Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Bilateral Agreement between Finland and Korea

The Textiles Surveillance Body received a notification from Finland of a bilateral agreement concluded with Korea for the period 1 January 1987 to 31 December 1991.

The TSB, pursuant to its procedures regarding bilateral agreements notified under Article 4, has examined the relevant documentation and is forwarding the text of the notification to participating countries for their information.

1 The previous bilateral agreement between the parties is contained in COM.TEX/SB/836.

2 See COM.TEX/SB/35, Annex B

*English only/Anglais seulement/Inglés solamente
MEMORANDUM OF UNDERSTANDING

During the Consultations held in Helsinki on 8-9 December 1986, between a
delagation from Finland and a delegation from the Republic of Korea, and
having regard to the Arrangement Regarding International Trade in
Textiles, in particular Article 1:2, 4 and Annex B, Paragraph 2, and to
the Protocol of 31 July 1986, extending the said Arrangement, agreement
was reached as follows:

1. The following arrangements shall apply for the period of 1st of

2. The Republic of Korea agrees to voluntarily restrain the exports to
Finland of the textile products specified in Annex I to the limits set out
in that Annex:

3. Finland will for the purpose of the present arrangements admit
imports of the textile products of Korean origin set out in Annex I to the
agreed limits provided that such imports into Finland are covered by an
export licence and a certificate of origin, as per specimen at Annex III,
issued by the Korean authorities listed at Annex IV. The export licence
shall bear an endorsement by competent officials to the effect that the
consignment concerned has been debited to the agreed levels for exports to
Finland for the relevant period. The date of shipment indicated on the
shipping documents shall be considered to be the date of exportation.

4. If the information available to the Finnish authorities through the
import surveillance system shows that the quantitative limits for the
products specified in Annex I have already been reached or that the unused
balances of those limits are insufficient to cover the goods specified in
the export licence, the Finnish authorities may, subject to the provisions
of Articles 5 and 6, refuse to admit imports of such products for any
quantity in excess of the quantitative limits set out in Annex I. In such
a case the Finnish authorities shall immediately inform the authorities of
the Republic of Korea of their decision.
5. Exports may exceed the limits in Annex I by 5 (five) percent, provided that a corresponding reduction is applied to the other limits. For the purpose of calculating such a reduction the conversion factors listed in Annex I shall apply.

6. Carry-over and carry forward taken together shall not exceed 10 (ten) percent, of which carry forward shall not represent more than 5 (five) percent.

7. The Republic of Korea shall endeavour to ensure that exports of the textile products subject to quantitative limits are spaced out as evenly as possible over the year, due account being taken, in particular, of seasonal factors.

8. Imports from the Republic of Korea into Finland of the textile products specified in Annex II shall be subject to a system of administrative control.

In respect of exports of products specified in Annex II Finland will automatically admit imports upon the presentation of export licences issued by the competent Korean authorities.

When the Finnish authorities find that the exports of these products from the Republic of Korea to Finland develop in a manner which in their opinion would result in serious damage to its domestic producers, Finland may request consultations with a view to reaching agreement on an appropriate restraint level for the products in question.

The Parties shall enter into consultations within one month at the latest from the notification of the request with a view to reaching agreement within fifteen days at the latest.

Should the Parties be unable to reach a satisfactory solution Finland shall have the right to introduce a quantitative limit at an annual level no lower than that reached by imports of the products in question in the twelve-month period terminating two months preceding the month in which the request for consultations was made.

9. Finland and the Republic of Korea agree to consult together, at the request of either party on any matter arising from the implementation of these arrangements. They furthermore agree to enter into consultations on possible extension or modification of the present arrangements.
10. Finland may request consultations with the Republic of Korea with a view to reaching a mutually acceptable solution for the imports of textile products not specifically provided for in this Memorandum when, in the opinion of Finland, limitations on trade in such products may be necessary to eliminate real risks of market disruption.

