ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 11

Addendum

Note by the Chairman

During the review of the notification made by Korea under Article 11, members had requested me to seek further information from the Korean authorities, with respect to their notification concerning textile restrictions maintained by them.

In response to my letter dated 25 September 1981, the attached information has been received.
Additional information under Article 11

Korea

Criteria used by industry to make recommendations for imports

The criteria include: the domestic market situation in terms of supply and demand; possible competition faced by domestic producers, and domestic production capacity.

Import regulations announced by the Minister of Commerce and Industry

The Ministry of Commerce and Industry determines whether or not the product concerned is a luxury item, and the effect its imports could have on small and medium industry.

Decisions made by the Ministry are published by the "mass media". They are of a general character and cover a range of products.

Status of restrictions between 30 June 1980 and 30 June 1981

All restrictions notified in the previous report as valid until 30 June 1980, were extended to 30 June 1981.

Certain products in the previous notification (COM.TEX/SB/605/Add.12) were liberalized as follows:

<table>
<thead>
<tr>
<th>CCCN</th>
<th>Liberalization</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>5103</td>
<td>July 1981</td>
<td></td>
</tr>
<tr>
<td>5606</td>
<td>July 1981</td>
<td></td>
</tr>
<tr>
<td>5903</td>
<td></td>
<td>Subject to import regulations, but import of non-woven fabrics used as materials for electricity insulation is subject to the import recommendation.</td>
</tr>
<tr>
<td>5908</td>
<td>1 January 1979</td>
<td>Textile items are automatic approval items, but the import of PVC artificial leather is regulated.</td>
</tr>
<tr>
<td>5909</td>
<td>January 1978</td>
<td></td>
</tr>
<tr>
<td>6006</td>
<td>July 1981</td>
<td></td>
</tr>
</tbody>
</table>

Products falling under CCCN 60.04 and 60.05 were subject to restriction under the 4 digit system. Under the current 8 digit system some items falling under these headings are subject to automatic approval.
25 September 1981

Dear Mr. Hyun;

As agreed at our conversation yesterday, I am sending you a list of questions regarding the Korean notification under Article 11. Information on these points will help the Textiles Surveillance Body in its review of the notification.

Yours sincerely,

P. Wurth
Chairman
Textiles Surveillance Body

Mr. Hikang Hyun,
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Enclosure: 1 list
Points Needing Clarification Regarding Textile Restrictions
Maintained by Korea, and Notified to the Textiles Surveillance Body
under Article 11

1. Could details be given regarding the criteria needed by industry to make recommendations for imports?

2. Could details be given regarding regulations announced by the Minister of Commerce and Industry? (i.e. criteria need, the manner in which the announcements are made - general announcements covering a range of products or treated individually on demand by importers/exporters, etc.)

3. The previous notification made for the major review and contained in COM.TEX/SB/605/Add.12 gave the last expiry date for restrictions as 30 June 1980. The notification made to the Textiles Surveillance Body on 14 August 1981, lists items under restriction, with effective date of entry as 1 July 1981. Information regarding the period 1 July 1981 to 30 June 1981 is thus lacking. Details on the following points will help the TSB in its review:

   i) Did all restrictions notified as valid until 30 June 1980 extend to 30 June 1981?

   ii) When were the products falling under CCCN 51.03, 56.06, 59.03, 59.08, 59.09 and 60.06, included in COM.TEX/SB/605/Add.12, and not in the latest notification, liberalized?

   iii) When were restrictions on items falling under CCCN 60.04 and 60.05 reintroduced?