

GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1870*

27 September 1993

Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Extension and modification of the bilateral agreement between Canada and Bangladesh

The Textiles Surveillance Body received a notification from Canada of an extension and modification of its agreement with Bangladesh for the period 1 January 1993 to 31 December 1994.¹

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, amendments and a previous extension are contained in COM.TEX/SB/1381, 1442, 1504 and 1754.

²See COM.TEX/SB/35, Annex B.

*English only/Anglais seulement/Inglés solamente

Canadian High Commission

Note No. 229

The Canadian High Commission presents its compliments to the Ministry of Foreign Affairs of the People's Republic of Bangladesh and has the honour to refer to the Memorandum of Understanding between the Government of Canada and the Government of Bangladesh relating to the export from Bangladesh of certain textile products for import into Canada (MOU).

In light of the continued delay in the completion of the Uruguay Round of Multilateral Trade Negotiations, it is clear that the MTN results on textiles and clothing will not be implemented on 1 January 1993, as was expected last year when the MOU was extended until 31 December 1992. To date, the Textiles Committee of the GATT has not taken a decision on the extension of the Arrangement Regarding International Trade in Textiles (MFA) beyond its expiry date of 31 December 1992; it is likely that a decision in this respect will not be made until much later in 1992.

The Canadian authorities therefore propose that the MOU be extended until 31 December 1993, or if Bangladesh authorities are agreeable, to 31 December 1994. This extension would apply to all terms and conditions of the MOU, including growth rates and flexibility provisions; it would also be without prejudice to any changes that may be required to be implemented as a result of a successful conclusion of the Uruguay Round. Therefore, in the event that the meeting results are implemented in 1994, the second year of this extension would be superseded by the restraint structure contained in the MTN agreement.

In the event that the Bangladesh authorities are in agreement with this proposal, the Canadian authorities would propose that this Note along with the reply from Bangladesh authorities constitute an agreement extending the MOU until the date on which we mutually agree.

The Canadian High Commission avails itself of this opportunity to renew to the Ministry of Foreign Affairs of the People's Republic of Bangladesh the assurances of its highest consideration.

Dhaka, 17 November 1992

Ministry of Commerce
Government of the People's Republic of Bangladesh, Dhaka

No. COM/TEX/RO/2/92/506

Note Verbale

The Ministry of Commerce presents its compliments to the Canadian High Commission and has the honour to refer to the Memorandum of Understanding between the Government of the People's Republic of Bangladesh and the Government of Canada relating to the export of certain textile products from Bangladesh to Canada and also to the High Commission Note No. 234 dated 22 November 1992.

2. The Ministry of Commerce has the privilege of informing the High Commission of Canada in Bangladesh that the Ministry of Commerce is agreeable to proposed extension of MOU until 31 December 1993 on a rollover basis.

3. The Ministry of Commerce also agrees to the proposal of Canadian Authorities for conversion of the structure of restraints of imports of textile products into Canada from Bangladesh to one based on the Harmonized System, replace Annexure I and II of the MOU, effective 1 January 1993.

4. The Ministry of Commerce, Government of the People's Republic of Bangladesh avails itself of the opportunity to renew to the Canadian High Commission the assurances of its highest consideration.

Dated, Dhaka the 22nd December 1992.

The Canadian High Commission
in Bangladesh
Dhaka

Canada-Bangladesh Consultations
Agreed Record of Discussions

Delegations representing the Government of Canada and the Government of the People's Republic of Bangladesh met on 23-25 January 1993 in Dhaka to discuss the export of T-shirts from Bangladesh to Canada, in accordance with the provisions of the Arrangement Regarding International Trade in Textiles (MFA).

During these discussions, it was agreed that Bangladesh authorities will restrain, effective 1 February 1993, exports of T-shirts from Bangladesh to Canada at an annual restraint level of 5,900,000 units. It was agreed that during the period 1 February 1993 to 31 December 1993, exports of T-shirts will be restrained at the level of 5,408,333 units. T-shirts, which shall be specified as Agreement number 8c for purpose of identification, are defined in the attached Appendix A.

The provision for swing shall be 7%, growth of 7.5%, carryover/carry forward of 10%/5%, combined flexibility of 13% with a conversion factor of 1.7 square meter per unit.

It was also agreed that the Memorandum of Understanding between the Government of Canada and the Government of the People's Republic of Bangladesh relating to the export from Bangladesh of certain textile products for import into Canada (MOU) would be extended to 31 December 1994. This extension would apply to all terms and conditions of the MOU, including growth rates and flexibility provisions; it will be without prejudice to any changes which may be required to be implemented as a result of the successful conclusion of the Uruguay Round.

This Agreed Record of Discussion and Appendix A will be considered as Annex V to the MOU. This will extend the product coverage of the Agreement as defined in paragraph 4 and the provisions of the Agreement will therefore be read elsewhere as including T-shirts.

The two delegations noted that their signature of this Agreed Record was on an ad referendum basis subject to the approval of their respective authorities and to confirmation by means of diplomatic notes indicating acceptance.

