

**GENERAL AGREEMENT  
ON TARIFFS AND TRADE**

**RESTRICTED**  
**COM.TEX/SB/1942\***  
31 August 1994  
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(94-1742)

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**Textiles Surveillance Body**

Original: English

**ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES**

**Notification under Article 4**

**Extension and modification of the bilateral agreement between  
Canada and Singapore**

The Textiles Surveillance Body received a notification from Canada of an extension with modifications of its agreement with Singapore, for the period 1 January 1994 to 31 December 1995.<sup>1</sup>

The TSB, pursuant to its procedures regarding notifications received under Article 4,<sup>2</sup> has examined the relevant documentation and is forwarding the text of the notification to participating countries for their information.

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<sup>1</sup>The bilateral agreement, previous extensions and modifications are contained in COM.TEX/SB/1382, 1737 and 1890.

<sup>2</sup>See COM.TEX/SB/35, Annex B.

\*English only/Anglais seulement/Inglés solamente

Canada High Commission

Note No. 0051

The Canadian High Commission presents its compliments to the Ministry of Foreign Affairs of the Republic of Singapore and has the honour to refer to the Memorandum of Understanding between the Government of Canada and the Government of Singapore relating to the export from Singapore of certain textiles and textile products for import into Canada (the 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 regrettably not be implemented on 1 January 1994, as was expected in 1992 when the MOU was extended for a year until 31 December 1993. 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 1993. It is likely that a decision in this respect will not be made until much later in 1993.

Under these circumstances, Canadian authorities wish to avoid uncertainties among producers, exporters and importers in Canada and in Singapore with respect to the rules which will govern our bilateral trade in textiles and clothing in 1994. Orders have already been placed for delivery in 1994. Manufacturers in Canada and in Singapore will soon have to produce the items necessary to meet their 1994 delivery commitments. Canadian importers also have committed themselves to meet increasingly stringent deadlines for delivery to their Canadian customers. In the absence of the extension of the MOU, Canadian authorities are not in a position at this time to counsel Canadian importers on whether the current import régime would continue into 1994.

Canadian authorities remain committed to maintaining an effective import control policy for the textile and clothing industries in order to moderate growth in low-cost imports and to provide the Canadian industry with a climate that is conducive to an orderly adjustment process. The current bilateral textile agreement between Singapore and Canada has served to ensure secure terms of access for textiles and clothing exports from Singapore.

The Canadian authorities propose that the MOU be extended until 31 December 1994 or if the authorities of Singapore are agreeable, to 31 December 1995. This extension would apply to all terms and conditions of the MOU, including growth rate and flexibility provisions. It would also be without prejudice to any changes that may be required to be implemented as a result of the successful conclusion of the Uruguay Round or as the result of the extension of the MFA. In the event that the MTN results are implemented in 1995, the second year of this extension where applicable, would be superseded by the restraint structure contained in the MTN Agreement.

If the authorities of Singapore are in agreement with the proposed extension of the MOU, the Canadian authorities propose further that this Note, along with the reply from the authorities of Singapore, 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 Republic of Singapore the assurances of its highest consideration.

Singapore  
2 July 1993

MFA 902/93

The Ministry of Foreign Affairs of the Republic of Singapore presents its compliments to the Canadian High Commission and has the honour to refer to the Memorandum of Understanding between the Government of Canada and the Government of Singapore relating to the export from Singapore of certain textiles and textile products for import into Canada (the MOU) and to the latter's Note No. 0051 dated 2 July 1993.

The Ministry is pleased to inform the High Commission that Singapore agrees to the Canadian authorities' proposal to extend the MOU until 31 December 1995. This extension would apply to all terms and conditions of the MOU, including growth rate and flexibility provisions. In this regard, the Singapore Trade Development Board has updated the restraints levels for the 13 restraint categories for quota years 1994 and 1995 in Annex I.

The extension would be without prejudice to any changes that may be required to be implemented as a result of the successful conclusion of the Uruguay Round or as the result of the extension of the MFA. The Ministry agrees with the Canadian authorities that in the event that the MTN results are implemented in 1995, the second year of this extension would be superseded by the restraint structure contained in the MTN Agreement.

The Ministry confirms that the Canadian High Commission's Note No. 0051 dated 2 July 1993 and this reply constitute an agreement extending the MOU until 31 December 1995.

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

Singapore  
30 September 1993

Canadian High Commission  
Singapore

(A)	(B)		(C)	(D)	(E)	(F)	(G)	(H)	
Agreement Item No.	Product Coverage		1994 Restraint Level (NMB)	1995 Restraint Level (NMB)	Growth	Swing	Carryover/ Carry Forward	Combined Flexibility (E) & (F)	Conversion Factor (m2/Unit)
	Cat.	Short Description							
1a	1.2	Jackets	606,643	630,909	4%	7%	10% (5%)	15%	2.8
2	2.0	Winter outerwear	142,911	147,198	3%	7%	10% (5%)	15%	2.8
3/4a	3.2	Ensembles, MBC							
	4.0	Female casual & fine wear	506,136	536,504	6%	7%	10% (5%)	15%	2.6
3a (Note 1)	3.1	Suits, MB;							
	3.3	Jackets & blazers, MB	41,584	43,247	4%	7%	10% (5%)	15%	3.6
5	5.0	Trousers, overalls & shorts	1,677,714	1,744,823	4%	7%	10% (5%)	15%	1.4
6	6.0	Tailored collar shirts, MBC	706,706	749,108	6%	7%	10% (5%)	15%	1.8
7/8a	7.0	Woven shirts, blouses & similar articles	2,119,379	2,246,542	6%	7%	10% (5%)	15%	1.7
	8.1	k/c shirts, blouses & similar articles							
	8.2	T-shirts							
	8.3	Sweatshirts							
8a (Note 3)	8.4	Athletic wear	166,611	176,608	6%	7%	10% (5%)	15%	2.6
9	9.0	Underwear	854,763	880,406	3%	7%	10% (5%)	15%	0.5
11	11.0	Sweaters	590,340	608,050	3%	7%	10% (5%)	15%	1.2
14 (Note 2)	14.0	Babies' garments	114,274	121,130	6%	7%	10%(5%)	15%	2.4
25	25.0	Acrylic staple yarn (KGM)	392,361	415,903	6%	7%	10%(5%)	15%	2.2 m2/kg.
43a	43.1	Hosiery, wool C (PAR)	2,631,354	2,789,235	6%	7%	10%(5%)	15%	0.05 kg/PAR
	43.2	Hosiery, non-wool (PAR)							

Note 1: HS codes for C are excluded for Categories 3.1 and 3.3

Note 2: babies' garments are expressed in adult units

Note 3: Special swing of 10% from Agreement Item 3/4a to Agreement Item 8a, in excess of the combined flexibility.