

# WORLD TRADE ORGANIZATION

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**Textiles Monitoring Body**

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## AGREEMENT ON TEXTILES AND CLOTHING

### Notification under Article 2.17

#### Canada

#### Administrative Arrangements with Pakistan

The Textiles Monitoring Body has received a notification from Canada pursuant to paragraph 17 of Article 2. The TMB is circulating this notification to WTO Members for their information.

The Permanent Mission of Canada to the United Nations

1 rue du Pré-de-la Bichette  
1202 Geneva

13 March 1996

Ambassador András Szepesi  
Chairman  
Textiles Monitoring Body  
World Trade Organization  
Centre William Rappard  
154 Rue de Lausanne  
1211 Geneva

Dear Ambassador Szepesi,

Pursuant to Article 2.17 of the Agreement on Textiles and Clothing, I have the honour to notify the Administrative Arrangements that have been concluded with the following WTO Members: Bangladesh, Brazil, Costa Rica, Cuba, Hong Kong, Hungary, India, Indonesia, Korea, Lesotho, Macau, Malaysia, Mauritius, Pakistan,<sup>1</sup> Philippines, Romania, Slovak Republic, Sri Lanka, Swaziland, Thailand and Uruguay.

Yours sincerely,

(signed) Jean Saint-Jacques  
Counsellor

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<sup>1</sup>This document contains the Administrative Arrangements with Pakistan. Arrangements concluded with the other WTO Members mentioned above will be circulated as separate documents.

Memorandum of Understanding Between the Government of Canada and  
the Government of the Islamic Republic of Pakistan Relating to  
the Export from Pakistan of Certain Textile Products to Canada

Introduction

1. This Memorandum of Understanding (MOU) sets out the administrative arrangements that have been agreed upon between the Governments of Canada and The Islamic Republic of Pakistan pursuant to Article 2.17 of the MTN Agreement on Textiles and Clothing (ATC) in order to implement the textiles and clothing restraints between Canada and Pakistan to be notified pursuant to Article 2.1 of the ATC. These provisions will also apply with respect to any restraint introduced by Canada on imports of textiles and clothing from Pakistan pursuant to the provisions of Article 6 of the ATC.

Implementation

2. In accordance with the provisions of Article 4.1 of the ATC, these arrangements shall be implemented on the basis of the export control system operated by the Government of The Islamic Republic of Pakistan. Exports of the textile products included in the restraints notified under Article 2.1 of the ATC shall be covered by an original "Export Licence" endorsed and issued by the competent authorities of Pakistan to the effect that the goods covered by the export licence have been debited from the applicable quantitative limit.

3. For the purpose of implementing these arrangements, the date of export from Pakistan shall be used to determine the restraint period in which any shipments of textile products shall be counted.

4. The Government of The Islamic Republic of Pakistan shall endeavour to ensure that exports to Canada of all restrained textile products are spaced out as evenly as possible during each restraint period, due account being taken of seasonal factors and of normal channels of trade.

5. Export licences issued by the Government of The Islamic Republic of Pakistan in respect of restrained textile products shall contain the following information:

- (a) Country of destination;
- (b) Country of origin;
- (c) Licence number and quota year;
- (d) Importer's name and address;
- (e) Exporter's name and address;
- (f) Item number and description of product as contained in the notification under Article 2.1 of the ATC;
- (g) Quantity expressed in the units designated for each product in the notification under Article 2.1 of the ATC. If more than one set of measures is established, all should be indicated; where the quantity is expressed other than as designated, the equivalent weight, units or m<sup>2</sup> should be calculated in accordance with the conversion factors set out in the restraint notified under Article 2.1 of the ATC;

- (h) F.O.B. or C.I.F. value except for non-commercial consignments;
- (i) Certification by the competent authorities of Pakistan that the quantity has been debited from the agreed restraint limit for exports to Canada.

6. In the event that any quantity covered by an export licence is not shipped, the Government of The Islamic Republic of Pakistan shall notify the Government of Canada of such quantity which may be credited by the Government of The Islamic Republic of Pakistan to the appropriate restraint limit.

7. Except as provided for in paragraphs 8 to 11 below (Swing and Carryover/Carry Forward), the Government of The Islamic Republic of Pakistan shall restrain its exports to Canada of the textile products notified pursuant to Article 2.1 of the ATC to the limits notified under Article 2.1 of the ATC, as modified by the provisions of Articles 2.7, 2.8, 2.13 and 2.14 of the ATC. Pursuant to Article 4.1 of the ATC, it is understood that the Government of Canada shall not be obliged to accept shipments in excess of the restraint levels notified under Article 2.1 of the ATC, as modified by the provisions of Articles 2.7, 2.8, 2.13 and 2.14 of the ATC.

