ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification transmitted under Articles 7 and 8

Bilateral agreement between
Canada and Colombia

The Textiles Surveillance Body received a notification from Canada of a bilateral agreement concluded with Colombia for the period 5 September 1990 to 31 December 1991.

The notification was received under Article 4; the TSB, however, decided to forward the text of the notification to participating countries under Articles 7 and 8, as Colombia, which had participated in the Arrangement until 31 July 1991, had not as yet accepted the extension of the 1986 Protocol.¹

¹For the TSB's observation see paragraph 36 of COM.TEX/SB/1647.

*English only/Anglais seulement/Inglés solamente
Delegations representing the Government of Canada and the Government of Colombia met to discuss an arrangement to govern trade in certain textile products between Colombia and Canada in accordance with the provisions of the Arrangement Regarding International Trade in Textiles (MFA), and in particular Article 4 thereof.

Objective and Coverage

1. It was agreed that the Colombian authorities will restrain the exports to Canada of cotton terry towels, washcloths and sets (as defined in Annex II).

Restraint Period

2. The restraint will apply for the period commencing on 5 September 1990 and ending on 31 December 1991.

Restraint Level

3. The Government of Colombia will restrain the exports of the textile products described in Annex II to the limits specified in Annex I.

Administration

4. This arrangement will be implemented on the basis of an export control system operated by the Government of Colombia.

5. The Government of Canada will admit imports of the textile products described in Annex II and subject to a specific quantitative limit in Annex I, provided such imports are covered by an original copy of a Colombian "Export Licence" certified and issued by the competent Colombian authorities, to the effect that the imports covered by the licence have been debited to the applicable quantitative limit (restraint) as set out in Annex I.

6. For the purpose of implementing these arrangements, the date of export from Colombia will be used to determine whether the textile products exports will be counted against the restraint level specified in Annex I.

7. The export licences issued by the Government of Colombia in respect of products covered by Annex I will contain the following information:

1. Country of destination;
2. Country of origin;
3. Licence number;
4. Importer's name and address;
5. Exporter's name and address;
6. Category number and description of product as set out in Annex I;
7. Quantity expressed in kilogrammes as designated in Annex I;
8. F.O.B. or C.I.F. value;
9. Certification by the proper authority (paragraph 5);
10. Restraint period.

8. In the event any quantity covered by an export licence is not shipped, or any part of it is returned, regardless of the reason, the Government of Colombia will notify the Government of Canada of such quantities which may be credited by the Government of Colombia to the appropriate restraint level.

Re-exports

9. The Government of Canada will, so far as possible, inform the Government of Colombia when imports into Canada of textile products subject to restraint under Annex I are subsequently re-exported from Canada. Where such re-exports have been debited by the Government of Colombia to quantitative limits, the Government of Colombia may then credit the amount involved to the appropriate quantitative limits.

Spacing

10. The Government of Colombia shall use its best efforts to space exports to Canada evenly throughout the agreement period taking into consideration normal seasonal factors.

Exchange of Statistics

11. Upon request, either Government shall promptly supply the other Government with data on imports and exports of the product under restraint. Each Government agrees to supply promptly any other available statistical data necessary for the implementation of this agreement.

Equity

12. Should either Government consider, as a result of the MOU, that it is placed in an inequitable position compared with any third party, that Government may request the other to consult with a view to implementing appropriate remedial measures.

Consultations

13. Either Government has the right to request consultations with the other Government on any matter arising from the implementation or operation of these arrangements. Such consultations will be governed by the following:

- Any request for consultations will be notified in writing to the other Government;
The request for consultations will be accompanied by or followed within a reasonable period (and in any case no later than fifteen days following the request) by a statement setting out the reasons and circumstances which, in the opinion of the requesting Government, justify the submission of such a request;

- The other Government will accept such a request and such consultations will be held within thirty days of the date of notification of the request;

- Both Governments will enter into consultations with a view to reaching a mutually acceptable conclusion within sixty days of the date on which actual consultations commence.

14. Any consultations held under these provisions will be approached by both Governments in a spirit of cooperation and with a desire to reconcile the differences between them.

Transshipments

15. Both Governments shall take actions as are necessary to ensure compliance with this Agreement, with particular reference to Article 8 of the MFA and paragraph 16 of the 1988 Protocol Extending the MFA.

Revisions

16. Either Government may at any time propose revisions to the terms of this MOU having regard to the MFA and to the Protocol extending it.

Annexes

17. The Annexes to this MOU will be considered an integral part of it.

Transitional Arrangements

18. Any difficulties which may arise as a consequence of the transition to this MOU will be brought immediately to the attention of one Government by the other Government and efforts will be made by both Governments, through consultations or other means, to resolve such difficulties to their mutual satisfaction.

Final Provisions

19. This MOU will become effective on 1 April 1991, subsequent to our exchange of notes between the two Governments confirming their acceptance of these arrangements retroactively to 5 September 1990.

for the Government of Canada

for the Government of Colombia

Bogota, 1 March 1991
### ANNEX I

**Restraint Levels**

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Short Description</th>
<th>Period</th>
<th>Restraint Levels</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Cotton, Terry Towels, Washcloths and Sets</td>
<td>Sept. 5/90 to Dec. 31/91</td>
<td>960,000 kg</td>
</tr>
</tbody>
</table>

*(Based on an annual restraint level of 720,000 kg for calendar year 1991)*
ANNEX II

Definitions and Description of Terms

Cotton terry towels, washcloths and sets containing 50 per cent or more by weight of cotton, whether greige, bleached, dyed or printed, including tea, hand, beach and bath towels (bath/tubmats), bath sheets, beach blankets, barmops and towel blanks (hemmed white towels).