ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Amendment of the Agreement between Canada and Romania

Note by the Chairman

Attached is a notification received from Canada of an amendment of the Article 4 agreement between Canada and Romania. Products under restraint in Items 4 and 5 have been regrouped, and restraint levels adjusted accordingly.

The original agreement is contained in COM.TEX/SB/823

*English only/Anglais seulement/Inglés solamente
November 23, 1984

Ambassador M. Raffaelli
Chairman
Textiles Surveillance Body
General Agreement on Tariffs and Trade
Centre William Rappard
154, rue de Lausanne
1211 Geneva 21

Dear Ambassador Raffaelli,

With reference to paragraph 4 of Article 4 of the Arrangement Regarding International Trade in Textiles (hereinafter referred to as the MFA), done at Geneva on December 2, 1973, and to the Protocol extending the MFA, done at Geneva, December 22, 1981, I have the honour to notify the Textiles Surveillance Body of an amendment to the provisions of the current restraint arrangement concluded between the Government of Canada and the Government of the Socialist Republic of Romania. The amendment has been negotiated with a view to accommodate a Romanian request to allow a greater flexibility to Romanian exporters of the products concerned. The amendment therefore provides for a modification of the restraint levels for Item 4 and 5 of the Memorandum of Understanding in regrouping under a single item the old Category 4 and some elements of the old Category 5 and in establishing a new restraint level for trousers, pants, slacks and jeans, formerly part of Item 5 of the Arrangement.

In line with the MFA guidelines, the amended arrangement has maintained provisions for an annual growth rate established at 6 percent. The flexibility provisions allow for a 5 percent swing between categories in the current arrangement, and a carry-over/borrow-forward of 10 percent, the sub-limit for borrow-forward being 5 percent.
The Government of Canada believes these modifications in conformity with the provisions of the MFA and its Protocol of Extension and, as such, in keeping with the gradual liberalization of the Canadian import programme on clothing and textiles.

Accept, Mr. Chairman, the renewed assurances of my highest consideration.

J.L. MacNeil
Minister
The Embassy of the Socialist Republic of Romania presents its compliments to the Department of External Affairs of Canada and has the honour to refer to the Embassy's letter number 371 dated March 30, 1984 and the Department's note of April 10, 1984 concerning proposed modifications to certain provisions in the bilateral arrangement between the two countries regarding textile and clothing items.

The Embassy wishes to advise that the Government of the Socialist Republic of Romania, in consideration of the proposal for further flexibility under items 4 and 5 of the textile and clothing arrangement beyond that already offered in the Canadian Government note of March 6, 1984, would agree to a 6 per cent increase of the restraint level (basis 1983) in respect of those categories, to be incorporated into the arrangement for 1984, as follows:

<table>
<thead>
<tr>
<th>Restraint Level (Units)</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. Shirts, blouses, T-Shirts sweatshirts, shorts, overalls, coveralls, jackets, coats, rainwear, sleepwear and bathrobes, MBW35C1</td>
</tr>
<tr>
<td>a/of which not more than 589,890 ✓ units of non-tailored collar shirts, MB</td>
</tr>
<tr>
<td>1,990,103 ✓</td>
</tr>
</tbody>
</table>
5. Trousers, pants, slacks and jeans, UBYJGC1. 414,401
\[
\text{of which not more than 89,883 units of wool pants.}
\]

The Embassy of the Socialist Republic of Romania avail itself of this opportunity to renew to the Department of External Affairs of Canada the assurances of its highest consideration.

Ottawa
June 5, 1984
The Department of External Affairs presents its compliments to the Embassy of the Socialist Republic of Romania and has the honour to refer to the Embassy's Note No. 1420 dated June 5, 1984 concerning modifications proposed by Canada for restraint levels for item numbers four and five of the bilateral arrangement between our two countries regarding textile and clothing items.

Canadian authorities wish to confirm their acceptance of the following modifications to the arrangement:

<table>
<thead>
<tr>
<th>Restraint Level</th>
<th>(Units)</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. Shirts, WG; blouses, T-Shirts, sweatshirts, shorts, overalls, coveralls, jackets, coats, rainwear, sleepwear and bathrobes, MBWGC1</td>
<td>1,990,103</td>
</tr>
</tbody>
</table>

a) of which not more than 589,890 units of non-tailored collar shirts, MB.../2
5. Trousers, pants, slacks and jeans, MBWGCI

a) of which not more than 89,888 units of wool pants.

The Department of External Affairs avails itself of this opportunity to renew to the Embassy of the Socialist Republic of Romania the assurances of its highest consideration.

Ottawa, June 15, 1984