ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Bilateral Agreement between Austria and Korea

The Textiles Surveillance Body received a notification from Austria of a bilateral agreement 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.

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1 The bilateral agreement between the parties is contained in COM.TEX/SB/812.
2 See COM.TEX/SB/35, Annex B
3 For the TSB's observations see COM.TEX/SB/1265
* English only/Anglais seulement/Inglés solamente

87-0707
Sir, Vienna 5 December 1986

I have the honour to refer to the ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES (hereinafter referred to as the ARRANGEMENT), done at Geneva on 20 December 1973, and to the PROTOCOL EXTENDING THE ARRANGEMENT, done at Geneva on 31 July, 1986.

I further wish to refer to the agreements between Austria and the Republic of Korea under Article 4 of the ARRANGEMENT on trade in textiles effected by exchange of notes of 29 May and 6 June 1979, of 15 December 1980 and 23 January 1981 and 10 May 1982.

Since the terms of the aforementioned agreements expire on 31 December 1986, the following agreement under Article 4 of the ARRANGEMENT on trade in the products set out below has been reached as a result of negotiations which took place between representatives of Austria and of the Republic of Korea from 4 to 5 December 1986 in Vienna.

(1) The periods of export limits are as follows:
<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Unit 1 January 1987 to 31 December 1987</th>
<th>Unit 1 January 1988 to 31 December 1988</th>
<th>Unit 1 January 1989 to 31 December 1989</th>
<th>Unit 1 January 1990 to 31 December 1990</th>
<th>Unit 1 January 1991 to 31 December 1991</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>Woven blouses and shirt blouses, women's, girls' and infants' wear, of cotton or of synthetic fibres, CCCN No.ex 61.02</td>
<td>kg 94,285</td>
<td>kg 96,171</td>
<td>kg 98,094</td>
<td>kg 100,056</td>
<td>kg 102,057</td>
</tr>
<tr>
<td>(2)</td>
<td>Woven shirts of cotton or of synthetic fibres, CCCN No.ex 61.03</td>
<td>kg 232,861</td>
<td>kg 235,656</td>
<td>kg 238,483</td>
<td>kg 241,345</td>
<td>kg 244,241</td>
</tr>
<tr>
<td>(3)</td>
<td>Woven outer garments of synthetic fibres, men's and boys' wear, excluding coats, suits, trousers and sportswear (including skiwear and swimwear), CCCN No.ex 61.01</td>
<td>kg 473,062</td>
<td>kg 480,158</td>
<td>kg 487,360</td>
<td>kg 494,671</td>
<td>kg 502,090</td>
</tr>
<tr>
<td>(4)</td>
<td>Coats and jackets of cotton or of man made fibres, women's, girls' and infants' wear, CCCN No.ex 61.02</td>
<td>kg 187,218</td>
<td>kg 191,898</td>
<td>kg 196,696</td>
<td>kg 201,613</td>
<td>kg 206,654</td>
</tr>
<tr>
<td>(5)</td>
<td>Coats of synthetic fibres, men's and boys' wear, CCCN No.ex 61.01</td>
<td>kg 69,680</td>
<td>kg 72,467</td>
<td>kg 75,366</td>
<td>kg 78,381</td>
<td>kg 81,516</td>
</tr>
</tbody>
</table>
(2) The export limits as indicated in paragraph (1) may after notification be exceeded in either year of any two subsequent years by a carry forward and/or carryover of 10 per cent of which carry forward shall not represent more than 5 per cent.

(3) The limits set out in paragraph (1) may after notification be increased during the relevant restraint period stated therein by up to 5 per cent provided that a corresponding reduction is applied to the limits for other products during the same restraint period.

For the purposes of calculating such corresponding reductions, the conversion factors listed in the Annex shall apply.

(4) If nothing is heard from Austria within 8 weeks from the date of such notification the proposed flexibility (carryover, carry forward and swing) will apply automatically.

(5) Upon presentation of export recommendations issued by the Korean authorities within the agreed export limits for direct and/or indirect exports from the Republic of Korea to Austria and endorsed to the effect that the consignments concerned have been debited to the agreed export limits, the competent Austrian authority will issue the corresponding import licences within a period of three weeks.

(6) Austria will, as far as possible, inform the Republic of Korea when imports into Austria of the products that have been debited to the agreed export limits are subsequently reexported from Austria. The Republic of Korea may then credit the quantities involved to the export limits set out in paragraph (1) above.

(7) An undue concentration of exports of the textile products set out in paragraph (1) above from the Republic of Korea to Austria as regards a special products and/or time shall be avoided. According the Korean authorities will use their influence to achieve this ai
(8) The Republic of Korea will provide Austria with information in respect of exports of the textile products set out in paragraph (1) above to Austria, showing the names of the exporters, the number and dates of export recommendations issued and the quantities covered by these export recommendations, on a quarterly basis.

(9) Austria will provide the Republic of Korea with information concerning import licences issued within the agreed export limits upon presentation of export recommendations as indicated in paragraph (5) above, on a quarterly and cumulative basis.

(10) Consultations regarding the conduct of exports of the textile products set out in paragraph (1) above from the Republic of Korea to Austria will be held if so desired by either party.

