LONG TERM ARRANGEMENT REGARDING INTERNATIONAL TRADE IN COTTON TEXTILES

Bilateral Agreement between the United States and the Republic of Korea

Attached is the text of the notes and letters exchanged between the Governments of the United States and the Republic of Korea amending the bilateral agreement concluded between the two countries.

This information has been transmitted to the Director-General by the United States Mission for notification to the Cotton Textiles Committee.
Sir,

I refer to recent discussions between representatives of the Government of the United States of America and the Government of the Republic of Korea concerning exports of cotton textiles from the Republic of Korea to the United States and to the agreement between our two Governments concerning such exports effected by an exchange of notes of 26 January 1965. I propose that the agreement be amended as of 1 January 1966, as follows:

1. In numbered paragraph 4 delete "Category 48 - 10,000 dozen".

2. In numbered paragraph 5 change "350,000 square yards equivalent" in the second and last sentences to "the consultation level" and add the following new sentence at the end of the paragraph: "The consultation level for calendar year 1966 is 500,000 square yards equivalent in Group I and 367,500 square yards equivalent in Group II."

3. In numbered paragraph 7 delete "5" in the first sentence and change the second sentence to read: "For calendar year 1967, each of these levels and the levels established in paragraph 5 for 1966 shall be increased by a further 5 per cent over the levels for calendar year 1966."

4. Add the following new paragraph numbered 14: "Mutually satisfactory administrative arrangements or adjustments may be made to resolve minor problems arising in the implementation of the agreement including differences in points of procedure or operation."

If these proposals are acceptable to the Government of the Republic of Korea, this note and your note of acceptance on behalf of the Government of the Republic of Korea shall constitute an amendment to the agreement between our two Governments.

Accept, Sir, the renewed assurances of my high consideration.

For the Secretary of State

Anthony M. Solomon
Assistant Secretary for Economic Affairs

The Honourable Kew Sung Lee,
Chargé d'Affaires ad interim
of the Republic of Korea.
Note No. 2

Embassy of the Republic of Korea
Washington, D.C.

22 November 1966

Excellency,

I have the honour to acknowledge receipt of your note of today's date proposing that the agreement between the Governments of the Republic of Korea and the United States of America effected by an exchange of notes of 26 January 1965, be amended as of 1 January 1966, as follows:

(See Note No. 1)

I have the honour to confirm on behalf of the Government of the Republic of Korea that these proposals are acceptable and that Your Excellency's note and this note in reply shall constitute an amendment to the agreement of 26 January 1965 between our two Governments.

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

Kew Sung Lee
Minister
Chargé d'Affaires ad interim

His Excellency Dean Rusk,
Secretary of State of the
United States of America.
Letter No. 1

Dear Mr. Lee,

I refer to the agreement concerning trade in cotton textiles between our two countries, as amended today.

The Government of the United States agrees that the following amounts of cotton textiles in the categories indicated, exported from Korea between 1 January 1966 and 1 April 1967, will not be charged against the limitations and ceilings in the agreement:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>22</td>
<td>91,920 square yards</td>
</tr>
<tr>
<td>42</td>
<td>9,693 square yards</td>
</tr>
<tr>
<td>43</td>
<td>58,002 square yards</td>
</tr>
<tr>
<td>46</td>
<td>481 dozens (11,770 square yards equivalent)</td>
</tr>
<tr>
<td>50</td>
<td>3,099 dozens (55,144 square yards equivalent)</td>
</tr>
<tr>
<td>51</td>
<td>5,464 dozens (97,247 square yards equivalent)</td>
</tr>
<tr>
<td>54</td>
<td>350 dozens (8,750 square yards equivalent)</td>
</tr>
<tr>
<td>60</td>
<td>4,925 dozens (255,877 square yards equivalent)</td>
</tr>
</tbody>
</table>

B. An additional 1.3 million square yards (i) of which not more than 910,000 square yards equivalent may be in Group 1 and not more than 390,000 square yards may be in Group 2, and (ii) which shall be limited to exports in categories not given specific ceilings in the agreement and to the following amounts in other categories:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>100,000 square yards</td>
</tr>
<tr>
<td>18/19</td>
<td>75,000 square yards</td>
</tr>
<tr>
<td>22</td>
<td>100,000 square yards</td>
</tr>
<tr>
<td>26 (duck)</td>
<td>343,000 square yards</td>
</tr>
<tr>
<td>26 (other)</td>
<td>42,500 square yards</td>
</tr>
<tr>
<td>64A (tablecloths and napkins)</td>
<td>16,750 pounds (77,050 square yards equivalent)</td>
</tr>
<tr>
<td>49</td>
<td>2,250 dozen (77,050 square yards equivalent)</td>
</tr>
<tr>
<td>54</td>
<td>3,500 dozen (87,500 square yards equivalent)</td>
</tr>
<tr>
<td>60</td>
<td>4,000 dozen (207,840 square yards equivalent)</td>
</tr>
</tbody>
</table>

I will be grateful if you will confirm that the foregoing is acceptable to your Government.

Sincerely,

Anthony M. Solomon
Assistant Secretary for Economic Affairs

The Honourable
Kew Sung Lee
Chargé d'Affaires ad Interim
of the Republic of Korea
Letter No. 2

22 November 1966

Dear Mr. Soloman,

I refer to your letter of 22 November 1966, which reads as follows:

(See Letter No. 1)

I wish to assure you, on behalf of my Government, that your proposal is acceptable.

Sincerely yours,

Kew Sung Lee
Minister
Chargé d'Affaires ad interim

The Honourable
Anthony M. Soloman
Assistant Secretary of State
for Economic Affairs
Department of State