

GENERAL AGREEMENT ON

CONFIDENTIAL

TEX.SB/1993*

26 February 1993

TARIFFS AND TRADE

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Extension and amendment of the bilateral agreement between the EEC and Korea

Note by the Chairman

Attached is a notification received from the EEC of an extension with amendments of its agreement, initialled with Korea for the period 1 January 1993 to 31 December 1994, with the possibility for a further twelve-month extension.¹

¹The bilateral agreement, modifications and a previous extension are contained in COM.TEX/SB/1286, 1340, 1415, 1448, 1654, 1707 and 1740.

*English only/Anglais seulement/Inglés solamente



COMMISSION
OF THE EUROPEAN
COMMUNITIES

DIRECTORATE-GENERAL
EXTERNAL RELATIONS

- 2 -

17.02.93

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002762

Brussels,
DP/jm

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Dear Ambassador,

In accordance with Article 4.4 of the Arrangement, I am pleased to enclose a copy of the Agreement in the form of an exchange of letters amending the agreement between the European Economic Community and the Republic of Korea on trade in textiles products.

This Agreement extends the duration of the Agreement applied since 1 January 1987 for a further period of two years until 31 December 1994 with a possibility of tacit renewal for a further year if necessary. The Agreement will be terminated automatically if the Uruguay Round textiles agreement is concluded and implemented at an earlier date.

The terms of the bilateral Agreement are unchanged except for the following:

- as a result of the completion of the internal market of the EEC on 1 January 1993, there are no longer any quantitative limits at a regional level and there will be no breakdown of community limits into regional shares; in order to ensure a smooth implementation of these changes in management, certain provisions have been introduced to deal with problems which may arise in certain regions of the Community;
- the list of product categories covered by the Agreement (Annex 1) has been updated to take into account changes in nomenclature¹⁾.

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2 FEB 1993

Yours sincerely,

Dorian F. Prince

Dorian F. Prince

Ambassador M. Raffaelli
Chairman
Textiles Surveillance Body
GATT
Centre William Rappard
rue de Lausanne, 154
CH - 1211 GENEVA 21

1) This Annex which is standard for all countries, was forwarded with the EEC-Argentina Agreement.

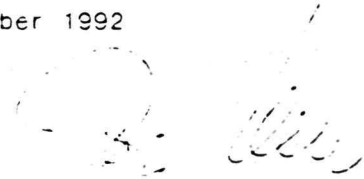
AGREEMENT

IN THE FORM OF EXCHANGE OF LETTERS AMENDING THE AGREEMENT
BETWEEN THE EUROPEAN ECONOMIC COMMUNITY AND THE REPUBLIC OF
KOREA ON TRADE IN TEXTILE PRODUCTS

Initialed at Brussels, 18 December 1992

A handwritten signature in dark ink, appearing to be 'Z. Cas' or similar, with a long horizontal stroke extending to the right.

18th December 1992

A handwritten signature in dark ink, appearing to be 'G. H. H.' or similar, with a circular flourish at the beginning.

17 March 1992

AGREEMENT

in the form of Exchange of Letters amending the Agreement between the European Economic Community and the Republic of Korea on trade in textile products

Letter Number One

Sir,

1. I have the honour to refer to the consultations held on 14 and 15 December 1992 between our respective delegations for the purpose of amending the Agreement on trade in textile products between the European Economic Community and the Republic of Korea applied since 1 January 1987, as extended by the Exchange of Letters applied since 1 January 1992 (hereinafter "the Agreement").
2. As a result of these consultations, both Parties agreed to amend the following provisions of the Agreement :
 - 2.1. Annex I and Annex II which set out the products concerned by the Agreement and the quantitative restrictions for exports from the Republic of Korea to the European Economic Community, are replaced for the period 1 January 1993 to 31 December 1994 by Appendix 1 and Appendix 2 to this letter, respectively.
 - 2.2. Article 8, paragraph 6 and Protocol C of the Agreement are deleted.



2.3. Paragraph 2 of Article 9 is replaced by the following text :

" The information referred to in paragraph 1 shall, for all categories of products, be forwarded before the end of the month following the month to which the statistics relate."

2.4. Article 12 is replaced by the following text :

"1. The quantitative limits established under this Agreement on imports into the Community of textile products of Korean origin will not be broken down by the Community into regional shares.

2. The Parties shall cooperate in order to prevent sudden and prejudicial changes in traditional trade flows resulting in regional concentration of direct imports into the Community.