#### Swing

8. Subject to the specific limitations contained in the restraint notification under Article 2.1 of the ATC, and following notification to the appropriate Canadian authorities, the Government of The Islamic Republic of Pakistan may exceed the specified annual quantitative limit up to the percentage specified in the restraint notification under Article 2.1 of the ATC, provided that an equivalent amount is deducted from any other restraint level. When any restraint limit is exceeded by the application of swing, the Government of The Islamic Republic of Pakistan shall so indicate in subsequent monthly statistical reports.

9. For the purpose of implementing the swing provisions in paragraph 8, the conversion factors specified in the restraint notification under Article 2.1 of the ATC shall apply.

#### Carryover/Carry Forward

10. Following notification to the Government of Canada of the quantities involved, portions of any quantitative limit which are not used during the annual restraint period may be carried over and added to the corresponding quantitative limit for the following annual restraint period. The restraint limit for any such restraint period shall be increased within the percentage limits specified in the restraint notification under Article 2.1 of the ATC.

11. Following notification to the Government of Canada of the quantities involved, any restraint limit may be increased within the percentage limits specified in the restraint notification under Article 2.1 of the ATC by a quantity advanced from the corresponding restraint limit for the following annual restraint period. The restraint limit for any such following restraint period shall be reduced by a quantity equal to the quantity so advanced.

#### Exchange of Statistics

12. The Government of The Islamic Republic of Pakistan shall provide the Government of Canada with monthly statistical reports relating to exports of restrained textile products, licensed for export

to Canada and debited from the quantitative limits for each restraint period. These statistics shall include the following information:

- (a) Item number and description;
- (b) Original and adjusted restraint limits for the restraint period;
- (c) Total quantity issued for the restraint period to date;
- (d) Notification of any utilization of swing, carryover or carry forward provisions and the quantities involved as provided for in paragraphs 8 to 11 above.

This information should be provided as soon as possible following the end of each month.

13. The Government of Canada shall provide the Government of The Islamic Republic of Pakistan with monthly statistical reports relating to import permits issued for imports originating in Pakistan of textile products listed in Annex I.

14. Both Governments reserve the right to request additional statistics as may be reasonably required, including statistics relating to the export or import of products not contained in the notification, under Article 2.1 of the ATC, of Canada's restraints on imports from Pakistan.

#### Re-exports

15. The Government of Canada shall, so far as possible, inform the Government of The Islamic Republic of Pakistan when imports into Canada of restrained textile products are subsequently re-exported from Canada. Where such re-exports have originally been debited by the Government of The Islamic Republic of Pakistan from quantitative limits, the Government of The Islamic Republic of Pakistan may then credit back the quantity involved to the appropriate quantitative limits.

#### Consultations

16. Pursuant to Article 8.4 of the ATC, the Government of The Islamic Republic of Pakistan, and the Government of Canada express their willingness to consult, on request, on any matter arising from the implementation or operation of the ATC or of this MOU or on any matter germane thereto.

(signed)  
For the Government of  
The Islamic Republic of Pakistan  
[OTTAWA]

(signed)  
For the Government of Canada

16 January 1995

**ANNEX I - RESTRAINT LEVELS (PHASE I)****PAKISTAN****GROUP I**

(A) Agreement Item No.	(B) Product Coverage		(C) 1995 Restraint Level (unit)	(D) Growth	(E) Swing	(F) Carryover/ Carry Forward	(G) Combined Flexibility (E) & (F)	(H) Conversion Factor (m <sup>2</sup> /unit)
	Category	Short Description						
2	2.0	Winter outerwear	472,877	6.96%	7%	11% (6%)	-	3.5
3/4a	3.2 4.1	Ensembles, MBC Suits & ensembles, WGC;	1,221,846	6.96%	7%	11% (6%)	-	3.5
5a	5.1 5.2 5.3 5.5	Trousers, MB; Trousers, WG; Trousers, C; Shorts, MBWGC	1,220,102	6.96%	7%	11% (6%)	-	1.9
6	6.0	Tailored collar shirts, MBC	602,968	6.96%	7%	11% (6%)	-	1.7
7	7.0	Woven shirts, blouses & similar articles	1,406,897	8.12%	7%	11% (6%)	-	1.4
8a	8.1  8.2 8.3	(k/c) Shirts, blouses & similar articles T-shirts; Sweatshirts	4,194,454	8.12%	7%	11% (6%)	-	1.4
9	9.0	Underwear	984,268	6.96%	7%	11% (6%)	-	0.5
10a	10.1	Sleepwear, MBWG	2,040,797	6.96%	7%	11% (6%)	-	3.4

**GROUP II**

(A) Agreement Item No.	(B) Product Coverage		(C) 1995 Restraint Level (unit)	(D) Growth	(E) Swing	(F) Carryover/ Carry Forward	(G) Combined Flexibility (E) & (F)	(H) Conversion Factor (m <sup>2</sup> /unit)
	Category	Short Description						
41a	41.1	Bed sheets (NMB)	834,130	6.96%	7%	11% (6%)	-	6.25
41b	41.2	Pillow cases (NMB)	713,895	6.96%	7%	11% (6%)	-	1.25
42a (Note 2)	42.1	Toilet & kitchen linen, cotton terry, woven (KGM)	1,036,530	9.28%	7%	11% (6%)	-	2.8

Note: No swing between products in Group I and products in Group II.

