Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Extension and modification of the bilateral agreement between
Canada and Singapore

Note by the Chairman

Attached is a notification received from Canada of an extension with modifications of its agreement with Singapore, for the period 1 January 1994 to 31 December 1995.¹

¹The bilateral agreement, previous extensions and modifications are contained in COM.TEX/SB/1382, 1737 and 1890.

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


Attached please find copy of an exchange of Notes extending this Agreement until 31 December, 1995. In this extension product coverage and growth rates were unchanged, although the level for one product was increased by more than the applicable growth rate.

Yours sincerely,

Jean Saint-Jacques
Counsellor
The Canadian High Commission presents its compliments to the Ministry of Foreign Affairs of the Republic of Singapore and has the honour to refer to the Memorandum of Understanding between the Government of Canada and the Government of Singapore relating to the export from Singapore of certain textiles and textile products for import into Canada (the MOU).

In light of the continued delay in the completion of the Uruguay Round of Multilateral Trade Negotiations, it is clear that the MTN results on textiles and clothing will regrettably not be implemented on January 1, 1994, as was expected in 1992 when the MOU was extended for a year until December 31, 1993. To date, the Textiles Committee of the GATT has not taken a decision on the extension of the arrangement regarding international trade in textiles (MFA) beyond its expiry date of 31 December, 1993. It is likely that a decision in this respect will not be made until much later in 1993.

Under these circumstances, Canadian authorities wish to avoid uncertainties among producers, exporters and importers in Canada and in Singapore with respect to the rules which will govern our bilateral trade in textiles and clothing in 1994. Orders have already been placed for delivery in 1994. Manufacturers in Canada and in Singapore will soon have to
produce the items necessary to meet their 1994 delivery
commitments. Canadian importers also have committed themselves
to meet increasingly stringent deadlines for delivery to their
Canadian customers. In the absence of the extension of the MOU,
Canadian authorities are not in a position at this time to
counsel Canadian importers on whether the current import regime
would continue into 1994.

Canadian authorities remain committed to maintaining an
effective import control policy for the textile and clothing
industries in order to moderate growth in low-cost imports and to
provide the Canadian industry with a climate that is conducive to
an orderly adjustment process. The current bilateral textile
agreement between Singapore and Canada has served to ensure
secure terms of access for textiles and clothing exports from
Singapore.

The Canadian authorities propose that the MOU be
extended until 31 December, 1994 or if the authorities of
Singapore are agreeable, to 31 December, 1995. This extension
would apply to all terms and conditions of the MOU, including
growth rate and flexibility provisions. It would also be without
prejudice to any changes that may be required to be implemented
as a result of the successful conclusion of the Uruguay Round or
as the result of the extension of the MFA. In the event that the
MTN results are implemented in 1995, the second year of this
extension where applicable, would be superseded by the restraint
structure contained in the MTN Agreement.
If the authorities of Singapore are in agreement with the proposed extension of the MOU, the Canadian authorities propose further that this Note, along with the reply from the authorities of Singapore, constitute an agreement extending the MOU until the date on which we mutually agree.

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

Singapore,
July 2, 1993
The Ministry of Foreign Affairs of the Republic of Singapore presents its compliments to the Canadian High Commission and has the honour to refer to the Memorandum of Understanding between the Government of Canada and the Government of Singapore relating to the export from Singapore of certain textiles and textile products for import into Canada (the MOU) and to the latter's Note No. 0051 dated 2 July 1993.

The Ministry is pleased to inform the High Commission that Singapore agrees to the Canadian authorities' proposal to extend the MOU until 31 December 1995. This extension would apply to all terms and conditions of the MOU, including growth rate and flexibility provisions. In this regard, the Singapore Trade Development Board has updated the restraint levels for the 13 restraint categories for quota years 1994 and 1995 in Annex I.

The extension would be without prejudice to any changes that may be required to be implemented as a result of the successful conclusion of the Uruguay Round or as the result of the extension of the MFA. The Ministry agrees with the Canadian authorities that in the event that the MTN results are implemented in 1995, the second year of this extension would be superseded by the restraint structure contained in the MTN Agreement.
The Ministry confirms that the Canadian High Commission's Note No 0051 dated 2 July 1993 and this reply constitute an agreement extending the MOU until 31 December 1995.