3. Korea shall monitor its exports of products under restraint into the Community. Should a sudden and prejudicial change in traditional trade flows arise, the Community will be entitled to request consultations in order to find a satisfactory solution to those problems. Such consultations must be held within fifteen working days of their being requested by the Community, and in accordance with Article 16, paragraph 1.

4. Korea shall endeavour to ensure that exports of textile products subject to quantitative limits into the Community are spaced out as evenly as possible over the year due account being taken in particular of seasonal factors."

2.5. Article 14 and all references to this Article in the Agreement are deleted.



- 2.6. The following phrase is added at the beginning of paragraph 1 of Article 16.

" 1. Save where it is otherwise provided for in this Agreement, ..."

- 2.7. The second sentence of Article 18, paragraph 1, is replaced by the following text :

" It shall be applicable until 31 December 1994. Thereafter, the application of all the provisions of this Agreement shall be extended automatically for a period of one more year up to 31 December 1995, unless either Party notifies the other at least six months before 31 December 1994 that it does not agree with this extension. However, if the Agreement on trade in textiles and clothing products resulting from the Uruguay Round GATT trade negotiations is concluded and enters into force at an earlier date, this Agreement shall be automatically terminated as of the date agreed for the implementation of the results of the Uruguay Round GATT trade negotiations."

- 2.8. The first sentence of paragraph 1 of Article 7 of Protocol A is replaced by the following text :

" 1. The export licence shall conform to the model annexed to this Protocol and it shall be valid for exports throughout the customs territory to which the Treaty establishing the European Economic Community is applied. However, where the Community has made recourse to the provisions of Article 8 in accordance with the provisions of the Agreed Minute N° 1, or to the Agreed Minute N° 2, the textile products covered by the corresponding export licences can only be put into free circulation in the region(s) of the Community indicated in those licences."

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2.9. The second indent of Article 12, paragraph 1, of Protocol A to the Agreement is replaced by the following text :

" The import authorisations shall be valid for six months from the date of their issue for imports throughout the customs territory to which the Treaty establishing the European Economic Community is applied. However, where the Community has recourse to the provisions of Article 8 in accordance with the provisions of the Agreed Minute N° 1, or to the Agreed Minute N° 2, the products covered by the corresponding import licences can only be put into free circulation in the region(s) of the Community indicated in those licences."

2.10. The second and fifth indents of Article 14, paragraph 2, of Protocol A are replaced by the following text :

" - two letters identifying the intended Member State of customs clearance as follows :

BL = Benelux
DE = Germany
DK = Denmark
EL = Greece
ES = Spain
FR = France
GB = United Kingdom
IE = Ireland
IT = Italy
PT = Portugal"

" - a five-digit number running consecutively from 00001 to 99999 allocated to the intended Member State of customs clearance."

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- 2.11. Agreed Minute N° 1 set out in Appendix 3 to this letter shall form an integral part of the Agreement.
- 2.12. Agreed Minute N° 2 set out in Appendix 4 to this letter shall form an integral part of the Agreement.
- 2.13. Agreed Minute N° 3 set out in Appendix 5 to this letter shall form an integral part of the Agreement.
- 2.14. Agreed Minute N° 4 set out in Appendix 6 to this letter shall form an integral part of the Agreement.
3. The Parties agreed that this Agreement in the form of Exchange of Letters shall enter into force on the first day of the month following the day on which the Parties have notified each other that the legal procedures necessary to this end have been completed.
- The Parties also agreed that this Agreement in the form of Exchange of Letters and the amendments hereby to the Agreement of 1987, as extended, shall be applied provisionally from 1 January 1993.
4. I should be obliged if you kindly confirm the acceptance of your Government of the foregoing.

Please accept, Sir, the assurance of my highest consideration.

For the Council
of the European Communities

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APPENDIX 2



ANNEX II

(The full product descriptions of the categories listed in this annex are to be found in Annex I of the Agreement)

COMMUNITY QUANTITATIVE LIMITS

<u>CATEGORY</u>	<u>UNIT</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
1	Tonnes	880	881	882
2	Tonnes	5591	5596	5602
2 a)	Tonnes	706	707	708
3	Tonnes	4480	4503	4525
3a)	Tonnes	669	675	682
4	000 pieces (1)	12521	12659	12798
5	000 pieces	28110	28278	28448
6	000 pieces (1)	5172	5236	5302
7	000 pieces	8649	8714	8780
8	000 pieces	29494	29715	29938
9	Tonnes	1167	1197	1227
10	000 pairs	22210	23099	24023
12	000 pairs	133136	136465	139876
13	000 pieces	8915	9048	9184
14	000 pieces	5999	6149	6303
15	000 pieces	7767	8000	8240
16	000 pieces	905	923	941
17	000 pieces (2)	2738	2780	2821
18	tonnes	1377	1418	1461
21	000 pieces (1)(2)	12281	12526	12777
22	tonnes	13288	13753	14235

Note: The numbers in brackets are references to the footnotes in Annex II of the Agreement for the appropriate Category respectively.



