

specified in Column D. "Swing" means that the restraint levels may be exceeded by the percentage shown in Column E provided that an equivalent amount is deducted from any other restraint level subject to limitations indicated in Annex I. For the purpose of implementing the swing provision, the appropriate conversion factor is specified in Column H. "Carry-over" means that portions of any restraint level which are not used during the year may be added to the corresponding restraint level for the following year within the higher percentage limit set out in Column F. "Borrow-forward" means that any restraint level may be increased within the lower percentage limit set out in Column F provided that an equivalent amount is deducted from the corresponding restraint level for the following year. The carry-over/borrow-forward provisions may be used in combination only up to the higher percentage limit set out in Column F. Furthermore, the restraint levels in Column C may not be increased by the combined use of swing, carry-over and borrow-forward by more than the percentage indicated in Column G.

In addition to the growth and flexibility provisions, most of the restraint arrangements contain provisions relating to the following:

Administration:

The arrangements will be implemented on the basis of the export control systems operated by the competent authorities of the exporting countries. Therefore, the date of shipment will be used to determine within which restraint period any textiles or clothing products subject to the arrangements will be counted.

Orderly Marketing:

The competent authorities of the exporting countries will endeavour to ensure that exports of all textiles and clothing products subject to the arrangements are spaced out as evenly as possible during each year, due account being taken of seasonal factors and of normal channels of trade.

Exchange of Statistics:

The competent authorities of the exporting countries will provide the Government of Canada with monthly (in some cases quarterly) statistics relating to exports of the textiles and clothing products which are licensed for export to Canada and debited against restraint levels for each year. The Government of Canada will provide the competent authorities of the exporting countries with monthly (in some cases quarterly) statistics relating to