Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Extension of the bilateral agreement between
Canada and Macau

Note by the Chairman

Attached is a notification received from Canada of an extension of its bilateral agreement with Macau for the period 1 January to 31 December 1992.¹

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

*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 Macau. The relevant exchange of diplomatic notes is attached.

Exports to Canada of Macanese products covered by the Memorandum of Understanding are subject to restraint through December 31, 1992. 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. Donachy
Counsellor
The Government of Macau presents its compliments to the Government of Canada and its Commission in Hong Kong and refers to Note XBTD0471 of March 4, 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 Nabe
Acting Governor
Government of Macau
Text of Note from the Canadian Commission, Hong Kong, March 4, 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 July 31, 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 December 31, 1991, expiry of our current MOU.

The prolongation of the Uruguay Round negotiations, the expiry of the MFA on July 31, 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 December 31, 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 .... "