ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Articles 7 and 8

Agreement between Canada and the People’s Republic of China

Note by the Chairman

Attached is a notification received from Canada concerning a new bilateral agreement concluded with the People’s Republic of China. The agreement is valid for the period 1 January 1982 to 31 December 1986.
Dear Mr. Raffaelli,

I have the honour to forward to you Notifications of Arrangements between Canada and the following governments respecting certain textile products:

- Government of Hong Kong
- Government of the People's Republic of China
- Government of the Republic of Korea
- Government of the Republic of the Philippines

Yours sincerely,

J. L. MacNeil
Minister (Economic)
Acting Representative to the GATT

Mr. M. Raffaelli,
Chairman,
Textile Surveillance Body,
GATT Secretariat,
154 Rue de Lausanne,
Geneva.
Short reasoned statement to accompany the notification to the Textile Surveillance Body of the Arrangement between the Government of Canada and the Government of the People's Republic of China respecting certain textile products:

With reference to Article 7 and Article 8 of the Arrangement Regarding International Trade in Textiles (hereinafter referred to as the MFA), done at Geneva on December 20, 1973, and to the Protocol extending the MFA, done at Geneva, December 22, 1981, I have the honor to notify the Textiles Surveillance Body (TSB) of the conclusion of a five-year bilateral arrangement between the Government of Canada and the Government of the People's Republic of China. This notification is being presented in accordance with the request made by the Textiles Committee that action taken vis-a-vis non-participants should be notified to the TSB.

This bilateral arrangement, which became effective January 1, 1982, takes into account the exceptional circumstances existing in the Canadian market and the position of the People's Republic of China as a predominant supplier to that market. All products covered in the previous arrangement continue under coverage in the current arrangement. Six new product categories, namely, coordinates and matching sets, underwear, swimwear, rainwear, topcoats and overcoats, and hosiery were added to the previous product coverage at levels reflecting historic trade in these products. Two of these product categories, i.e. swimwear and fine suits, are covered by a consultation mechanism with specific trigger levels. Two other textiles categories, which were under restraint in the previous arrangement, were liberalized and made subject to the above mentioned consultation mechanism.

Overall base levels for clothing products under restraint amount to 22.1 million units, compared to 17.1 million units in 1981. New coverage amounts to 4.2 million units. 1982 base levels for clothing products are, overall, 23.4 percent higher than the equivalent level of trade in 1981. In regard to textile products, restraints totalling approximately 6 million square meters equivalent were liberalized. New base levels for textile products under restraint amount to 9.6 million square meters compared to equivalent 1981 restraints totalling 8.7 million square meters. Growth rates for products under restraint vary between 3 percent for sensitive products and 10 percent for lesser sensitive categories. Swing ranges between 5 and
10 percent and is also permitted from adult garments to children's and infants' garments at a 3 to 5 ratio. Carryover and carryforward provisions vary between 10 and 11 percent and combined flexibility between 10 and 12 percent. The arrangement also provides for consultations procedures to govern any matter arising from its implementation or operation.

The Government of Canada believes this arrangement conforms with the provisions of the MFA and its Protocol of extension and, as such, it is in keeping with the gradual liberalization of the Canadian import programme on clothing and textiles. It will also assist in avoiding the real risk of Canadian market disruption while at the same time ensuring orderly development of world trade.

Accept, Sir, the renewed assurance of my highest consideration.

The Embassy has further the honour to refer to the attached Memorandum of Understanding which was initialled at referendum in Beijing on June 26, 1981 as a result of these discussions.

Accordingly, the Embassy has the honour to propose to the Export Bureau of the Ministry of Foreign Trade of the People's Republic of China that this note and the reply thereto confirming the Memorandum of Understanding will constitute an arrangement between our two governments which will enter into force on 1 January 1982 and remain in force for five calendar year periods until 31 December 1986, subject to the right of either government to terminate it at the end of any calendar year period by written notice to the other given not less than ninety days prior to the end of any such restraint period.

The Canadian Embassy avails itself of this opportunity to renew to the Export Bureau of the Ministry of Foreign Trade of the People's Republic of China the assurances of its highest consideration.