Note 2: Excludes code 6302.60.00.19. Other toilet and kitchen linen (including bar wipes) of sub-category 42.1.

**ANNEX II - PREAMBLE**

**PAKISTAN**

1. Unless otherwise indicated, gender means garments for men (M), boys (B) (sizes 8 to 18), women (W), girls (G) (sizes 7 to 16), children (C) (sizes 2 to 6X) and babies, of a body height not exceeding 86 cm (sizes 0 to 24 months).
2. Unless otherwise indicated, swing is permitted from adult garments to children's and babies' garments at a 3 to 5 ratio.
3. A partially manufactured textile article shall be taken to include an article unfinished or incomplete (including cut or shaped fabric for making such articles), provided that, as presented, the incomplete or unfinished article has the essential character of the complete or finished article. It shall also be taken to include the article presented unassembled or disassembled.
4. Garments of indeterminate gender, including unisex garments are to be counted as of female gender.
5. Unless otherwise indicated, products covered by restraints under this arrangement in Group I and in Group II are those which predominate by weight of wool, cotton, or man-made fibres.

**ANNEX II - CLOTHING CATEGORIES****PAKISTAN****GROUP I**

Short Description	Category	Sub Category	Long Description	Units
Coats, jackets & rainwear	1		<ul style="list-style-type: none"> <li>- Overcoats, raincoats, car-coats, capes, cloaks, and similar articles - <u>MBWGC, k/c &amp; woven</u>;</li> <li>- Anoraks (including ski-jackets) wind-cheaters, wind-jackets and similar articles - <u>MBWGC, k/c</u>;</li> <li>- anoraks (including ski-jackets), wind-cheaters, wind-jackets and similar articles, other than those lined and designed to protect the wearer against the cold - <u>MBWGC, woven</u>;</li> <li>- garments, made up of fabrics of headings 59.03 (plastic), 59.06 (rubber) or 59.07 (other), containing 50% or more by weight of textile material - <u>MBWGC, k/c &amp; woven</u>;</li> <li>- lining of thermal characteristics suited for garments of sub-category 1.1 and 1.3 - <u>MBWGC, k/c &amp; woven</u>;</li> </ul>	NMB
- Coats		1.1	<ul style="list-style-type: none"> <li>- Overcoats, car-coats, capes &amp; cloaks, other than rainwear - <u>MBWGC, k/c &amp; woven</u>;</li> <li>- lining of thermal characteristics suited for garments of sub-category 1.1 and 1.3 - <u>MBWGC, k/c &amp; woven</u>.</li> </ul>	
- Jackets		1.2	<ul style="list-style-type: none"> <li>- Anoraks (including ski-jackets) wind-cheaters and wind-jackets - <u>MBWGC, k/c</u>;</li> <li>- anoraks (including ski-jackets), wind-cheaters and wind-jackets, other than those lined and designed to protect the wearer against the cold - <u>MBWGC, woven</u>.</li> </ul>	
- Rainwear		1.3	<ul style="list-style-type: none"> <li>- Raincoats and rainwear - <u>MBWGC, k/c &amp; woven</u>;</li> <li>- garments made up of fabrics of headings 59.03 (plastic), 59.06 (rubber) or 59.07 (other), containing 50% or more by weight of textile material - <u>MBWGC, k/c &amp; woven</u>.</li> </ul>	
Winter outerwear	2		<ul style="list-style-type: none"> <li>- Anoraks (including ski-jackets), wind-cheaters, wind-jackets and similar articles, lined and designed to protect the wearer against the cold - <u>MBWGC, woven</u>;</li> <li>- bib and brace overalls (e.g. ski overalls), lined and designed to protect the wearer against the cold - <u>MBWGC, woven</u>;</li> <li>- trousers and breeches (e.g. ski pants), lined and designed to protect the wearer against the cold - <u>MBWGC, woven</u>;</li> <li>- ski suits - <u>MBWGC, woven</u>;</li> <li>- snowsuits, snowmobile suits and similar articles - <u>MBWGC, woven</u>;</li> <li>- lining of thermal characteristics suited for garments of sub-category 1.2 - <u>MBWGC, k/c &amp; woven</u>;</li> </ul>	NMB
- Winter outerwear, MBWG		2.1	<ul style="list-style-type: none"> <li>- Men's, boys', women's and girls'.</li> </ul>	
- Winter outerwear, C		2.2	<ul style="list-style-type: none"> <li>- Children's.</li> </ul>	



