

GENERAL AGREEMENT
ON TARIFFS AND
TRADE

ACCORD GENERAL SUR
LES TARIFS DOUANIERS
ET LE COMMERCE

CONFIDENTIAL
TEX.SB/364
1 February 1979

Textiles Surveillance Body

Organe de surveillance des textiles

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Extension of the bilateral agreement
between Austria and Korea

Note by the Chairman

The attached notification received from the Austrian mission concerns a further amendment extending the existing bilateral agreement between Austria and Korea¹ for a further seven-month period ending 31 July 1979.

¹For original agreement and amendment see document COM.TEX/SB/59 and 328.

ARRANGEMENT CONCERNANT LE COMMERCE INTERNATIONAL DES TEXTILES

Notification conformément à l'article 4:4

Prorogation de l'accord bilatéral
entre l'Autriche et la Corée

Note du Président

La mission de l'Autriche a fait parvenir au secrétariat la notification ci-jointe relative à une nouvelle modification de l'accord bilatéral entre l'Autriche et la Corée¹, en vertu de laquelle l'accord est reconduit pour une nouvelle période de sept mois se terminant le 31 juillet 1979.

¹Pour le texte initial de l'accord et la modification qui lui a été apportée, voir les documents COM.TEX/SB/59 et 328.

TS/140-4

ANSWERED	DOC. ISSUED	FORIO
TE 50/364		
24 JAN 1979		
Action Comment		
TRADE POLICY DT.		X
Gen. Div.		
Agri. Div.		
Special Proj.	Geneva,	22 January, 1979
TRADE DEVELOP. DT.		X
Sp. Asst. Tr. Negs		
Dev. Div.		
Intel. Div.		
CHAIR. TS/S	X	
OFFICE OF D-G:		
Consultant (ADG)		
Conf. Div.		
Dir. Ext. Rel./Info.		
Ext. Rel. Sec.		
Info/Lib. Serv.		
Training Prog.		

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MISSION PERMANENTE DE L'AUTRICHE
AUPRES DE L'OFFICE DES NATIONS UNIES ET
DES INSTITUTIONS SPECIALISEES A GENEVE

No. 489-A/79
Enclosure

Dear Sir,

With reference to ~~Article 4~~ paragraph 4 of the ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES (hereinafter referred to as the ARRANGEMENT) as extended, I have the honour to transmit herewith copies of notes exchanged by Austria and the Republic of Korea dated 20 November 1978 and 23 November 1978, respectively, by which the validity of the bilateral agreement regarding exports of cotton textiles from the Republic of Korea to Austria, dated 9 February 1978 and 22 February 1978, respectively, was extended for a seven-month period ending 31 July 1979. The latter agreement was circulated by the Textiles Surveillance Body to participating countries in the ARRANGEMENT in COM.TEX/SB/328 of 26 June 1978.

As may be seen from the attached copies, the new agreement provides for export levels of 44.17 tons for cotton fabrics falling within CCCN Nos. 55.08 and 55.09, and 59.31 tons for garments and other finished products of cotton falling within CCCN Nos. 60.02, 60.03, 60.04, 60.05 (knitted products) and 61.01, 61.02, 61.03, 61.04 and 62.02 (woven products). These amounts represent the export levels agreed for the same categories for the year 1978, as reduced to the equivalent seven-month levels and increased by four per cent. The new ceilings were decided in view of the contraction in the Austrian textile and clothing industry in general and in the cotton industry in particular.

Between December 1973 and September 1978 the number of mills of the Austrian textile and clothing industry declined from 1380 to 1114 or by 19.3 per cent. During the same period the labor force employed in this segment fell from 102.475 to 80.026 or by 21.9 per cent. This decline in employment was particularly marked during the twelve-month period ending September 1978. During this period the decrease in employment amounted to 7.1 per cent as regards the Austrian textile industry and to 5.4 per cent in respect of the Austrian clothing industry, whereas in the Austrian industry as a whole employment declined by 2 per cent.

