

GENERAL AGREEMENT ON

RESTRICTED
COM.TEX/SB/1552*
10 October 1990

TARIFFS AND TRADE

Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Amendment of the Bilateral Agreement Between Canada and Indonesia

The Textiles Surveillance Body received a notification from Canada of a further amendment of its bilateral agreement with Indonesia, affecting restraints on trousers, pants, slacks, jeans and outershorts for the period 1 January 1990 to 31 December 1991, following overshipments in 1989.¹

The TSB, pursuant to its procedures regarding notifications made under Article 4,² has examined the relevant documentation and is forwarding the text of the notification to participating countries for their information.³

¹The bilateral agreement is contained in COM.TEX/SB/1330.

²See COM.TEX/SB/35, Annex B.

³For the TSB's observation on this notification see COM.TEX/SB/1553.

* English only/Anglais seulement/Inglés solamente

AGREED RECORD

Delegations representing the Government of Canada and the Government of the Republic of Indonesia met in Ottawa on April 11-12, 1990, pursuant to the Arrangement between the Government of Canada and the Government of Indonesia relating to the export from Indonesia of certain textile and textile products for import into Canada (MOU).

Consultations were held with a view to explore a means to facilitate trade within the parameters of the MOU and to deal with overshipments of products in Categories 2A and 2C as described in Annex I of the MOU. The two delegations agreed to combine, for calendar years 1990 and 1991, the restraint levels of Categories 2A and 2C as outlined in the attached Annex. The coverage of this combined category includes the products covered under Categories 2A and 2C as described in Annex II of the MOU. The effective restraint levels for 1990 and 1991 are the "Adjusted Restraint Levels".

The Government of Indonesia agrees to take appropriate steps to correct the problems that have occurred as a result of over-allocation of quotas. The Government of Indonesia will also take the necessary steps to ensure that the restraint levels in the MOU, as amended by this Agreed Record, are not exceeded.

The delegation of Indonesia indicated that there exists the possibility that a significant number of export licenses (Form K) may have been issued fraudulently. The delegation of Indonesia undertook to provide Canadian authorities with further information on this matter. The two sides agreed to cooperate with a view to eliminating the use of such fraudulent documents, including if necessary, consultations with third parties that may be implicated.

The Canadian delegation agreed to examine the possibility of the establishment of an automated visa verification system under which data on export license issuance would be transmitted from Indonesia to Ottawa.

The delegation of Indonesia undertook to provide Canadian authorities with monthly statistics on the issuance of export licenses (Form K), including a list of all Form Ks issued.

The delegation of Canada undertook to provide Indonesian authorities with monthly statistics on the issuance of import permits.

For the Government
of Canada

For the Government of
the Republic of
Indonesia

Ottawa, Canada
April 12, 1990

ANNEX 1 RESTRAINT LEVELS

(A) <u>Category</u>	(B) <u>Short Description</u>	(C) <u>Restraint Level</u>	(D) <u>Year</u>	(E) <u>Swing</u>	(F) <u>Carry Over/ Carry Forward</u>	(G) <u>Combined Flexibility (E) + (F)</u>	(H) <u>Conversion Factor (M²/UNIT)</u>
<u>GROUP A</u>							
2A/C	Trousers, Pants, Slacks, Jeans and Outershorts	1,120,139 1,187,347	1990 1991	6.5% 6.5%	7% C-0; 5% C-F 7% C-0	15% 13.5%	1.7 1.7