GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1571 *
8 February 1991

Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Articles 8:3

Bilateral agreement between Canada and South Africa

The Textiles Surveillance Body received a notification from Canada of a bilateral agreement concluded with South Africa for the period 1 January 1989 to 31 December 1991. This agreement replaced unilateral restraints which had been imposed effective 1 January 1988.

This notification was made pursuant to a request made by the Textiles Committee that participants notify agreements concluded with non-participants.

The TSB agreed to forward the agreement to participating countries for their information.

¹The communication on the unilateral measures is contained in COM.TEX/SB/1368.

^{*}English only/Anglais seulement/Inglés solamente

SUID-AFRIKAANSE PERMANENTE MISSIE SOUTH AFRICAN PERMANENT MISSION

65, rue du Rhone 1204 Genève

26 June 1989

Mr. R. G. Wright
Minister (Economic)
Deputy Permanent Representative
Permanent Mission of Canada
1, chemin du Pré-de-la-Bichette
1202 Geneva

Dear Mr.Wright,

I wish to acknowledge receipt of your letter dated 21 June 1989 and to confirm on behalf of the Government of the Republic of South Africa that the arrangements which the Government of Canada has proposed to govern the importation into Canada of apparel and worsted fabrics originating in South Africa during the period 1 January 1989 to 31 December 1991, are acceptable to South Africa.

This inter-governmental arrangement having now been established, South Africa regards its invocation of the dispute settlement provisions of Article XXII of GATT on this particular matter, as terminated.

Yours faithfully,

(signed) A. Roodt
MINISTER (ECONOMIC)
ALTERNATE PERMANENT REPRESENTATIVE TO GATT

Letter from the Permanent Mission of Canada to the United Nations

FILE 37-10-3-3-OTHERS DIARY - J. GERO/rt

> 1 rue du Pré-de-la Bichette 1202 Geneva

21 June 1989

Mr. Abraham J. W. Roodt Minister (Economic) Alternate Permanent Representative to GATT Permanent Mission of the Republic of South Africa Rue de Rhône, 65 1204 Geneva

Dear Mr. Roodt,

I am writing with reference to the Article XXII consultations, held in Geneva on 15 December 1988, concerning the importation of South African apparel and worsted fabrics into Canada.

As discussed during these consultations, I hereby propose, on behalf of the Government of Canada, that the following arrangements apply to the importation of South African apparel and worsted fabrics into Canada.

1. Coverage

For the purposes of classifying apparel and worsted fabrics in the appropriate category, the definitions and notes set out in the attached Annex will apply.

2. Duration

The restraints apply for three separate calendar year periods commencing on 1 January 1989 and ending on 31 December 1991.

3. Restraint Levels

- A. An annual quota of 1,100,000 units will be established for all apparel categories with the following sub-limits.
- (a) trousers, shorts, overalls, 230.020 Units coveralls

(b)	blouses, shirts other, T-shirts, sweatshirts	103,880	Units
(c)	tailored collar shirts	393,260	Units
(d)	other apparel	372.840	Units

B. An annual quota of 80,000 kg be established for worsted fabrics.

4. Growth and Flexibility Provisions

Appare1

- a) The apparel aggregate level and the sub-limits for categories (a), (b), (c) and (d) will be subjected to annual increases of 6 per cent, starting in 1990.
- b) Any under-utilization of quantities allocated to categories (a), (b) and (c) may be transferred to category (d), while observing the apparel aggregate level.

Worsted Fabrics

The annual level will be subjected to an annual growth rate factor of 3 per cent, starting in 1990.

5. Administration

These arrangements will be implemented on the basis of our import control system operated by the Special Trade Relations Bureau (STRB) of the Department of External Affairs.

The date of entry into Canada will be used to determine within which restraint period any product under restraint will be counted.

Quotas will be allocated to individual importers on a pro-rated basis reflecting their historical performance in importation from South Africa in the period 1 January 1986 through 31 October 1987.

I would be grateful to receive confirmation by letter that the arrangements proposed above are satisfactory to the Government of South Africa. This letter, together with your letter of confirmation in reply will constitute an intergovernmental arrangement between the Government of South Africa and the Government of Canada, to enter into effect retroactively from 1 January 1989.