COMMUNITY QUANTITATIVE LIMITS

<u>CATEGORY</u>	<u>UNIT</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
24	000 pieces	4130	4266	4407
26	000 pieces	2752	2780	2808
27	000 pieces	1615	1647	1680
28	000 pieces	627	646	665
29	000 pieces (3)*	477	491	506
31	000 pieces	5560	5699	5841
32	tonnes	2087	2149	2214
33	tonnes	5559	5810	6071
35	tonnes	5024	5275	5539
36	tonnes	4044	4287	4544
37	tonnes	5840	6132	6439
50	tonnes	669	701	734
67	tonnes	1221	1270	1321
68	tonnes	1088	1142	1199
70	000 pieces	7010	7430	7876
73	000 pieces	796	812	828
77	tonnes	1793	1838	1883
78	tonnes	5356	5544	5738
83	tonnes	313	320	328
86	000 pieces	5993	6353	6734
91	000 pieces	672	706	741
97	tonnes	1118	1185	1257
97a)	tonnes	358	380	403
100	tonnes	4950	5247	5562
111	tonnes	91	96	103

(*) Additional quantities

<u>Unit</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
000 pieces	266	275	285

 Note : The numbers in brackets are references to the footnotes in Annex II of the Agreement for the appropriate Category respectively.

Appendix 3

AGREED MINUTE N° 1

In the context of the Agreement between the European Economic Community and the Republic of Korea on trade in textile and clothing products, initialled on 18 December 1992, the Parties agreed that Article 8 of the Agreement does not preclude the Community, if the conditions are fulfilled, from applying the safeguard measures referred to in Article 8 for one or more of its regions in conformity with the principles of the internal market.

In such an event, Korea shall be informed in advance of the relevant provisions of Protocol A of the Agreement to be applied, as appropriate.

For the Government of the
Republic of Korea

For the Council of the
European Economic Community



AGREED MINUTE N° 2

Notwithstanding Article 12 paragraph 1 of this Agreement, for imperative technical or administrative reasons or to find a solution to economic problems resulting from regional concentration of imports, or in order to combat circumvention and fraud of the provisions of this Agreement, the Community will establish for a limited period of time a specific management system in conformity with the principles of the Internal Market.

However, if the parties are unable to reach a satisfactory solution during the consultations provided for in Article 12 paragraph 3. Korea undertakes, if so requested by the Community, to respect temporary export limits for one or more regions of the Community. In such a case, these limits shall not preclude the importation into the region(s) concerned of products which were shipped from Korea on the basis of export licences obtained before the date of formal notification to Korea by the Community about the introduction of the above limits.

The Community shall inform Korea of the technical and administrative measures such as defined in the attached Note Verbale that need to be introduced by both Parties in order to implement the above paragraphs in conformity with the principles of the Internal Market.

For the Government of the
Republic of Korea

For the Council of the
European Economic Community



Appendix 5

AGREED MINUTE N° 3

In the context of the agreement between the European Economic Community and the Republic of Korea on trade in textile and clothing products, initialled in Brussels on 18 December 1992, the Parties agreed that Korea shall endeavour not to deprive certain regions of the Community which have traditionally had relatively small shares of Community quotas of imports of products serving as inputs for their processing industry.

The Community and Korea further agreed to hold consultations, should the need arise, in order to avert any problems which might occur in this respect.

The Parties agreed that this Agreed Minute replaces the corresponding Agreed Minute of the Agreement on this subject.

For the Government of the
Republic of Korea

For the Council of the
European Economic Community



Appendix 6

AGREED MINUTE N° 4

In the context of the Agreement between the European Economic Community and the Republic of Korea on trade in textile and clothing products, applied since 1 January 1987, as extended by the Exchange of Letters initialled on 16 October 1991 and further extended by the Exchange of Letters initialled on 18 December 1992, Korea agreed that, from the date of request for and pending the consultations referred to in Article 12 paragraph 3, it shall cooperate by not issuing export licences that would further aggravate the problems resulting from the regional concentration of direct imports into the Community.

For the Government of the
Republic of Korea

For the Council of the
European Economic Community

