ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 3:4

Note by the Chairman

Attached is a copy of an agreement concluded under Article 3:4 between Canada and Poland covering nylon broadwoven fabrics, cotton terry towels and bedsheets.

1For previous Article 3:5 action concerning nylon fabrics and cotton terry towels see document TEX.SB/216 and 216/Add.1.
June 13, 1977

Dear Mr. Wurth,

Further to my letter of February 25, 1977 and April 19, 1977, I have now been instructed to inform you that Polish authorities have entered into an agreement to restrain exports to Canada of nylon broadwoven fabrics, cotton terry towels and bedsheets in accordance with the provisions of Article 3 of the Arrangement Regarding International Trade in Textiles. I attach a copy of the agreed Memorandum of Understanding setting out the details of the agreement.

Yours sincerely,

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding between the Government of Canada as represented by the Department of Industry, Trade and Commerce and the Government of Poland as represented by the Ministry of Foreign Trade and Shipping sets out the Agreement reached between the delegations of Canada and Poland during their consultations which took place in Ottawa between May 20-24, 1977 regarding restraint arrangements on nylon broadwoven fabrics, cotton terry towels and bed sheets in accordance with the provisions of the Arrangement Regarding International Trade in Textiles.

1. Poland will restrain its exports to Canada of textile products at the levels and during the respective periods stated in Annex I.

2. Agreed Minutes regarding export authorization certification procedure is attached as Annex II.

3. Explanatory Notes was agreed and is attached as Annex III.

4. The Governments of Canada and Poland agree to consult at the request of the other on any matter arising from the implementation of this arrangement.

5. The Governments of Canada and Poland will provide each other, on request, with any available statistical data relevant to this arrangement.

6. This Memorandum of Understanding shall enter into force on the date of signature and be effective for the restraint periods stipulated in Annex I.

Done in the English language in two copies at Ottawa this 24th day of May 1977.

For the Government of Canada

J.K. Joyzbun,
Director,
Office of Special Import Policy,
Department of Industry, Trade and Commerce,
Ottawa, Canada.

For the Government of Poland

Jerzy Strebski,
High Officer,
Ministry of Foreign Trade and Shipping

Bogdan Muszycki,
Deputy General Director,
Textilimpex
ANNEX I

Poland will restrain its exports to Canada of those textile products at the levels and during the periods listed below:

1. Broadwoven Fabrics of Filament Nylon
   (excluding woven fabrics for umbrella covering)
   (a) Level: 1,035,000 square yards  Period: Feb. 11, 1977 to Feb. 10, 1978
   (b) Level: 1,045,350 square yards  Period: Feb. 11, 1978 to Feb. 10, 1979
   (c) Level: 1,055,800 square yards, Period: Feb. 11, 1979 to Feb. 10, 1980

2. * Cotton Terry Towels
   Level: 834,000 pounds  Period: March 1, 1977 to Feb. 28, 1978

3. Bedsheets
   (a) Level: 425,000 units  Period: Apr. 1, 1977 to Mar. 31, 1978
   (b) Level: 430,000 units  Period: Apr. 1, 1978 to Mar. 31, 1979
   (c) Level: 435,000 units  Period: Apr. 1, 1979 to Mar. 31, 1980

Note 1. With respect to carryforward and carryover for all items set out in this Arrangement, Paragraph 5 of Annex D of the Arrangement Regarding International Trade in Textiles shall apply.

Note 2. The restraint on cotton terry towels excludes terry bath mats and terry facecloths as defined in Annex III.
1. This Agreed Minutes sets out the Agreement which has been reached between the Governments of Poland and Canada regarding the implementation of an export authorization procedure.

2. Recognizing the desirability of ensuring the effective control of exports to Canada of the products listed in Annex I:

(a) the Government of Poland will issue certificates covering shipments to Canada of the goods listed in Annex I attesting that the goods have been authorized for export to Canada and counted against the appropriate restraint levels;

(b) the Government of Canada will issue permits to import the goods listed in Annex I on the condition that each shipment be accompanied by a certificate of export authorization issued by the Government of Poland;

(c) shipments of the goods listed in Annex I, not accompanied by the agreed certificate of export authorization may be refused entry into Canada;

(d) the procedure outlined above will apply to all of the goods listed in Annex I exported from Poland on and after July 1, 1977.

(e) the date of issuance of bill of lading is considered to be the date of shipment.
EXPLANATORY NOTES

1. For the purpose of this Understanding, the following definitions will apply:

Broadwoven nylon fabrics include all fabrics in which filament nylon yarns account for fifty percent (50%) or more on a weight or thread count basis.

Bed sheets are made of woven fabrics of cotton or man-made yarns or blends thereof and include flannelette sheets sometimes referred to as flannelette blankets. Bed sheets can be flat or fitted for a number of bed sizes, e.g. king size, queen size, double, twin and single.

Cotton terry towels are a cloth made of fabrics woven on a terry loom using single or plyed cotton or man-made yarns or blends thereof, with loop pile on one or both sides covering the entire surface or part of the surface to form designs or patterns such as stripes, checks, etc., whether greige, bleached, dyed or printed. Towels are normally made in rectangular form and in a range of sizes. Depending on size, towels are described frequently as tea, hand, beach, bath and bath sheets.

Terry bath mats are a small rug or mat made of fabrics woven on a terry loom using single or plyed cotton or man-made yarns or blends thereof, with loop pile on one or both sides covering the entire surface or part of the surface to form designs or patterns such as stripes, checks, etc., whether greige, bleached, dyed or printed.

Terry facecloths are a small cloth made of fabrics woven on a terry loom using single or plyed cotton or man-made yarns or blends thereof, with loop pile on one or both sides covering the entire surface or part of the surface to form designs or patterns such as stripes, checks, etc., whether greige, bleached, dyed or printed. Facecloths are normally made in square or rectangular form ranging in sizes from 50 square inches to 169 square inches.
2. All shipments from Poland of the goods covered by this arrangement valued in excess of $250.00 Canadian shall be accompanied by an export licence certifying that the goods have been debited against the respective restraint level.

3. All shipments valued at less than $250.00 Canadian do not require an export licence.

4. When sheets and pillowcases are shipped as sets or combinations, a separate export licence will be issued for the sheets.

5. Polish authorities will endeavour to maintain a balanced pattern of shipments throughout the restraint period so as to ensure orderly marketing.