

(b) Import permits (fabrics)

permits issued192,148
 permits denied..... 500
 permits cancelled 3,787

(b) Agricultural Products

Canada is a signatory to the WTO Agreement on Agriculture concluded in December 1993. The Agreement obliged Canada to convert its existing quantitative agricultural import controls to a system of tariff rate quotas (TRQs). The TRQs came into effect in 1995.

Under these TRQs, imports are subject to low "within access commitment" rates of duty up to a predetermined limit (i.e. until the import access quantity has been reached), while imports over this limit are subject to higher "over access commitment" rates of duty. For most products, the privilege of importing at the within-access commitment rates of duty is allocated to firms through the issuance of import allocations (or "quota-shares"). Those with quota-shares will, upon application, receive specific import permits giving access to the within-access commitment rates of duty as long as they meet the terms and conditions of permit issuance. These conditions are normally described in the Allocation Method Orders. Imports in excess of access levels are permitted under **General Import Permit No. 100 - Eligible Agricultural Goods**, which allows unrestricted imports at the higher rate of duty. Canada continues to respect its access level commitments under the North American Free Trade Agreement (NAFTA), and where a NAFTA commitment exists, Canada applies either the NAFTA or WTO commitment level for each commodity - whichever is higher.

All tariff rate quotas (TRQs) are based on Customs Tariff item numbers. Therefore, when the TRQs came into effect in 1995, the **Import Control List (ICL)** was amended to replace references to named products (e.g. "turkey and turkey products") with tariff item numbers. However, for ease of understanding, the older product description will continue to be used.

1) Poultry and eggs

Effective January 1, 1995, Canada's chicken, turkey, broiler hatching egg and chick, shell egg and egg product quantitative restrictions were converted to TRQs.

Four product groups were maintained on the ICL in order to support supply management of poultry under the Farm Products Marketing Act and to support action taken under the World Trade Organization Act. These four product groups were:

- chicken and chicken products;
- turkey and turkey products;
- broiler hatching eggs and chicks; and
- eggs and egg products

Chicken and Chicken Products

Chicken was placed on the ICL on October 22, 1979. Pursuant to the NAFTA, the import access level for 2003 amounted to 69,761,925 kg expressed in eviscerated equivalent weight. Within access commitment permits were issued for 69,236,815 kg.

While the import access level is set at 7.5% of the previous year's chicken production, provision is made to issue import permits supplementary to the import access level to meet overall Canadian market needs. During 2003, supplementary import permits were issued for 45,000 kg (eviscerated equivalent) of chicken for