

GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1851*

23 July 1993

Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 7

Termination of the bilateral agreement between Canada and Colombia

The Textiles Surveillance Body received a notification from Canada of the termination of its Article 4 agreement with Colombia on 31 December 1992.¹

The TSB is forwarding the text of the notification to participating countries for their information.²

¹The bilateral agreement and extension are contained in COM.TEX/SB/1642 and 1796.

²Colombia had also communicated this information to the TSB.

*English only/Anglais seulement/Inglés solamente
93-1201

Embassy of Colombia

No. E. 030

The Embassy of Colombia presents its compliments to the Department of External Affairs and International Trade and further to the latter's note No. 1634, dated 15 October 1992, has the honour to inform it that the Colombian Government considers that artificial reasons that apparently provoked a market disruption that led to the signing of the Memorandum of Understanding between the Government of the Republic of Colombia and the Government of Canada have already ceased to exist, once the Colombian exports to Canada of the textile products listed in Annexes I and II of the MOU have decreased substantially, in such a manner that the present volume of exports cannot be affecting the Canadian production in any possible way.

On the other hand, it is obvious that this very low level of exports cannot be interpreted as a disruption of the Canadian market, in the terms defined in the Multi-fibre Agreement, and, therefore, the prolongation in time of the restrictions established by the MOU is not justified.

The Government of the Republic of Colombia considers that the prolongation of the bilateral textile agreement between Colombia and Canada would further hinder Colombian textile exports, as far as the imposition of quotas causes uncertainty among exporters and importers and discourages trade flows.

Therefore, the Government of the Republic of Colombia cannot accept the proposal of the Canadian authorities in favour of a new extension of the MOU.

The Colombian Authorities are convinced that the Government of Canada will accept this decision of the Government of Colombia in a positive and constructive way, within the framework of free trade principles and in the spirit of assuring a fair share in the Canadian market for the Colombian textile industry.

The Embassy of Colombia avails itself of this opportunity to renew to the Department of External Affairs and International Trade the assurances of its highest consideration.

Ottawa, 8 January 1993

To the
Department of External Affairs
and International Trade
Ottawa

External Affairs and International Trade, Canada

No. 0147

The Department of External Affairs presents its compliments to the Embassy of the Republic of Colombia and, wishes to refer to the latter's note No. E. 030 dated 8 January 1993, in which the Government of Colombia indicated that it cannot accept the Canadian proposal to extend the Memorandum of Understanding between the Government of Canada and the Government of the Republic of Colombia relating to the export from Colombia of certain textile products for import into Canada.

The Canadian authorities accept that it is the right of the Government of Colombia to decide not to renew the existing Memorandum of Understanding. Canadian authorities therefore accept this decision but also wish to reiterate the commitment of the Canadian Government to maintaining an effective policy relating to imports of textiles and clothing. This policy ensures a moderate growth in imports in order to provide the Canadian industry with a climate that is conducive to an orderly adjustment process. In this respect, the Canadian authorities fully reserve their rights under the provisions of the Multi-fibre Arrangement to take appropriate action in the event that future exports of textile and clothing products from Colombia disrupt or threaten to disrupt the Canadian market.

The Department of External Affairs avails itself of this opportunity to renew to the Embassy of the Republic of Colombia the assurances of its highest consideration.

Ottawa, 10 February 1993