Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Amendment to the Bilateral Agreement between the United States and Korea

Note by the Chairman

The attached notification received from the United States concerns a further amendment to the bilateral agreement covering textile products between the United States and Korea.

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

*English only/Anglais seulement.
Pursuant to the provisions of paragraph 4 of Article 4 of the Arrangement Regarding International Trade in Textiles, I am instructed by my government to inform the Textiles Surveillance Body of the further amendment of the cotton, wool and man-made fiber textile agreement between the Government of the United States of America and the Government of the Republic of Korea. The original bilateral agreement and prior amendments/notifications have been notified and circulated as COM.TEX/SB/329, 341, 414, 526, 583, 628, 729 and 730.

Pursuant to this particular amendment:

1. the level for Group I was increased by 10,000,000 square yards equivalent (sye) for the 1981 agreement year.

2. the specific limit for category 443 (wool suits) was established (maintained) for 1981 at 26,704 dozen (320,448 units).

3. new sublimits were established for 1981 for categories 433 (suit-type coats) and 434 (other type coats) of 152,916 and 78,420 units, respectively, thereby providing substantially greater flexibility for this merged category (433/434).

The Honorable
Ambassador Paul Wurth
Chairman, Textiles Surveillance Body
GATT
154, rue de Lausanne
CH-1211 Geneva 21

Dear Mr. Chairman:

Pursuant to the provisions of paragraph 4 of Article 4 of the Arrangement Regarding International Trade in Textiles, I am instructed by my government to inform the Textiles Surveillance Body of the further amendment of the cotton, wool and man-made fiber textile agreement between the Government of the United States of America and the Government of the Republic of Korea. The original bilateral agreement and prior amendments/notifications have been notified and circulated as COM.TEX/SB/329, 341, 414, 526, 583, 628, 729 and 730.

Pursuant to this particular amendment:

1. the level for Group I was increased by 10,000,000 square yards equivalent (sye) for the 1981 agreement year.

2. the specific limit for category 443 (wool suits) was established (maintained) for 1981 at 26,704 dozen (320,448 units).

3. new sublimits were established for 1981 for categories 433 (suit-type coats) and 434 (other type coats) of 152,916 and 78,420 units, respectively, thereby providing substantially greater flexibility for this merged category (433/434).
(4) the Government of the Republic of Korea agreed for the 1981 agreement year only to limit utilization of swing to one percentage below that authorized in the agreement and to forego utilization of all carryover/carryforward for eleven apparel categories (including five merged categories).

(5) adjustments were made to shipment levels for category 645/646 to facilitate the orderly continuation of trade while data discrepancies were being worked out by the two governments.

(6) provisions were clarified so as to exclude polyethylene strips from quantitative limits.

Attached hereto are copies of the notes giving effect to this amendment.

Sincerely,

Robert E. Shepherd
Minister-Counselor

Attachments: as stated
October 21, 1981
No. 353

UNITED STATES AND
THE REPUBLIC OF KOREA
AMEND BILATERAL TEXTILE
AGREEMENT

The United States and the Republic of Korea exchanged notes dated August 13, 1981 and September 9, 1981, respectively, to amend the bilateral textile agreement. Texts of the notes follow:

UNITED STATES NOTE
August 13, 1981

His Excellency
Byong Hion Lew,
Appointed Ambassador of Korea.

Excellency:

I have the honor 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 Fiber Textiles and Textile Products, with annexes, effected
by exchange of notes December 23, 1977, as amended (the Agreement) and to discussions between representatives of our two Governments held in Seoul February 26, 1981.

Pursuant to these discussions, I have the honor 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 carryover and carryforward for the Specific Limit categories listed in sub-paragraph a) hereof.

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 of 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:

/s/ Ernest Johnston
REPUBLIC OF KOREA NOTE

September 9, 1981

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

Excellency:


I have further the honor 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 and amendments to the Agreement.

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

Byong Hion Lew
Appointed Ambassador