People's Republic of China and the Government of Canada met on April 16 and 17, 1984, in Beijing to discuss the export of dresses and skirts, athletic sets or suits and foundation garments from China to Canada.
2. During these discussions, it was agreed that Chinese authorities will restrain, effective January 1, 1984, exports of dresses and skirts, athletic sets or suits and foundation garments from China to Canada through the issuance of export licences endorsed and issued by the appropriate authorities of the Government of the People's Republic of China.
3. It was also agreed that exports of dresses and skirts, as described in the attached Annex, shall be specified as Item 20 of the Clothing Restraint Levels as shown in Annex I of the Memorandum of Understanding Relating to the Trade in Certain Textile and Clothing Products Between Canada and the People's Republic of China and shall be restrained during the period January 1, 1984, to December 31, 1984, to the level of 875,000 units. The provision for swing will be 7 percent and the provision for borrowforward will be 11 percent with the combined flexibility to be 12 percent. The conversion factor will be 3.0 square metres per unit. It was further agreed that the 1985 restraint level governing the export of these products will be 875,000 units plus 6 percent and that the restraint level for 1986 will be accorded further growth of 6 percent. The provision for swing will be 7 percent with carryover/borrowforward to be 11 percent and combined flexibility to be 12 percent.
4. It was also agreed that exports of athletic sets or suits, as described in the attached Annex, shall be specified as Item 21 of the Clothing Restraint Levels as shown in Annex I of the Memorandum of Understanding Relating to the Trade in Certain Textile and Clothing Products Between Canada and the People's Republic of China and shall be restrained during the period January 1, 1984, to December 31, 1984, to the level of 2,600,000 units. The provision for swing will be 7 percent and the provision for borrowforward will be 11 percent with the combined flexibility to be 12 percent. The conversion factor will be 3.5 square metres per unit. In addition, in 1984 only, Canadian authorities will permit entry into Canada of a further

250,000 units of athletic sets or suits exported from China. It was further agreed that the 1985 restraint level governing the export of these products will be 2,600,000 units plus 6 percent and that the restraint level for 1986 will be accorded further growth of 6 percent. The provision for swing will be 7 percent with carryover/borrowforward to be 11 percent and combined flexibility to be 12 percent.

5. It was also agreed that exports of foundation garments, as described in the attached Annex, shall be specified as Item 22 of the Clothing Restraint Levels as shown in Annex I of the Memorandum of Understanding Relating to the Trade in Certain Textile and Clothing Products Between Canada and the People's Republic of China and shall be restrained during the period January 1, 1984, to December 31, 1984, to the level of 800,000 units. The provision for swing will be 7 percent and the provision for borrowforward will be 11 percent with the combined flexibility to be 12 percent. The conversion factor will be .3 square metres per unit. It was further agreed that the 1985 restraint level governing the export of these products will be 800,000 units plus 6 percent and that the restraint level for 1986 will be accorded further growth of 6 percent. The provision for swing will be 7 percent with carryover/borrowforward to be 11 percent and combined flexibility to be 12 percent.
6. The Canadian side withdrew its request for consultation on swimwear, noting that the provisions of the Memorandum of Understanding Relating to the Trade in Certain Textile and Clothing Products Between Canada and the People's Republic of China regarding this item would remain unchanged. The Chinese side agreed.
7. It was agreed that overshipments of certain restrained items from China to Canada in 1983 will be allowed entry into Canada and will be deducted from the corresponding restraint levels in 1984. The exact amounts of such overshipments will be mutually agreed following reconciliation of statistics and the application of the relevant flexibility provisions in the Memorandum of Understanding Relating to the Trade in Certain Textile and Clothing Products Between Canada and the People's Republic of China.

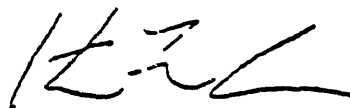
8. It was agreed that Canada would send experts to China at a time to be agreed in late 1984 or early 1985 to conduct seminars on the Canadian system of classification of the textile and clothing items subject to restraint. It was envisaged that these seminars would take place in various Chinese cities over a period of about ten days. The Chinese authorities will propose a specific itinerary and the Canadian authorities will propose the agenda for the seminars.

HEAD OF CANADIAN DELEGATION



CAMPBELL STUART

HEAD OF CHINESE DELEGATION



SHEN JUEREN

Beijing
April 18, 1984

Beijing
April 18, 1984

ANNEX

- | <u>Item No.</u> | <u>Product Description</u> |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 20 | <p><u>Dresses and Skirts</u></p> <p><u>Dresses</u>, 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 extending above the waist, including jumpers, evening gowns, dusters and house dresses (other than sleepwear).</p> <p><u>Skirts</u>, 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.</p> |
| 21 | <p><u>Athletic sets or suits</u>, 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 coordinated 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 including leotards covering the trunk of the body, judo sets, track suits, jogging suits, cross country ski-suits (subject to the description of outerwear).</p> |
| 22 | <p><u>Foundation Garments</u>, wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof. Included are: brassieres, girdles, corselettes, corsets and panty girdles.</p> |