

GENERAL AGREEMENT ON

COM.TEX/SB/1427*
13 December 1988

TARIFFS AND TRADE

Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Amendment of the bilateral agreement
between Canada and Malaysia

The Textiles Surveillance Body received a notification from Canada of an amendment of its bilateral agreement with Malaysia. Restraints were agreed on winter outerwear,¹ jackets and rainwear for the period 1 January 1988 to 31 December 1991.

The TSB, pursuant to its procedures regarding notifications made under Article 4,² has examined the relevant documentation, and is forwarding the³ text of the notification to participating countries for their information.

¹The bilateral agreement is contained in COM.TEX/SB/1360.

²See COM.TEX/SB/35, Annex B

³For the TSB's observation on this notification see COM.TEX/SB/1429.

*English only/Anglais seulement/Inglés solamente

**CANADA-MALAYSIA TEXTILE CONSULTATIONS
AGREED RECORD OF DISCUSSIONS**

1. Delegations representing the Government of Canada and the Government of Malaysia met on January 20-21, 1988 in Kuala Lumpur to discuss the export of winter outerwear from Malaysia to Canada in accordance with paragraphs 30-34 of the Memorandum of Understanding between the Government of Canada and the Government of Malaysia Relating to the Export from Malaysia of Certain Textiles and Textile Products for Import into Canada (MOU).
2. During the discussions, it was agreed that, pursuant to the MOU, Malaysian exports to Canada of winter outerwear will be subject to restraint effective January 1, 1988 and for the term of the MOU, ending on December 31, 1991. It was also agreed that exports of jackets and rainwear would also be subject to restraint over the same period, pursuant to Article 4 of the Arrangement Regarding International Trade in Textiles (MFA).
3. Winter Outerwear is defined in Section 6 of Annex II of the MOU, and Jackets and Rainwear are defined in Section 16 of Annex II. For purposes of identifying these restrained items, Winter Outerwear shall be specified as Category 6 and Jackets and Rainwear shall be specified as Category 16A, of Group A (Clothing) of Annex I of the MOU.
4. It was agreed that during the period January 1, 1988 to December 31, 1988, exports of Winter Outerwear and of Jackets and Rainwear will be restrained at the levels indicated in Column C of the attached Appendix. It was also agreed that the provisions for annual growth, swing, carry-over and carry-forward, combined flexibility and conversion factor indicated in Columns (D) through (H) of the attached appendix will apply.
5. During the course of the discussions, it was also agreed that a special swing from Category 16A to Category 6 will be available, in 1988 only, up to 10 percent (11,000 units) of the original restraint level for Category 6, taking into account the applicable conversion factor.
6. This Agreed Record of Discussions and accompanying Appendix will be considered as Annex IV to the MOU. The provisions of the MOU will therefore be read as including Winter Outerwear and Jackets and Rainwear, Category 6 and Category 16A respectively, of the MOU.

7. The two delegations noted that their signatures of this Agreed Record were on an ad referendum basis subject to confirmation by their Governments through an exchange of notes indicating acceptance.

KUALA LUMPUR
January 21, 1988

For the Government of Canada

For the Government of Malaysia

APPENDIX (ANNEX IV)

RESTRAINT LEVELS

(A) Category No.	(B) Short Description	(C) Restraint Levels (units)	(D) Growth	(E) Swing	(F) Carry-Over/ Carry-Forward	(G) Combined Flexibility (E) + (F)	(H) Conversion Factor (M / Unit)
<u>Group A-Clothing</u>							
6	Winter Outerwear MBWGCI	110,000	5%	5% ⁽¹⁾	10%/5%	15%	3.4
16A	Jackets, Rainwear MBWGCI	685,000	5%	5%	10%/5%	15%	2.8

Note

(1) Special Swing (additional to that indicated above), 10% from Category 16A is available in 1988 only.

**Datuk Ahmad Sarji
Secretary General
Ministry of Trade & Industry
15th Floor, Block 10
Government Offices Complex
Jalan Duta
50622 Kuala Lumpur**

Dear Datuk,

I wish to refer to the Agreed Record of Discussions signed by representatives of Canada and Malaysia in Kuala Lumpur on January 21, 1988 relating to the export from Malaysia of winter outerwear, jackets and rainwear for import into Canada.

The Canadian authorities wish to confirm acceptance of the provisions contained in the Agreed Record and propose that this letter, together with the reply from the Malaysian authorities confirming acceptance by their Government, give effect to the arrangement outlined in the Agreed Record .

Please accept, Datuk, the assurances of my highest consideration.

Yours sincerely,



**Manfred G. von Nostitz
High Commissioner**

H.E. Manfred G. Von Nostritz,
High Commissioner of Canada,
Canadian High Commission,
7th Floor, Plaza MBF,
Jalan Ampang,
50450 KUALA LUMPUR.

Excellency,

I have the honour to acknowledge receipt of your letter ref. NC 45-1 dated 5th May 1988 regarding an amendment to the bilateral textile agreement between our two countries which read as follows:-

"I wish to refer to the Agreed Record of Discussions signed by representatives of Canada and Malaysia in Kuala Lumpur on January 21, 1988 relating to the export from Malaysia of winter outerwear, jackets and rainwear, for imports into Canada.

The Canadian authorities wish to confirm acceptance of the provisions contained in the Agreed Record and propose that this letter, together with the reply from the Malaysian authorities confirming acceptance by their Government, give effect to the arrangement outlined in the Agreed Record.

Please accept, Datuk, the assurances of my highest consideration".

2. I have further the honour to confirm the acceptance of the provisions contained in the Agreed Record dated 21st January 1988 by the Malaysian authorities and your Excellency's letter and this reply shall constitute an amendment to bilateral textile agreement between our two countries.

3. Accept, Excellency, the renewed assurances of my highest consideration.

Yours sincerely,

(DATO' AHMAD SARJI BIN ABDUL HAMID)
Secretary-General,
Ministry of Trade and Industry,
Malaysia.