

**GENERAL AGREEMENT
ON TARIFFS AND TRADE**

RESTRICTED
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Textiles Surveillance Body

Original: English

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

**Extension and modification of the agreement between
Canada and Macau**

The Textiles Surveillance Body received a notification from Canada of an extension and modification of its agreement with Macau for the period 1 January to 31 December 1993.¹

The TSB, pursuant to its procedures regarding notifications made 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 and a previous extension are contained in COM.TEX/SB/1343 and 1734.

²See COM.TEX/SB/35, Annex B.

*English only/Anglais seulement/Inglés solamente

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3. Text of note begins: Usual opening quote and has the honour to refer to the Memorandum of Understanding between the Government of Canada and the Government of Macau relating to the export from Macau of certain textiles and textile products for import into Canada (MOU).
4. 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/not be implemented on January 1, 1993, nor/nor has the Textiles Committee of the GATT taken a decision on the extension of the Arrangement Regarding International Trade in Textiles (MFA) beyond its expiry date of 31 December, 1992. Under these circumstances, there is already considerable uncertainty among producers, exporters and importers in Canada and Macau with respect to the rules which will govern our bilateral trade in textiles and clothing in 1993.
5. In order to alleviate this uncertainty and to provide the trade with a predictable environment in which to plan its activities, the Canadian authorities propose that the MOU be extended until 31 December, 1993, or if Macanese 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 be in accordance with the Agreed Record of Discussions (Annexed hereto) between representatives of the governments of Canada and Macau on June 19, 1992 respecting the conversion of the MOU to an arrangement based on the Harmonized Commodity description and coding system (HS). This extension 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, if the MTN results are implemented in 1994, the second year of this extension would be superseded by the restraint structure contained in the MTN agreement.
6. In the event that the Macanese authorities are in agreement with this proposal, the Canadian authorities would propose that this note along with the reply from the Macanese authorities constitute an agreement extending the MOU until the date on which we mutually agree. Unquote. Usual closing.

ANNEX I - RESTRAINT LEVELS**MACAU****Group I**

(A) Agreement Item No.	(B) Product Coverage		(C) 1992 Restraint Level (Unit)	(D) Growth	(E) Swing	(F) Carryover/ Carry Forward	(G) Combined Flexibility (E) & (F)	(H) Conversion Factor (m2/unit)
	Category	Short Description						
A (1.0-14.0, 16.0)*		All clothing (M2)	4,277,637	6%	N/A	11% (6%)	11%	N/A
1	1.0*	Coats, jackets, rainwear	341,694	6%	6%	11% (6%)	15%	3.5
2	2.0*	Winter outerwear	53,723	6%	6%	11% (6%)	15%	2.8
3a	3.1* 3.3*	Suits, MBC; Jackets and blazers, MBC	17,910	6%	6%	11% (6%)	15%	3.6
3b	3.2*	Ensembles, MBC	-	-	-	-	-	3.8
4a	4.1* 4.2*	Suits and ensembles WGC; Jackets and blazers, WGC	-	-	-	-	-	3.8
4b	4.3* 4.4*	Dresses; Skirts	-	-	-	-	-	3.8
5	5.0*	Trousers, overalls and shorts	569,490	6%	6%	11% (6%)	15%	1.5
6	6.0*	Tailored collar shirts, MBC	227,795	6%	6%	11% (6%)	15%	1.7
7/8	7.0* 8.0*	Woven shirts, blouses and similar articles Athletic wear, (k/c) shirts, blouses and similar articles, T-shirts and sweatshirts	-	-	-	-	-	1.7
9	9.0*	Underwear	-	-	-	-	-	1.0
10	10.0*	Sleepwear and bathrobes	-	-	-	-	-	3.4
11	11.0*	Sweaters	487,711	6%	6%	11% (6%)	15%	1.1
12	12.0*	Swimwear	-	-	-	-	-	1.0
13	13.0*	Foundation garments	-	-	-	-	-	1.0
14	14.0*	Babies' garments	-	-	-	-	-	1.5
16	16.0*	Smocks and shop coats	-	-	-	-	-	3.5

*Includes extended fibre coverage.

