GENERAL AGREEMENT ON

RESTRICTED

COM.TEX/SB/1756*
7 August 1992

Special Distribution

TARIFFS AND TRADE

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Extension of the bilateral agreement between Canada and Sri Lanka

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

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

¹The bilateral agreement and a previous amendment are contained in COM.TEX/SB/1410 and 1687.

²See COM.TEX/SB/35, Annex B.

^{*}English only/Anglais seulement/Inglés solamente

Canadian High Commission

Note No: 80

The Canadian High Commission presents its compliments to the Ministry of Foreign Affairs of Democratic Republic of Sri Lanka and would like to refer to its Note No. 0397 dated 22 July 1991 concerning the extension of Memorandum of Understanding (MOU) dated 1 January 1987 between the Government of Canada and the Government of the Democratic Socialist Republic of Sri Lanka related to the export from Sri Lanka of certain textiles and textile products for import into Canada.

In the absence of a reply to the above-mentioned note, Canadian authorities have again requested clarification of the position of Sri Lanka authorities: whether Note No. EA/TEX/2 dated 30 April 1991 conveying agreement to the extension of the MOU until 31 December 1992 is still valid, or whether this note has been rescinded with Note No. EA/TEX/2 dated 20 June 1991.

The Ministry's reply is now urgently awaited particularly in light of the fact that on 31 July 1991 the GATT Textiles Committee agreed to extend the Multi-Fibre Arrangement without changes to 31 December 1992.

The Canadian High Commission avails itself of this opportunity to renew to the Ministry of Foreign Affairs of the Democratic Socialist Republic of Sri Lanka the assurances of its highest consideration.

Colombo

12 September 1991

Sri Lankan Note

Note No: EA/TEX/2

The Ministry of Foreign Affairs of the Democratic Socialist Republic of Sri Lanka presents its compliments to the Canadian High Commission and has the honour to refer to the High Commission's Note No: 80 of 12 September 1991 on the extension of the Memorandum of Understanding relating to the export from Sri Lanka of certain textiles and textile products into Canada.

The Ministry wishes to inform the High Commission that the matter is under consideration and that a reply will be sent as soon as possible.

The Ministry of Foreign Affairs of the Democratic Socialist Republic of Sri Lanka avails itself of this opportunity to renew to the Canadian High Commission the assurances of its highest consideration.

Colombo 16 September 1991

Canadian High Commission Colombo

Copies to: Director/Commerce,

Secretary (Textile Industries)

Note No: EA/TEX/2

The Ministry of Foreign Affairs of the Democratic Socialist Republic of Sri Lanka presents its compliments to the Canadian High Commission and has the honour to refer to the Ministry's Note No: EA/TEX/2 of 16 September 1991 on the subject of the extension of the Memorandum of Understanding relating to the export from Sri Lanka of certain Textiles and Textile Products for import into Canada.

The Ministry wishes to inform the High Commission that it has been decided to agree to a one year extension of the above Memorandum of Understanding. However, the Sri Lankan authorities would wish to request the Canadian authorities to consider an improvement of the current terms and conditions in the Memorandum of Understanding in particular, an increase in growth rates to 12%.

The Ministry of Foreign Affairs of the Democratic Socialist Republic of Sri Lanka avails itself of this opportunity to renew to the Canadian High Commission the assurances of its highest consideration.

Colombo, 11 October 1991

High Commission of Canada 6, Gregory's Road Colombo 7

Canadian High Commission

Note No: 93

The Canadian High Commission presents its compliments to the Ministry of Foreign Affairs of Democratic Republic of Sri Lanka and would like to refer to its Note No: EA/TEX/2 of 11 October 1991 confirming the one-year extension until 31 December 1992 of the Memorandum of Understanding (MOU) between Sri Lanka and Canada related to the export from Sri Lanka of certain textile and textile products for import into Canada dated 1 January 1987.

The Canadian authorities are appreciative of the fact that an agreement respecting the extension of the MOU has been reached. They wish to advise, however, that Canada cannot accede to the request for increasing growth rates. Canada has maintained its position with its trading partners of a straight rollover of the existing terms of all its bilateral textile and clothing MOUs. Under the circumstances and in light of current conditions in the Canadian textile and clothing industry, an exception to Canada's general position would create further hardship.

The Canadian High Commission avails itself of this opportunity to renew to the Ministry of Foreign Affairs of the Democratic Socialist Republic of Sri Lanka the assurances of its highest consideration.

Colombo

18 October 1991