Short Description	Category	Sub Category	Long Description	Units
Male casual & fine wear	3		Suits, ensembles, jackets, blazers - <u>MBC, k/c &amp; woven</u> :	NMB
- Suits, MBC		3.1	- Suits - <u>MBC, k/c &amp; woven</u> .	
- Ensembles, MBC		3.2	- Ensembles - <u>MBC, k/c &amp; woven</u> .	
- Jackets & blazers, MBC		3.3	- Jackets and blazers - <u>MBC, k/c &amp; woven</u> .	
Female casual & fine wear	4		- Suits, ensembles, jackets, blazers, dresses, skirts, divided-skirts - <u>WGC, k/c &amp; woven</u> ;	NMB
			- Saris - <u>WGC, woven</u> :	
- Suits & ensembles, WGC		4.1	- Suits and ensembles - <u>WGC, k/c &amp; woven</u> .	
- Jackets & blazers, WGC		4.2	- Jackets and blazers - <u>WGC, k/c &amp; woven</u> .	
- Dresses		4.3	- - Dresses - <u>WGC, k/c &amp; woven</u> ;	
			- Saris - <u>WGC, woven</u> .	
- Skirts		4.4	- Skirts and divided skirts - <u>WGC, k/c &amp; woven</u> .	
Trousers, overalls & shorts	5		- Trousers, bib and brace overalls, breeches, shorts - <u>MBWGC, k/c &amp; woven</u> ;	NMB
			- coveralls - <u>MBWGC, k/c &amp; woven</u> :	
- Trousers, MB		5.1	- Trousers and breeches - <u>MB, k/c &amp; woven</u> .	
- Trousers, WG		5.2	- Trousers and breeches - <u>WG, k/c &amp; woven</u> .	
- Trousers, C		5.3	- Trousers and breeches - <u>C, k/c &amp; woven</u> .	
- Overalls & coveralls		5.4	- - Bib and brace overalls - <u>MBWGC, k/c &amp; woven</u> ;	
			- coveralls - <u>MBWGC, k/c &amp; woven</u> .	
- Shorts		5.5	- Shorts - <u>MBWGC, k/c &amp; woven</u> .	
Tailored collars shirts, MBC	6		Shirts (with tailored collar) - <u>MBC, k/c &amp; woven</u> .	NMB
Woven shirts, blouses & similar articles	7		- Shirts, blouses, shirt-blouses - <u>MBWGC, woven</u> ;	NMB
			- other singlets and vests (other than of the underwear type) - <u>MBWGC, woven</u> ;	
			- and other similar articles - <u>MBWGC, woven</u> :	
- Woven shirts & similar articles, MB		7.1	- Men's & boys:	
			- Shirts - <u>woven</u> .	
			- other singlets and vests (other than of the underwear-type) - <u>woven</u> ;	
			- and other similar articles - <u>woven</u> .	
- Woven blouses & similar articles, WG		7.2	- Women's & girls':	
			- shirts, blouses, shirt-blouses - <u>woven</u> ;	
			- other singlets and vests (other than of the underwear type) - <u>woven</u> ;	
			- and other similar articles - <u>woven</u> .	
- Woven shirts, blouses & similar articles, C		7.3	- Children's:	
			- shirts, blouses, shirt-blouses - <u>woven</u> ;	
			- other singlets and vests (other than of the underwear type) - <u>woven</u> ;	
			- and other similar articles - <u>woven</u> .	

