

# GENERAL AGREEMENT ON

# TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1734\*

3 July 1992

Special Distribution

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Textiles Surveillance Body

## ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

### Notification under Article 4

#### Extension of the bilateral agreement between Canada and Macau

The Textiles Surveillance Body received a notification from Canada of an extension of its bilateral agreement with Macau for the period 1 January to 31 December 1992.<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.<sup>3</sup>

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<sup>1</sup>The bilateral agreement is contained in COM.TEX/SB/1343.

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

<sup>3</sup>For the TSB's observation on this notification, see COM.TEX/SB/1748.

\* English only/Anglais seulement/Inglés solamente

**GOVERNMENT OF MACAU  
COMMERCIAL DIVISION**

To the Commission for Canada  
Commercial Division  
Hong Kong

28 March 1991

The Government of Macau presents its compliments to the Government of Canada and its Commission in Hong Kong and refers to Note XBTD0471 of 4 March 1991, on the current MOU governing Macau's exports of certain textile products to Canada, and its possible extension as a result of the prolongation of the Uruguay Round Negotiations.

The Government of Macau has the honour of acknowledging its agreement to the proposed extension of the current Macau-Canada Agreement for a period of one year, without prejudice to any changes to be introduced following the conclusion of Uruguay Round Negotiations.

The Government of Macau avails itself of this opportunity to renew to the Government of Canada and its Commission in Hong Kong the assurance of its highest consideration.

Francisco Luis Murteira Nabo  
Acting Governor  
Government of Macau

**TEXT OF NOTE FROM THE CANADIAN COMMISSION, HONG KONG,  
4 MARCH 1991**

"... Canadian Authorities would like to refer to the Uruguay Round of GATT Negotiations and 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).

Given the decision to extend the Uruguay Round, it appears likely that negotiations will extend beyond the expiry 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 this extension, combined with the time necessary for implementation of the results, would take us beyond the 31 December 1991, expiry of our 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 in both Canada and Macau. 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 the 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 textiles 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..."