

GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1754*

7 August 1992

Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Extension of the bilateral agreement between Canada and Bangladesh

The Textiles Surveillance Body received a notification from Canada of an extension of its agreement with Bangladesh for the period 1 January 1992 to 31 December 1992.¹

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

¹The bilateral agreement and previous amendments are contained in COM.TEX/SB/1381, 1442 and 1504.

²See COM.TEX/SB/35, Annex B.

* English only/Anglais seulement/Inglés solamente

CANADIAN HIGH COMMISSION

NOTE NO 130

The Canadian High Commission presents its compliments to the Ministry of Foreign Affairs of the Peoples Republic of Bangladesh and has the honour to inform the Ministry that the Canadian authorities would like to refer to the Uruguay Round of GATT negotiations and the Memorandum of Understanding between the Government of Canada and the Government of Bangladesh relating to the export from Bangladesh of certain textiles and textile products for import into Canada (MOU).

Given the decision to extend the Uruguay Round, it appears likely that negotiations will extend beyond the expiry on 31 July 1991, of the Arrangement Regarding International Trade in Textiles (MFA). No deadline for these negotiations has been set, but it is likely that this extension combined with the time necessary for implementation of the result would take us beyond the 31 December 1991 expiry of our current MOU.

The prolongation of the Uruguay Round negotiations, the expiry of the MFA on 31 July 1991, and the expiry of the current MOU at the end of this year will cause considerable uncertainty in the textile and clothing industries in both Canada and Bangladesh. Orders will soon be placed for delivery in 1992. Given this uncertainty in both countries and the need to maintain protection for the domestic textile industry in Canada, Canadian authorities propose that the MOU governing our bilateral textile trade be extended for a period of one year, until 31 December 1992. The extension envisaged by Canadian authorities would apply to all terms and conditions contained in our current MOU, including growth rates and flexibility provisions. The extension will be without prejudice to any changes which may be negotiated in the Uruguay Round governing textile trade beyond 1991.

The Canadian authorities would appreciate an early response to this proposal so that they can reflect on any other measure which may be necessary to ensure protection for the Canadian industry until the results of a successful Uruguay Round are implemented.

The Canadian High Commission avails itself of this opportunity to renew to the Ministry of Foreign Affairs of the People's Republic of Bangladesh the assurances of its highest consideration.

Dhaka

4 March 1991

**MINISTRY OF COMMERCE
GOVERNMENT OF THE
PEOPLE'S REPUBLIC OF BANGLADESH
DHAKA**

No. COM/TEX/Pa:Ao:/5/91

The Ministry of Commerce, Government of the People's Republic of Bangladesh presents its compliments to the Canadian High Commission and has the honour to refer to Commission's Note No. 130 dated 4 March 1991 and also refer to the agreed record of discussions in between Government of Canada and the People's Republic of Bangladesh dated 29 September 1986.

The Ministry of Commerce, Government of the People's Republic of Bangladesh, considered Canadian High Commission's proposal and agreed extension of the MOU until 31 December 1992 with the existing terms and conditions and without prejudice to any outcome favourable to Bangladesh as an L.D.C. which may be negotiated in the Uruguay Round governing textile trade beyond 1991.

The Government of the People's Republic of Bangladesh avails itself of this opportunity to renew to the Canadian High Commission in Dhaka the assurances of its highest consideration.

Dhaka, dated 5 September 1991

Canadian High Commission in
Bangladesh, Dhaka