Short Description	Category	Sub Category	Long Description	Units
<p>Athletic wear, k/c shirts, blouses &amp; similar articles, T-shirts &amp; sweatshirts</p> <p>- k/c shirts, blouses &amp; similar articles</p> <p>- T-shirts</p> <p>- Sweatshirts</p> <p>- Athletic wear</p>	8	<p>8.1</p> <p>8.2</p> <p>8.3</p> <p>8.4</p>	<p>- Shirts, blouses, shirt-blouses, <u>MBWGC, k/c</u>;</p> <p>- other singlets and vests (other than of the underwear type) - <u>MBWGC, k/c</u>;</p> <p>- and other similar articles - <u>MBWGC, k/c</u>;</p> <p>- T-shirts (other than of the underwear type), <u>MBWGC, k/c</u>;</p> <p>- brushed and fleeced pullovers (sweatshirts) - <u>MBWGC, k/c</u>;</p> <p>- ski suits - <u>MBWGC, k/c</u>;</p> <p>- track suits and other athletic wear - <u>MBWGC, k/c &amp; woven</u>;</p> <p>- Shirts, blouses, shirt-blouses - <u>MBWGC, k/c</u>;</p> <p>- other singlets and vests (other than of the underwear-type) - <u>MBWGC, k/c</u>;</p> <p>- and other similar articles - <u>MBWGC, k/c</u>.</p> <p>- T-shirts (other than of the underwear type) - <u>MBWGC, k/c</u>.</p> <p>- Brushed or fleeced pullovers (sweatshirts) - <u>MBWGC, k/c</u>.</p> <p>- Ski suits - <u>MBWGC, k/c</u>;</p> <p>- track suits and other athletic wear - <u>MBWGC, k/c &amp; woven</u>.</p>	NMB
<p>Underwear</p> <p>- Underwear, MB</p> <p>- Underwear, WG</p> <p>- Underwear, C</p>	9	<p>9.1</p> <p>9.2</p> <p>9.3</p>	<p>- Underpants, briefs, panties, slips, petticoats and similar articles - <u>MBWGC, k/c &amp; woven</u>;</p> <p>- T-shirts (of the underwear type) - <u>MBWGC, k/c</u>;</p> <p>- singlets and other vests (of the underwear type) - <u>MBWGC, k/c &amp; woven</u>;</p> <p>- Men's &amp; boys'.</p> <p>- Women's &amp; girls'.</p> <p>- Children's.</p>	NMB
<p>Sleepwear &amp; bathrobes</p> <p>- Sleepwear, MBWG</p> <p>- Bathrobes, MBWG</p> <p>- Sleepwear &amp; bathrobes, C</p>	10	<p>10.1</p> <p>10.2</p> <p>10.3</p>	<p>Nightshirts, pyjamas, nightdresses, negligees, bathrobes, dressing gowns &amp; similar articles - <u>MBWGC, k/c &amp; woven</u>;</p> <p>- Nightshirts, pyjamas and nightdresses - <u>MBWGC, k/c &amp; woven</u>.</p> <p>- Bathrobes, dressing gowns &amp; negligees - <u>MBWGC, k/c &amp; woven</u>.</p> <p>- Children's.</p>	NMB
<p>Sweaters</p> <p>- Sweaters, MB</p> <p>- Sweaters, WG</p> <p>- Sweaters, C</p>	11	<p>11.1</p> <p>11.2</p> <p>11.3</p>	<p>Jerseys, pullovers, cardigans, waist-coats, and similar articles - <u>MBWGC, k/c</u>;</p> <p>- Men's &amp; boys'.</p> <p>- Women's &amp; girls'.</p> <p>- Children's.</p>	NMB
Swimwear	12		Swimwear - <u>MBWGC, k/c &amp; woven</u> .	NMB
Foundation garments	13		Brassieres, girdles, panty-girdles and corselettes, whether or not knitted or crocheted.	NMB

Short Description	Category	Sub Category	Long Description	Units
Babies' garments	14		Babies' garments:	NMB
- Coats, jackets & rainwear		14.1	- Coats, rainwear, snowsuits, jackets and similar articles.	
- Trousers, overalls & shorts		14.2	- Trousers, breeches, bib and brace overalls, coveralls and shorts.	
- Shirts, blouses & similar articles		14.3	- Shirts, blouses and similar articles.	
- T-shirts & sweatshirts		14.4	- T-shirts and sweatshirts.	
- Dresses & skirts		14.5	- Dresses and skirts.	
- Sleepwear		14.6	- Sleepwear.	
- Underclothing		14.7	- Underclothing.	
- Sweaters		14.8	- Jerseys, pullovers, cardigans and sweaters.	
- Other garments		14.9	- Other garments not elsewhere specified.	
Smocks & shop coats	16		Smocks and similar professional or shop coats - <u>MBWGC</u> , <u>woven</u> .	NMB
Other garments	17		- Garments made up of fabrics of Heading No. 56.02 (felt) or 56.03 (nonwovens), whether or not impregnated, coated, covered or laminated - <u>MBWGC &amp; babies</u> ; - other garments not elsewhere specified - <u>MBWGC</u> , <u>k/c &amp; woven</u> .	NMB