Delivered by hand on October 13, 1981.
The Ministry of Foreign Trade of the People's Republic of China presents its compliments to the Canadian Embassy in China and has the honor to acknowledge the receipt of Confirmation Notice under Reference No. 209 which the Canadian Embassy sent to the Export Department of the Ministry of Foreign Trade on October 13, 1981.

In response to the proposal contained in the Confirmation Notice, the Ministry of Foreign Trade of the People's Republic of China has the honor to confirm the Memorandum of Understanding which was initialled in Beijing on June 26, 1981 concerning trade in selected textiles and textiles products between China and Canada, and to agree that this letter of confirmation and Confirmation Notice No. 209 of the Canadian Embassy constitutes an arrangement between the two Governments of China and Canada which will enter into force on 1 January, 1982 and remain in force for five calendar year periods until 31 December, 1986, subject to the right of either Government to terminate it at the end of any calendar year period by written notice to the other given not less than ninety days prior to the end of any such restraint period.

The Ministry of Foreign Trade of the People's Republic of China avails itself of this opportunity to renew to the Canadian Embassy in China the assurances of its highest consideration.

To the Canadian Embassy in China
Beijing

Ministry of Foreign Trade
People's Republic of China
中华人民共和国对外贸易部

MINISTRY OF FOREIGN TRADE OF THE PEOPLE'S REPUBLIC OF CHINA

加拿大驻华大使馆：

中华人民共和国对外贸易部谨向加拿大驻华大使馆致意，并荣幸地收到加拿大大使馆一九八一年十月十三日致外贸部出口局的209号确认书。

根据该确认书提议，中华人民共和国对外贸易部兹荣幸确认一九八一年六月二十六日在北京草签的中国加纺织品贸易谅解备忘录，并同意此函和加拿大大使馆209号确认书即构成中加两国政府间一项协议，

并于一九八二年一月一日起生效，直至一九八六年十二月三十一日终止，为期五年。任何一方均有权在任何一个限额年度到期之日的九十天前用书面形式通知另一方政府在该日历年度结束之日终止这一协议。

顺致崇高的敬意！

中华人民共和国对外贸易部

一九八一年九月三日
June 26, 1981

MEMORANDUM OF UNDERSTANDING

RELATING TO THE TRADE IN CERTAIN TEXTILE AND CLOTHING PRODUCTS

BETWEEN

CANADA AND THE PEOPLE'S REPUBLIC OF CHINA

INTRODUCTION

1. The Canadian Delegation authorized by the Government of Canada, and the Chinese Delegation authorized by the Ministry of Foreign Trade of the People's Republic of China, met in Beijing from June 19 to 26, 1981, and initialled this Memorandum of Understanding (MOU) regarding the export of certain textile and clothing products from the People's Republic of China to Canada.
COVERAGE

2. The conduct of mutual trade in those Chinese textile and clothing products dispatched from the People's Republic of China listed in Annex II will be governed by the provisions of this MOU.

3. Imports into Canada of textile and clothing products covered by this MOU will be debited to the quantitative limits established for the calendar year of the MOU in which they enter Canada.

4. For the purposes of classifying textile and clothing products in the appropriate category, the definitions and footnotes set out in Annex II will apply.
DURATION OF THE MOU

5. This MOU will apply for the five separate calendar year periods commencing on January 1, 1982 and terminating on December 31, 1986.
6. Except as provided for in paragraphs 9 to 13 below:
   a. the People's Republic of China will limit its exports (i.e. shipments) to Canada of the textile and clothing products described in Annex II to the amounts set out for each of the periods specified in Annex I;
   b. the Government of Canada will accept for entry into Canada imports of the textile and clothing products described in Annex II up to the amount set out for each of the periods specified in Annex I;
   c. for the four separate calendar years commencing January 1, 1983, 1984, 1985 and 1986 the restraint levels specified in Annex I will be advanced on an annual basis by the percentage specified in Column (E) of Annex I.
7. a. It is understood that these arrangements will be administered on the basis of an export control system operated by the Government of the People's Republic of China;

b. The appropriate authority of the Government of Canada will admit imports of the textile and clothing products described in Annex II and subject to a specific restraint level in Annex I provided that such imports are covered by a copy of an export licence endorsed and issued by the appropriate authority of the Government of the People's Republic of China to the effect that the imports covered by the licence have been debited to the applicable restraint level as set out in Annex I;

c. The export licences issued by the Government of the People's Republic of China in respect of products subject to restraint levels as specified in Annex I of this MOU will contain the information as provided in the specimen export licence contained in Annex III.
ORDERLY MARKETING

