GENERAL AGREEMENT ON

CONFIDENTIAL

TEX.SB/1534/Add.1* March 1989

TARIFFS AND TRADE

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 3:5

<u>Measures Taken by Canada with Respect to</u> <u>Certain Textile Imports from Brazil</u>

Note by the Chairman

Attached is a notification received from Canada of unilateral measures taken under Article 3:5 with respect to imports of bed sheets and pillowcases from Brazil. The Article 3:3 request is contained in TEX.SB/1534 notifying the Article 3:6 actions taken by Canada on these products.

^{*}English only/Anglais seulement/Inglés solamente

The Permanent Mission of Canada to the United Rations



La Mission Permanente du Canada auprès des Rations Unies

1, rue du Pré-de-la-Bichette 1202 <u>Genève</u>

March 6, 1989

Ambassador M. Raffaelli Chairman Textiles Surveillance Body General Agreement on Tariffs and Trade Centre William Rappard Rue de Lausanne, 154 CH-1211 Geneva 21

Dear Ambassador Raffaelli:

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Further to my letter of January 5, 1989, attached is a copy of a Diplomatic Note delivered today by the Canadian Embassy in Brasilia.

Yours sincerely,

J. Gero Counsellor ANSWERSD DOC. ISSUED FOLIO

REG - 7 MAR 1989

For August General:

J.S.J.Z. K. Z.J.,

CMTPL CEPT. A. K.

OPER. DEPT. B.

TEXT OF CANADIAN DIPLOMATIC NOTE DELIVERED IN BRASILIA, 6 MARCH 1989

... Canadian authorities wish to refer to the Arrangement Regarding International Trade in Textiles (MFA) and in particular to the specific provisions of Article 3.5 therein.

On 5 January, 1989, the Government of Canada requested consultations under Article 3 of the MFA with the Government of the Federative Republic of Brazil on imports of bedsheets and pillowcases originating in Brazil. In addition, the Government of Canada sought the cooperation of the Government of the Federative Republic of Brazil in limiting imports of bedsheets and pillowcases for the 60 day period beginning 5 January, 1989 to 200,000 units each per month.

Consultations in Ottawa, on February 1-2, 1989 failed to produce an agreement. In the absence of an agreement and given the expiry of the 60 day consultation period, the Government of Canada is invoking its rights under Article 3.5(1) of the MFA and is establishing quotas on the imports of bedsheets and pillowcases originating in Brazil for the period beginning 5 January, 1989 and ending 4 January, 1990.

In accordance with the formula provided for in Annex B of the MFA, the established levels on imports originating in Brazil will be 1,240,200 units each of bedsheets and pillowcases. These levels are equivalent to the previous unilateral restraints imposed 25 May, 1988 advanced by 6 per cent.

The Government of Canada will administer the quota and allocate quota shares to Canadian importers on the basis of historical performance. Shipments which have entered Canada from 5 January, 1989 to present will be deducted from importers allocation.