GENERAL AGREEMENT ON
TARIFFS AND TRADE

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Extension of the bilateral agreement between
Canada and Hong Kong

Note by the Chairman

Attached is a notification received from Canada of an extension of its agreement with Hong Kong for the period 1 January 1992 to 31 December 1993.

1The bilateral agreement is contained in COM.TEX/SB/1409.

*English only/Anglais seulement/Inglés solamente
Dear Ambassador Raffaelli:

Further to my note of 30 December, 1991, and pursuant to (i) Article 4 of the Arrangement Regarding International Trade in Textiles (MFA), done at Geneva on December 20, 1973; (ii) the Protocol extending the MFA, done at Geneva on July 31, 1986; and (iii) the Protocol Maintaining in Force the MFA, done at Geneva on July 31, 1991, I have the honour to notify you that, through bilateral negotiations, an extension to the existing Memorandum of Understanding has been agreed between the Governments of Canada and Hong Kong. The relevant exchange of diplomatic notes is attached.

Exports to Canada of Hong Kong products covered by the Memorandum of Understanding are subject to restraint through December 31, 1993. Otherwise, the terms of the Memorandum of Understanding, including those relative to growth rates and flexibility, remain unchanged.

As noted in the exchange of diplomatic notes, this extension is without prejudice to any agreement which may be reached as a result of the current Multilateral Trade Negotiations.

Yours sincerely,

John F. Donaghy
Counsellor
The Trade Department of the Hong Kong Government presents its compliments to the Commission for Canada and has the honour to refer to the Commission’s note XBTD1794 of 23 July 1991 concerning the Memorandum of Understanding (MDU) between the Government of Hong Kong and Government of Canada relating to the export from Hong Kong of certain textiles and textile products for import into Canada dated 17 January 1987.

2. The Trade Department agrees ad referendum to extend the MDU for a period of two years until 31 December 1993 and notes that this extension will apply to all the terms and conditions contained in the MOU including growth rates and flexibility provisions, and that carryover/carryforward provisions will also apply to 1991 and 1992. The extension would be without prejudice to any agreement governing textiles trade which may be negotiated in the Uruguay Round and the two Governments would agree to consult each other on any changes necessary to the terms of the extended MOU in order to take into account any such agreement.

3. The Trade Department notes that the extension will among other things have the effect of amending paragraphs 4 and 6 of the MOU so as to extend the period of application of all the provisions of the MOU for two more years i.e. until 31 December 1993. The extension will also have the effect of amending paragraph 17 regarding carryforward arrangements so that increase of the 1993 restraint limits by application of the carryforward provisions will be subject to consultations. The reference in the MOU to the Arrangement Regarding International Trade in Textiles (MFA) and the Protocol extending the said Arrangement will include the Protocol Maintaining in Force the Arrangement Regarding International Trade in Textiles done at Geneva on 31 July 1991.
4. Subject to the completion of the necessary internal procedures, the Trade Department will issue a note of confirmation which along with the Commission's note XBTD1794 of 23 July 1991 will constitute agreement to the two-year extension.

5. The Trade Department avails itself of this opportunity to renew to the Commission for Canada the assurances of its highest consideration.

Trade Department
Hong Kong
14 August 1991
"... the Canadian Commission would like to refer to the Note from the Trade Department of the Hong Kong Government proposing a two-year extension of the Memorandum of Understanding between the Government of Hong Kong and the Government of Canada relating to the export from Hong Kong of certain textiles and textile products for import into Canada (MOU), dated January 17, 1987.

Canadian authorities agree to a two-year extension until December 31, 1993, of the terms and conditions in the MOU. This extension would apply to all the terms and conditions contained in the MOU, including growth rates, flexibility provisions and carryover/carryforward provisions between 1991 and 1992. The extension would be without prejudice to any agreement governing textile trade which may be negotiated in the Uruguay Round.

This Note, along with a Note of confirmation from the Hong Kong authorities, will constitute agreement to the two-year extension ...."