

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Textiles Committee

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ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Communication from the Government of the United States

Request of the Government of Bahrain to accede to the Arrangement Regarding International Trade in Textiles

The Director-General has received the following memorandum from the Government of the United States, dated 31 August 1993, for circulation to the Members of the Textiles Committee.

"This is in response to the request from former Director-General Arthur Dunkel for any comments members of the Arrangement Regarding International Trade in Textiles (generally known as the Multifiber Arrangement or the MFA) might have with respect to the request from the Government of Bahrain to accede to the Arrangement.

My government will support Bahrain's application to join the MFA, subject to: (1) the provision on circumvention set out in the U.S. memorandum dated August 31, 1993 on the Request for Accession to the Arrangement Regarding International Trade in Textiles (MFA) by Governments which are not Contracting Parties to the GATT (copy attached), and (2) the understandings reached by our two governments in respect of imports from Bahrain of apparel products and measures to combat and deal with circumvention as confirmed by the official exchange of diplomatic notes between the United States and Bahrain.¹

Subject to the understandings cited above, the United States will welcome Bahrain as a member of the Arrangement. We look forward to a cooperative and mutually beneficial relationship with Bahrain in the textiles and apparel sector.

We would, also, however, like to take this occasion to stress once again to all members of the Textiles Committee the importance we attach to all MFA participants meeting fully and promptly their obligations to avoid circumvention of the Arrangement by transshipment, re-routing, or action by non-participants and to collaborate by taking appropriate action to avoid such circumvention. We would also stress the importance we attach to participants full adherence to the rules of origin applicable to imports into the United States.

¹Secretariat note: These notes are available in the GATT Secretariat (Office 1045) for consultation by interested MFA members.

We make this statement to heighten the awareness of a prospective MFA member as well as the current members of the Arrangement that the United States Government is growing increasingly alarmed about the growth of fraud and transshipment with respect to exports of textiles and apparel to our market."

Attachment

"This is in response to the several memoranda from former Director-General Arthur Dunkel concerning requests by governments which are not contracting parties to the GATT to accede to the MFA pursuant to paragraph 2 of Article 13 of the Arrangement. The terms necessary for my government to agree to such accession must include a satisfactory understanding on circumvention in the form of a signed bilateral agreement between the Government of the United States and the acceding government.

Additional comments will, as appropriate, be submitted with respect to the specific request for MFA accession of each of the countries concerned."