

GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1768*

7 August 1992

Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Articles 7 and 8

Restraints maintained by Canada on certain imports from the United Arab Emirates

The Textiles Surveillance Body received a notification from Canada of amendments to the restraint levels on textile and clothing imports from the United Arab Emirates for the period 1 January to 31 December 1992.¹

This notification was made pursuant to a request by the Textiles Committee that restrictions applied to non-participants be notified. The TSB is forwarding the text of the notification to participating countries for their information.

¹Previous restraints maintained by Canada on imports from the United Arab Emirates are contained in COM.TEX/SB/1572 and 1614.

* English only/Anglais seulement/Inglés solamente

TEXT OF THE NOTE FROM THE CANADIAN EMBASSY
KUWAIT, 17 FEBRUARY 1992

"... The Canadian authorities wish to advise the authorities of the United Arab Emirates of the 1992 restraint levels for imports of clothing and textile products from the United Arab Emirates to Canada. Restraint levels for bedsheets and pillow cases will remain at 1991 levels; quotas for other restrained items will be adjusted downward for 1992. In addition, restraints will be extended to imports of sportswear, cotton terry towels and sweaters .

3. The decision by the Canadian authorities to place new items under restraint and to adjust certain other quotas is a response to a number of factors. 1) The quota levels in 1990 and 1991 were set at initially high levels in order to take into account the outstanding orders at the time and thus avoid disruption to the trade; 2) The new quotas for 1992 reflect the weak state of the Canadian market for textile and clothing products and the severe impact which this market downturn, combined with import pressure, is having on the domestic industries; 3) The initial restraints on imports from the United Arab Emirates in a number of clothing and textile categories were set at levels which exceeded those negotiated by Canada with other suppliers under the Multi-fibre Agreement (MFA). The MFA enjoins its members not to treat a non-signatory more favourably than its bilateral partners who are members of the MFA. It should be noted, however, that even the reduced 1992 restraint levels have generally been maintained at levels equal to or higher than actual 1991 import levels and will therefore provide for a continuity of existing trade.

4. The 1992 quota levels will be allocated by Canadian authorities to Canadian importers based on their respective quota entitlements in 1991. For the new restraint items, quotas will be allocated on the basis of importers' performance in 1991. The quota levels for 1992 are indicated in the annex to this note.

5. The Canadian authorities are prepared to examine cases of hardship experienced by individual importers in Canada as a consequence of the 1992 restraint levels.

6. As outlined in the Embassy's note no. 0233, the Canadian authorities would also welcome the opportunity for bilateral discussions, with a view to reaching agreement on the adoption of a visa system, should it be the wish of the authorities of the United Arab Emirates to do so, at a mutually convenient time and place."

ANNEX I

<u>Product</u>	<u>Quota Levels</u>
	<u>Units</u>
A) Winter outerwear (MBWGCI)	40,000
B) Pants, slacks, jeans, overalls, coveralls and outershorts (MGWCI)	360,000
- of which, pants (MBWG)	180,000
C) Blouses, shirts, T-shirts and sweatshirts, (MBWGCI)	500,000
- of which, blouses and shorts (WG)	70,000
D) Jackets, overcoats, topcoats, professional coats and shopcoats (MBWG)	250,000
E) Tailored collar shirts (MB)	200,000
F) Bedsheets	173,000
G) Pillowcases	140,000
H) Sportswear (MBWGCI)	150,000
I) Cotton terry towels	140,000
J) Sweaters (MBWGCI)	100,000