

# GENERAL AGREEMENT ON TARIFFS AND TRADE

CONFIDENTIAL

TEX.SB/1149\*

9 August 1985

---

Textiles Surveillance Body

## ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

### Notification under Article 4:4

#### Modification of the Bilateral Agreement between Canada and Sri Lanka

#### Note by the Chairman

Attached is a notification received from Canada of a further modification of its bilateral agreement with Sri Lanka. Limits on winter outerwear were agreed for the period 1 January 1985 to 31 December 1986.<sup>1</sup>

---

<sup>1</sup>The original agreement and a previous modification are contained in COM.TEX/SB/1054 and 1055

\* English only/Anglais seulement/Inglés solamente

TS/140-4

The Permanent Mission of Canada  
to the United Nations



La Mission Permanente du Canada  
auprès des Nations Unies

719

10A, avenue de Budé  
1202 Geneva

July 24, 1985

Dear Ambassador Raffaelli,

--- I have the honour to notify the Textiles  
Surveillance Body of the attached modification of  
the provisions of the Memorandum of Understanding  
between the Government of Canada and the Government  
of the Democratic Socialist Republic of Sri Lanka  
relating to the export from Sri Lanka of certain  
clothing products for import into Canada.

Yours sincerely,

*J. L. MacNeil*

J.L. MacNeil  
Minister

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

ANSWERED	DOC. ISSUED	FOLIO
	12/58/1149	
REG 25 JUL 1985		
For	Action	Comment
Cabinet of DG		
Info. Service		
OFFICE GEN. AFF.		
Sess. / Council Aff. Div.		
CHAIRMAN TSB		

For			
OPER. DEPT. A			
Non-Tar M. Div.			
Development Div.			
Tech. Coop. Div.			
Trade Pol. Div.			
Spec. Proj. Div.			
OPER. DEPT. B			
Econ. R/Anal. Unit			
Agriculture Div.			
Tariff Div.			
Tech. Bar. T. Div.			
Ext. Rel. Div.			
DEPT. GEN. AFF./ADM.			
Adm. / Fin. Div.			
Trans. / Doc. Div.			
Training Div.			
Personnel Off.			
Conference Off.			

SHORT REASONED STATEMENT TO ACCOMPANY THE NOTIFICATION TO THE TEXTILE  
SURVEILLANCE BODY OF A MODIFICATION OF THE PROVISIONS OF THE MEMORANDUM OF  
UNDERSTANDING BETWEEN THE GOVERNMENT OF CANADA AND THE  
GOVERNMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA RELATING TO THE  
EXPORT FROM SRI LANKA OF CERTAIN CLOTHING PRODUCTS FOR IMPORT INTO CANADA

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 20, 1973, and to the Protocol extending the MFA, done at Geneva, December 22, 1981, I have the honour to notify the Textile Surveillance Body of a modification to the provisions of the Memorandum of Understanding between the Government of Canada and the Government of the Democratic Socialist Republic of Sri Lanka for certain textile products for import into Canada. The amendment provides for the inclusion of winter outerwear under the coverage of the current arrangement. This modification, effective January 1, 1985 to December 31, 1986, takes into account circumstances facing the Canadian clothing market and the position of Sri Lanka as an established supplier to that market. The textile product subject to the modifications falls within the scope of the MFA. The 1985 base level was established taking into consideration historical trading patterns and other provisions contained in Article 4 of the MFA and its protocol of extension.

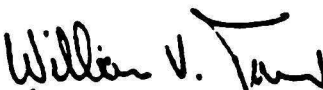
In line with MFA guidelines, this amendment contains provisions for an annual growth rate established at 6 percent. It was further agreed that this category be afforded swing of 7 percent, carryover and borrow forward of 11 percent of which borrow-forward shall not be more than 6 percent, combined flexibility of swing, carryover and borrow-forward of no more than 15 percent, and a conversion factor of 3.2 square metres per unit.

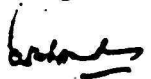
The Government of Canada believes this modification conforms with the provisions of the MFA and its Protocol of Extension and, as such, is in keeping with the gradual liberalization of the Canadian import programme on textiles and clothing.

