

GENERAL AGREEMENT ON TARIFFS AND TRADE

CONFIDENTIAL

TEX.SB/1147*

9 August 1985

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Amendment of the Bilateral Agreement between Canada and Malaysia

Note by the Chairman

Attached is a notification received from Canada of a further amendment of its bilateral agreement with Malaysia. The parties agreed to convert the consultation levels on acrylic yarn and on shirts and blouses (WGCI) into specific limits for the agreement years 1983 to 1986.¹

¹The original agreement and other modifications are contained in COM.TEX/SB/840 and 1040, and TEX.SB/1146

* English only/Anglais seulement/Inglés solamente

TS/140-4

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The Permanent Mission of Canada
to the United Nations



La Mission Permanente du Canada
auprès des Nations Unies

Ambassador M. Raffae
Chairman
Textiles Surveillance
General Agreement on
and Trade
Centre William Rappaport
154, rue de Lausanne
1211 Geneva 21

Dear Ambassador Raffae

For	Action	Comment	Int.
OPER. DEPT. A			X
Non-Far M. Div.			
Development Div.			
Tech. Coop. Div.			
Trade Pol. Div.			
Spec. Proj. Div.			
OPER. DEPT. B			
Ext. / Anal. Unit			
Int. / Aff. Div.			
Tariff Div.			
Tech. Bar. T. Div.			
Ext. Rel. Div.			
DEPT. CONF. AFF./ADM			
Adm. / Fin. Div.			
Trans. / Doc. Div.			
Training Div.			
Personnel Off.			
Conference Off.			

10A, avenue de Budé
1202 Geneva

July 26, 1985

ANSWERED	DOC. ISSUED	FOLIO
	EX 56/1147	
REC 3 1 JUL 1985		
For	Action	Comment
Cabinet of DG		
Info. Service		
OFFICE LEGAL AFF.		
Secs. / Council Aff. Div.		
CHAIRMAN T88	X	

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 Malaysia. The amendments provided for the conversion of the consultation levels for acrylic yarns and for blouses and shirts (WGCI) for the years 1983 to 1986.

These modifications were agreed upon by the two Governments in June 1983. The Government of Canada regrets however that notification of these measures to the Textiles Surveillance Body was inadvertently delayed due to an administrative oversight. The modifications took into consideration the circumstances affecting the Canadian market for these products at the time and the position of Malaysia as a supplier to that market.

The textile products subject to the modifications fall within the scope of the MFA. The 1983 base levels were established taking into consideration historical trading patterns and other provisions contained in Article 4 of the MFA and its Protocol of Extension.

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In line with the MFA guidelines, the amendments contain provisions for an annual growth rate established at 6 percent. The flexibility provisions allow for carry-over/borrow-forward of 11 and 6 percent. The provision for swing between categories in the current arrangement is 7 percent for blouses and shirts.

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.

A handwritten signature in dark ink, appearing to read 'J. MacNeil', with a stylized flourish at the end.

J.L. MacNeil
Minister

CANADA/MALAYSIA TEXTILE NEGOTIATIONS
AGREED RECORD OF DISCUSSIONS

1. Delegations representing the Government of Malaysia and The Government of Canada met on June 15 and 16, 1983 in Kuala Lumpur to discuss the export of acrylic yarn from Malaysia to Canada in accordance with the provisions of paragraphs 31 to 34 of the Memorandum of Understanding between the Government of Canada and the Government of Malaysia relating to the export from Malaysia of certain textiles and textile products for import into Canada.

2. During the discussions, the Malaysian and Canada delegations agreed that item 4 of Annex I of the Memorandum of Understanding, acrylic yarn, should be converted from a consultation level to specific restraint levels for the four years 1983 to 1986. The two delegations agreed that the restraint level for the calendar year 1983 will be 208,176 KGS. And that the restraint levels for the three subsequent restraint periods (1984 to 1986) will be advanced on an annual basis by a growth rate of 6 percent. The provisions for carry-over/carry-forward will be 11 percent of which carry-forward will not represent more than 6 percent.

3. The Canadian and Malaysian Delegations agreed that the definition of acrylic yarns (Item 4) which is described in Annex II of the Memorandum of Understanding, will be changed to read: "Acrylic yarns include all types of yarns containing 50 percent or more by weight of acrylic fibres."

4. The Canadian and Malaysian delegations also discussed the export of blouses and shirts (Memorandum of Understanding item number 2 of Annex I) from Malaysia to Canada in accordance with the provisions of paragraphs 29 and 30 of the Memorandum of Understanding. The two delegations agreed that Item 2 of Annex I of the Memorandum of Understanding, blouses and shirts, should be converted from a consultation level to specific restraint levels for the four years 1983 to 1986. It was also agreed that the restraint level for the calendar year 1983 will be 796,000 pieces and that the restraint levels for the three subsequent restraint periods (1984 to 1986) will be advanced on an annual basis by a growth rate of Six percent. The provisions for swing will be seven percent and the provisions for carry-over/carry-forward will be 11 percent of which carry-forward will not represent more than 6 percent. The combined use of swing, carry-over and carry-forward will not exceed 15 percent.

5. The two sides noted that paragraphs 31 to 34 of the Memorandum of Understanding are no longer operative since all of the products subject to the Memorandum of Understanding are now covered by specific restraint levels.

6. The Government of Malaysia undertakes to submit monthly statistics relating to all of the products listed in Annex I and Annex II of the Memorandum of Understanding in accordance with paragraphs 22 and 23 of the Memorandum of Understanding.

7. The provisions of paragraphs 2 to 4 of this agreed record of discussions will become effective immediately subsequent to an exchange of notes between the two Governments confirming their acceptance of these arrangements.

KUALA LUMPUR,
JUNE 16, 1983

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MR. MICHAEL D. MOORE
DIRECTOR
DEPARTMENT OF EXTERNAL AFFAIRS
GOVERNMENT OF CANADA

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MR. YAP FUNG KONG
PRINCIPAL ASSISTANT DIRECTOR
MINISTRY OF TRADE AND INDUSTRY
GOVERNMENT OF MALAYSIA

No. 102

The Canadian High Commission presents its compliments to the Ministry of Foreign Affairs and has the honour to refer to discussions held in Kuala Lumpur between representatives of the Government of Canada and the Government of Malaysia on June 15 and 16, 1983 pursuant to provisions in the "Memorandum Of Understanding Between The Government Of Canada And The Government Of Malaysia Relating To The Export From Malaysia Of Certain Textiles and Textile Products For Import Into Canada" concerning exports of acrylic yarns and blouses and shirts to Canada and the conversion of the consultation levels for these products in the Memorandum Of Understanding to specific restraint levels for the period January 1, 1983 to December 31, 1986.

The Canadian Authorities have further the honour to refer to the "Canada/Malaysia Textile Negotiations Agreed Record Of Discussions" which was initialled ad referendum in Kuala Lumpur on June 16, 1983 and to confirm that the record is acceptable to the Government of Canada.