I should like to recall that besides the cotton textiles agreement mentioned in the first paragraph above which expired on 31 December 1978 (see COM.TEX/SB/328), bilateral agreements covering textiles other than cotton were concluded between Austria and the Republic of Korea, namely the agreement regarding exports of woven shirts of discontinuous synthetic fibres, CCCN No. ex 61.03 (see COM.TEX/SB/361), the agreement regarding exports of socks of synthetic fibres, CCCN No. ex 60.03 (see COM.TEX/SB/363) and the agreement regarding exports of knitted outer garments of synthetic fibres, CCCN No. ex 60.05, and blouses and shirt blouses, CCCN No. ex 61.02 (see COM.TEX/SB/362). Since these agreements expire on 31 July 1979, it was considered expedient to extend the aforementioned cotton textiles agreement for only seven months also ending 31 July 1979, in order to correlate the expiry dates of all of these bilateral agreements and to avoid separate consultations regarding their possible extension. By agreeing on a uniform date the prerequisites were created for the inclusion, if necessary, of the various products under export restraint at present, in one agreement to enter into force on 1 August 1979. Moreover, a short-term extension was

preferred because at the time the consultations regarding the extension of the cotton textiles agreement were requested by Austria, recent foreign trade statistics available comprised only the first half of 1978 and not also the second semester, in which, as experience has shown, imports are larger than in the first semester of each year. Against the background of statistics covering the whole of 1978, it will, in due course, be less difficult to reach a decision as to whether there continues to be a real risk of market disruption in respect of exports of cotton textiles from the Republic of Korea to Austria.

I should be grateful, if you would kindly make this information available to the Textiles Surveillance Body.

Yours sincerely,

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Viktor Segalla
Counsellor

Mr. Paul Wurth
Chairman
Textiles Surveillance Body
GATT

Centre William Rappard
154, rue de Lausanne
1211 Geneva 21

BUNDESMINISTERIUM
FÜR HANDEL GEWERBE UND INDUSTRIE

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Zl.: 27.638/43-II/7/78 /.....

FEDERAL MINISTRY FOR
TRADE COMMERCE AND INDUSTRY

Vienna, 20 November 1978

Excellency,

I have the honour to refer to the ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES (hereinafter referred to as the ARRANGEMENT), done at Geneva on 20 December 1973, and to the PROTOCOL EXTENDING THE ARRANGEMENT, done at Geneva on 14 December 1977. I further wish to refer to the agreement under Article 4 of the ARRANGEMENT between Austria and the Republic of Korea on trade in cotton textiles, effected by exchange of notes of 9 and 22 February 1978, and to make the following proposal concerning the short-term extension of that agreement:

(1) Restraint levels in metric tons for the seven-month period beginning 1 January 1979:

<u>Category</u>	<u>Export limit</u>
Cotton fabrics as indicated in CCCN Nos. 55.08 and 55.09	44.17
Garments and other finished products of cotton as indicated in CCCN Nos. 60.02, 60.03, 60.04, 60.05, 61.01, 61.02, 61.03, 61.04 and 62.02	59.31

CCCN No.-limitation within the aggregate export quotas for garments and other finished products of cotton shall not exceed 5 per cent as regards under garments CCCN No.ex 61.03, and 15 per cent for each of the remaining CCCN Nos. as set forth above.

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(2) The restraint levels for any category may be exceeded by a carryover of not more than 11 per cent in the case of shortfalls, and by a carry forward of not more than 6 per cent. The carryover shall not exceed the amount of shortfall in the specific category and shall be used in the same category in which the shortfall occurred. Carry forward shall be deducted from the amount established for the same category in the following agreement year. The combination of carryover and carry forward shall not exceed 11 per cent.

(3) Exports of garments and other finished products may be exceeded by 5 per cent provided that a corresponding reduction is applied in another limit. For the purposes of swing the limit of each restraint item shall be considered to be 2.99 tons for the products falling within CCCN No. ex 61.03 and 7.04 tons for each of the remaining items.

(4) Upon presentation of export recommendations issued by the Korean authorities within the amounts set forth in paragraph 1 above for the direct and/or indirect exports to Austria of cotton textiles of Korean origin, the competent Austrian authority will licence the corresponding imports within a period of three weeks.

(5) An undue concentration of imports of cotton textiles from the Republic of Korea into Austria as regards a special article and/or time shall be avoided. Accordingly, the Korean authorities will use their influence to achieve this aim.

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(6) Consultations regarding the conduct of exports of cotton textiles from the Republic of Korea to Austria will be held if so desired by either party.

If the foregoing proposal is acceptable, a note of confirmation would be greatly appreciated.

Accept, Excellency, the assurances of my highest consideration.



Dr. Rudolf Willenpart
Director

H.E.
Mr. Young-Choo Kim
Ambassador
Embassy of the Republic of Korea
Reisnerstraße 48
1030 Vienna

EMBASSY OF THE REPUBLIC OF KOREA
VIENNA

November 23, 1978

Sir,

I have the honour to acknowledge the receipt of your letter No.27.638/43-II/7/78 dated November 20, 1978 concerning the seven-month extension of the present cotton textile agreement between our two Governments which is to expire on December 31, 1978.

