

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 Chinese Taipei

The Textiles Monitoring Body has received a notification from Canada pursuant to Article 2.17. The TMB is circulating this notification to WTO Members for their information.

The Permanent Mission of Canada
to the United Nations
Geneva

23 October 2002

The Honourable András Szepesi
Chairman
Textiles Monitoring Body
World Trade Organization
Centre William Rappard
Rue de Lausanne 154
CH-1211 Genève 21

Dear Mr. Chairman,

Pursuant to Article 2.17 of the Agreement on Textiles and Clothing (ATC), I have the honour to notify Canada's administrative arrangements with the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu. These arrangements are contained in the attached document entitled "Administrative Arrangement for the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu To Be Notified By Canada Pursuant to Article 2 of the Agreement on Textiles and Clothing".

Yours sincerely,

(Signed)
Frédéric Seppey
First Secretary

Administrative Arrangement for the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu To Be Notified By Canada Pursuant to Article 2 of the Agreement on Textiles and Clothing.

Introduction

1. The following sets out the administrative arrangements that have been agreed to by Canada and the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu pursuant to Article 2.17 of the WTO Agreement on Textiles and Clothing (ATC), pertaining to restrained textiles and clothing products from the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu.

Implementation

2. In accordance with the provisions of Article 4.1 of the ATC, these arrangements will be implemented on the basis of the export control system operated by the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu. Exports of the textile products included in the restraints notified under Article 2.1 of the ATC will be covered by an original Export Quota Certificate endorsed and issued by the Taiwan Textile Federation (hereinafter referred to as "TTF") of the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu to the effect that the goods covered by the export quota certificate have been debited from the applicable quantitative limit.

3. For the purpose of implementing these arrangements, the date of export from the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu will be used to determine the restraint period in which any shipments of textile products will be counted.

4. Export Quota Certificates issued by the TTF in respect of restrained textile products will contain the following information:

- a. Country/Territory of Destination;
- b. Origin;
- c. License number;
- 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 m² 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 TTF that the quantity has been debited from the agreed restraint limit for exports to Canada, or where appropriate, is for immediate re-export or for inward processing and subsequent re-export from Canada.

5. In the event that any quantity covered by an export quota certificate is not shipped, the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu will notify Canada of such quantity which may be credited by the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu to the appropriate restraint limit.

6. Except as provided for in paragraphs 7 to 10 below (Swing and Carryover/Carry Forward), the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu will restrain its exports to Canada of the apparel and 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, and 2.14 (b) of the ATC. Pursuant to Article 4.1 of the ATC, it is understood that Canada will 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

7. 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 Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu 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 Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu will so indicate in subsequent monthly statistical reports.

8. For the purpose of implementing the swing provisions in paragraph 7, the conversion factors specified in the restraint notification under Article 2.1 of the ATC will apply.

Carryover/Carry Forward

9. Following notification to 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 will be increased within the percentage limits specified in the restraint notification under Article 2.1 of the ATC.

10. Following notification to 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 will be reduced by a quantity equal to the quantity so advanced.

Exchange of Statistics

11. The Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu will provide Canada with monthly statistical reports relating to exports of restrained apparel and textile products, licensed for export to Canada and debited from the quantitative limits for each restraint period. These statistics will 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 7 to 10 above.

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

12. Canada will provide the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu with monthly statistical reports relating to import permits issued for imports originating in the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu of textile products listed in Annex.

13. The Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu and Canada 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 for imports from the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu.

Re-exports

14. Canada will, so far as possible, inform the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu when imports into Canada of restrained textile products are subsequently re-exported from Canada. Where such re-exports have originally been debited by the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu from quantitative limits, the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu may then credit back the quantity involved to the appropriate quantitative limits.

Consultations

15. Pursuant to Article 8.4 of the ATC, the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu and Canada express their willingness to consult, on request, on any matter arising from the implementation or operation of the ATC or of this Arrangement or on any matter germane thereto.