Yours sincerely,

R. G. Wright Minister (Economic)

ANNEX 1

Definitions and Description of Terms

General Notes

- 1. Gender Unless otherwise indicated, all definitions of garments apply to garments for men (M), boys (B), women (W), girls (G), children and infants (C&I). Children's and infants' garments include all garments sized O-6X.
- 2. Unless otherwise indicated, swing is permitted from adult garments to children's and infants' garments at a 3 to 5 ratio.
- 3. All descriptions include partially manufactured products. Partially manufactured garments include cut-to-shape fabric pieces for garments on which there has been any processing beyond cutting to shape and knit-to-shape pieces for garments, whether or not there has been any processing beyond the knitting to shape.
- 4. Garments of indeterminate gender including unisex garments, are to be counted as of male gender.

Description of Product Categories

Clothing

1. Winter Outerwear Garments

Winter Outerwear Garments (commonly referred to as snowsuits, snowmobile suits, ski-suits, ski-pants, and snow-pants and jackets, and similar jacket-type garments) that have an outer shell manufactured substantially by surface area with woven fabrics and that are lined and designed to protect the wearer against cold, e.g., quilted linings, down or fibre fillings, etc., but not plain acetate or viscose lining. Excluded are unlined outerwear; all coats three-quarter length or longer, that is, to the knee or below the knee, garments commonly known as squall jackets, windbreakers or similar jacket-type garments where there is no thermal insulation; and ski-pants and cross-country ski-suits which do not meet the above description (e.g., constructed entirely from knitted fabric).

<u>Note</u>: A unit comprises garments which have been designed to be sold as a set, e.g., matching or coordinated ski-jackets and ski-pants comprising a ski-suit will be counted as one unit if packed and shipped as a set. Vests are counted separately.

2. Trousers, Shorts, Overalls and Coveralls

<u>Trousers</u>, <u>pants</u>, <u>slacks</u> and <u>jeans</u> being garments which do not extend above the waist but extend to the knee or below. Included are jodhpurs, knickers, footless tights, gauchos.

<u>Note</u>: Men's and boys' garments in this item manufactured of fabric containing five per cent or more by weight of wool or hair are considered to be woollen garments.

Overalls and Coveralls. Overalls and coveralls are one-piece garments, as either pants or shorts but extending above the waist in the form of a bib (or permanently affixed straps) or other structure which partially or fully covers the upper part of the body. One piece jumpsuits are included.

<u>Outershorts</u>. Shorts are garments similar to pants but not extending to the knees.

3. Shirts, Tailored Collar

Shirts with tailored collars, men's and boys': knitted or woven, being garments covering the upper part of the body normally worn next to the skin or directly over underwear and with a full or partial front opening which may include a zipper and may be designed to be worn either inside or outside of pants. Included are all men's and boys' shirts meeting this description whether exported separately or as part of a set.

Note: Included are children's sizes 4 - 6X.

<u>Note</u>: A "tailored collar" consists of one or more pieces of material which are cut and sewn or cut and fused and designed with two pointed or rounded ends. The following may be used when needed, in the construction: stays, lining, stiffening by any means.

4. Shirts, Blouses, T-Shirts, Sweatshirts

<u>Blouses and shirts</u>, women's and girls', children's and infants', knitted or woven, being garments which may have a complete or partial front or back opening covering the upper part of the body, excluding underwear, jackets, T-shirts, sweatshirts and sweaters.

Shirts, men's and boys, children's and infants' other than with tailored collars, including full-fashioned collars. A full-fashioned collar consists of one piece knitted to shape collar. For a full description of "shirts" see also the description for Shirts, Tailored Collar, above.

<u>T-Shirts</u>. T-shirts are knitted garments which may have collarless front openings or no front openings covering the upper part of the body of construction 19 cut or finer, i.e., 19 or more vertical stitches per inch.

<u>Sweatshirts</u>, being garments at least one side of which is brushed or fleeced, covering the upper part of the body. Sweaters are not included.

<u>Note</u>: The definition of T-shirts and sweatshirts for men and boys are subject to the over-riding definition of men's and boys' shirts with tailored or full-fashioned collars.

