

GENERAL AGREEMENT ON

RESTRICTED

TARIFFS AND TRADE

COM.TEX/SB/1417*
7 October 1988
Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Articles 7 and 8

Bilateral agreement between Canada and the German Democratic Republic

The Textiles Surveillance Body received a notification from Canada of a bilateral agreement on hosiery concluded with the German Democratic Republic for the period 1 January 1988 to 31 December 1991. This notification has been made in accordance with the request made by the Textiles Committee that bilateral agreements concluded with non-participants be notified.

The TSB is transmitting the notification to participating countries for their information.

*English only/Anglais seulement/Inglés solamente

**Translation of letter from the Embassy of the German Democratic
Republic to External Affairs Canada**

The Embassy of the German Democratic Republic in Canada conveys to the Canadian External Affairs Department expressions of its highest esteem and has the honour of informing the Ministry that, as a result of consultations concerning hosiery exports from the German Democratic Republic to Canada recently conducted in Berlin, the Ministry for Foreign Trade of the GDR has given its consent to the negotiated agreement as set forth in the letter of 27 January 1988 by Mr. Stephan Oberlaender, leader of the delegation of the GDR and Director of Textilcommerz, Foreign Trade Enterprise, Unter den Linden 62/67, to the leader of the Canadian delegation, Mr. Claudio A. Valle, Director of Import Controls, External Affairs Canada.

The Ministry for Foreign Trade of the German Democratic Republic regards the quantity of 2,400,000 pairs of hose (socks) to be exported annually from the GDR to Canada during the period from 1 January 1988 to 31 December 1991 as agreed upon.

The Embassy of the German Democratic Republic in Canada takes this opportunity to assure the Canadian External Affairs Department of its highest esteem.

Ottawa, 25 February 1988

Mr. Claudio A. Valle
Director of Import Controls
I Division
External Affairs Canada
Ottawa, Canada

OL/Mr. 27 January 1988

Dear Mr. Valle,

With reference to consultations concerning the export of hosiery from the German Democratic Republic to Canada which took place on 9 December 1987 in Berlin, the following agreement was negotiated with you:

1. The German Democratic Republic, through the agency of the People's Own Foreign Trade Enterprise (VE AHB) of the GDR Textil Commerz, may export to Canada, within the framework of the quantities agreed upon, up to 2.4 million pairs (200,000 dozen) in the period from 1 January 1988 to 31 December 1988, and a like quantity annually in each of the years 1989, 1990, and 1991.
2. If less than the stipulated annual quota, as set out under 1. is delivered in the years 1988, 1989, and 1990, the stipulated quota may be exceeded by 5% in the year immediately following. In the years 1988, 1989, and 1990, the stipulated annual quota may be exceeded by 10% in anticipation of the quota for the year immediately following. The application of provisions relating to shortfalls and anticipations of annual quotas is conditional upon prior notification of the competent Canadian authorities. Simultaneous application of the carry-over/carry-forward regulation is possible for only 10% of the stipulated annual quota.

3. In case a consignment is not exported or is returned after an export certificate has been issued, the VE AHB Textil Commerz will so inform the competent Canadian authorities which will not apply the consignment against the stipulated annual quota.
4. To ensure the orderly implementation of the provisions governing the export of hosiery from the GDR to Canada, export certificates corresponding to the sample included with this letter (Enclosure) shall be issued for each consignment.
The sole authority in the GDR competent to issue export certificates is the VE AHB Textil Commerz.
5. The VE AHB Textil Commerz shall inform the competent Canadian authorities quarterly regarding the actual quantity of hosiery exported to Canada under the stipulated annual quota for which export certificates were issued.

The date of export of hosiery exported from the GDR to Canada shall be deemed to be the day of export from the GDR. If necessary, information relating to all questions connected with the implementation of this agreement may be exchanged between the VE AHB Textil Commerz and the competent Canadian authorities at the request of either of the two parties.

TEXTIL COMMERZ
People's Own Foreign Trade Enterprise
ESDA Export Department Hosiery
Export/Import

Oberländer
Direktor and Leader
of the Negotiating Delegation

Enclosure

ANNEX

1. Exporter (name,full address,country) ORIGINAL 2. NUMBER
3. Quota year 4. Category number

EXPORT CERTIFICATE
(Textile Products)

5. Consignee (name,full address,country)
6. Country of origin 7. Country of Destination

8. Place and date of shipment -Means of transport 9. Supplementary details

10. Marks and numbers-Number and kind of packages 11. Quantity (1) 12. FOB Value
DESCRIPTION OF GOODS

13. CERTIFICATION BY THE COMPETENT AUTHORITY

I, the undersigned, certify that the goods described above have been charged against the agreed quantities for the year shown in box No. 3 in respect of the category shown in box No.4 by the provisions regulating trade hosieries MEWCCI from the GDR to Canada.

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

At....., on

The Department of External Affairs presents its compliments to the Embassy of the German Democratic Republic and has the honour to refer to note number 18/88 from the Embassy dated February 25, 1988, concerning the arrangement negotiated during consultations conducted in Berlin on March 9, 1988, relating to the export of hosiery from the German Democratic Republic to Canada.

Canadian authorities wish to confirm acceptance of the negotiated arrangement which contains the following provisions:

1. The German Democratic Republic will restrain its exports of hosiery to Canada at an annual quantitative limit of 2,400,000 pairs during each of the 4 annual restraint periods: January 1, 1988 to December 31, 1988; January 1, 1989 to December 31, 1989; January 1, 1990 to December 31, 1990 and January 1, 1991 to December 31, 1991.
2. Portions of the quantitative limit which are not used during an annual restraint period may be carried over and added to the quantitative limit for the following year which may be increased within the percentage limit of 10 per cent. In addition, any annual restraint period may be increased within the percentage limit of 5 per cent by an amount advanced from the restraint level for the following year.

3. In the event any quantity covered by an export licence is not shipped or any part of it is returned, the Textil Commerz will notify the Canadian authorities of such quantities which may be credited by the Textil Commerz to the restraint level.
4. Canada will admit hosiery from the German Democratic Republic, (subject to the annual quantitative limit of 2,400,000 pairs), provided such shipments are covered by a copy of an export licence endorsed and issued by the Textil Commerz to the effect that the imports covered by the licence have been debited to the restraint.
5. The Textil Commerz will provide the Canadian authorities with quarterly statistics relating to exports of hosiery which are licensed for export to Canada and debited against the restraint level for each restraint period.
6. The date of export from the German Democratic Republic will be used to determine within which restraint period any hosiery will be counted.

Canadian authorities wish to propose that note number 18/88 of the Embassy of the German Democratic Republic and this note constitute an arrangement between our two governments concerning the matters they refer to.

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

Ottawa, March 30, 1988