BILATERAL

MEMORANDUM OF UNDERSTANDING BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES AND THE GOVERNMENT OF CANADA RELATING TO THE EXPORT FROM THE PHILIPPINES OF CERTAIN TEXTILE...

Read online (full-text search, related cases, audio case brief): https://batas.org/library/660475c57754/

Introduction

1. This Memorandum of Understanding (MOU) sets out the arrangements that have been agreed between the Government of the Republic of the Philippines and Canada regarding the export of certain textiles and textile products from the Philippines for import into Canada.

2. These arrangements have been made having regard to the Arrangement Regarding International Trade in Textiles (hereinafter referred to as "the MFA") and in particular to Article 4 thereof, and to the Protocol extending the said Arrangement.

Restraint Periods

3. These arrangements will apply for five separate calendar periods commencing on 1 January 1982 and ending on 31 December 1986.

Restraint Levels

4. Except as provided for in paragraphs 16 to 21 below, the Government of the Philippines will restrain its exports to Canada of the textiles and textile products described in Annex I for the calendar year commencing 1 January 1982 to the limits specified therein.

5. Except as provided for in paragraphs 16 to 21 below, for the four calendar year periods commencing, 1 January 1983 and ending on 31 December 1986, the Government of the Philippines will restrain its exports to Canada of the textile products described in Annex I to the limits specified therein advanced on an annual basis by the growth rate specified in column (D).

Coverage

6. For the purpose of these arrangements, the expression "textiles" will have the meaning a scribed to the expression in Article 12.1 of the MFA.

7. With reference to Article 12.3 of the MFA, traditional folklore items produce by the cottage industry of the Philippines will be exempted from restraint provided that such items are properly certified in accordance with the provisions contained in Annex III.

8. For the purpose of classifying textiles and textile products in the appropriate category, the definitions and notes set out in Annex II will apply.

Administration

9. These arrangements will be implemented on the basis of the export allotment system operated by the

Turn this case into an audio lecture - facts, issues, ruling and doctrine - at batas.org

Government of the Philippines.

10. The Government of Canada will admit imports of the textiles and textile products described in Annex II and subject to a specific quantitative limit in Annex I, provided such imports are covered by a copy of a Philippine "Export License" as per specimen in Annex IV endorsed and issued by the proper Philippine authority to the effect that the imports covered by the license have been debited to the applicable quantitative limit as set out in Annex I.

11. The export licenses issued by the Government of the Philippines in respect of products subject to restraint levels as specified in Annex I of this arrangement will contain the following information:

1.

Country of destination

2.

Country of origin

3.

License number

4.

Importer's name and address

5.

Exporter's name and address

6.

Category number and description of product as set out in Annex I of the MOU

7.

Quantity expressed in the units as designated in Annex I of the MOU. If more than one set of measure is established, all should be indicated; where the quantity is expressed other than as designated in the MOU, the equivalent weight, units or m[2] should be calculated in accordance with the conversion factors set out in Annex I

8.

F.O.B. or C.I.F. value except for non-commercial consignments

9.

Certification by the Philippine authority that the quantity has been debited against the agreed restraint level of exports to Canada.

12. In the event any quantity covered by an export license is not shipped, the Government of the Philippines will notify the Government of Canada of such quantity which may be credited by the Government of the Philippines to the appropriate restraint level.

13. For the purpose of implementing these arrangements, date of export from the Republic of the Philippines will be used to determine within which restraint period any textile or textile products subject to these arrangements

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

will be counted.

14. The Government of the Philippines will endeavour to ensure that exports of all textiles and textile products which are listed in Annex II and are subject to restraint levels as per Annex I are spaced out as evenly as possible during each restraint period, due account being taken of seasonal factors and of normal channels of trade.

15. If, on the basis of export data provided by the Government of the Philippines, the Government of Canada ascertains that there is a sharp and substantial increase in the concentration of exports of textiles or textile products, other than that attributable to normal seasonal factors, it may request consultations in accordance with the provisions of paragraphs 28 and 29 with a view to remedying this situation.

Swing

16. Subject to the specific limitations set out in Annex I, and following notification to the Canadian authorities, any restraint level may be exceeded by the percentage shown in column (E) provided that an equivalent amount is deducted from any other restraint level. When any restraint level is exceeded by the application of swing, the Government of the Philippines will so indicate in subsequent monthly returns.

17. For the purpose of implementing the swing provisions in paragraph 1, the conversion factors shown in Annex I will apply.

Carry-Over/Carry-Forward

18. Following notification to the Government of Canada of the quantities involved, portions of any quantitative limit set out in Annex I which are not used during the restraint period may be carried over and added to the corresponding quantitative limit for the following restraint period within the higher percentage limit set out in column (F) of Annex I.

19. Any restraint level may be increased within the lower percentage limit set out in column (F) of Annex I by an amount advanced from the corresponding restraint level for the following restraint period. The restraint level for any such following restraint period will be reduced by an amount equal to the amount so advanced.

20. Notwithstanding the foregoing, the carry-over/carry-forward provisions may be used in combination only up to the higher percentage limit set out in column (F) of Annex I.

21. Portions of any restraint limit which remain unused from the restraint period 1 January 1981 to 31 December 1981 (as covered by the preceding agreement) may, after notification, be carried over and added to the appropriate restraint level for the restraint period commencing 1 January 1982. Such carry-over will be within the higher percentage limit set out in column (F) of Annex I.

Exchange of Statistics

22. Both Governments will exchange such statistical data relating to exports of textiles and textile products not subject to these arrangements as may reasonably be required.

