

GENERAL AGREEMENT ON

RESTRICTED

COM.TEX/SB/1733*

3 July 1992

TARIFFS AND TRADE

Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Extension of the bilateral agreement between Canada and Korea

The Textiles Surveillance Body received a notification from Canada of an extension of its bilateral agreement with Korea for the period 1 January 1992 to 31 December 1992.¹

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 is contained in COM.TEX/SB/1329.

²See COM.TEX/SB/35, Annex B.

* English only/Anglais seulement/Inglés solamente

**MINISTRY OF FOREIGN AFFAIRS
REPUBLIC OF KOREA**

OGT-515

The Ministry of Foreign Affairs of the Republic of Korea presents its compliments to the Embassy of Canada and has the honour to refer to the latter's Note No. 0012 dated 4 June 1991, which reads as follows:

"The Embassy of Canada presents its compliments to the Ministry of Foreign Affairs of the Republic of Korea and wishes to refer to the Uruguay Round of GATT Negotiations and the Memorandum of Understanding (MOU) between the Government of Canada and the Government of the Republic of Korea relating to the export from the Republic of Korea of certain textiles and textile product for import into Canada.

Given the decision to extend the Uruguay Round, it appears likely that negotiations will extend beyond the expiry date on 31 July 1991, of the Arrangement Regarding International Trade in Textiles (MFA). No deadline for these negotiations has been set, but it is likely that extension combined with the time necessary for implementation of the results would take us beyond the 31 December 1991 expiry of the current MOU.

The prolongation of the Uruguay Round Negotiations, the expiry of the MFA on 31 July 1991 and the expiry of the current MOU at the end of this year will cause considerable uncertainty in the textile and clothing industries of both Canada and the Republic of Korea. Orders will soon be placed for delivery in 1992. Given this uncertainty in both countries and the need to maintain protection for the domestic textile industry in Canada, Canadian Authorities propose that the MOU governing our bilateral textile trade be extended for a period of one year, until 31 December 1992. The extension envisaged by Canadian Authorities would apply to all terms and conditions contained in our current MOU, including growth rates and flexibility provisions. The extension will be without prejudice to any changes which may be negotiated in the Uruguay Round governing textile trade beyond 1991.

Canadian Authorities would appreciate an early response to this proposal so that they can reflect on any other measures which may be necessary to ensure protection for the Canadian industry until the results of a successful Uruguay Round are implemented.

If the foregoing is acceptable to the Government of the Republic of Korea, the Government of Canada proposes that this note, together with your reply to that effect constitute an agreement between our Governments to extend the MOU for a period of one year, until 31 December 1992."

The Ministry has the further honour to confirm that the proposal contained in the Embassy Note is acceptable to the Government of the Republic of Korea and that the Embassy Note and this note in reply will constitute an agreement between our two Governments to renew the said MOU for a period of one year, until 31 December 1992.

The Ministry of Foreign affairs of the Republic of Korea avails itself of this opportunity to renew to the Embassy of Canada the assurances of its highest consideration.

Seoul, 11 July 1991.