For the Government of
Canada

For the Government of the
People's Republic of Bangladesh

Dhaka, 25 January 1993.

APPENDIX A

Short Description	Category	Long Description	Units
T-shirts	8.2	T-shirts (other than of the underwear type) MBWGC, k/c	NMB

ANNEX I - 1993 RESTRAINT LEVELS

BANGLADESH

GROUP I

(A) Agreement Item No.	(B) Product Coverage		(C) 1993 Restraint Level (NMB)	(D) Growth	(E) Swing	(F) Carryover/ Carry Forward	(G) Combined Flexibility (E) & (F)	(H) Conversion Factor (m ² /unit)
1a	1.2	Jackets	887,213	7%	7%	10% (5%)	13%	2.9
2	2.0	Winter outerwear	212,731	6%	7%	10% (5%)	13%	3.5
3/4a (note 1)	3.2 4.1 4.2	Ensembles, MBC; Suits & ensembles, WGC; Jackets & blazers, WGC	1,026,128	6%	7%	10% (5%)	13%	3.4
3/4b	3.2 4.1 4.2	- of which Ensembles, MB; Suits & ensembles, WG; Jackets & blazers, WG	929,682	6%	7%	10% (5%)	13%	3.4
5	5.0	Trousers, overalls & shorts	1,718,733	7.5%	7%	10% (5%)	13%	1.9
5a	5.1 5.2	- of which: Trousers, MB; Trousers, WG	390,565	7.5%	7%	10% (5%)	13%	1.9
6	6.0	Tailored collar shirts, MB	1,605,782	7%	7%	10% (5%)	13%	1.8
7/8a	7.0 8.1 8.4	Woven shirts, blouses & similar articles; (k/c) Shirts, blouses & similar articles Athletic wear	1,825,201	7%	7%	10% (5%)	13%	1.7
7/8b	8.4	- of which: Athletic wear	333,938	7%	7%	10% (5%)	13%	1.7
14*	14.0	Babies' garments	180,564	4% ¹	7%	10% (5%)	13%	0.7

*Excluding categories 14.4 to 14.8.

Note 1: Shipment of children's garments, sizes 2 to 6x to be identified as item 3/4c.

¹Note by the Secretariat: See attached letter, dated 14 July 1993.

TEXT OF DIPLOMATIC NOTE

Canadian High Commission, Dhaka

31 January 1993

"... and has the honour to refer to the Agreed Record of Discussions signed by representatives of Canada and Bangladesh in Dhaka on January 25, 1993 concerning the restraint on exports of T-shirts from Bangladesh to Canada and the extension until December 31, 1994 of the Memorandum of Understanding relating to the export from the People's Republic of Bangladesh of certain textile products for import into Canada.

The Canadian High Commission has the honour to convey acceptance by the Canadian authorities of the Agreed Record of Discussions..."

MINISTRY OF COMMERCE

GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH, DHAKA

DO No. COM/TEX/RO-2/92(Part)/86

NOTE VERBALE

The Ministry of Commerce, Government of the People's Republic of Bangladesh presents its compliments to the Canadian High Commission and has the honour to refer to the bilateral Textile Agreement between Bangladesh and Canada, the Agreed Record of Discussions held on 23-25 January 1993 in Dhaka between delegations of the two governments and to the Canadian High Commission's Note No. 016 dated 31.1.1993.

2. The Ministry of Commerce wishes to inform the Canadian High Commission that the terms and conditions stipulated in the above-mentioned Agreed Record of Discussions signed on 25 January 1993 are acceptable to the Government of the People's Republic of Bangladesh.

3. The Ministry of Commerce avails itself of this opportunity to renew to the Canadian High Commission the assurances of its highest consideration.

Dated, Dhaka the 16th March 1993.

The Canadian High Commission
in Bangladesh
Dhaka

Permanent Mission of Canada to the United Nations

15 July 1993

37-10-3-3-S.ASIA

Ambassador Marcelo Raffaelli
Chairman
Textiles Surveillance Body
General Agreement on Tariffs and Trade
154 rue de Lausanne
1211 Genève
SUISSE

Dear Ambassador Raffaelli,

Further to my letter dated 7 June 1993 concerning the extension and modification of the Memorandum of Understanding (MOU) covering exports of certain textile products from the People's Republic of Bangladesh for import into Canada, the purpose of this letter is to confirm that the Canadian authorities have initiated action to correct an error which had crept into "Annex I - 1993 Restraint Levels". The typographical error involved showed a growth rate of 4/4 per cent for category 14.0, "babies garments". The correct entry should have been 7/7 per cent. A diplomatic note proposing the necessary change was delivered to the High Commission of Bangladesh in Ottawa on 13 July 1993 and, as soon as a response has been received from the Bangladeshi authorities, a formal amendment to the MOU will have been effected.

I trust that this information will facilitate the review of Canada's notification of this extension and modification at next week's meeting of the Textiles Surveillance Body.

Yours sincerely,

John F. Donaghy
Counsellor