8. The appropriate authorities of the People's Republic of China will endeavour to ensure that shipments of all textile and clothing products, subject to restraint levels, are spaced as evenly as possible during each calendar year of the MOU, due account being taken of seasonal factors and having regard to normal channels of trade.
9. Subject to the specific limitations set out in Annex I, any restraint level shown may be exceeded by the percentage shown in Column (F) of Annex I, provided that an equivalent amount is deducted from any other restraint level.

10. For the purpose of implementing the Swing provisions in paragraph 9, the conversion factors shown in Column (D) of Annex I will apply. Swing is not permitted between the clothing and textile categories.
11. By notification to the appropriate Canadian authorities of the quantities involved, portions of any restraint level set out in Annex I which are not used during any calendar year of the MOU may be carried over and added to the corresponding restraint level for the following calendar year within the percentage limit set out in Column (G) of Annex I.

12. Any restraint level may be increased within the percentage limit set out in Column (G) of Annex I by an amount advanced from the corresponding restraint level for the following calendar year of the MOU. The restraint level for the following calendar year will be reduced by an amount equal to the amount so advanced.

13. Notwithstanding the foregoing, the swing, carryover and borrow forward provisions may be used in combination only up to the percentage limit set out in Column (H) of Annex I.
EXCHANGE OF STATISTICS

14. The appropriate authorities of the People's Republic of China will provide the Canadian authorities with quarterly statistics relating to exports to Canada of the textile and clothing products listed in Annex II; it is understood that for those items subject to consultation levels in Annex I, the provision of information will be on a best endeavours basis.

15. The Canadian authorities will provide the authorities of the People's Republic of China with monthly statistics of imports from the People's Republic of China in respect of the textile and clothing products subject to this MOU.
16. Imports into Canada of those textile and clothing products to which this MOU applies which are for immediate re-export or for inward processing and subsequent re-export outside Canada will not be subject to quantitative limits established under this MOU, provided they are entered as such under an administrative system of control in force for this purpose within Canada.

17. Canadian authorities will, so far as possible, inform Chinese authorities when imports into Canada of textile and clothing products subject to this MOU are subsequently re-exported from Canada. Where such re-exports have been debited by the Chinese authorities to quantitative limits, they may then credit the amounts involved to the appropriate quantitative limits.
CONSULTATIONS

18. Either party to this MOU will have the right to request, in writing, consultations with the other party on any matter arising from the implementation or operation of this MOU or any other matter arising out of trade in textiles and clothing between Canada and the People's Republic of China. The other party to this MOU will accept such a request and such consultations will be held as soon as possible.

19. The Canadian authority may request consultations with the Chinese authority with a view to reaching agreement on an appropriate level of restraint for any clothing or textile products not covered by specific restraint levels in this MOU whenever, in the view of the Canadian authority, conditions in the Canadian market are such that a limitation on trade in any such clothing or textile product may be necessary to eliminate real risk of market disruption. For those products listed in Annex I for which a consultation level is specified, the Canadian authority undertakes not to seek consultations...
until imports into Canada reach at least the level specified and not to seek restraints at a level less than the level specified.

20. The request for consultations will be accompanied by or followed within a reasonable period (and in any case not later than 15 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 appropriate authorities of both Governments will enter into consultations within one month at the latest of the request for consultation, with a view to reaching a mutually acceptable conclusion within one further month at the latest. 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.
REVISIONS AND TERMINATION

21. Either party may at any time propose modifications to these arrangements or terminate them provided that notice of such proposal of termination is given to the other party at least 90 days before the expiry of any restraint period; in the event of a notice to terminate, these arrangements will come to an end at the expiry of the restraint period in which the notice is given.
ANNEXES

22. The annexes to this Memorandum of Understanding will be considered an integral part of it.
TRANSITIONAL ARRANGEMENTS

23. It is understood that any difficulties which may arise as a consequence of the transition from one restraint period to another will be brought immediately to the attention of the one Government to 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

