

GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1796*

28 September 1992

Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Extension and amendment of the bilateral agreement between Canada and Colombia

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

The TSB, pursuant to its procedures regarding notifications received 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 contained in COM.TEX/SB/1642 was transmitted to the Textiles Committee under Articles 7 and 8.

²See COM.TEX/SB/35, Annex B.

* English only/Anglais seulement/Inglés solamente

EXTRACT FROM

CANADIAN EMBASSY, BOGOTA, NOTE # 232 OF 16 SEPTEMBER 1991

"... and has the honour to refer to our note of March 1, 1991, which proposed that the Memorandum of Understanding between the Government of Canada and the Government of Colombia relating to the export from Colombia of certain textiles and textile products for import into Canada (MOU) be extended to December 31, 1992.

"Given the decision of the GATT Textiles Committee to extend the Arrangement Regarding International Trade in Textiles (MFA) until December 31, 1992, the expiry of the current MOU at the end of this year is causing considerable uncertainty in the textile industry in both Canada and Colombia. In order to minimize any uncertainty in trade in textiles between Colombia and Canada, and given the need to maintain protection for the domestic textile industry in Canada, Canadian authorities wish to re-iterate their proposal that the MOU governing our bilateral textile trade be extended for a period of one year, until December 31, 1992. This extension would apply to all terms and conditions contained in the current MOU. 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..."

Letter from the Colombian Ministry of External Relations
to the Canadian Embassy

The Ministry of External Relations presents its compliments to the Embassy of Canada and has the honour to refer to the Embassy's Note No. 232 of 16 September 1991 proposing an extension until 31 December 1992 of the validity of the "Memorandum of Understanding between the Government of Canada and the Government of Colombia relating to the export from Colombia of certain textiles and textile products for import into Canada".

Although the volume of exports of the products under restriction is not causing any disruption of the Canadian market, the Colombian authorities accept the request by the Government of Canada to extend the Memorandum of Understanding until 31 December 1992, in accordance with the terms of the above-mentioned Note No. 232, including growth rates and flexibility provisions.

The Ministry of External Relations takes this opportunity to express to the Embassy of Canada the renewed assurances of its highest consideration.

Santafe de Bogota, 30 December 1991

EXTRACT FROM ENGLISH VERSION OF
CANADIAN EMBASSY, BOGOTA, NOTE # 039 OF 5 MARCH 1992

"... has the honour to refer to Note VM/AE-OR 34257 of December 30, 1991, agreeing to extend the Memorandum of Understanding between the Government of Canada and the Government of Colombia relating to the export from Colombia of certain textile products for import into Canada to December 31, 1992.

3. The Canadian authorities propose that the annual restraint level be increased by 6 per cent. The 1992 restraint level would therefore be 763,200 kgs.

4. In addition the CDN authorities propose MOU be amended as follows to include flexibility provisions:

Flexibility provisions

19. Following notification to the Canadian authorities of the quantities involved, portions of any quantitative limit set out in Annex I that are not used during a restraint period may be carried over and added to the corresponding quantitative limit for the following restraint period. The restraint level for the latter restraint period will be increased up to a maximum of 10 per cent.
 20. Following notification to the Canadian authorities of quantities involved, any restraint level may be increased to a maximum of 5 per cent by an amount carried forward from the corresponding restraint level for the following restraint period. The restraint level for any such following restraint period will be reduced by an amount equal to the amount so carried.
 21. No carry-over will be available for application in the first restraint period. No carry-forward will be available for application in the final restraint period.
 22. Notwithstanding the foregoing, the carry-over/carry-forward provisions may be used in the combination only up to a maximum of 10 per cent.
7. Article 19, final provisions, of MOU would be re-numbered as Article 23.
8. This note shall constitute an amendment to the MOU ..."

Office Translation

VM/AE-OR 17747

The Department of External Relations presents its respects to the Honourable Canadian Embassy and has the honour to refer to its note 039, of 5 March, of this year, relating to the annual level of restraint and the flexibility provisions which will modify the Memorandum of Understanding between the Government of Colombia and the Government of Canada regarding Export of Certain Textiles to Canada, extended to the 31 December 1992.

In this regard, the Colombian Authorities agree to the levels proposed in the Embassy Note 039, without prejudice to any change which could be negotiated in the Uruguay Round in regard to controlling textile trade.

The Department of External Relations would like to take this opportunity to re-iterate to the Canadian Embassy its highest and most distinguished consideration.

Santa fé of Bogota, D.C. 12 June 1992

To the Honourable Canadian Embassy
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