I further have the honour to confirm that the contents of your letter referred to above conform to what have been already agreed upon and therefore that they are acceptable to my Government.

Accept, Sir, the assurances of my highest consideration.


Young Choo Kim
Ambassador

Dr. Rudolf Willenpart
Director
Federal Ministry of Trade,
Commerce and Industry

V i e n n a

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Bundministerium für Handel, Gewerbe u. Industrie Sekt. II Eingol.: 27. 11. 78 G. Zl.: 27.638 / 44

K/28

A U S T R I A - K O R E A

OVERALL BALANCE OF TRADE IN TEXTILES AND OVERALL TRADE BALANCE

QUANTITY (Q): metric tons, VALUE (V): 1000 A.S.

Austrian Imports from Korea

	<u>1974</u>		<u>1975</u>		<u>1976</u>		<u>1977</u>	
	Q	V	Q	V	Q	V	Q	V
Textiles	375,4	25.156	306,6	16.312	737,3	36.732	898,3	47.178
Clothing	622,9	100.733	952,1	149.969	1.501,1	275.886	1.988,9	318.234
<u>Textiles & Clothing</u>	<u>998,3</u>	<u>125.889</u>	<u>1.258,7</u>	<u>166.281</u>	<u>2.238,4</u>	<u>312.618</u>	<u>2.887,2</u>	<u>365.418</u>
		=====		=====		=====		=====

Austrian Exports to Korea

Textiles	4,7	1.640	0,1	124	3,5	933	0,7	401
Clothing	-,-	-	-,-	-	-,-	2	0,2	37
<u>Textiles & Clothing</u>	<u>4,7</u>	<u>1.640</u>	<u>0,1</u>	<u>124</u>	<u>3,5</u>	<u>935</u>	<u>0,9</u>	<u>438</u>

Overall Trade Balance

<u>Total Imports from Korea</u>	<u>3.243,1</u>	<u>234.938</u>	<u>3.636,8</u>	<u>281.569</u>	<u>5.810,5</u>	<u>535.423</u>	<u>7.766,4</u>	<u>707.398</u>
		=====		=====		=====		=====
<u>Total Exports to Korea</u>	<u>961,2</u>	<u>49.145</u>	<u>5.350,6</u>	<u>414.172</u>	<u>1.924,8</u>	<u>351.244</u>	<u>5.757,2</u>	<u>293.678</u>

A U S T R I A - R E P . O F K O R E A

OVERALL BALANCE OF TRADE IN TEXTILES AND OVERALL TRADE BALANCE

Quantity (Q): metric tons, Value (V): 1.000 A. S.

Austrian Imports from the Republic of Korea

	1975		1976		1977		1/2 1977		1/2 1978	
	Q	V	Q	V	Q	V	Q	V	Q	V
extiles	306.6	16.312	737.3	36.732	898.3	47.178	747.2	37.476	207.0	15.527
lothing	<u>952.1</u>	<u>149.969</u>	<u>1.501.1</u>	<u>275.886</u>	<u>1.988.9</u>	<u>318.234</u>	<u>710.6</u>	<u>123.408</u>	<u>662.6</u>	<u>120.396</u>
extiles & clothing	1.258.7	166.281	2.238.4	312.618	2.887.2	365.418	1.457.8	160.884	869.6	135.923

Austrian Exports to the Republic of Korea

extiles	0.1	124	3.5	933	0.7	401	0.6	363	2.9	499
lothing	<u>0.0</u>	<u>0</u>	<u>0.0</u>	<u>2</u>	<u>0.2</u>	<u>37</u>	<u>0.2</u>	<u>37</u>	<u>0.0</u>	<u>0</u>
extiles & clothing	0.1	124	3.5	935	0.9	438	0.8	400	2.9	499

Overall Trade Balance

<u>Total Imports from Rep. of Korea</u>	3.636.8	281.569	5.810.5	535.423	7.766.4	707.398	3.774.6	309.537	3.125.5	286.910
<u>Total Exports to Rep. of Korea</u>	5.350.6	414.172	1.924.8	351.244	5.757.2	293.678	1.899.1	138.596	1.492.5	78.209

REPUBLIC OF KOREA

(in metric tons)