24. This Memorandum of Understanding will become effective on January 1, 1982 subsequent to an exchange of notes between the two Governments confirming their acceptance of these arrangements.
HEAD OF CANADIAN DELEGATION

C. D. ARTHUR
BEIJING
June 26, 1981

HEAD OF CHINESE DELEGATION

HAN FANG-YU
BEIJING
June 26, 1981
<table>
<thead>
<tr>
<th>(A)</th>
<th>PRODUCT DESCRIPTION</th>
<th>(B)</th>
<th>(C)</th>
<th>(D)</th>
<th>(E)</th>
<th>(F)</th>
<th>(G)</th>
<th>(H)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Winter outerwear garments</td>
<td>MBWGCI</td>
<td>225,000</td>
<td>3.50</td>
<td>3%</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2.</td>
<td>Pants, trousers, shorts, overalls, coveralls</td>
<td>MBWGCI</td>
<td>5,500,000</td>
<td>1.90</td>
<td>6%</td>
<td>5%</td>
<td>10%</td>
<td>12%</td>
</tr>
<tr>
<td></td>
<td>a of which pants, trousers</td>
<td>MBWG</td>
<td>4,120,000</td>
<td>1.90</td>
<td>5%</td>
<td>7%</td>
<td>11%</td>
<td>10%</td>
</tr>
<tr>
<td></td>
<td>(of which pants, trousers wool)</td>
<td>MB</td>
<td>(200,000)</td>
<td>1.90</td>
<td>5%</td>
<td>7%</td>
<td>11%</td>
<td>10%</td>
</tr>
<tr>
<td>3.</td>
<td>Tailored-collar shirts MB</td>
<td>1,800,000</td>
<td>2.10</td>
<td>3%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a of which lumberjack shirts MB</td>
<td>530,000</td>
<td>2.10</td>
<td>3%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Shirts, blouses, T-shirts sweatshirts MBWGCI</td>
<td>5,400,000</td>
<td>1.70</td>
<td>5%</td>
<td>5%</td>
<td>10%</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a of which shirts/blouses WG and shirts other MB</td>
<td>850,000</td>
<td>1.70</td>
<td>5%</td>
<td>5%</td>
<td>10%</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Sweaters, pullovers, cardigans MBWGCI</td>
<td>1,650,000</td>
<td>1.40</td>
<td>3%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a of which sweaters, pullovers, cardigans MB</td>
<td>650,000</td>
<td>1.40</td>
<td>3%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>(A) ITEM NUMBER</td>
<td>(B) PRODUCT DESCRIPTION</td>
<td>(C) RESTRAINT LEVEL</td>
<td>(D) CONVERSION FACTOR (M^2)</td>
<td>(E) GROWTH</td>
<td>(F) SWING</td>
<td>(G) CARRYOVER/BORROW FORWARD</td>
<td>(H) COMBINED (F) &amp; (G)</td>
<td></td>
</tr>
<tr>
<td>-----------------</td>
<td>--------------------------</td>
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<td></td>
</tr>
<tr>
<td>6.</td>
<td>Pyjamas/sleepwear/bathrobes/dressing gowns MBWGCI</td>
<td>1,950,000</td>
<td>3.40</td>
<td>5%</td>
<td>7%</td>
<td>11%</td>
<td>12%</td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Coordinates and matching sets MBWGCI</td>
<td>1,850,000</td>
<td>4.40</td>
<td>6%</td>
<td>7%</td>
<td>11%</td>
<td>12%</td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Underwear MBWGCI</td>
<td>1,800,000</td>
<td>0.80</td>
<td>6%</td>
<td>7%</td>
<td>11%</td>
<td>12%</td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Coats, jackets and rainwear MBWGCI</td>
<td>1,600,000</td>
<td>4.00</td>
<td>5%</td>
<td>5%</td>
<td>10%</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>.a of which jackets MBWGCI</td>
<td>650,000</td>
<td>3.50</td>
<td>5%</td>
<td>5%</td>
<td>10%</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>.b of which overcoats/topcoats MBWGCI</td>
<td>150,000</td>
<td>5.00</td>
<td>5%</td>
<td>5%</td>
<td>10%</td>
<td>11%</td>
<td></td>
</tr>
</tbody>
</table>

