ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Modification of the Bilateral Agreement
between Canada and Malaysia

The Textiles Surveillance Body received a notification from Canada of a further modification of its Article 4 agreement with Malaysia. A restraint was agreed on Items 10 and 11 (dresses, skirts, suits, coordinates, outerwear sets, athletic sets or suits, but excluding miscellaneous garments for children and infants) for the period 1 June 1985-31 December 1986.

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

1The bilateral agreement and previous modifications are contained in COM.TEX/SB/820, 1040, 1100 and 1101.
2See COM.TEX/SB/35, Annex B
*English only/Anglais seulement/Ingles solamente
MALAYSIA/CANADA TEXTILE CONSULTATIONS
AGREED RECORD OF DISCUSSIONS

1. Delegations representing the Government of Malaysia and the Government of Canada met on October 15 and 16, 1985 in Kuala Lumpur to discuss the export from Malaysia to Canada of Items 11 and 12 (Dresses, Skirts, Suits, Coordinates, Outerwear sets, Athletic sets or suits etc. but excluding Miscellaneous Garments for children and infants) of the Agreed Record of Discussions dated March 16, 1984.

2. During these negotiations, it was agreed that the Memorandum of Understanding between the two Governments governing the trade in textile and clothing items will be amended effective June 1, 1985 to include restraint provisions for exports to Canada of products described in Items 11 and 12 (excluding Miscellaneous Garments for children and infants) in Appendix II of the Agreed Record of Discussions dated March 16, 1984. In this regard the two sides agreed that the restraint level for the period June 1, 1985 to December 31, 1985 will be 700,000 units. It was further agreed the restraint level for calendar year 1986 will be 1,330,000 units. It was agreed that this category shall be accorded swing of 7%, carry forward shall not be more than 6%, and carry over from 1985 into 1986 up to 50% of the June 1, 1985 to December 31, 1985 level as described above, and a conversion factor of 3.5 square metres per unit.

3. The Canadian side indicated that agreement to the above understanding be on an ad referendum basis subject to approval by Canadian Ministers. Accordingly, both sides indicated that such arrangement would be finalised through an exchange of notes between the two Governments.

4. Following the exchange of notes, the Canadian side will immediately advise the Textile Surveillance Body that a settlement has been reached in accordance with the provisions of paragraphs 29 and 30 of the Malaysia/Canada MOU on textile and clothing products.

MOHD. NOORDIN BIN HASSAN
Leader
Malaysian Delegation
Kuala Lumpur
October 16, 1985

WILLIAM V. TURNER
Leader
Canadian Delegation
CANADA NOTE

The Canadian High Commission presents its compliments to the Ministry of Foreign Affairs, and wishes to refer to the agreed record of discussions signed by Representatives of Canada and Malaysia in Kuala Lumpur on October 16, 1985 concerning exports of sportswear originating in Malaysia to Canada. Pursuant to the provisions of the third paragraph of the agreed record, Canadian Authorities wish to confirm that Canadian Ministers have given approval to the provisions of paragraph 2 of the agreed record and propose that this note, together with the reply from Malaysian Authorities confirming acceptance by their Government, give effect to the arrangement outlined in the second paragraph of the agreed record and thereby constitute an amendment to Annex 1 of the Memorandum of Understanding between Canada and Malaysia governing trade in textiles and textile products.

The Canadian High Commission wishes to advise the Ministry of Foreign Affairs that, pursuant to the fourth paragraph of the agreed record of discussions, immediately following receipt of the Malaysian note confirming Malaysian acceptance of this arrangement, the Government of Canada will advise the Textiles Surveillance Body that a settlement has been reached in accordance with the provisions of paragraphs 29 and 30 of the Canadian/Malaysian Memorandum of Understanding on textiles and textile products.

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

Kuala Lumpur
January 6, 1986

MALAYSIA NOTE

The Ministry of Foreign Affairs, Malaysia presents its compliments to the Canadian High Commission, and has the honour to refer to the latter's Note No. 003 dated January 6, 1986 which reads as follows:

CANADA NOTE

The Ministry of Foreign Affairs has the honour to confirm that the proposal in the above note is acceptable to the Government of Malaysia and that the above note and this reply shall give effect to the provisions of the agreed record of discussions between our two Governments.

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

Ministry of Foreign Affairs,
Kuala Lumpur
27 January, 1986