Note: - Swing is allowed between Item Nos. 1, 2, 3a, 5, 6, 11 and 44 only.
- Any swing between a restraint product in Group I and a restraint product in Group II will also be reflected in the Group I aggregate restraint.
- N/A means not applicable.

ANNEX I - RESTRAINT LEVELSMACAUGROUP II

(A) Agreement Item		(B) Product Coverage	(C) 1992 Restraint Level (Unit)	(D) Growth	(E) Swing	(F) Carryover/ Carry Forward	(G) Combined Flexibility (E) & (F)	(H) Conversion Factor (m2/unit)
No.	Category	Short Description						
44	44	Work gloves and liners (PAR)	3,621,953	6%	6%	11% (6%)	15%	0.24

ANNEX II - PREAMBLE

MACAU

1. Unless otherwise indicated, gender means garments for men (M), boys (B) (sizes 8 to 18), women (W), girls (G) (sizes 7 to 16), children (C) (sizes 2 to 6X) and babies, of a body height not exceeding 86 cm (sizes 0 to 24 months).
2. Unless otherwise indicated, swing is permitted from adult garments to children's garments at a 3 to 5 ratio.
3. A partially manufactured textile article shall be taken to include an article unfinished or incomplete (including cut or shaped fabric for making such articles), provided that, as presented, the incomplete or unfinished article has the essential character of the complete or finished article. It shall also be taken to include the article presented unassembled or disassembled.
4. Garments of indeterminate gender, including unisex garments are to be counted as of female gender.
5. Unless otherwise indicated, products covered by restraints under this arrangement in Group I are those which predominate by weight of silk, wool, cotton, other vegetable fibres or man-made fibres.
Excluded are products of Group I containing more than 85 per cent by weight of vegetable fibres, other than cotton, or more than 70 per cent by weight of silk fibres.

ANNEX II - CLOTHING CATEGORIESMACAUGROUP I

Short Description	Category	Sub Category	Long Description	Units
Coats, jackets & rainwear	1		<ul style="list-style-type: none"> - Overcoats, raincoats, car-coats, capes, cloaks, and similar articles - <u>MBWGC, k/c & woven</u>; - Anoraks (including ski-jackets) wind-cheaters, wind-jackets and similar articles - <u>MBWGC, k/c</u>; - anoraks (including ski-jackets), wind-cheaters, wind-jackets and similar articles, other than those lined and designed to protect the wearer against the cold - <u>MBWGC, woven</u>; - garments, made up of fabrics of headings 59.03 (plastic), 59.06 (rubber) or 59.07 (other), containing 50% or more by weight of textile material - <u>MBWGC, k/c & woven</u>; - lining of thermal characteristics suited for garments of sub-category 1.3 - <u>MBWGC, k/c & woven</u>; 	NMB
- Coats		1.1	<ul style="list-style-type: none"> - Overcoats, car-coats, capes & cloaks, other than rainwear - <u>MBWGC, k/c & woven</u>; - lining of thermal characteristics suited for garments of sub-category 1.3 - <u>MBWGC, k/c & woven</u>. 	
- Jackets		1.2	<ul style="list-style-type: none"> - Anoraks (including ski-jackets) wind-cheaters and wind-jackets - <u>MBWGC, k/c</u>; - anoraks (including ski-jackets), wind-cheaters and wind-jackets, other than those lined and designed to protect the wearer against the cold - <u>MBWGC, woven</u>. 	
- Rainwear		1.3	<ul style="list-style-type: none"> - Raincoats and rainwear - <u>MBWGC, k/c & woven</u>; - garments made up of fabrics of headings 59.03 (plastic), 59.06 (rubber) or 59.07 (other), containing 50% or more by weight of textile material - <u>MBWGC, k/c & woven</u>. 	
Winter outerwear	2		<ul style="list-style-type: none"> - Anoraks (including ski-jackets), wind-cheaters, wind-jackets and similar articles, lined and designed to protect the wearer against the cold - <u>MBWGC, woven</u>; - bib and brace overalls (e.g. ski overalls), lined and designed to protect the wearer against the cold - <u>MBWGC, woven</u>; - trousers and breeches (e.g. ski pants), lined and designed to protect the wearer against the cold - <u>MBWGC, woven</u>; - ski suits - <u>MBWGC, woven</u>; - snowsuits, snowmobile suits and similar articles - <u>MBWGC, woven</u>; - lining of thermal characteristics suited for garments of sub-category 1.2 - <u>MBWGC, k/c & woven</u>; 	NMB
- Winter outerwear, MBWG		2.1	<ul style="list-style-type: none"> - Men's, boys', women's and girls'. 	
- Winter outerwear, C		2.2	<ul style="list-style-type: none"> - Children's. 	

