

# GENERAL AGREEMENT ON

## TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1557\*

10 January 1991

Special Distribution

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Textiles Surveillance Body

### ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

#### Notification under Article 4:4

#### Amendment of the Bilateral Agreement Between Canada and Pakistan

The Textiles Surveillance Body received a notification from Canada of a further amendment of its bilateral agreement with Pakistan. Restraints were agreed on bedsheets and pillowcases for the period 21 November 1988 to 31 December 1991. Adjustments to four existing restraints were also agreed.<sup>1</sup>

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

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<sup>1</sup>The bilateral agreement and previous amendment are contained in COM.TEX/SB/1307 and 1426.

<sup>2</sup>See COM.TEX/SB/35, Annex B.

\*English only/Anglais seulement/Inglés solamente.

CANADA - PAKISTAN CONSULTATIONS  
AGREED RECORD OF DISCUSSIONS

1. Delegations representing the Government of Canada and the Government of the Islamic Republic of Pakistan met on July 20-21, 1989, in Ottawa to discuss the export of bedsheets and pillowcases from Pakistan to Canada in accordance with the provisions of paragraphs 26-33 of the Memorandum of Understanding between the Government of Canada and the Government of the Islamic Republic of Pakistan of Certain Textiles and Textile products for Import in Canada (MOU).

2. During the discussions, the Canadian delegation proposed that Pakistani authorities restrain, effective November 21 1988, and for the term of the MOU, ending on December 31, 1991, exports from Pakistan of bedsheets and pillowcases, defined in Section 17 of Annex II of the MOU, to Canada through the issuance of an "Export Licence" issued and endorsed by the proper Pakistani authority in accordance with the administrative provisions of paragraphs 7-13 of the MOU. It proposed that during the period November 21, 1988, through December 31, 1989, exports of bedsheets and pillowcases, which would be specified as Group B, Items 9 and 10 of Annex I of the MOU for purposes of identification (as indicated in the attached appendix), be restrained to the level of 615,125 units and 526,458 units respectively. The restraints for 1990 for bedsheets and pillowcases would be 588,300 units and 503,500 units respectively and be accorded 6 per cent growth in 1991. The provision for swing (MOU paragraph 14) to be 7 per cent, carryover/carry forward (MOU paragraphs 15-18) of 11/6 per cent. Total combined flexibility of 16 per cent. Conversion factors for bedsheets of 6.25 M<sup>2</sup>/unit and for pillowcases of 1.25 M<sup>2</sup>/unit. No swing between products in Group A and products in Group B. The provisions of the MOU would therefore be read as including bedsheets and pillowcases, Group B, Items 9 and 10 respectively of the MOU.

3. The Canadian side also proposed that for the period January 1, 1989, to December 31, 1991, the restraint levels for Categories 1, 2, 3 and 8 be as set out in the attached Appendix. The Agreed Record of Discussion and accompanying appendices would be considered as Annex V to the MOU.

4. It was agreed that Pakistani authorities shall indicate to the Canadian delegation by Friday, August 4, 1989, their acceptance or rejection of the Canadian delegation's offer set out in paragraphs 2 and 3 above. It was agreed that until that time Pakistani authorities shall restrict their exports of bedsheets and pillowcases to Canada for the period 21 November, 1988, to 4 August, 1989, to 468,788 and 401,674 units respectively.

5. The Canadian delegation noted that its signature of this Agreed Record was on an ad referendum basis subject to confirmation by means of a diplomatic note indicating acceptance.

(signed) J. Saint-Jacques  
for the Government of  
Canada

(signed) M. Naseem Qureshi  
for the Government of the  
Islamic Republic of Pakistan

Ottawa, July 21, 1989

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APPENDIX

RESTRAINT LEVELS

CALENDAR YEARS

		<u>1989</u>	<u>1990</u>	<u>1991</u>
<b>CATEGORY</b>	1	601,108	637,175	675,405
	2	343,280	363,877	385,709
	3	3,630,764	3,848,610	4,079,526
	3(A)	1,145,495	1,214,225	1,287,078
	8	1,034,935	1,097,031	1,162,853
	8(a)	838,310	888,609	941,925

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Appendix

RESTRAINT LEVELS

<u>(A)</u> <u>Category No.</u>	<u>(B)</u> <u>Short</u> <u>Description</u>	<u>(C)</u> <u>Restraint</u> <u>Level</u>	<u>(D)</u> <u>Growth</u>	<u>(E)</u> <u>Swing</u>	<u>(F)</u> <u>Carry-over/</u> <u>Carry Forward</u>	<u>(G)</u> <u>Combined</u> <u>Flexibility</u>	<u>(H)</u> <u>Conversion Factor</u> <u>(M2/unit)</u>
9	Bedsheets	615,125 (21 NOV 88 - 31 DEC 89)	6%	7%	11%	16%	6.25
		588,300 (1990)					
10	Pillowcases	526,458 (21 NOV 88 - 31 DEC 89)	6%	7%	11%	16%	1.25
		503,500 (1990)					

Group B

Department of External Affairs

Ministère des Affaires Extérieures

CANADA

No. EST1299

The Department of External Affairs presents its compliments to the Islamic Republic of Pakistan and has the honour to refer to its note No. ECO.I/13/89 dated August 8, 1989, and to the Agreed Record of Discussions signed by representatives of Canada and Pakistan in Ottawa on July 21, 1989, relating to the export from Pakistan of bedsheets and pillowcases for import into Canada.

Canadian authorities wish to confirm acceptance of the provisions contained in the Agreed Record and propose that this note, together with the above-mentioned note from Pakistani authorities confirming acceptance by their government, give effect to the agreement outlined in the Agreed Record.

The Department of External Affairs avails itself of this opportunity to renew to the Islamic Republic of Pakistan the assurances of its highest consideration.

Ottawa, September 11, 1989

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**KIP - 5H3**  
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August 8, 1989

NO. ECO.I/13/89

The Embassy of Pakistan presents its compliments to the External Affairs and International Trade Canada and with reference to the discussions held in Ottawa between the delegations of the Government of Canada and the Government of Pakistan from 20th to 21st July, 1989 regarding the export of bedsheets and pillowcases from Pakistan to Canada in accordance with the provisions of paragraph 26 to 33 of the Memorandum of Understanding between the Government of Canada and the Government of Pakistan of certain textiles and textile products for import in Canada has the honour to convey acceptance of the Government of Pakistan to the agreed record of discussions which was signed on 21st July, 1989 by Mr. J. Saint-Jacques on behalf of the Government of Canada and Mr. M. Naseem Qureshi on behalf of the Government of Pakistan.

The Embassy of Pakistan avails itself of this opportunity to renew to the External Affairs and International Trade Canada the assurances of its highest consideration.

External Affairs and  
International Trade Canada,  
(Mr. J. Saint-Jacques, Director),  
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(Textiles and Clothing) (EST),  
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Ottawa