

for Mexico;

- cotton or man-made spun yarns - 25% for the United States and 0% for Mexico.

(TPL historical utilization statistics.)

As provided for in the NAFTA, the annual growth rates for the TPL volumes for Canadian goods entering the United States were eliminated at the end of 1999. No growth rates were provided for trade with Mexico.

(C) TPL transfer mechanism

In 1998, a mechanism was put in place to allow companies to transfer a portion of their TPL allocations to other companies, without penalty. The mechanism was implemented in two stages, with an implementation date of October 1, 1998 for wool apparel and January 1, 1999 for non-wool apparel. The transferable portion of the TPL allocation is 25%.

(D) TPL for "new entrants"

The method of allocating TPL is based primarily on historic utilization. However, small TPL pools have been created for wool and non-wool apparel for the use of new exporters.

(iv) Issuance of certificates and permits

(A) TPL

For the purposes of administering the NAFTA TPL provisions, DFAIT issues import and export certificates of eligibility pursuant to section 9.1 of the Export and Import Permits Act. The following numbers of applications for certificates of eligibility were processed in 2003:

(a) Exports (certificates of eligibility)

certificates issued.....	65,569
certificates denied.....	1,182
certificates cancelled.....	1,509

(b) Imports (certificates of eligibility)

certificates issued.....	12,057
certificates denied.....	75
certificates cancelled.....	378

(B) Non-TPL import permits

For the purposes of administering Canada's import quotas - both under the provisions of the ATC and pursuant to our bilateral and unilateral restraint arrangements with non-WTO members and for monitoring imports under the NAFTA, import permits are required for the importation of virtually all textile and apparel products into Canada.

(a) Import permits (apparel)

permits issued.....	444,281
permits denied	5,218
permits cancelled.....	10,580