ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Modification of the Bilateral Agreement
between the United States and Korea

Note by the Chairman

Attached is a notification received from the United States of further modifications of its bilateral agreement with Korea. Limits for 1985 were set for Categories 310/318, 342, 350, 352, 359-H and 632. These Categories and Categories 605-0 and 611 were converted to specific limit Categories for 1986 and 1987 agreement years.

1The bilateral agreement and previous modifications are contained in COM.TEX/SB/860, 889, 914, 941, 969, 1042, 1058, 1071 and 1111.

*English only/Anglais seulement/Inglés solamente
March 6, 1986

The Honorable
Ambassador Marcelo Raffaelli
Chairman, Textiles Surveillance Body
GATT
Rue De Lausanne 154
1211 Geneva

Dear Mr. Chairman:

This is to notify the TSB that the United States and Korea had agreed to limits for six additional categories pursuant to paragraph 6 of the U.S.-Korean bilateral for the 1985 agreement year and that the United States has elected pursuant to paragraph 6(f) to convert these limits, plus two notified earlier (See COM.TEX/SB 1111), to specific limits for the life of the agreement.

The categories concerned, the limits established for 1985, and the specific limits for 1986 are set out in the enclosed letter.

Also enclosed is a table providing additional information for the newly-notified six categories.

Sincerely,

Robert E. Shepherd
Minister-Counselor

Enclosure
AMENDMENT TO THE BILATERAL TEXTILE AGREEMENT BETWEEN THE UNITED STATES AND KOREA

In accordance with the terms of the bilateral textile agreement between the United States and the Republic of Korea, the United States has converted certain categories to specific limit categories beginning with the 1986 agreement year.

UNITED STATES LETTER

Washington
December 24, 1985

Mr. Hwan-Eik Cho
Commercial Attaché
Embassy of the Republic of Korea
2020 Massachusetts Avenue, N.W.
Washington, D.C. 20008

Dear Mr. Cho:

I refer to the Agreement on Trade in Cotton, Wool and Man-made Fiber Textiles and Textile Products between the Government of the United States and the Government of the Republic of Korea dated December 1, 1982, as amended (the "Agreement") and to various consultations held between our two Governments under paragraph 6 of the Agreement during the 1985 agreement year. In accordance with Paragraph 6 (F) of the agreement, the Government of the United States has decided to convert the categories listed below to specific limit categories beginning with the 1986 agreement year, as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Units</th>
<th>Agreed or Established Limit</th>
<th>1986 SL</th>
</tr>
</thead>
<tbody>
<tr>
<td>310/318</td>
<td>Cotton Yarn</td>
<td>SYD</td>
<td>3,725,000</td>
<td>3,818,125</td>
</tr>
<tr>
<td>342</td>
<td>Dyed Fabric</td>
<td>Doz.</td>
<td>71,000</td>
<td>72,775</td>
</tr>
<tr>
<td>350</td>
<td>Cotton Skirts</td>
<td>Doz.</td>
<td>12,221</td>
<td>12,527</td>
</tr>
<tr>
<td>352</td>
<td>Dressing Gowns</td>
<td>Doz.</td>
<td>130,668</td>
<td>133,935</td>
</tr>
<tr>
<td></td>
<td>Cotton Underwear</td>
<td>Doz.</td>
<td>3,818,125</td>
<td>3,818,125</td>
</tr>
</tbody>
</table>

For more information contact: EB/TEX: LCUMMINGS (202) 647-2777
Pursuant to paragraph 11 (B) of the Agreement, the Government of the United States reserves the right to request consultations on any of the above categories where actual imports are substantially below the level of 1985 Export Recommendations issued in that category, with a view toward adjusting the specific limit in question, based on the actual level of 1985 trade.

Sincerely,

Paul P. Pilkauskas
Chief, Textiles Division
Bureau of Economic and Business Affairs
### U.S. - Korea

<table>
<thead>
<tr>
<th>Category</th>
<th>Call Date</th>
<th>1984 Imports</th>
<th>Formula Level</th>
<th>Agreed 85 Level</th>
<th>1986 Specific Limit</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>310/318 SYDS</td>
<td>22 Oct</td>
<td>1,156,748</td>
<td>3,693,882</td>
<td>3,725,000</td>
<td>3,818,125</td>
<td>2.5 %</td>
</tr>
<tr>
<td>342 DOZ</td>
<td>19 Aug</td>
<td>40,893</td>
<td>70,752</td>
<td>71,000</td>
<td>72,775</td>
<td>2.5 %</td>
</tr>
<tr>
<td>350 DOZ</td>
<td>31 July</td>
<td>3,142</td>
<td>12,221</td>
<td>12,221</td>
<td>12,527</td>
<td>2.5 %</td>
</tr>
<tr>
<td>352 DOZ</td>
<td>19 Aug</td>
<td>108,924</td>
<td>125,985</td>
<td>130,668</td>
<td>133,935</td>
<td>2.5 %</td>
</tr>
<tr>
<td>359 HLBS</td>
<td>30 Sept</td>
<td>2,331,214</td>
<td>4,122,899</td>
<td>4,150,000</td>
<td>4,253,750</td>
<td>2.5 %</td>
</tr>
<tr>
<td>632 DPR</td>
<td>19 Aug</td>
<td>1,137,596</td>
<td>1,654,116</td>
<td>1,675,000</td>
<td>1,716,875</td>
<td>2.5 %</td>
</tr>
</tbody>
</table>