The Parties shall enter into consultations within one month at the latest of the notification of the request with a view to reaching agreement within one further month at the latest.

Pending a mutually acceptable solution through these consultations the Korean authorities undertake, if so requested by the Finnish authorities, to limit shipments from the date on which Finland requests consultations in order to ensure that exports of the products in question to Finland do not exceed, based on an annual rate, the level of 102 percent of the exports recorded in the twelve month period ending two months before the month in which the request for consultations was made.

11. The Republic of Korea will forward to Finland monthly statistics on a cumulative basis on the textile products for which export licences for export to Finland have been issued. Finland will forward to the Republic of Korea monthly statistics on a cumulative basis on imports of the said textile products.

12. The Annexes to this Memorandum of Understanding shall form an integral part thereof.


Done in Helsinki, 9th of December 1986

For the Government of the Republic of Finland

Alec Aalto
Ambassador
Ministry for Foreign Affairs

For the Government of the Republic of Korea

Un Suh Park
Director General
Ministry of Trade and Industry
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<tbody>
<tr>
<td>I 60.05 Outer garments, knitted or crocheted, not elastic nor rubberised</td>
<td>Pcs</td>
<td>198 580</td>
<td>203 545</td>
<td>208 634</td>
<td>213 850</td>
<td>219 196</td>
<td>5 Pcs/Kg</td>
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<tr>
<td>II 61.01.105 Men's, boys', women's, and girls' and infants' ulsters, other coats and jackets of cotton and discontinuous man-made fibres</td>
<td>Pcs</td>
<td>115 033</td>
<td>117 909</td>
<td>120 857</td>
<td>123 878</td>
<td>126 975</td>
<td>1,15 Pcs/Kg</td>
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<tr>
<td>III 61.02.502 Women's and girls' blouses and men's and boys' shirts of cotton and man-made fibres</td>
<td>Pcs</td>
<td>56 315</td>
<td>57 723</td>
<td>59 166</td>
<td>60 645</td>
<td>62 161</td>
<td>5,1 Pcs/Kg</td>
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Annex II

I  ex 51.04  Woven fabrics of man-made fibres, other than unbleached
    ex.56.07 and undyed

II 60.03  Stockings, under stockings, socks, ankle socks, sockettes and
        the like, knitted or crocheted, not elastic nor rubberised

III 60.04  Under garments, knitted or crocheted

IV 61.01.102  Men's, boys', women's, girls' and infants' ulsters, coats and
   61.01.402  jackets of continuous man-made fibres
   61.02.102

V 61.01.305  Men's and boys' suits of cotton and discontinuous man-made
    306  fibres

VI 61.01.505  Men's and boys' trousers of cotton and discontinuous man-made
    506  fibres

VII 61.02.202  Women's, girls' and infants' suits and costumes
    204
    205
    206
    209

VIII 61.02.605  Women's, girls' and infants' trousers of cotton and discontinuous
    606  man-made fibres

IX 61.09.201  Brassieres, ready made

X 62.02  Bed linen, table linen, toilet linen, kitchen linen, curtains and
        other furnishing articles

XI ex 62.04  Tarpaulins, sails, awnings, sunblinds, tents and camping goods
            other than jute
CERTIFICATE OF EXPORT LICENCE OF TEXTILE PRODUCTS
TO FINLAND

DATE OF ISSUE: 198

EXPORTER:

IMPORTER:

C.C.C.N. NO.:

DESCRIPTION OF GOODS:

QUANTITY:

AMOUNT: US $ /FOB. C&F. CIF.

This is to certify that the above export has been debited to the agreed levels for exports to Finland (198 ~ 198 ) as set out in Annex I of the Memorandum of Understanding between the Republic of Korea and Finland.

DIRECTOR, EXPORT DIVISION I
MINISTRY OF TRADE AND INDUSTRY
THE REPUBLIC OF KOREA
Annex IV

Director, Export Division I
Ministry of Trade and Industry
Republic of Korea