

**GENERAL AGREEMENT
ON TARIFFS AND TRADE**

RESTRICTED
COM.TEX/SB/1881*
11 April 1994
Special Distribution

(94-0641)

Textiles Surveillance Body

Original: English

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

**Extension and modification of the agreement between
Canada and Hungary**

The Textiles Surveillance Body received a notification from Canada of an extension and modification of its agreement with Hungary for the period 1 January to 31 December 1993.¹

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.

¹The bilateral agreement and a previous extension are contained in COM.TEX/SB/1371 and 1750.

²See COM.TEX/SB/35, Annex B.

*English only/Anglais seulement/Inglés solamente

External Affairs and International Trade Canada

Imports Controls I Division
Export and Import Permits
125 Sussex Drive
Ottawa, Ontario
K1A 0G2

18 December 1992

KPT-2157

Dr. Ferenc Persányi
Consul General and
Trade Commissioner
Consulate General of the
Republic of Hungary
1200 McGill College Avenue
Suite 2040
Montreal, Quebec
H3B 4G7

Dear Dr. Persányi,

This is to confirm the Canadian authorities proposal regarding the extension to 31 December 1993 of the arrangement relating to the export from Hungary of fine suits for import into Canada (the MOU).

If the authorities of Hungary are in agreement with the proposed extension of the MOU, the Canadian authorities propose further that the attached documents entitled "Annex I - Restraint Levels - Hungary - Group I", "Annex II - Preamble - Hungary" and "Annex II - Clothing Categories - Hungary - Group I", which represent the conversion of the structure of restraints on imports of clothing into Canada from Hungary to one based on the Harmonized System (HS), replace the annexes I and II appended to the MOU, effective 1 January 1993.

In the event that the Hungarian authorities are in agreement with this proposal, the Canadian authorities would propose that this letter, along with our reply from the authorities of Hungary, constitute an agreement extending the MOU based on the HS to 31 December 1993.

Yours sincerely,

Jean Saint-Jacques
Director
Import Controls Division (I)
Export & Import Permits Bureau

ANNEX I - RESTRAINT LEVELSHUNGARYGROUP I

(A) Agreement Item No.	(B) Product Coverage		(C) 1993 Base Limit (NMB)	(D) Growth	(F) Carry-over/ Carry Forward
	Category	Short Description			
3a (Note 1)	3.1	Suits, MB;	69,870	4%	10% (5%)
	3.3	Jackets & blazers, MB			

Note: HS codes for C are excluded for Categories 3.1 & 3.3.

ANNEX II - PREAMBLE

HUNGARY

1. Unless otherwise indicated, gender means garments for men (M), boys (B) (sizes 8 to 18), women (W), girls (G) (sizes 7 to 16), children (C) (sizes 2 to 6X) and babies, of a body height not exceeding 86 cm (sizes 0 to 24 months).
2. A partially manufactured textile article shall be taken to include an article unfinished or incomplete (including cut or shaped fabric for making such articles), provided that, as presented the incomplete or unfinished article has the essential character of the complete or finished article. It shall also be taken to include the article presented unassembled or disassembled.
3. Unless otherwise indicated, products covered by restraints under this arrangement in Group I are those which predominate by weight of wool, cotton or man-made fibres.

ANNEX II - CLOTHING CATEGORIES

HUNGARY

GROUP I

Short Description	Sub Category	Long Description	Units
- Fine suits, MBC - Jackets & blazers, MBC	3.1 3.3	- Suits - <u>MBC, k/c & woven.</u> - Jackets and blazers - <u>MBC, k/c & woven.</u>	NMB

External Affairs and International Trade Canada
Ottawa
Fax: (613) 992-9397

Mr. Jean Saint-Jacques, Director
Import Controls Division I
Export and Import Permits Bureau

23 December 1992

Dear Mr. Saint-Jacques,

Upon the authorization of the Ministry of International Economic Relations of Hungary I confirm that we accept the Canadian authorities' proposal regarding the extension to 31 December 1993 of the arrangement relating to the export from Hungary of fine suits for import into Canada (the MOU).

We also agree with your proposal made in your letter dated 18 December 1992 that the attached document entitled "Annex - I - Restraint Levels - Hungary - Group I", "Annex II - Preamble - Hungary" and "Annex II - clothing categories - Hungary - Group I", which represent the conversion of the structure of restraints on imports of clothing into Canada from Hungary to one based on the Harmonized System (HS), replace the annexes I and II appended to the MOU, effective 1 January 1993.

We are in agreement with your proposal that your letter of 18 December 1992 along with our present letter constitute an agreement extending the MOU based on the HS to 31 December 1993.

The above-mentioned restraint levels for 1993 are as follows:

Suits MB		Growth	Carryover
Jackets and blazers, MB	69,870	4%	10%

Yours sincerely,

Dr. Ferenc Persányi
Consul General and
Trade Commissioner