5. Sweaters, Pullovers and Cardigans

Sweaters, pullovers, cardigans, (including knitted ponchos), being knitted or crocheted garments covering the upper part of the body and which may be of any length, of construction coarser than 19 cut, i.e., less than 19 vertical stitches per inch. Included are such items with coordinating or matching accessories, e.g., hats, scarves, gloves, mittens, booties, etc. A garment in this item when shipped with such coordinating or matching accessories will be considered a set and counted as one unit.

6. Sleepwear and Bathrobes

Pyjamas and sleepwear, being garments normally worn for sleeping.

<u>Bathrobes</u>, <u>dressing gowns and housecoats</u>, being garments other than sleepwear normally worn in privacy, including bed jackets and negligees.

7. Dresses and Skirts, Suits, Coordinates and Outerwear Sets

<u>Dresses</u>, women's and girls' children's and infants'. Dresses are one-piece garments extending above the waist, including jumpers, evening gowns, dusters and house dresses (other than sleepwear).

<u>Skirts</u>, women's and girls' children's and infants'. Skirts are one-piece garments not extending above the waist including golf skirts, kilts (including men's and boys') and culottes (divided skirts).

<u>Suits and coordinates</u> are garments comprising two or three matched or coordinated pieces, covering both the upper and lower parts of the body, packed and shipped and sold as a set. Excluded are pieces which are Fine Suits, Winter Outerwear, Underwear, Sleepwear, Swimwear, Foundation Garments, Rainwear, Shirts Tailor-Collar.

<u>Coordinates or matching sets and blazers</u>, men's and boys', children's and infants, and not covered by the definitions in item 12 of this Annex.

<u>Suits</u>, coordinates, or matching sets, and blazers, women's and girls', children's and infants'.

<u>Miscellaneous Garments</u> Children's and infants' garments not meeting any of the descriptions relating to children's and infants' wear contained elsewhere in this Annex, including sunsuits, christening sets, pram sets, creepers, rompers, crawlers, diaper sets, sleepers and blanket sleepers where the legs of the garments extend to completely encase the feet.

Athletic Sets and Suits Suits normally worn for participation in athletic activities and not covered by any other definition in this Annex including leotards covering the trunk of the body, judo sets, track suits, jogging suits, cross-country ski suits (subject to the description in Item I).

<u>Leisurewear, Coordinates or Sets</u>. Not defined by any other definition in this Annex. These may include short sets, beachwear sets and cabana sets.

8. <u>Underwear</u>

Underwear. Included are slips and bloomers.

 $\underline{\text{Note}}$: In the case of underwear sets, each piece is to be counted separately.

9. Swimwear

<u>Swimwear</u>, being garments normally worn for swimming and bathing. Included are bathing trunks and bathing suits.

Note: Garments fitting this description which consist of two (or more pieces must be matched or coordinated, and packed and shipped as a unit, otherwise they are classified under the appropriate item elsewhere in this Annex as individual garments. Coordinated or matched sets comprising garments in addition to those described as meeting the criteria of this item, e.g., beachwear sets, are classified as sets and coordinates.

10. Foundation garments

<u>Foundation garments</u>. Included are: Brassieres, girdles, corselettes and panty girdles.

11. Coats, Jackets and Rainwear

<u>Jackets</u>. Jackets are outerwear garments covering the upper part of the body not extending to the knee, including woven ponchos, vests, boleros, but excluding garments covered elsewhere in this Annex.

Overcoats and Topcoats. Outerwear garments extending to the knee or below, excluding rainwear.

<u>Professional and Shop Coats</u>. Professional and shop coats are one-piece garments including barber coats, clinical coats, medical coats, laboratory coats, and surgical gowns.

Rainwear. Rainwear are garments of coated, impregnated or treated fabrics, normally worn to protect against rain (including rainsuits, sets, capes and ponchos).

12. Fine Suits

Fine Suits, Sportscoats and Blazers, men's and boys'

Note: The suit jacket, sportscoat or blazer may include lapels, lining, shoulder padding, and front stiffening and world normally be worn over another outer-garment.

Note: A unit is either a jacket, sportscoat or a suit. A suit is a two-or-three piece garment consisting of matching or coordinated jacket/pants of jacket/vest/pants packed and shipped and sold as a set.

TEXTILES

13. Worsted Fabrics are woven fabrics having 17 per cent or more by weight or wool in which at least the warp is made from worsted spun yarn.