

# GENERAL AGREEMENT ON

CONFIDENTIAL

## TARIFFS AND TRADE

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TEX.SB/1474/Add.2\*  
19 September 1988

Textiles Surveillance Body

### ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Report related to measures  
reviewed under Article 3:5

Canada/Brazil

Note by the Chairman

Attached is a report received from Canada on consultations held with Brazil as recommended by the TSB<sup>1</sup>.

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<sup>1</sup>COM.TEX/SB/1407. See also TEX.SB/W/488.

\*English only/Anglais seulement/Inglés solamente

The Permanent Mission of Canada  
to the United Nations



La Mission Permanente du Canada  
auprès des Nations Unies

Geneva, September 15, 1988

H.E. Mr. Marcelo Raffaelli  
Chairman  
Textiles Surveillance Body  
General Agreement on Tariffs and Trade  
Centre William Rappard  
Rue de Lausanne, 154  
1211 Geneva 21

Dear Ambassador Raffaelli:

You will recall that at its meeting of June 20-23 the TSB reviewed actions by Canada regarding certain textile exports from Brazil. At that time, the TSB recommended (COM.TEX/SB/1407) that further consultations be held between the two parties as soon as possible, that the parties take into account all the relevant provisions of the MFA, including paragraph III of Annex A, and that they report back to the TSB on the results before the TSB meeting of September 21-23.

As a result of the TSB's recommendations, the Canadian Government rescinded the quota on imports from Brazil of terry towels, washcloths and sets. This action was notified to the Government of Brazil on July 12, at which time, the Canadian authorities confirmed "their readiness to resume discussions as soon as possible" at the convenience of the Brazilian authorities. This action was also communicated to the TSB.

I wish to inform you that such consultations took place in Ottawa on July 25-26. The two sides discussed a number of proposals. Unfortunately, despite the best efforts of both sides, no agreement was reached.

Yours sincerely,

A handwritten signature in cursive script, appearing to read "John Gero".

John Gero  
Counsellor