**ANNEX II - TEXTILE CATEGORIES****PAKISTAN****GROUP II**

Short Description	Sub Category Category	Long Description	Units
Cotton yarn	21	Yarn of cotton (other than sewing thread), whether or not put for retail sale.	KGM
Nylon yarn	22	Yarn of nylon or other polyamide filament (other than sewing thread), whether or not put up for retail sale, including monofilament of less than 67 decitex; yarn of nylon or other polyamide staple fibres (other than sewing thread), whether or not put up for retail sale; textile yarn, and strip and the like of heading No. 54.04 or 54.05, impregnated, coated, covered or sheathed with rubber or plastics, of high tenacity nylon or other polyamides:	KGM
- Nylon filament yarn	22.1	- Yarn of nylon or other polyamide filament (other than sewing thread), whether or not put up for retail sale, including monofilament of less than 67 decitex; textile yarn, and strip and the like of heading No. 54.04 or 54.05, impregnated, coated, covered or sheathed with rubber or plastics, of high tenacity nylon or other polyamides:	
- Nylon staple yarn	22.2	- Yarn of nylon or other polyamide staple fibres (other than sewing thread), whether or not put up for retail sale.	
Polyester yarn	23	Yarn of polyester filaments (other than sewing thread), whether or not put up for retail sale, including polyester monofilament of less than 67 decitex; yarn of polyester staple fibres (other than sewing thread and poly/cotton yarns of category 24), whether or not put up for retail sale; textile yarn, and strip and the like of heading No. 54.04 or 54.05, impregnated, coated, covered or sheathed with rubber or plastics, of high tenacity polyesters:	KGM
- Polyester filament yarn	23.1	- Yarn of polyester filaments (other than sewing thread), whether or not put up for retail sale, including polyester monofilament of less than 67 decitex; textile yarn and strip and the like of heading No. 54.04 or 54.05, impregnated, coated, covered or sheathed with rubber or plastics, of high tenacity polyesters:	
- Polyester staple yarn	23.2	- Yarn of polyester staple fibres (other than sewing thread and poly/cotton yarns of category 24), whether or not put up for retail sale.	
Poly/cotton yarn	24	Yarn of polyester staple fibres (other than sewing thread), mixed mainly or solely with cotton, whether or not put up for retail sale.	KGM
Acrylic staple yarn	25	Yarn of acrylic or modacrylic staple fibres (other than sewing thread), whether or not put up for retail sale.	KGM

Note: Includes other yarns of Chapters 54, 55 and 56

Short Description	Sub Category	Long Description	Units
Artificial yarn	26	Yarn of artificial filament (other than sewing thread), whether or not put up for retail sale, including artificial monofilament of less than 67 decitex; yarns of artificial staple fibres, containing 85% or more by weight of viscose rayon staple fibres, not put up for retail sale; yarn of other artificial staple fibres (other than sewing thread), whether or not put for retail sale; textile yarn and strip and the like of heading No. 54.04 or 54.05, impregnated, coated, covered or sheathed with rubber or plastics, of high tenacity viscose:	KGM
- Viscose yarn	26.1	- High tenacity and textured filament yarn of viscose rayon, not put up for retail sale; filament yarn of viscose rayon single, untwisted or with a twist, multiple or cabled, not put up for retail sale; yarns of artificial staple fibres, containing 85% or more by weight of viscose rayon staple fibres, not put up for retail sale; textile yarn, and strip and the like of heading No. 54.04 or 54.05, impregnated, coated, covered or sheathed with rubber or plastics, of high tenacity viscose.	
- Other artificial filament yarn	26.2	- Other yarns of artificial filament (other than sewing thread), whether or not put up for retail sale.	
- Other artificial staple yarn	26.3	- Yarn of other artificial staple fibres (other than sewing thread), whether or not put up for retail sale.	
Wool & wool blend fabric	31	Woven fabrics of wool or fine animal hair; other woven fabrics, mixed mainly or solely with wool or fine animal hair; woven pile and chenille fabrics of wool or fine animal hair and gauze of wool; and similar fabrics, impregnated, coated, covered or laminated:	KGM
- Combed wool fabric	31.1	- Woven fabrics of combed wool or fine animal hair; other woven fabrics, mixed mainly or solely with combed wool or fine animal hair; gauze of combed wool; and similar fabrics, impregnated, coated, covered or laminated.	
- Other wool fabric	31.2	- Woven fabrics of carded wool or fine animal hair; other woven fabrics, mixed mainly or solely with carded wool or fine animal hair; woven pile and chenille fabrics of wool or fine animal hair and gauze of wool, other than combed; and similar fabrics, impregnated, coated, covered or laminated.	
Cotton fabric	32	Woven fabrics of cotton; woven pile, chenille and terry towelling fabrics and gauze of cotton; denim fabrics of cotton, weighing more than 200 g/m2 of such fibres; and similar fabrics, impregnated, coated, covered or laminated:	KGM
- Cotton fabric, unbleached	32.1	- Woven fabrics of cotton, unbleached; woven pile, chenille and terry towelling fabrics of cotton, unbleached and gauze of cotton.	
- Cotton fabric, finished	32.2	- Woven fabrics of cotton, finished; woven pile, chenille and terry towelling fabrics of cotton, finished; and fabrics of Category 32.1 and 32.2, impregnated, coated, covered or laminated.	
- Denim fabric	32.3	- Denim fabrics of cotton, weighing more than 200 g/m2 of such fibres; and similar fabrics, impregnated, coated, covered or laminated.	
Cut corduroy fabric	33	Cut corduroy, woven, of cotton and man-made fibres.	KGM

