QUESTIONS SUBMITTED BY THE UNITED STATES ON
ARTICLE XVI:1 NOTIFICATION FROM THE REPUBLIC OF KOREA
(L/6630/Add.15 dated 23 April 1991)

The United States has the following questions concerning the Article XVI:1 notification from the Government of the Republic of Korea contained in L/6630/Add.15:

1. On page 6, the Korean submission states that the financing rate on loans for general export and import has been generally consistent with the generally available commercial prime rate. What does "generally consistent" mean? Assuming the export financing rate is the same as the commercial prime rate, what percentage of exporters have access to credit at the prime rate?

2. On page 7, regarding loans for export of construction and services, the Korean submission states that the terms and conditions on these loans are the same as those on loans for general export and import. The latter are short-term loans that are extended for a maximum of ninety days, while loans for export of construction and services would seem to be more long-term in nature. Please explain why the terms and conditions on these two types of loans would be the same.

3. On page 7, regarding loans for preparing exports of agricultural and marine products, what is the rationale for varying the term of the loans according to the characteristics of the product? Could examples be provided?

4. The Korean authorities, on page 7, state that the loan benefits are "insignificant". Could the Korean authorities be more specific in describing what benefits are gained?

5. Why was the 5-Year High Technology Programme administered by the Economic Planning Board not reported? Do computer, advanced materials, and superconductor producers benefit under this programme? What are the policy objectives of the Government of the Republic of Korea, and what are the current funding levels?