(11) In respect of the following products, the competent Austrian authority will upon presentation of export recommendations issued by the Korean authorities automatically issue import licences:

(a) Cotton fabrics, CCCN Nos. 55.08 and 55.09;
(b) Stockings, under stockings, socks, ankle socks, sockettes, knitted or crocheted, not elastic nor rubberised, of cotton, CCCN No. ex 60.03;
(c) Socks of synthetic fibres, CCN No. ex 60.03;
(d) Under garments, knitted or crocheted, not elastic nor rubberised, of cotton; shirts, knitted or crocheted, of synthetic fibres, CCCN No. ex 60.04;
(e) Outer garments and other articles, knitted or crocheted, not elastic nor rubberised, of cotton or of synthetic fibres, CCCN No. ex 60.05;
(f) Men's and boys woven outer garments, of cotton, CCCN No. ex 61.01;
(g) Sportswear (including skiwear and swimwear) of synthetic fibres, CCCN No. ex 61.01;
(h) Women's, girls' and infants woven outer garments other than blouses, coats and jackets of cotton, CCCN No. ex 61.02;

(i) Sportswear (including skiwear and swimwear) and other outer garments of synthetic fibres, for women, girls and infants, CCCN No. ex 61.02;

(j) Bed linen, table linen, toilet linen, kitchen linen and curtains of cotton, CCCN No. ex 62.02

Should exports of these products from the Republic of Korea to Austria develop in a manner which, in the view of Austria, causes real risks of market disruption, Austria may request consultations with a view to reaching an agreement on mutually acceptable terms. The request for such consultations shall be accompanied by a statement containing relevant data of the market conditions, as provided for in the relevant articles of the ARRANGEMENT.

The Republic of Korea agrees to consult within thirty days from the date on which the request for consultations has been received, and to make its best efforts to complete such consultations within fifteen days of their commencement. If no agreement is reached, the Republic of Korea will limit exports of any of the aforementioned products at an annual level not lower than the respective imports into Austria during the twelve-month period ending one month preceding the month in which the request for consultations is made.

Austria will provide the Republic of Korea with information concerning import licences issued upon presentation of export recommendations for the above mentioned products on a quarterly basis.
I should be grateful if you would kindly confirm that this letter, the Annex ..., the attached Record of Discussions and the Agreed Minutes set out correctly the understanding reached between our two countries.

Accept, Excellency, the assurances of my highest consideration.

Helmut Krehlik
Chairman of the Delegation
of the Republic of Austria

Mr.
Un Suh Park
Director-General
Chairman of the Delegation
of the Republic of Korea
## Annex

### CONVERSION FACTORS

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>PRODUCT DESCRIPTION</th>
<th>TABLE OF EQUIVALENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>Woven blouses and shirt blouses, women's, girls' and infants' wear, of cotton or of synthetic fibres, CCCN No. ex 61.02</td>
<td>5.55 pieces/kg 180 gr/piece</td>
</tr>
<tr>
<td>(2)</td>
<td>Woven shirts of cotton or of synthetic fibres, CCCN No. ex 61.03</td>
<td>4.61 pieces/kg 217 gr/piece</td>
</tr>
<tr>
<td>(3)</td>
<td>Woven outer garments of synthetic fibres, men's and boys' wear, excluding coats, suits, trousers and sportswear (including skiwear and swimwear), CCCN No. 61.01</td>
<td>2.30 pieces/kg 435 gr/piece</td>
</tr>
<tr>
<td>(4)</td>
<td>Coats and jackets of cotton or of man made fibres, women's, girls' and infants' wear, CCCN No. 61.02</td>
<td>0.84 pieces/kg 1.190 gr/piece</td>
</tr>
<tr>
<td>(5)</td>
<td>Coats of synthetic fibres, men's, and boys' wear, CCCN No. ex 61.01</td>
<td>0.72 pieces/kg 1.389 gr/piece</td>
</tr>
</tbody>
</table>
Record of Discussions

For the purpose of applying for import licences to be issued upon presentation of export recommendations as indicated in paragraph (5) of the agreement, the validity of these export recommendations shall expire six months after the end of the twelve-month period during which they were issued.

Helmut Krehlik

Chairman of the Delegation of the Republic of Austria

Mr. Un Suh Park
Director General
Chairman of the Delegation of the Republic of Korea.
Agreed Minutes

Should the introduction of changes relating to the Harmonized Commodity Description and Coding System in the view of either party have the effect of upsetting the balance of rights and obligations between the parties, or affect the economic content of these restraint arrangements, or effect the ability of either party to use or benefit fully from these restraint arrangements, or if it might disrupt trade, the Government of the Republic of Korea and the Government of Austria agree to consult together, at the request of either party, with a view to reaching a mutually acceptable solution regarding appropriate and equitable adjustments.

Un Suh Park
Director General
Chairman of the Delegation
of the Republic of Korea

Helmut Krehlik
Chairman of the Delegation
of the Republic of Austria
Agreed Minutes

Austria and the Republic of Korea agreed that traditional Korean folklore handicraft products shall not be subject to quantitative limits.

Samples or pictures of the following traditional folklore handicraft products will be submitted to the Austrian authorities:

- Woman's Jogori
- Chima
- Durumagi
- Man's Jogori
- Bajee
- Magoja
- Joki
- Boson
- Tackwondo Suits

Un Suh Park
Director General
Chairman of the Delegation of the Republic of Korea

Helmut Krehišk
Chairman of the Delegation of the Republic of Austria
Excellency:

I have the honour to acknowledge the receipt of your letter dated 5 December 1986 concerning the consultation between the Republic of Austria and the Republic of Korea on trade in certain textiles.

I am pleased to inform you that the content of your letter sets out correctly the understanding reached between the representatives of the two Governments.

Accept, Excellency, the assurances of my highest consideration.

Um Suh Park
Chairman of the Delegation of the Republic of Korea

His Excellency
Mr. Helmut Krehlik
Chairman of the Delegation of the Republic of Austria