Short Description	Category	Sub Category	Long Description	Units
Nylon fabric	34		Woven fabrics obtained from high tenacity yarn of nylon or other polyamides; other woven fabrics of nylon or other polyamide filament or staple fibres; and similar fabrics, impregnated, coated, covered or laminated.	KGM
- Nylon fabric, unbleached		34.1	- Unbleached.	
- Nylon fabric, finished		34.2	- Finished; and fabrics of Category 34, impregnated, coated covered or laminated.	
Polyester filament fabric	35		Woven fabrics obtained from high tenacity yarn of polyesters; other woven fabrics of polyester filaments; other woven fabrics, mixed mainly or solely with polyester filaments; and similar fabrics, impregnated, coated, covered or laminated.	KGM
Poly/cotton fabric	36		Woven fabrics of cotton, containing less than 85% by weight, mixed mainly or solely with polyester staple fibres; woven fabrics of polyester staple fibres, containing less than 85% by weight of such fibres, mixed mainly or solely with cotton; and similar fabrics, impregnated, coated, covered or laminated:	KGM
- Poly/cotton fabric, unbleached		36.1	- Unbleached;	
- Poly/cotton fabric, finished		36.2	- Finished; and fabrics of Category 36, impregnated, coated, covered or laminated.	
Artificial fabric	37		Woven fabrics of rayon filament or staple fibres, mixed mainly or solely with polyester staple fibres; woven fabrics of polyester staple fibres, mixed mainly or solely with viscose rayon filament or staple fibres; woven fabrics obtained from high tenacity yarn of viscose; other woven fabrics containing 85% or more by weight of artificial filament; woven fabrics containing 85% or more by weight of artificial staple fibres; and similar fabrics, impregnated, coated, covered or laminated:	KGM
- Poly/rayon fabric		37.1	- Woven fabrics of rayon filament or staple fibres, mixed mainly or solely with polyester staple fibres; woven fabrics of polyester staple fibres, mixed mainly or solely with viscose rayon filament or staple fibres; and similar fabrics, impregnated, coated, covered or laminated.	
- Other artificial fabric		37.2	- Woven fabrics obtained from high tenacity yarn of viscose; other woven fabrics containing 85% or more by weight of artificial filament; woven fabrics containing 85% or more by weight of artificial staple fibres; and similar fabrics, impregnated, coated, covered or laminated.	
Bed sheets & pillow cases	41		Bed sheets and pillow cases, of cotton or man-made fibres:	NMB
- Bed sheets		41.1	- Bed sheets.	
- Pillow cases		41.2	- Pillow cases.	

Short Description	Category	Sub Category	Long Description	Units
Toilet and Kitchen linen  - Toilet & kitchen linen, cotton terry, woven - Toilet & kitchen linen, cotton terry, k/c - Toilet & kitchen linen, other	42	42.1  42.2  42.3	Toilet and kitchen linen:  - Toilet linen and kitchen linen, woven, of terry towelling, of cotton.  - Toilet linen and kitchen linen, knitted or crocheted, of terry towelling, of cotton.  - Other toilet linen and kitchen linen, knitted, crocheted or woven, of cotton or man-made fibres.	KGM
Hosiery  - Hosiery, wool - Hosiery, non-wool	43	43.1 43.2	Hosiery:  - Of wool or fine animal hair. - Of other textile materials.	PAR
Work gloves & liners  - Work gloves - Work glove liners	44	44.1 44.2	Work gloves and work glove liners:  - Work gloves. - Work glove liners.	PAR
Handbags  - Handbags, not coated - Handbags, coated.	45	45.1  45.2	Handbags of textile materials, whether or not with shoulder strap, including those without handle:  - Not coated.  - Coated.	DZN

Note: 1) includes other fabrics of Chapters 51, 52, 53, 54, 55, 58 and 59.

ii) Excludes Category 43.1, Hosiery, wool, MB

ANNEX III

1. The exemption provided for in paragraph 4 of this MOU in respect of cottage industry products will apply only to the following products:

- a) garments or other textile articles of a kind traditionally made in the cottage industry, having been cut, sewn and embroidered, if applicable, by hand from handloom textile fabrics. Handloom textile fabrics are fabrics, which have been woven on looms operated solely by hand or foot and are of a kind traditionally made in the cottage industry;
- b) traditional Pakistani handicraft batik fabrics and clothing products made by hand from such batik fabrics. Handicraft batik is produced by a process which involves the following three operations, carried out by hand, for each of the colours or shades applied to the fabric:
  - i) Waxing (Application of wax by hand to the fabric),
  - ii) Dyeing/Printing (Application of colour either by the traditional cottage method of dyeing or handprinting),
  - iii) Dewaxing (Boiling the fabric to remove the wax).

2. The exemption will apply only in the respect of products covered by a certificate issued by the competent Pakistani authorities.

3. Such certificates will indicate the grounds on which the exemption is based and will be accepted by Canadian authorities provided that they are satisfied that the products concerned conform to the conditions set out in this Annex.



