ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Amendment of the bilateral agreement
between Canada and the Philippines

The Textiles Surveillance Body received a notification from Canada of an amendment of its bilateral agreement with the Philippines. A restraint on sweaters was agreed for the period 1 January 1988 to 31 December 1991.¹

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 is contained in COM.TEX/SB/1384.  
²See COM.TEX/SB/35, Annex B  
*English only/Anglais seulement/Inglés solamente
5 May 1988

Mr. David W. Brown
Commercial Counsellor
Canadian Embassy
9/F Allied Bank Center
6754 Ayala Avenue
Makati, Metro Manila

Dear Mr. Brown:

This has reference to your letter of 26 April 1988 regarding the Agreed Record of Discussion signed by the representatives of the Philippines and Canada in Manila on 24 February 1988 relating to the export from the Philippines of sweaters for import into Canada.

This is to confirm our acceptance of the provisions contained in the Agreed Record of Discussion. It is understood that this reply and your letter of 26 April 1988 shall give effect to the agreements outlined in the agreed record.

Thank you for your usual cooperation.

Very truly yours,

RAUL A. BONCAN
Undersecretary
ANNEX IV

CANADA-PHILIPPINES TEXTILE CONSULTATIONS

AGREED RECORD OF DISCUSSIONS

1. Delegations representing the Government of Canada and the Government of the Republic of the Philippines met on February 23-24, 1988 in Manila to discuss the export of sweaters from the Philippines to Canada. These discussions were held pursuant to a request made by Canada in accordance with paragraphs 28-32 of the Memorandum of Understanding between the Government of Canada and the Government of the Republic of the Philippines relating to the Export from the Philippines of Certain Textiles and Textile products for Import into Canada (MOU).

2. Sweaters, as noted above, include sweaters, pull-overs and cardigans as defined in paragraph 5 of Annex II of the MOU.

3. During the discussions it was agreed that, having regard to Article 4 of the Arrangement Regarding International Trade in Textiles (MFA), exports from the Philippines to Canada of sweaters shall be subject to restraint effective from January 1, 1988 and for the term of the MOU ending on December 31, 1991.

4. It was further agreed that during the period January 1, 1988 to December 31, 1988, total exports of sweaters shall not exceed 1,150,000 units of which exports of adult size (MBWG) sweaters (i.e. above size 6X) shall not be more than 1,050,000 units, and that the provisions for annual growth, swing, carry-over and carry-forward and conversion factor indicated in Columns (D) through (G) of the attached appendix will apply.

5. For purposes of administration, shipments of adult size sweaters shall be identified as Category 5A and shipments of childrens' and infants (CI) garments (i.e. sizes 0-6X) shall be identified as Category 5B.

6. This Agreed Record of Discussions and Appendix shall be considered as Annex IV to the MOU and forms an integral part of the MOU.

7. The two delegations noted that their signature of this Agreed Record was on an ad referendum basis subject to confirmation by their Governments through an exchange of letters indicating acceptance.

MANILA, February 24, 1988

For the Government of Canada

For the Government of the Republic of the Philippines
## APPENDIX (ANNEX IV)

### RESTRAINT LEVELS

<table>
<thead>
<tr>
<th>(A) Category No.</th>
<th>(B) Short Description</th>
<th>(C) Restraint Levels</th>
<th>(D) Growth</th>
<th>(E) Swing</th>
<th>(F) Carry-Over/ Carry-Forward</th>
<th>(G) Conversion Factor M² /Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 (5A+5B)*</td>
<td>Sweaters MBWGCI, of which</td>
<td>1,150,000</td>
<td>5%</td>
<td>7%</td>
<td>10%/5%</td>
<td>1.2</td>
</tr>
<tr>
<td>5A</td>
<td>Sweaters MBWG</td>
<td>1,050,000</td>
<td>5%</td>
<td>7%</td>
<td>10%/5%</td>
<td>1.2</td>
</tr>
</tbody>
</table>

**NOTE:**

*Shipments of Sweaters MBWG to be identified as Category 5A

*Shipments of Sweater CI (0-6X) to be identified as Category 5B