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

SINGAPORE
30 September 1993

Canadian High Commission

Singapore
<table>
<thead>
<tr>
<th>(6) Agreement Item No</th>
<th>(7) Category</th>
<th>(8) Short Description</th>
<th>(9) 1994 Restraint Level (HS)</th>
<th>(10) 1995 Restraint Level (HS)</th>
<th>(11) Growth</th>
<th>(12) Swing</th>
<th>(13) Carry-over/Carry Forward</th>
<th>(14) Combined Flexibility Factor (6%)</th>
<th>(15) Conversion Factor (kg/unit)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1a</td>
<td>1.2</td>
<td>Jackets</td>
<td>606,643</td>
<td>610,909</td>
<td>4%</td>
<td>7%</td>
<td>10% (5%)</td>
<td>15%</td>
<td>2.0</td>
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<tr>
<td>2</td>
<td>2.0</td>
<td>Winter outerwear</td>
<td>142,911</td>
<td>147,100</td>
<td>3%</td>
<td>7%</td>
<td>10% (5%)</td>
<td>15%</td>
<td>2.0</td>
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<tr>
<td>3/4a</td>
<td>3.2</td>
<td>Blouses, H/C</td>
<td>506,126</td>
<td>536,584</td>
<td>6%</td>
<td>7%</td>
<td>20% (5%)</td>
<td>15%</td>
<td>2.6</td>
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<tr>
<td>3a (Note 1)</td>
<td>3.3</td>
<td>Jackets &amp; blouses, M</td>
<td>41,596</td>
<td>43,247</td>
<td>4%</td>
<td>7%</td>
<td>10% (5%)</td>
<td>15%</td>
<td>3.6</td>
</tr>
<tr>
<td>5</td>
<td>5.0</td>
<td>Trousers, overalls &amp; shorts</td>
<td>1,677,714</td>
<td>1,744,823</td>
<td>4%</td>
<td>7%</td>
<td>10% (5%)</td>
<td>15%</td>
<td>1.4</td>
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<tr>
<td>6</td>
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<td>Tailored collar shirts, H/C</td>
<td>706,706</td>
<td>769,100</td>
<td>6%</td>
<td>7%</td>
<td>10% (5%)</td>
<td>15%</td>
<td>1.0</td>
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<tr>
<td>7/8a</td>
<td>7.0</td>
<td>Novel shirts, blouses &amp; similar articles;</td>
<td>2,219,379</td>
<td>2,246,542</td>
<td>5%</td>
<td>7%</td>
<td>10% (5%)</td>
<td>15%</td>
<td>1.7</td>
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<tr>
<td>8a (Note 3)</td>
<td>8.4</td>
<td>Athletic wear</td>
<td>166,611</td>
<td>176,608</td>
<td>6%</td>
<td>7%</td>
<td>10% (5%)</td>
<td>15%</td>
<td>2.6</td>
</tr>
<tr>
<td>9</td>
<td>9.0</td>
<td>Underwear</td>
<td>854,763</td>
<td>880,406</td>
<td>3%</td>
<td>7%</td>
<td>10% (5%)</td>
<td>15%</td>
<td>0.5</td>
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<td>11</td>
<td>11.0</td>
<td>Emotions</td>
<td>690,340</td>
<td>608,050</td>
<td>3%</td>
<td>7%</td>
<td>10% (5%)</td>
<td>15%</td>
<td>1.2</td>
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<tr>
<td>14 (Note 2)</td>
<td>14.0</td>
<td>Babies' garments</td>
<td>114,274</td>
<td>121,130</td>
<td>6%</td>
<td>7%</td>
<td>10% (5%)</td>
<td>15%</td>
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<tr>
<td>25</td>
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<td>Acrylic staple yarn (HS)</td>
<td>392,261</td>
<td>415,903</td>
<td>6%</td>
<td>7%</td>
<td>10% (5%)</td>
<td>15%</td>
<td>2.2 m2/kg</td>
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<tr>
<td>43a</td>
<td>43.1</td>
<td>Needle, wool C (PM)</td>
<td>2,631,354</td>
<td>2,762,235</td>
<td>6%</td>
<td>7%</td>
<td>10% (5%)</td>
<td>15%</td>
<td>0.05 kg/PM</td>
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<td></td>
<td>43.3</td>
<td>Needle, non-wool (PM)</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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</tr>
</tbody>
</table>

Note 1: HS codes for C are excluded for categories 3.1 and 3.3.

Note 2: Babies' garments are expressed in adult units.

Note 3: Special swing of 10% from Agreement Item 3/4a to Agreement Item 8a, in excess of 6% combined flexibility.