#### ANNEX IV

1. The exception provided for in paragraphs 4 and 5 of the Memorandum of Understanding in respect of traditional folklore handicraft textile products known as "Pakistan items" will apply to the following products:

##### Pakistan Folklore Items

"Pakistan items" are those items that are uniquely and historically traditionally Pakistani products. They are limited to the products enumerated below:

1. Shisha Embroidered Dress

A dress which is knee length or longer with at least the front area above the waist covered with an overlay. The overlay contains embroidery and mirrors which are attached to the overlay by embroidery. This dress has a partial back opening fastened by hooks, buttons, or snaps, but not by zippers or velcro. The mirrors and embroidery must cover the front area above the waist, however, there are no restraints on other sections being covered by mirrors and embroidery.

2. Kurta

A pullover tunic which is fingertip or knee length with a partial opening in front which may be fastened by hooks, buttons, or snaps, but not by zippers or velcro. The tunic may be collarless or have a stand-up collar, but may not have an out-turned shirt-type collar or out-turned shirt-type cuffs. A Kurta has no front pockets, but may have side-slit pocket(s), and must have sleeves that are a quarter length or longer. The fabric of the Kurta may be solid coloured, striped, printed, crocheted, embroidered and/or patchworked with side slits of at least 2 inches on both sides.

3. Gharara

Pants/trousers with a drawstring waist with coloured and/or metallic embroidery work. Each pant leg measures at least 36 inches across the bottom and closes at the ankle by a drawstring. Imported as a set with the Kurta.

4. Multani Choli

A tight fitting collarless top which is waist length or shorter and that has quarter or half length sleeves. The Multani Choli has a full front or back opening fastened by snaps, buttons, or hooks, but not by a zipper or velcro. This top may or may not be embroidered.

5. Burqa

A solid coloured, loose fitting, and untapered gown which is ankle length with a full front opening from neck to ankle, fastened by snaps, buttons, or hooks, but not by a zipper or velcro. A head covering is imported with the Burqa which may or may not be attached to the gown.

6. Boluchi/Peshawari Vest

A sleeveless and loose fitting vest which may close with snaps, buttons, or hooks, but not by a zipper or velcro. The Boluchi/Peshawari vest extends to approximately waist length and is covered by substantial embroidery and mirrors which are at least on the front.

7. Ghagra

An extremely loose fitting, full, ankle length skirt which gathers at the waist by either a drawstring or hooks, but not by a zipper or velcro. The circumference of the skirt at the bottom is at least 5 yards.

8. Batwa

A drawstring pouch or string bag as described below:

a. Drawstring Pouch - A small pouch which is no more than 7 inches across when laid flat and is covered at least on one side with sequins, metallic string and other decorative material. A drawstring is used to close the opening.

b. String bag - A small bag which is no more than 7 inches across and 6 inches in height when laid flat. The bag is covered with embroidery and mirrors at least on the front flap and is held by a twisted yarn shoulder strap.

9. Sindi Julaba

A loose fitting, ankle length dress, with or without a partial closure in the front or back fastened by snaps, buttons, or hooks, but not by a zipper or velcro. The dress may have side slits or side pockets and must have half length sleeves.

10. Izarband

A non-woven (knit) narrow fabric with two braided ends which results in loose fringe at both ends used as a drawstring.

11. Baluchi Kameez

A loose fitting tunic with an opening on one shoulder seam fastened by hooks, buttons, or snaps, but not by a zipper or velcro. The tunic has 3/4 length sleeves or longer and has matching embroidery work at least on the yoke and cuffs. The tunic is always longer than waist length, flares out near the bottom, and does not have side slits.

12. Kaftan

A women's loose fitting pullover full or ankle length garment with partial front or back opening fastened by hooks, buttons, snaps or string but not by a zipper or velcro. The fabric of the kaftan may be solid coloured, striped, printed, crocheted, embroidered and/or patchworked. The kaftan has side slits or a back slit for walking.

13. Ghilaf

A cushion cover which is oblong, square, round, or of other shapes, covered with a combination of mirrors, embroidery and other decorative material.

14. Dupatta

A scarf which is at least two metres or more in length and one metre or more in width. The scarf must be hemmed at both ends and constructed from thin, lightweight fabric.

15. Shalwar

Straight (men) or gathered (women) pants with a drawstring waist and either drawstring leg openings (no elastic) or cuffs. The men's shalwar has less stitching on the bottom of each leg than the women's shalwar.

16. Pyjama

Men's or women's pants without a waistband, but with a drawstring waist. The pant leg may either be straight or tapered with or without a small side slit. The garment may have pockets but has no front opening.

17. Punjabi Kameez

A loose fitting tunic with an out-turned collar and shirt type cuffs and a partial front opening fastened by hooks, buttons, or snaps, but not by a zipper or velcro. A tunic has side slits at least 2 inches or more on both sides. It has front pockets and side slit pockets. The fabric of the Punjabi Kameez is solid coloured, striped, printed, embroidered or patchworked.