

GENERAL AGREEMENT
ON TARIFFS AND
TRADE

ACCORD GENERAL SUR
LES TARIFS DOUANIERS
ET LE COMMERCE

CONFIDENTIAL

TEX.SB/280

9 February 1978

Textiles Surveillance Body

Organe de surveillance des textiles

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification of an agreement between
Norway and the Republic of Korea

Note by the Chairman

The attached notification received from the Norwegian delegation transmits the Memorandum of Understanding relating to the agreement concluded between Norway and Korea covering certain textile products. Also attached is a copy of the Short Reasoned Statement.

NB. COM.TEX/SB/132, which contains the text of an Article 4 agreement between Norway and Korea, covers the period 1975 only.

ARRANGEMENT CONCERNANT LE COMMERCE INTERNATIONAL DES TEXTILES

Notification d'un accord entre la Norvège
et la République de Corée

Note du Président

La délégation de la Norvège a fait parvenir au secrétariat la notification ci-jointe par laquelle elle communique le Mémoire d'accord relatif à l'accord conclu entre la Norvège et la Corée concernant certains produits textiles. Une copie du bref exposé des motifs est également jointe au présent document.

NB. Le document COM.TEX/SB/132, qui contient le texte d'un accord conclu entre la Norvège et la Corée conformément à l'article 4, ne porte que sur la période 1975.

HJBL/ks

TS/140-4

DÉLÉGATION DE NORVÈGE

CASE POSTALE 274

1211 GENÈVE 19

3 February 1978.

Enclosures.

147

Dear Ambassador Wurth,

Please find enclosed a "Memorandum of understanding" as well as a "Short reasoned statement" relating to the arrangement agreed as a result of negotiations between Norway and The Republic of Korea on the 8 and 9 December 1977.

The arrangement covers textile quotas for 1977 and 1978.

Yours sincerely,

Erik Selmer
Minister Counsellor

H.E. Mr. P. Wurth,
Chairman,
Textiles Surveillance Body,
G A T T,
Geneva.

| ANSWERED | DOC. ISSUED | FOLIO | |
|--------------------|-------------|--------------|------|
| 20 | 14501 | - 6 FEB 1978 | |
| For: | Action | Comment | Inf. |
| TRADE POLICY DE | | | |
| Gen. Div. | | | |
| Agr. Div. | | | |
| Sp. Ass. Fr. Nugs | | | |
| TRADE DEVELOP. DI. | | | |
| Sp. Ass. Fr. Nugs | | | |
| Dev. Div. | | | |
| IND. DIV. | | | |
| CHIEF OF | X | | |
| OFFICE OF | | | |
| Consultant (AD.) | | | X |

Tu
7/5

MJ

Short reasoned Statement

The annual trade consultations between Norway and the Republic of Korea were held in Oslo on 8th and 9th December 1977.

As the consultation took place so late in the calendar year, the two delegations found it convenient to agree on quotas for both 1977 and 1978. In order to facilitate full utilization of the quotas for 1977 there is a provision for carry-over and/carry forward of maximum 30 per cent of which carry forward shall not represent more than 10 per cent.

The question of converting the quota for other textile articles and garment from value to quantity was fully discussed and both parties found it practical to convert this quota into two quantity quotas.

The Memorandum of Understanding signed by the Chairmen of the two delegations are enclosed to this statement. The quota for fabrics was increased from 400 tons in 1976 to 448 tons in 1977 and further to 502 tons in 1978, which represents an annual growth rate of 12 per cent. The value quota - US \$785.000 in 1976 - for other textile articles and garments which was converted into two quotas, one - 20.5 tons 1977 for bed linen etc. (BTN 6202) and one - 71 tons - for other textile articles provide for an increase in quantity of about 6 per cent from 1976 to 1977, and for 1978 there is a further increase of 5.7 per cent. The total quantity for these three quotas shows an increase of 10.6 per cent from 1977 to 1978.

The purpose of the arrangement is to ensure the expansion and orderly development of trade in textiles between the two countries, and at the same time eliminate real risk of market disruption in Norway. On the background of the facts pointed out above it might be considered that the arrangement is based on article 4 of the MFA.

MEMORANDUM OF UNDERSTANDING

In connection with the Arrangement agreed upon between the Kingdom of Norway and the Republic of Korea in 1968, the annual consultations under the Agreement for fixing the quotas for 1977 and 1978 and extending liberalization of trade between the two countries took place in Oslo on the 8 and 9 December 1977, between Norwegian and Korean delegations.

The two delegations have agreed on the following quotas:

| | <u>1977</u> | <u>1978</u> |
|--|-------------|-------------|
| 1) Fabrics | 448 tons | 502 tons |
| 2) BTN 6202 Bed linen, table linen, toilet linen and kitchen linen, curtains and other furnishing articles | 20.5 tons | 21.7 tons |
| 3) Other textile articles and garments | 71 tons | 75 tons |
| (per item limitation) | 12 tons | 13 tons |

The two delegations had a full discussion of the problem of converting the quotas for textile- and garments products from value into quantity and agreed on quantitative quotas.

Both parties agreed that the present negotiations were held with due regard to the requirements of the Arrangement Regarding International Trade in Textile.

It is the understanding that the Norwegian authorities will issue import licenses automatically on the basis of Korean export recommendations stating that the consignments in question have been debited to the agreed limits.

In the event that the Korean authorities do not fully utilize their export quotas, the Norwegian authorities will accept a carryover and/or carry forward together not exceeding 30 per cent of the annual amounts of which carry forward shall not represent more than 10 per cent.

The list of products subject to quantitative restrictions and automatic licensing is attached to this Memorandum of Understanding as Annex I, A and B, and Annex II, A and B.

Kjell Rasmussen
Deputy Director
Ministry of Foreign Affairs
The Kingdom of Norway

Suk Jae Kang
Director General
Bureau of International Commerce
Ministry of Foreign Affairs
The Republic of Korea

Oslo, 9 December 1977

BIN

| <u>Pos.No</u> | <u>Description of Goods</u> |
|---------------|--|
| ex 5104 | Fabrics of man-made fibres, except cord fabrics |
| ex 5509 | Woven fabrics of cotton except cord fabrics gauze for dressings, with not more than 32 warp and weft threads per square cm; unbleached fabric weighin 720 grs. or more per square meter. |
| ex 5607 | Woven fabrics of man-made fibres (discontinuous or waste). |
| ex 6003 | Stockings, under stockings and socks, knitted or crocheted, other material than containing pure silk. |
| ex 6004 | Under garments, knitted or crocheted, other material than containing pure silk. |
| ex 6005 | Outer garments and other articles, knitted or crocheted, other material than containing pure silk. |
| ex 6101 | Men's and boys' outer garments, except divers suits. |
| ex 6102 | Women's, girls' and infants' outer garments. |
| ex 6103 | Men's and Boys' under garments. |
| ex 6202 | Bed linen, table linen, toilet linen and kitchen linen; curtains and other furnishing articles. |

Products subject to automatic licensing

BTW

| <u>Pos. No.</u> | <u>Description of Goods</u> |
|-----------------|---|
| 5805 | Narrow woven fabrics |
| 6104 | Women's, girls' and infants' under garments |
| 6109 | Corsets, corsetbelts, suspender-belts, brassiers, braces, suspenders, garters and the like. |
| 5311 | Woven fabrics of wool and mixture fabrics containing man-made fibres. |