ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Bilateral agreement between
Canada and the Dominican Republic

The Textiles Surveillance Body received a notification from Canada of a bilateral agreement on fine suits, sports coats and blazers, concluded with the Dominican Republic for the period 1 January 1988 to 31 December 1991.

The TSB, pursuant to its procedures regarding bilateral agreements concluded under Article 4,\(^1\) has examined the relevant documentation and is forwarding the text of the notification to participating countries for their information.

\(^1\)See COM.TEX/SB/35, Annex B.

*English only/Anglais seulement/Inglés solamente

91-0928
The Embassy of Canada presents its compliments to the Embassy of the Dominican Republic and has the honour to transmit attached Note No. 233 to the State Secretariat for External Relations of the Dominican Republic.

The Embassy of Canada takes this opportunity to renew to the Embassy of the Dominican Republic the assurances of its highest consideration.

Caracas, 1 October 1990
Note No. 233

The Embassy of Canada presents its compliments to the Ministry of External Relations of the Dominican Republic and has the honour to refer to Note No. 16056 of 22 June 1990 and the Record of Discussions agreed and signed by the Representatives of Canada and the Dominican Republic in Santo Domingo on 15 September 1988, in connection with exports from the Dominican Republic to Canada of men's and children's suits, sports jackets and blazers.

The Canadian Authorities accept the provisions contained in the agreed Record and propose that this Note, together with the aforementioned Note from the Authorities of the Dominican Republic confirming acceptance on the part of their Government, should give effect to the Agreement contained in the Record.

The Embassy of Canada takes this opportunity to renew to the Ministry of External Relations of the Dominican Republic the assurances of its highest consideration.

Caracas, 27 September 1990
The Secretary of State for External Relations presents its compliments to the Canadian Embassy and has the honour of referring to Note No. 29 of 12 June 1990 containing proposed changes to the text of the Draft Agreement for the export of certain textile products which have been negotiated between the Dominican Republic and Canada.

The Secretary of State is pleased to inform you that the changes in question have now been introduced. Accordingly, we await a Note of acceptance from your Honourable Mission which, upon exchange of a reply from this Ministry, will serve to place the proposed Agreement in effect.

The Secretary of State for External Relations takes this opportunity to renew assurances to the Canadian Embassy of its highest esteem and consideration.
Excellency:

I have the honour of referring to the Agreement on International Trade in Textiles, with annexes, done in Geneva on 20 December 1973 and extended by protocols signed, respectively, on 14 December 1977, 22 December 1981 and 31 July 1986; designated hereafter as the "Agreement on International Trade in Textiles" or the "Multifibre Agreement" (MFA).

I refer as well to discussions between the Governments of the Dominican Republic and Canada concerning negotiation of an Agreement on Bilateral Trade in Textiles (Men's and Boy's Fine Suits, Sportcoats and Blazers) which took place in Santo Domingo, capital of the Dominican Republic, on 14-15 September 1989 following a request for consultations under Article 3 of the Multi-fibre Agreement communicated by the Government of Canada in Notes Nos. 136 (12 July 1988), 204 (5 September 1988) and 205 (6 September 1988) from the Canadian Embassy in Caracas, Venezuela.

As a result of discussions, and in accordance with Article 4 of the Multi-fibre Agreement, I have the honour on behalf of the Government of Canada to propose the following agreement between the Governments of the Dominican Republic and Canada concerning trade in textiles and textile products (men's and boy's fine suits, sportcoats and blazers made of cotton, wool or synthetic fibres).

Effective period of the agreement

1. The present Agreement shall be in effect from 1 January 1988 through 31 December 1991, the first restriction period beginning on 1 January 1988 and ending on 31 December 1988, and the three (3) subsequent restriction periods corresponding to calendar years 1989, 1990 and 1991.

Levels of restriction

2. Except as set forth in paragraphs 11 and 12 below, during the first restriction period as defined in paragraph 3 following, the Government of the Dominican Republic shall restrict exports to Canada of the textile products described in Annex I to the levels shown in Column D thereof.

3. Except as set forth in paragraphs 11 and 14 below, for the three calendar-year periods beginning 1 January 1989 and ending 31 December 1991, the Government of the Dominican Republic shall restrict exports to Canada of the textile products described in Annex I to the levels shown in Column D thereof, taking as a base the rate of growth specified in Column E.