Clothing: Consultation Levels

10. Swimwear MBWGCI | 350,000 Consultation Level
11. Fine suits and blazers MBWGCI | 20,000 Consultation Level

Textile Products: Restraint Levels

12. Work gloves | 9,500,000 prs. 0.30M^2/pr. 5% 7% 10% 10%
(of which not less than 1,000,000 prs. will be 100% cotton work gloves)

elle Products: Restraint Levels

Work gloves | 9,500,000 prs. 0.30M^2/pr. 5% 7% 10% 10%
(of which not less than 1,000,000 prs. will be 100% cotton work gloves)
<table>
<thead>
<tr>
<th>ITEM NUMBER</th>
<th>PRODUCT DESCRIPTION</th>
<th>RESTRAINT LEVEL</th>
<th>CONVERSION FACTOR (M²)</th>
<th>GROWTH</th>
<th>SWING</th>
<th>CARRYOVER</th>
<th>BORROW</th>
<th>FORWARD</th>
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<tbody>
<tr>
<td>13</td>
<td>Worsted fabrics</td>
<td>150,000 Kg.</td>
<td>4.75M²/Kg.</td>
<td>3%</td>
<td>-</td>
<td>10%</td>
<td></td>
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</tr>
<tr>
<td>14.a</td>
<td>Bedsheets</td>
<td>750,000 units</td>
<td>6.25</td>
<td>6%</td>
<td>7%</td>
<td>10%</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td>14.b</td>
<td>Pillowcases</td>
<td>3,000,000 units</td>
<td>1.25</td>
<td>6%</td>
<td>7%</td>
<td>10%</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Cotton terry towels</td>
<td>1,000,000 Kg.</td>
<td>3.40M²/Kg.</td>
<td>6%</td>
<td>7%</td>
<td>10%</td>
<td>12%</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Blankets of cotton</td>
<td>420,000 units</td>
<td>4.50</td>
<td>10%</td>
<td>10%</td>
<td>11%</td>
<td>12%</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Hosiery</td>
<td>2,700,000 prs.</td>
<td>0.05</td>
<td>6%</td>
<td>7%</td>
<td>10%</td>
<td>12%</td>
<td></td>
</tr>
</tbody>
</table>

Textile Products: Consultation Levels

18. Denim and corduroy fabrics
   1,300,000 Kg. Consultation Level

19. Handbags, uncoated
   700,000 Units Consultation Level

*NOTE: For this item, there is further provision for swing between Bedsheets and Pillowcases and vice-versa up to a level agreed upon following consultations.*
Annex II - Definitions and Descriptions of terms used in Annex I

General Notes

1. Gender - Unless otherwise indicated, all definitions of garments apply to garments for men, boys, women, girls, children and infants. Children's and infants' garments include all garments sized 0-6X.

2. Unless otherwise indicated, swing is permitted from adult garments to children's and infants' garments at a 3 to 5 ratio.

3. All garment items include partially manufactured garments, i.e., garments which have been cut and sewn, or otherwise assembled, but which require further manufacture or processing.

4. Garments of indeterminate gender, including unisex garments, are to be counted as of male gender.

5. "Wholly or mainly" is 50 percent or more in all items unless otherwise indicated.

1. Winter Outerwear Garments

Winter Outerwear Garments (commonly referred to as snowsuits, snowmobile suits, ski-suits, ski-pants and snow-pants, and jackets, and similar jacket-type garments) that have an outer shell manufactured substantially by surface area with woven fabrics and that are lined and designed to protect the wearer against cold, e.g., quilted linings, down or fibre filling, etc. but not plain acetate or viscose lining, wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof. Excluded are unlined outerwear; all coats three-quarter length or longer, that is, to the knee; garments commonly known as squall jackets, windbreakers or similar jacket-type garments where there is no thermal insulation; and ski-pants and cross-country ski-suits which do not meet the above description (e.g. constructed entirely from knitted fabric).

Note: A unit comprises garments which have been designed to be sold as a set, e.g. matching or co-ordinated ski-jackets and ski-pants comprising a ski-suit will be counted as one unit if packed and shipped as a set. Vests are counted separately.

