

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1770*

7 August 1992

Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Articles 7 and 8

Extension of the bilateral agreement between Canada and Poland

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

This notification, made pursuant to the request made by the Textiles Committee that agreements with non-participating countries be notified, is² being forwarded to participating countries for their information.

¹The agreement and a previous amendment notified and transmitted under Article 4 are contained in COM.TEX/SB/1411 and 1446.

²For the TSB's observation on this notification, see COM.TEX/SB/1771.

* English only/Anglais seulement/Inglés solamente

Canadian Embassy

Note No. 008

The Canadian Embassy presents its compliments to the Ministry of Foreign Affairs of the Republic of Poland and has the honour to refer to the Uruguay Round of GATT negotiations and the Memorandum of Understanding between the Government of Canada and the Government of the Republic of Poland relating to the export from the Republic of Poland of certain textiles and textile products for import into Canada.

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 (Multi-Fibre Arrangement). No deadline for these negotiations has been set, but it is likely that this extension combined with the time necessary for implementation of the results would take us beyond the 31 December 1991 expiry of our current Memorandum of Understanding.

The prolongation of the Uruguay Round Negotiations, the expiry of the Multi-Fibre Arrangement on 31 July 1991, and the expiry of the current Memorandum of Understanding at the end of this year will cause considerable uncertainty in the textile and clothing industries in both Canada and Poland. 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 Memorandum of Understanding 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 Memorandum of Understanding, 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 measures which may be necessary to ensure protection for the Canadian industry until the results of a successful Uruguay Round are implemented.

The Canadian Embassy avails itself of this opportunity to renew to the Ministry of Foreign Affairs of the Republic of Poland the assurances of its highest consideration.

Warsaw, 4 March 1991

**Embassy of the Republic of Poland
Ottawa**

No. 51/91

The Embassy of the Republic of Poland presents its compliments to the Ministry of External Affairs and International Trade of Canada and has the honour to refer to the Diplomatic Note of the Canadian Embassy in Warsaw of 4 March 1991 (No. 008) concerning the Canadian Government's proposal to extend, until 31 December 1992, the Memorandum of Understanding between the Government of the Republic of Poland and the Government of Canada relating to the export from Poland of certain textiles and textile products for import into Canada.

The Embassy hereby informs that the Polish authorities accepted the extension of the current Memorandum of Understanding for 1992. However, the Polish Government expects the Canadian authorities to be flexible in applying "carry over" provisions next year in the case of eventual exceeding of certain restraint quotas in 1992.

The Embassy of the Republic of Poland avails itself of this opportunity to renew to the Ministry of External Affairs and International Trade of Canada the assurances of its highest consideration.

Ottawa, 25 July 1991

External Affairs and
International Trade Canada
Economic and Trade Policy Branch
Ottawa