

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

COT/54/Add.3

31 December 1968

Special Distribution

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ARRANGEMENT REGARDING INTERNATIONAL TRADE IN COTTON TEXTILES

Arrangement Between Canada and Portugal¹

Addendum

The following communication has been received by the Director-General from the Canadian mission for notification to the Cotton Textiles Committee.

I have the honour to enclose a Memorandum of Understanding signed by the Governments of Canada and Portugal on 6 November which extends arrangements with respect to exports of cotton yarn from Portugal to Canada until 31 December 1969.

¹Renewal of restraint: see document COT/54/Add.2.

Memorandum of Understanding

In accordance with the provisions of the Arrangement Regarding International Trade in Cotton Textiles, the Governments of Portugal and Canada have agreed as follows:

- (a) the Government of Portugal shall limit exports of cotton yarn from Portugal to Canada to a level of 2,185,000 pounds in each of the calendar years 1968 and 1969, subject to the adjustments set out in (c) and (d) below;
- (b) in the light of administrative difficulties which have been encountered, both Governments will consider taking steps to ensure greater co-ordination of documentation necessary to the implementation of this agreement;
- (c) to take account of shipments in the calendar years 1966 and 1967 in excess of the agreed levels of export for those years which resulted from the difficulties referred to in (b) above, the level referred to in (a) above is to be reduced in the calendar years 1968 and 1969 as follows:

<u>Year</u>	<u>Reduction</u>	<u>Effective level</u>
1968	914,000 pounds	1,271,000 pounds
1969	457,000 pounds	1,728,000 pounds

- (d) should the actual volume of exports of cotton yarn from Portugal to Canada in calendar year 1968, as agreed upon in consultation between the Governments of Portugal and Canada taking into account Canadian import statistics, be less than 1,271,000 pounds, the amount of the reduction to be made in 1969 in accordance with (c) above will be decreased by an amount equal to the agreed shortfall in 1968; should the actual volume of exports be greater than 1,271,000 pounds, the amount of the reduction for 1969 will be increased by an amount equal to the agreed excess in 1968;
- (e) the Governments of Portugal and Canada will on request enter into consultations about any matters arising from or related to these arrangements.

Lisbon, 26 October 1968.