2. Trousers, Shorts, Overalls and Coveralls

Trousers, pants, slacks and jeans wholly or mainly by weight of cotton, man-made fibres, or wool or blends thereof, being garments which do not extend above the waist but extend to the knee or below. Included are jodhpurs, knickers, footless tights, gauchos.
Annex II (Cont.)

Note: Men's and boys' garments in this item manufactured of fabric containing 5 percent or more by weight of wool or hair are considered to be woollen garments.

Overalls and coveralls wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof. Overalls and coveralls are one-piece garments, as either pants or shorts but extending above the waist in the form of a bib (or permanently affixed straps) or other structure which partially or fully covers the upper part of the body. One-piece jumpsuits are included.

Outershorts wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof. Shorts are garments similar to pants but not extending to the knees.

3. Shirts, Tailored Collar

Shirts with tailored collars, men's and boys' wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof, knitted or woven, being garments covering the upper part of the body normally worn next to the skin or directly over underwear and with a full or partial front opening which may include a zipper and may be designed to be worn either inside or outside of pants. Included are all men's and boys' shirts meeting this description whether exported separately or as part of a set.

Lumberjack Shirts, men's and boys' which are shirts with tailored collars made wholly of cotton flannel weighing not less than 10.24 ounces per square yard.

Note: Included are children's sizes 4-6X.

Note: A "tailored collar" consists of one or more pieces of material which are cut and sewn or cut and fused and designed with two pointed or rounded ends. The following may be used, when needed, in the construction: stays, lining, stiffening by any means.

4. Blouses, Blouses, T-shirts, Sweatshirts

Blouses and shirts, women's and girls', children's and infants' wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof, knitted or woven, being garments which may have a complete or partial front or back opening covering the upper part of the body, excluding underwear, jackets, T-shirts, sweat-shirts and sweaters.

Shirts, men's and boys', children's and infants', other than with tailored collars, including full-fashioned collars, wholly
or mainly by weight of cotton, man-made fibres or wool, or blends thereof. A full-fashioned collar consists of one piece knitted to shape collar. For a full description of "shirts" see description for Item 3 above.

**T-shirts**, wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof. T-shirts are knitted garments which may have collarless front opening or no front opening covering the upper part of the body of construction 19 cut or finer, i.e., 19 or more vertical stitches per inch.

**Sweatshirts**, wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof, being garments at least one side of which is brushed or fleeced, covering the upper part of the body. Sweaters are not included.

Note: The definitions of T-shirts and sweatshirts for men and boys are subject to the over-riding definitions of men's and boys' shirts with tailored or full-fashioned collars.

5. **Sweaters, Pullovers and Cardigans**

Sweaters, pullovers, cardigans, (including knitted ponchos), wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof, being knitted or crocheted garments covering the upper part of the body and which may be of any length of construction coarser than 19 cut, i.e. less than 19 vertical stitches per inch. Included are such items with co-ordinating or matching accessories, e.g. hats, scarves, gloves, mittens, booties, etc. A garment in this item when shipped with such co-ordinating or matching accessories will be considered a set and counted as one unit.

6. **Pyjamas, Sleepwear, Bathrobes, Dressing Gowns and Housecoats**

Pyjamas and sleepwear, wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof, being garments normally worn for sleeping.

Bathrobes, dressing gowns and housecoats, wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof, being garments other than sleepwear normally worn in privacy, including bed jackets and negligees.

7. **Co-ordinates and Matching Sets**

Co-ordinates and matching sets, wholly or mainly by weight of cotton, man-made fibres or wool or blends thereof are garments normally comprising two or more matched or co-ordinated pieces covering both the lower and upper parts of the body and are packed, shipped and sold as a set.
Note: For the purpose of this item, co-ordinates and matching sets are worksets, shirt or blouse and pant sets, jacket and pant sets and short sets which are not covered by any other definitions included in this Annex.

8. Underwear

Underwear, wholly or mainly by weight of cotton, man-made fibres or wool or blends thereof, both woven and knitted. Included are briefs, boxer shorts, undershirts and vests.

Note: In the case of underwear sets, each piece is to be counted separately.

