

ANNEX

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND THE GOVERNMENT OF CANADA

CONCERNING IMPORTS OF BROILER HATCHING EGGS AND CHICKS

Pursuant to consultations under Article XXII of the General Agreement on Tariffs and Trade (GATT) concerning the imposition of Canadian import controls on broiler hatching eggs(1) and chicks(2), the Government of the United States of America and the Government of Canada ("the Parties") have agreed as follows:

I. ANNUAL ACCESS LEVEL

- A. The combined annual access level established by the Government of Canada for imports of broiler hatching eggs and chicks for any one year shall be 21.1 percent of the estimated Canadian domestic production of broiler hatching eggs for that year. This estimate will be adjusted and finalized on the first of August of each year.
- B. This combined annual access level is subdivided into separate and distinct access levels for broiler hatching eggs and for chicks for broiler production such that the annual access level for broiler hatching eggs shall be equivalent to 17.4 percent of Canadian domestic broiler hatching egg production and the annual access level for egg-equivalent chicks shall be 3.7 percent of Canadian domestic broiler hatching egg production(3).
- C. The Government of Canada shall permit any person who has received an allocation of annual access for broiler hatching eggs to convert any proportion of said allocation into an allocation for chick imports at a conversion rate such that 1.27 broiler hatching eggs are equal to 1 chick. Chick import allocations may not be converted into egg import allocations, unless agreed by both Parties in advance in writing.

(1) HTS No. 0407.00.00.10

(2) HTS No. 0105.11.90.00

(3) "Egg-equivalent chicks" shall be equal to the number of actual chicks imported multiplied by 1.27.