Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 8, paragraph 4

EEC/Korea

Note by the Chairman

Attached is a notification from the Commission of the European Communities concerning an agreement reached between the EEC and the Republic of Korea on trans-shipment of goods exported from Korea.

*English only/Anglais seulement.
Dear Mr. Ambassador,

Please refer to the Agreement between the Republic of Korea and the European Economic Community on trade in textile products signed on 12 September 1979.

Pursuant to Article 8, Paragraphs 1 and 2 of the Arrangement, I hereby notify an agreement between the two parties constituting a provisional settlement of a claim by the European Economic Community on the Korean Government in respect of certain exports from Korea transshipped through third countries.

Yours sincerely,

[Signature]

J.R. Beck

Ambassador P. WURTH
Chairman
Textiles Surveillance Body, GATT
Centre William Rappard
Rue de Lausanne 154
CH - 1211 GENEVA 21
1. Delegations of the Republic of Korea and of the European Economic Community met on 23 July in Brussels for consultations in accordance with the EE/ Korea Textile Agreement.

2. One of the subjects was the Community's request for certain quantities proved by the Community to have originated in Korea and imported under false origin into the Community to be deducted from quotas in Categories 8, 21 and 70. The quantities in question are:

<table>
<thead>
<tr>
<th>Category 8</th>
<th>Category 21</th>
<th>Category 70</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,635,764 pieces</td>
<td>226,430 pieces</td>
<td>115,000 pairs</td>
</tr>
</tbody>
</table>

3. As a result of the consultation it is agreed as the first step towards a complete solution that the following quantities, confirmed by the Korean authorities as of Korean origin, will be deducted in equal parts from the quotas for 1981 and 1982:

<table>
<thead>
<tr>
<th>Category 8</th>
<th>Category 21</th>
<th>Category 70</th>
</tr>
</thead>
<tbody>
<tr>
<td>737,884 pieces</td>
<td>146,467 pieces</td>
<td>115,000 pairs (will be deducted entirely in 1981)</td>
</tr>
</tbody>
</table>

4. It is further agreed that the Korean authorities will continue their investigations on the remaining quantities. The results will be communicated to the Community before the end of the year in order that a complete solution can be reached.

5. In this context, the Community indicated its willingness to cooperate fully with the Korean authorities including provision of supplementary data, where appropriate, in order to assist them in conducting their investigation in Korea to identify the shipments in question.
6. In the course of the consultation, the Korean delegation indicated the difficulties for the Korean authorities concerned to deduct the quantities, the shipment of which is not identified and the delegation of the Community stated that its willingness to allow more time for further investigation in no way prejudices its position that the total quantities involved should be deducted.

Brussels, 29. 7. 81