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

**CANADA/SRI LANKA TEXTILE NEGOTIATIONS**  
**AGREED RECORD OF DISCUSSIONS**

1. Delegations representing the Government of Canada and the Government of the Democratic Socialist Republic of Sri Lanka met on February 6, 1985 in Colombo, in response to the Canadian request for consultations, to discuss the export of winter outerwear from Sri Lanka to Canada, in accordance with the provisions of paragraph 10 of the Agreed Record signed between the two sides on August 7, 1984.
2. During these negotiations, it was agreed that the Memorandum of Understanding between the two Governments governing the trade in textiles and clothing items will be amended effective January 1, 1985 to include restraint provisions for winter outerwear exports to Canada. In this regard, the two sides agreed that the restraint level for calendar year 1985 will be 120,000 units and that this will be increased by 6 percent to form the restraint level for calendar year 1986. It was further agreed that this category shall be accorded swing of 7 percent carryover and borrow-forward of 11 percent of which borrow-forward shall not be more than 6 percent, combined flexibility of swing carryover and borrow-forward of no more than 15 percent and a conversion factor of 3.2 square metres per unit.
3. It was agreed that Sri Lankan authorities will administer the restraint for winter outerwear shipments to Canada, effective January 1, 1985, through the issuance of "Export licences" endorsed and issued by the proper Sri Lankan authority.
4. The Canadian side indicated that agreement to the above, understanding be on an ad referendum basis subject to approval by Canadian Ministers. Accordingly, both sides indicated that such arrangement would be finalised through an exchange of notes between the two Governments.

  
William V. Turner  
Leader  
Canadian Delegation

  
W.L.P. de Mel  
Leader  
Sri Lankan Delegation

Colombo.  
February 6, 1985.

## CONTROL 32

### WINTER OUTERWEAR

Winter outerwear garments: (commonly referred to as snowsuits, snowmobile suits, ski-suits, ski-pants and snow-pants, and jackets and vests including parkas, ski-jackets, and similar jacket-type garments) that have an outer shell manufactured substantially by surface area with woven fabrics wholly or mainly by weight of cotton, man-made fibres, wool, or blends thereof and that are lined and designed to protect the wearer against cold, eg. quilted linings, down or fibre filling, etc., but not plain acetate or viscose lining.

Excluded are: all unlined outerwear; all coats three-quarter length or longer, that is, to the knee or below 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 (eg. constructed entirely from knitted fabric).

### Notes

1. A unit comprises garments which have been designed to be sold as a set, eg. 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.



EA/TEX/2

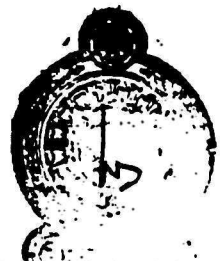
The Ministry of Foreign Affairs of the Democratic Socialist Republic of Sri Lanka presents its compliments to the High Commission for Canada in Colombo and has the honour to refer to its Note:661 which reads as follows.

"The Canadian High Commission presents its compliments to the Ministry of Foreign Affairs of the Democratic Socialist Republic of Sri Lanka and has the honour to refer to the Agreed Record of Discussions signed by representatives of Canada and Sri Lanka in Colombo on February 6, 1985 concerning exports of winter outerwear from Sri Lanka to Canada. Pursuant to the provisions of paragraph 4 of the Agreed Record, the Canadian authorities wish to confirm that Canadian Ministers have given approval to the provision of paragraph 2 of the Agreed Record and to propose that this Note, together with the reply from the Sri Lankan authorities confirming acceptance by the Sri Lankan Government, give effect to the arrangement outlined in paragraphs 2 and 4 of the Agreed Record, thereby constituting an amendment to Annex I of the Memorandum of Understanding between Canada and Sri Lanka governing trade in textiles and clothing items.

The Canadian High Commission avails itself of this opportunity to renew to the Ministry of Foreign Affairs of the Democratic Socialist Republic of Sri Lanka the assurances of its highest consideration".

The Ministry of Foreign Affairs of the Democratic Socialist Republic of Sri Lanka wishes to confirm that the above sets out correctly the understanding reached between Sri Lanka and Canada in Colombo on 6th February 1985.

The Ministry of Foreign Affairs avails itself of this opportunity to renew to the Canadian High Commission the assurances of its highest consideration.





No. 681

The Canadian High Commission presents its compliments to the Ministry of Foreign Affairs of the Democratic Socialist Republic of Sri Lanka and has the honour to refer to the Agreed Record of Discussions signed by representatives of Canada and Sri Lanka in Colombo on February 6, 1985 concerning exports of winter outerwear from Sri Lanka to Canada. Pursuant to the provisions of paragraph 4 of the Agreed Record, the Canadian authorities wish to confirm that Canadian Ministers have given approval to the provision of paragraph 2 of the Agreed Record and to propose that this Note, together with the reply from the Sri Lankan authorities confirming acceptance by the Sri Lankan Government, give effect to the arrangement outlined in paragraphs 2 and 4 of the Agreed Record, thereby constituting an amendment to Annex I of the Memorandum of Understanding between Canada and Sri Lanka governing trade in textiles and clothing items.

The Canadian High Commission avails itself of this opportunity to renew to the Ministry of Foreign Affairs of the Democratic Socialist Republic of Sri Lanka the assurances of its highest consideration.

COLOMBO, May 7, 1985

cc - Mr. P. Kanagaratnam  
Acting Director of Commerce  
Ministry of Trade and Shipping