Products covered

4. For purposes of classifying textiles and textile products into appropriate categories, the definitions and notes set forth in Annex II shall be used.
Administration

5. This Agreement shall be executed in accordance with the export control system administered by the Government of the Dominican Republic.

6. The Government of Canada shall admit imports of the textiles and textile products which are described in Annex II and which are subject to the quantitative limits specified in Annex I, provided such shipments are accompanied by the original of a Licencia de Exportacion, duly certified and issued by the competent authorities of the Dominican Republic, and containing a statement to the effect that the importation covered by said license has been duly charged against the applicable quantitative limit or restriction as set forth under Annex I.

For purposes of this Agreement, the date of export from the Dominican Republic shall be the basis for determining the restriction period to which any export of textiles and textile products is to be assigned.

8. Export licenses issued by the Government of the Dominican Republic for the products covered by Annex I shall contain the following information:

2. Country of origin.
3. Number of License.
4. Name and address of importer.
5. Name and address of exporter.
6. Number of category and description of the product as set out in Annex I of this Agreement.
7. Quantity of product (using the units designated in Annex I of this Agreement).
8. FOB or CIF price.
9. Certification issued by the competent authorities (paragraph 8).
10. Restriction period (year).

9. In the event that the products covered by an export license are not shipped, or are returned, for any reason, the Government of the Dominican Republic shall inform the Government of Canada concerning the quantities involved, which may then be credited by the Government of the Dominican Republic to the appropriate restriction level.

10. If in reviewing its own import statistics the Government of Canada discovers that there has been a marked and substantial increase in the importation of textiles or textile products not attributable to normal seasonal fluctuations and normal trade channels, it may request consultation in accordance with paragraph 22 below for the purposes of finding a mutually acceptable solution.

Adjustment of limits (carryover and carry forward)

11. After the Canadian authorities have been informed of the quantities involved, any portions of the quantitative limits set out in Annex I which are not used during a given restriction period may be carried over and added to the corresponding quantitative limits for the following restriction
period. The level of restriction for the second period shall be increased up to the limit of the higher percentage figure given in Column F of Annex I.

12. After the Canadian authorities have been informed of the quantities involved, any level of restriction may be increased up to the limit of the lower percentage figure given in Column F of Annex I to [*] a carry forward quantity from the corresponding level of restriction in the next period. The level of restriction for any subsequent period shall be reduced to [*] the quantity thus carried forward.

13. There shall be no available carryover during the first restriction period, and no available carry forward for application in the final restriction period.

14. Notwithstanding the above, the carryover and carry forward provisions may only be used in combination up to the limit of the percentage figure given in Column G of Annex I.

Exchange of statistics

15. The two Governments shall exchange statistics concerning the exportation of textiles and textile products, apart from the statistical data subject to this Agreement, as often as may be reasonably required.

16. Upon request the Government of the Dominican Republic shall, within a reasonable period, provide the Government of Canada with statistical reports concerning shipments of textile products listed in Annex II which have been authorized for exportation to Canada through the issuance of export licenses, and which have been charged against the levels of restriction established for each restriction period as set out in Annex I.

17. In providing the statistical reports referred to in paragraph 16, the Government of the Dominican Republic undertakes to specify the following:

a. Category and description of the goods as set forth in Annex I.
b. Original and adjusted levels of restriction for the respective restriction period.
c. Total quantity shipped to date for the restriction period, using the units specified in Annex I.
d. Whether the carryover or carry forward provisions set out in paragraphs 11 and 12 above have been used.

This information shall be provided within a period of not less [*] than 45 days following a request for same.

[*] Translator's Note: Sic
18. The Government of Canada shall provide the Government of the Dominican Republic with monthly statistical reports concerning permits granted for importation from the Dominican Republic of the textiles and textile products listed in Annex I.

19. Both Governments reserve the right to request more specific and detailed information, if necessary.

Equity

20. If either Government considers that it has been placed in an unfavourable position vis-à-vis a third country because of this Agreement, it may request consultations with the other Government for the purpose of taking appropriate corrective measures such as agreeing a reasonable amendment of the present Agreement following the procedure described under paragraph 22 below.

