ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Amendment to the Bilateral Agreement between
the United States and Korea

The Textiles Surveillance Body has received from the United States a notification of an amendment to its Article 4 agreement with Korea. 1/

The TSB, pursuant to its procedure regarding bilateral agreements notified under Article 4 2/, has examined the relevant documentation and is forwarding the text of the notification to participating countries for their information. 3/

1/ For original agreement and previous amendments see COM.TEX/SB/329, 341, 414, 526, 583, 628, 729 and 730.

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

3/ Observations by the TSB on this amendment are contained in COM.TEX/SB/748.
UNITED STATES NOTE

13 August 1981

Excellency,

I have the honour to refer to the Agreement between the United States of America and the Republic of Korea relating to trade in cotton, wool, and man-made fibre textiles and textile products, with annexes, effected by exchange of notes 23 December 1977, as amended (the Agreement) and to discussions between representatives of our two Governments held in Seoul 26 February 1981.

Pursuant to these discussions, I have the honour to propose, on behalf of the Government of the United States of America, that the Agreement be amended as follows:

1. In Annex B, the 1981 limit for Group I shall be 151,285,894 SYE.
2. In Annex B, the 1981 limit for category 443 shall be 26,704 dozen.
3. In Annex B, the 1981 sub-limit for category 433 shall be 12,743 dozen and the 1981 sub-limit for category 434 shall be 6,535 dozen.
4. With respect to the use of the flexibility provisions of paragraphs 8 and 9 of the Agreement, the Republic of Korea undertakes the following for Agreement Year 1981 only:
   (a) To limit utilization of swing to one percentage point below that authorized in the Agreement in each of the following categories:

<table>
<thead>
<tr>
<th>Category</th>
<th>Swing available</th>
</tr>
</thead>
<tbody>
<tr>
<td>333/4/5</td>
<td>6%</td>
</tr>
<tr>
<td>338/9</td>
<td>6%</td>
</tr>
<tr>
<td>340</td>
<td>6%</td>
</tr>
<tr>
<td>341</td>
<td>6%</td>
</tr>
<tr>
<td>347/8</td>
<td>6%</td>
</tr>
<tr>
<td>633/4/5</td>
<td>5%</td>
</tr>
<tr>
<td>638/9</td>
<td>5%</td>
</tr>
<tr>
<td>640 (dress)</td>
<td>5%</td>
</tr>
<tr>
<td>640 (other)</td>
<td>5%</td>
</tr>
<tr>
<td>641</td>
<td>5%</td>
</tr>
<tr>
<td>643</td>
<td>5%</td>
</tr>
</tbody>
</table>

   (b) To forego utilization of all carry-over and carry forward for the Specific Limit categories listed in sub-paragraph (a) hereof.

His Excellency
Byong Hion Lew
Appointed Ambassador of Korea
(c) This paragraph shall not affect the flexibility provisions for Group II as provided for in the Agreement.

5. In view of the difficulties in reconciling the statistics of 1979 and 1980 trade in category 645/646, the Korean Government shall reserve shipment in 1981 of 5 million SYE in this category, with adjustment to be made in 1982 in accordance with such investigation and reconciliation. Subject to this reservation, the quota level for 1981 for category 645/646 provided in the bilateral agreement shall be adhered to. In order to facilitate the transition from the temporary measures agreed to for 1980 trade, no flexibility shall be applied to this category in 1981. The Korean Government shall, therefore, limit 1981 shipments to a level of 2,990,546 dozen.

6. During the remaining term of the Agreement, notwithstanding paragraphs 10 and 15 of the Agreement, polyethylene strips (currently classified in TSUSA 355.8210, category 627) shall not be subject to quantitative limits under the Agreement; and the Government of the United States of America maintains its rights under Article 3 of the Arrangement (as defined in the Agreement) with respect to these products. However, the Government of the Republic of Korea shall continue to issue visas for export of such products to the United States, and shall promptly, on a monthly basis, provide statistics on such visa issuance to the Government of the United States of America.

If the foregoing proposal is acceptable to your Government, this note and Your Excellency's note of confirmation on behalf of your Government shall constitute an amendment to the Agreement.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State,

(signed) Ernest Johnston
REPUBLIC OF KOREA NOTE

9 September 1981

Excellency,

I have the honour to acknowledge the receipt of Your Excellency's Note of 13 August 1981, proposing certain amendments to the Agreement between the Government of the Republic of Korea and the Government of the United States of America relating to trade in cotton, wool and man-made fibre textiles and textile products, with annexes, effected by exchange of notes, 23 December 1977, as amended.

I have further the honour to inform Your Excellency that the proposals set forth in your note are acceptable to the Government of the Republic of Korea and to confirm on behalf of the Government of the Republic of Korea that Your Excellency's Note and this note in reply thereto constitute any amendments to the Agreement.

Accept, Excellency, the renewed assurances of my highest consideration.

Byong Hion Lew
Appointed Ambassador

His Excellency
Alexander M. Haig, Jr.
Secretary of State
Department of State

Washington, D.C.