23. The Government of the Philippines will provide the Government of Canada with monthly statistics relating to exports of the textiles and textile products listed in Annex II which are licensed for export to Canada and debited against restraint levels for each restraint period.

24. When submitting the monthly statistics mentioned in paragraph 23, the Government of the Philippines undertakes to include the following information:

- Category and description of goods as set out in Annex I.

Study hands-free: podcast-style lessons with read-along highlighting - batas.org

- Original and adjusted restraint level for the restraint period.

- Total quantity issued for the restraint period to date in the units designated in Annex I.

- Notification of any utilization of swing, carry-over or carry-forward provisions and the quantities involved as provided for in paragraphs 16-21 above.

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

25. The Government of Canada will provide the Government of the Philippines with monthly statistics relating to import permits issued for imports originating in the Philippines of the textiles and textile products listed in Annex II and total imports from other suppliers in respect of the products subject to these arrangements.

Equity

26. Should either Government consider, as a result of these arrangements, that it is placed in an inequitable position compared with any third party, that Government may request the other to consult as provided in paragraphs 28 and 29 with a view to implementing appropriate remedial measures.

Re-Exports

27. The Government of Canada will, so far as possible, inform the Government of the Philippines when imports into Canada of textiles and textile products subject to these arrangements are subsequently re-exported from Canada. Where such re-exports have been debited by the Philippine Government to quantitative limits the Government of the Philippines may then credit the amount involved to the appropriate quantitative limits.

Consultations

28. Either Government has the right to request consultations with the other Government on any matter arising from the implementation or operation of these arrangements or on any matter germane thereto. Such consultations will be governed by the following:

–

Any request for consultations will be notified in writing to the other Government;

–

The request for consultation will be accompanied by or followed within a reasonable period (and in any case not later than twenty-one 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 other Government will accept such a request and such consultations will be held within thirty days of the date of notification of the request;

–

Both Governments will enter into consultations with a view to reaching a mutually acceptance conclusion within thirty days of the date on which actual consultations commence.

29. 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.

Consultation Levels

Turn this case into an audio lecture - facts, issues, ruling and doctrine - at batas.org

30. In view of the desire of both parties to avoid, on the one hand, real risk of market disruption in Canada and, on the other hand, disruption to the trade in textiles and textile products of the Philippines, and having regard to the need for equitable treatment of participating countries in the MFA, the following procedures will apply to those items subject to consultation levels in Annex I.

31. The Government of Canada may request consultations in accordance with the provisions of paragraphs 28 and 29 with a view to reaching agreement on an appropriate specific level of restraint for any textiles or textile products subject to a consultation level whenever, in the view of the Government of Canada, conditions in the Canadian market are such that a limitation on further trade in any such textile or textile products may be necessary to eliminate real risk of market disruption. The Government of Canada undertakes not to seek consultations until such time as exports in any one calendar year of the product concerned have reach the consultation level specified in Annex I. The Government of Canada further undertakes not to seek a restraint at a level less than either 115 percent of the consultation level, or 115 percent of the level or exports in the item during the previous calendar year, whichever level is higher.

32. Until such time as a mutually satisfactory conclusion has been reached, the Government of the Philippines undertakes, if so requested by the Government of Canada, to limit shipments from the date on which Canada requests consultations, in order to ensure that exports of the products in question to Canada do not exceed during that calendar year a level of 115 percent of the exports during the previous year or 115 percents of the consultation level, whichever is higher.

33. In seeking to establish a new restraint a new restraint level for the balance of any calendar year period, the Government of Canada will give full and sympathetic consideration to the treatment of goods for which there are outstanding bona fide contracts and letters of credit.

34. In order to ensure the effective operation of paragraphs 30 to 33 above, the Government of the Philippines undertakes to control the shipment of goods subject to consultation levels by means of the exports control system operated by the Government of the Philippines.

35. The Government of Canada will admit imports of the textiles and textile products of Philippine origin subject to these provisions where such imports satisfy all normal conditions of entry and are accompanied by a copy of a Philippine export license endorsed and issued by the proper Philippine authority.

36. The Government of the Philippines will notify the Government of Canada immediately upon receipt of any application for an export license for any textile or textile product subject to a consultation level in exceptionally large amounts or unusual concentrations, once the consultation level is reached.

MFA Rights

37. Each Government reserves its rights under the MFA with respect to textiles and textile products not subject to these arrangements. For textiles and textile products covered by these arrangements, it is understood that either Government may have recourse to any or all of the provisions of the MFA, save that the Government of Canada waives its rights under Article 3 of the MFA with respect to products subject to specific quantitative limits as per Annex I as long as this MOU remains in effect.

Revisions and Termination

38. Either Government may at any time propose revisions to the terms of these arrangements having regards to the MFA and to the Protocol extending it.

39. Either Government may terminate these arrangements effective at the end of any restraint period by written

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

notice to the other Government, to be given at least ninety days prior to the end of any restraint period.

Annexes

40. The annexes of this Memorandum of Understanding will be considered an integral part of it.

Final Provisions

41. This Memorandum of Understanding will become effective on 1 January 1982 subsequent to an exchange of notes between the two Governments confirming their acceptance of these arrangements.

Manila, the Philippines
November 5, 1981

For the Government of the For the Government of Canada

Republic of the Philippines

(Sgd.)

(Sgd.)

ALFREDO PIO DE RODA, JR.

C. D. ARTHUR

Entry into Force: January 1, 1982

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at https://batas.org

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.