Arrangement Regarding International Trade in Textiles

Notification under Article 4:4

Amendment of the Agreement between Canada and Thailand

Note by the Chairman

Attached is a notification received from Canada of a further amendment to the provisions of the Article 4 agreement between Canada and Thailand. The consultation level for sportswear has been converted into a specific limit effective from 1 January 1984.

The original agreement and previous amendments are contained in COM.TEX/SB/819, 932 and 980

*English only/Anglais seulement/Inglés solamente

84-2403
November 23, 1984

Ambassador M. Raffaelli
Chairman
Textiles Surveillance Body
General Agreement on Tariffs and Trade
Centre William Rappard
154, rue de Lausanne
1211 Geneva 21

Dear Ambassador Raffaelli,

With reference to paragraph 4 of Article 4 of the Arrangement Regarding International Trade in Textiles (hereinafter referred to as the MFA), done at Geneva on December 2, 1973, and to the Protocol extending the MFA, done at Geneva, December 22, 1981, I have the honour to notify the Textiles Surveillance Body of an amendment to the provisions of the current restraint arrangement concluded between the Government of Canada and the Government of the Kingdom of Thailand. Pursuant to Articles 30 to 33 of the current Memorandum of Understanding, the amendment provides for the conversion of the 1984 consultation level for sportswear into a specific limit effective from January 1, 1984 to December 31, 1986.

These modifications agreed upon by the two Governments in August 1984, take into consideration the circumstances currently affecting the Canadian Textile market and the position of Thailand as an established supplier of that market. The textile product subject to the modifications fall within the scope of the MFA. The 1984 restraint level applicable to sportswear was established taking into consideration historical trading patterns and other provisions contained in Article 4 of the MFA and its Protocol of Extension.

...2
In line with the MFA guidelines, the amendments contain provisions for an annual growth rate established at 6 percent. The flexibility provisions allow for a 6 percent swing between categories in the current arrangement, and a carry-over/borrow-forward of 11 percent, the sub-limit for borrow-forward being 6 percent.

The Government of Canada believes these modifications in conformity with the provisions of the MFA and its Protocol of Extension and, as such, in keeping with the gradual liberalization of the Canadian import programme on clothing and textiles.

Accept, Sir, the renewed assurances of my highest consideration.

J.L. MacNeil
Minister
Delegations representing the Government of Canada and the Government of the Kingdom of Thailand met in Bangkok on August 9-10, 1984 to consider Canada's requests for consultations regarding exports from Thailand of sportswear to Canada in accordance with the provisions of paragraphs 30 to 33 of the Memorandum of Understanding between the two Governments for textiles and textile products and, regarding exports to Canada from Thailand of underwear and sweaters in accordance with the provisions of Article 4 of the Arrangement Regarding International Trade in Textiles.

The delegations agreed to convert the existing consultation level governing the export of sportswear from Thailand to Canada into a specific restraint level for the duration of the life of the Memorandum of Understanding (i.e., until the end of 1986). In this regard, a 1984 restraint level for sportswear was established at 1,900,000 units with an annual growth rate of 6 percent. In addition, it was further agreed that this category shall be accorded swing of 6 percent and carry-over and carry-forward of 11 percent, of which carry-forward shall not be more than 6 percent. The conversion factor for sportswear is 3.5 square meters per unit.