Re-exportation

21. The Government of Canada shall, insofar as possible, inform the Government of the Dominican Republic when textiles and textile products subject to restriction under Annex I are re-exported after entering Canada. If re-exported products have been charged against the quantitative limits by the Government of the Dominican Republic, then the latter shall be entitled to credit the quantity involved under the respective limits.

Consultation

22. Each of the Government shall have the right to request consultation with the other Government on any subject arising from the execution or operation of this Agreement or any matter related thereto. Such consultation shall be subject to the following:

- Requests for consultation must be submitted to the other Government in writing.

- A request for consultation must be accompanied - or followed within a reasonable time not to exceed twenty-one days - by a statement listing the reasons and circumstances which, in the opinion of the requesting Government, justify the submission of said request.

- The other Government must accept such request and the respective consultation shall take place within thirty days following the date of notification of the request.

- The two Governments shall hold discussions with a view to reaching a mutually acceptable solution within thirty days following the date on which they begin the consultation.

23. Any consultations held under these provisions shall be undertaken by both Governments in a spirit of cooperation and with the desire to reconcile any differences that exist between them.
Rights under the Multi-fibre Agreement

24. Each of the Government reserves its rights under the Multi-fibre Agreement (MFA) with respect to textiles and textile products not subject to the present Agreement.

Amendments and denunciation

25. Either Government may at any time propose amendments to the provisions of the present Agreement in accordance with the Multi-fibre Agreement and its protocol of extension.

26. Either Government may terminate the present Agreement effective the end of any restriction period by submitting a written denunciation to the other Government at least ninety days before the end of such restriction period.

Annexes

27. The Annexes to the present Agreement shall be deemed to form an integral part hereof.

Transition agreement

28. Any difficulties arising as a consequence of the transition to this Agreement shall be immediately submitted by one Government for the consideration of the other, and the two Governments shall endeavour by consultation and any other means to resolve such difficulties to their mutual satisfaction.

If the above is acceptable to the Dominican Republic, the present Note together with confirmation on behalf of your Government shall constitute an agreement between our two Governments.

I take this opportunity to renew assurances of my highest consideration.
## ANNEX I

### Levels of Restriction

<table>
<thead>
<tr>
<th>Year</th>
<th>Category (Number)</th>
<th>Category (Description)</th>
<th>Level of Restriction</th>
<th>Rate of Increase</th>
<th>Carry forward</th>
<th>Combined Adjustment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988</td>
<td>I</td>
<td>Men's and boy's fine</td>
<td>108,600</td>
<td>6%</td>
<td>11%, 6%</td>
<td>15%</td>
</tr>
<tr>
<td>1989</td>
<td>I</td>
<td>boy's fine</td>
<td>115,116</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1990</td>
<td>I</td>
<td>suits</td>
<td>122,022</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1991</td>
<td>I</td>
<td>sportcoats</td>
<td>129,344</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Description of product categories

**Apparel**

1. **Men's and boy's fine suits, sportcoats and blazers**

   Note: Suits jackets, sportcoats and blazers may include lapels, lining, epaulets and other reinforcing materials for the front, and are normally worn over other outer clothing.

   Note: A single jacket, sportcoat or suit counts as one unit. A suit is a coordinated set or two or three pieces (jacket and pants, or jacket, vest and pants) which are packaged, shipped and sold as a single unit.
Definitions and descriptions of terms

General Notes

1. Type: unless otherwise indicated, all items of clothing defined are classified as men's (M), boy's (B), women's (W), girl's (G) or children and infant's (CI). Children and infant's clothing includes all clothing for sizes 0 through 6X.

All descriptions include partially-finished products. Partially-finished clothing include cut-to-shape fabric pieces for manufacture of clothing which undergoes no further processing after the pieces are cut into the required form (knit-to-shape pieces) for clothing, whether or not undergoing processing after knitting specific forms [*].

Unless otherwise indicated, the products covered by the restrictions set out in this Agreement consist entirely or primarily of cotton, wool, synthetic fibres, or a mixture of the afore-mentioned materials. Entirely or primarily means that one of these materials alone, or two or more of them taken together, make up 50 per cent or more of the product by weight.

[*] Translator's Note: Sic