Short Description	Category	Sub Category	Long Description	Units
Male casual & fine wear	3		Suits, ensembles, jackets, blazers - <u>MBC, k/c & woven</u> :	NMB
- Fine suits, MBC		3.1	- Suits - <u>MBC, k/c & woven</u> .	
- Ensembles, MBC		3.2	- Ensembles - <u>MBC, k/c & woven</u> .	
- Jackets & blazers, MBC		3.3	- Jackets and blazers - <u>MBC, k/c & woven</u> .	
Female casual & fine wear	4		- Suits, ensembles, jackets, blazers, dresses, skirts, divided-skirts - <u>WGC, k/c & woven</u> :	NMB
- Suits & ensembles, WGC		4.1	- Suits and ensembles - <u>WGC, k/c & woven</u> .	
- Jackets & blazers, WGC		4.2	- Jackets and blazers - <u>WGC, k/c & woven</u> .	
- Dresses		4.3	- - Dresses - <u>WGC, k/c & woven</u>	
- Skirts		4.4	- Skirts and divided skirts - <u>WGC, k/c & woven</u> .	
Trousers, overalls & shorts	5		- Trousers, bib and brace overalls, breeches, shorts - <u>MBWGC, k/c & woven</u> ;	NMB
			- coveralls - <u>MBWGC, k/c & woven</u> :	
- Trousers, MB		5.1	- Trousers and breeches - <u>MB, k/c & woven</u> .	
- Trousers, WG		5.2	- Trousers and breeches - <u>WG, k/c & woven</u> .	
- Trousers, C		5.3	- Trousers and breeches - <u>C, k/c & woven</u> .	
- Overalls & coveralls		5.4	- - Bib and brace overalls - <u>MBWGC, k/c & woven</u> ;	
			- coveralls - <u>MBWGC, k/c & woven</u> .	
- Shorts		5.5	- Shorts - <u>MBWGC, k/c & woven</u> .	
Tailored collars shirts, MBC	6		Shirts (with tailored collar) - <u>MBC, k/c & woven</u> .	NMB
Woven shirts, blouses & similar articles	7		- Shirts, blouses, shirt-blouses - <u>MBWGC, woven</u> ;	NMB
			- other singlets and vests (other than of the underwear type) - <u>MBWGC, woven</u> ;	
			- and other similar articles - <u>MBWGC, woven</u> :	
- Woven shirts & similar articles, MB		7.1	- Men's & boys:	
			- Shirts - <u>woven</u> .	
			- other singlets and vests (other than of the underwear-type) - <u>woven</u> ;	
			- and other similar articles - <u>woven</u> .	
- Woven blouses & similar articles, WG		7.2	- Women's & girls':	
			- shirts, blouses, shirt-blouses - <u>woven</u> ;	
			- other singlets and vests (other than of the underwear-type) - <u>woven</u> ;	
			- and other similar articles - <u>woven</u> .	
- Woven shirts, blouses & similar articles, C		7.3	- Children's:	
			- shirts, blouses, shirt-blouses - <u>woven</u> ;	
			- other singlets and vests (other than of the underwear-type) - <u>woven</u> ;	
			- and other similar articles - <u>woven</u> .	