9. Coats, Jackets and Rainwear

Jackets, wholly or mainly by weight of cotton, man-made fibres, or wool, or blends thereof. Jackets are outerwear garments covering the upper part of the body not extending to the knee, including woven ponchos, vests, boleros, but excluding garments covered by any other definition in this Annex.

Overcoats and topcoats, wholly or mainly by weight of cotton, man-made fibres, or wool, or blends thereof being outerwear garments extending to the knee or below excluding rainwear.

Rainwear, wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof. Rainwear are garments of coated, impregnated or treated fabrics, normally worn to protect against rain (including rainsuits, sets, capes and ponchos).

10. Swimwear

Swimwear, wholly or mainly by weight of cotton, man-made fibres or wool or blends thereof, both woven and knitted, being garments normally worn for swimming and bathing. Included are bathing trunks and bathing suits.

Note: Two or more pieces must be matched or co-ordinated and packed, shipped and sold as a set or else they are classified under the appropriate item(s) elsewhere in this Annex as single units.

11. Fine Suits

Fine suits, sportcoats and blazers, men's and boys', children's and infants', wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof.
Note: The suit-jacket, sportcoat or blazer may include lapels, lining, shoulder padding, and front stiffening and would normally be worn over another outer-garment.

Note: A unit is either a jacket, sportcoat or a suit. A suit is a two- or-three piece garment consisting of matching or co-ordinated jacket/pants or jacket/vest/pants packed and shipped and sold as a set.


Work Gloves, both finished and partially manufactured that are wholly or mainly of textile fabrics, wholly or mainly by weight of cotton, man-made fibres or blends thereof whether or not impregnated or coated including such gloves manufactured partly of leather and liners.

13. Worsted Fabrics

Worsted fabrics are woven fabrics having 17 percent or more by weight of wool.

14. Bedsheets and Pillowcases

Bedsheets of woven fabric wholly or mainly by weight of cotton or man-made fibre or blends thereof. Included are flannelette sheets and/or blankets. Bedsheets can be flat or fitted for all bed sizes. This item includes all embroidered bedsheets.

Pillowcases of woven fabric wholly or mainly by weight of cotton or man-made fibre or blends thereof. This item includes all embroidered pillowcases.

Note: Pillowcases shipped together with bedsheets as part of a set are counted separately as part of the pillowcase restraint level.

15. Cotton Terry Towels, Washcloths and Sets

Cotton terry towels, washcloths and sets, of fabrics woven on a terry loom using single plied cotton (or blends thereof) yarns with loop pile on one or both sides covering the entire surface in either plain or patterned weave, whether greige, bleached, dyed or printed, including tea, hand, beach and bath towels and bath sheets.

16. Blankets of Cotton

Blankets of cotton (not to include sheets whether flat woven or
flannelette as covered by Item 14).

17. Hosiery

Hosiery, men's, boys', women's, girls', children's and infants' that is less than 50% by weight of wool and excludes elastic hosiery, ladies' seamless or full-fashioned full-length hosiery and knee highs.

18. Denim and Corduroy Fabrics

Denim and Corduroy Fabrics 50% or more by weight of cotton.

19. Handbags

Handbags made of uncoated fabrics, containing natural or man-made fibres or blends of these fibres, with a body area, excluding handles, between 40 and 190 square inches, in the manufacture of which leather and plastic materials may be used as trim and finish but not as a major component of the shell.
<table>
<thead>
<tr>
<th>1. Exporter (name, full address, country)</th>
<th>3. Quota year</th>
<th>4. Category number</th>
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<tr>
<td>5. Consignee (name, full address, country)</td>
<td>6. Country of origin</td>
<td>7. Country of destination</td>
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<td>8. Place and date of shipment - Means of transport</td>
<td>9. Supplementary details</td>
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<tr>
<td>10. Marks and numbers - Number and kind of packages - DESCRIPTION OF GOODS</td>
<td>11. Quantity</td>
<td>12. FOB Value</td>
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13. CERTIFICATION BY THE COMPETENT AUTHORITY

The undersigned, certify that the goods described above have been charged against the quantitative limit established for the year shown in box No 3 in respect of the category shown in box No 4 by the provisions regulating trade in textile products with CANADA.

14. Competent authority (name, full address, country)

At: .................................. on: ..................................

(Signature) ........................... (Stamp) ............................