Short Description	Category	Sub Category	Long Description	Units
Athletic wear, k/c shirts, blouses & similar articles, T-shirts & sweatshirts - k/c shirts, blouses & similar articles - T-shirts - Sweatshirts - Athletic wear	8	8.1 8.2 8.3 8.4	- Shirts, blouses, shirt-blouses, <u>MBWGC, k/c</u> ; - other singlets and vests (other than of the underwear type) - <u>MBWGC, k/c</u> ; - and other similar articles - <u>MBWGC, k/c</u> ; - T-shirts (other than of the underwear type), <u>MBWGC, k/c</u> ; - brushed and fleeced pullovers (sweatshirts) - <u>MBWGC, k/c</u> ; - ski suits - <u>MBWGC, k/c</u> ; - track suits and other athletic wear - <u>MBWGC, k/c & woven</u> ; - Shirts, blouses, shirt-blouses - <u>MBWGC, k/c</u> ; - other singlets and vests (other than of the underwear-type) - <u>MBWGC, k/c</u> ; - and other similar articles - <u>MBWGC, k/c</u> . - T-shirts (other than of the underwear type) - <u>MBWGC, k/c</u> . - Brushed or fleeced pullovers (sweatshirts) - <u>MBWGC, k/c</u> . - Ski suits - <u>MBWGC, k/c</u> ; - track suits and other athletic wear - <u>MBWGC, k/c & woven</u> .	NMB
Underwear - Underwear, MB - Underwear, WG - Underwear, C	9	9.1 9.2 9.3	- Underpants, briefs, panties, slips, petticoats and similar articles - <u>MBWGC, k/c & woven</u> ; - T-shirts (of the underwear type) - <u>MBWGC, k/c</u> ; - singlets and other vests (of the underwear type) - <u>MBWGC, k/c & woven</u> ; - Men's & boys'. - Women's & girls'. - Children's.	NMB
Sleepwear & bathrobes - Sleepwear, MBWG - Bathrobes, MBWG - Sleepwear & bathrobes, C	10	10.1 10.2 10.3	Nightshirts, pyjamas, nightdresses, negligees, bathrobes, dressing gowns & similar articles - <u>MBWGC, k/c & woven</u> ; - Nightshirts, pyjamas and nightdresses - <u>MBWGC, k/c & woven</u> . - Bathrobes, dressing gowns & negligees - <u>MBWGC, k/c & woven</u> . - Children's.	NMB
Sweaters - Sweaters, MB - Sweaters, WG - Sweaters, C	11	11.1 11.2 11.3	Jerseys, pullovers, cardigans, waist-coats, and similar articles - <u>MBWGC, k/c</u> ; - Men's & boys'. - Women's & girls'. - Children's.	NMB
Swimwear	12		Swimwear - <u>MBWGC, k/c & woven</u> .	NMB
Foundation garments	13		Brassieres, girdles, panty-girdles and corselettes, whether or not knitted or crocheted.	NMB

Short Description	Category	Sub Category	Long Description	Units
Babies' garments	14		Babies' garments:	NMB
- Coats, jackets & rainwear		14.1	- Coats, snowsuits, jackets and similar articles.	
- Trousers, overalls & shorts		14.2	- Trousers, breeches, bib and brace overalls, coveralls and shorts.	
- Shirts, blouses & similar articles		14.3	- Shirts, blouses and similar articles.	
- T-shirts & sweatshirts		14.4	- T-shirts and sweatshirts.	
- Dresses & skirts		14.5	- Dresses and skirts.	
- Sleepwear		14.6	- Sleepwear.	
- Underclothing		14.7	- Underclothing.	
- Sweaters		14.8	- Jerseys, pullovers, cardigans and sweaters.	
- Other garments		14.9	- Other garments not elsewhere specified.	
Smocks & shop coats	16		Smocks and similar professional or shop coats - <u>MBWGC, woven.</u>	NMB

ANNEX II - TEXTILE CATEGORIESMACAUGroup II

Short Description	Sub Category Category	Long Description	Units
Work gloves & liners	44	Work gloves and work glove liners:	PAR
- Work gloves	44.1	- Work gloves.	
- Work glove liners	44.2	- Work glove liners.	

**Direcção dos Serviços de Economia
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Macau, 15 December 1992

The Economic Services of Macau presents its compliments to the Commission for Canada and has the honour to refer to the Memorandum of Understanding between the Government of Macau and the Government of Canada relating to the export from Macau of certain textiles and textiles products for import into Canada (MOU).

The Government of Macau is in agreement with the proposal of the Government of Canada relating to the extension of the MOU until 31 December 1993 and other terms referred in Note XBTD 2950, of 1 December 1992, of the Commission for Canada.

The Economic Services of Macau avails itself of this opportunity to renew to the Commission for Canada the assurances of its highest consideration.

Maria Gabriela dos Remédios César
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