1974

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	IMPORTS total	thereof Rep. of Korea	DOMESTIC PRODUCTION	EXPORTS total
55.05/06	10,271,0	-	20,436,3	2,238,8
55.08	282,5	-	384,3	244,6
55.09 14-89	8,717,1	233,9	11,752,7	4,307,5
60.01 85/86	1,119,3	-	302,6	885,8
60.02 40	38,5	0,4	6,5	0,1
60.03 40	177,5	1,1	192,0	112,8
60.04 49	978,9	0,9	4,531,5	530,6
60.05 33/86	391,3	-	651,6	213,9
total	21,976,1	236,3	38,257,5	8,534,1
thereof:				
Chapter 60	2,705,5	2,4	5,684,2	1,743,2
thereof:				
60.03 40	177,5	1,1	192,0	112,8
ex Chapter 61 (in 1,000 AS)	719,145	3,177		
ex 62.02 (in 1,000 AS)	213,691	22	540,491	211,761

1975

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55.05/06	8,680,4	-	16,358,7	2,631,5
55.08	197,7	-	373,9	253,7
55.09 14-89	8,382,1	193,0	10,444,9	3,716,6
60.01 85/86	1,334,0	-	218,4	860,5
60.02 40	33,9	4,3	7,0	0,3
60.03 40	220,5	0,8	175,5	187,6
60.04 49	849,1	-	3,722,1	464,7
60.05 33/86	514,9	1,3	639,5	237,0
total	20,212,6	199,4	31,940,0	8,351,9
thereof:				
Chapter 60	2,952,4	6,4	4,762,5	1,750,1
thereof:				
60.03 40	220,5	0,8	175,5	187,6
ex Chapter 61 (in 1,000 AS)	824,706	5,798		
ex 62.02 (in 1,000 AS)	222,885	267	453,102	179,881

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1 9 7 6	IMPORTS total	thereof Rep. of Korea	DOMESTIC PRODUCTION	EXPORTS total
55.05/06	14.161,8	0,8	20.713,2	2.954,8
55.08	210,3	-	438,5	372,7
55.09 14-89	10.080,3	113,1	13.864,3	6.358,9
60.01 85/86	1.717,4	-	310,6	1.113,2
60.02 40	44,5	2,4	5,7	0,3
60.03 40	231,3	3,9	167,5	231,6
60.04 49	1.207,9	-	3.993,8	415,3
60.05 33/86	906,0	3,7	967,3	421,9
Total	28.559,5	123,9	40.460,9	11.568,7
thereof:				
Chapter 60	4.107,1	10,0	5.444,9	2.182,3
Thereof:				
60.03 40	231,3	3,9	167,5	231,6
ex Chapter 61 (in 1.000 AS)	1,324.200	3.848		
ex 62.02 (in 1.000 AS)	311.879	169	545.152	252.953
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1st Semester 1976				
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55.05/06	6.621,6	-	9.923,2	1.475,6
55.08	107,9	-	250,0	213,0
55.09 14-89	5.034,4	50,4	6.512,2	3.080,4
60.01 85/86	812,0	-	118,5	524,0
60.02 40	10,1	-	2,9	0,0
60.03 40	147,5	1,5	96,0	117,5
60.04 49	481,3	-	1.959,6	173,6
60.05 33/86	560,5	2,2	541,2	244,6
Total	13.775,3	54,1	19.403,6	5.528,7
thereof:				
Chapter 60	2.011,4	3,7	2.718,2	1.059,7
thereof:				
60.03 40	147,5	1,5	96,0	117,5
ex Chapter 61 (in 1.000 AS)	738.065	1.792		
ex 62.02 (in 1.000 AS)	131.157	162	272.443	130.664

1st Semester 1977

=====	IMPORTS	thereof	DOMESTIC	EXPORTS
	total	Rep.of Korea	PRODUCTION	total
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55.05/06	7.577,7	-	10.796,1	1.665,9
55.08	116,8	-	206,3	149,5
55.09 14-89	5.006,4	139,7	7.015,8	3.203,9
60.01 85/86	961,1	-	159,3	616,3
60.02 40	13,7	-	3,6	0,5
60.03 40	162,4	4,3	84,2	132,5
60.04 49	721,8	0,7	2.452,6	213,6
60.05 33/86	673,4	13,1	541,3	261,4
	<u>15.233,3</u>	<u>157,8</u>	<u>21.259,2</u>	<u>6.243,6</u>
whereof:				
Chapter 60	2.532,4	18,1	3.241,0	1.224,3
thereof:				
60.03 40	162,4	4,3	84,2	132,5
x Chapter 61				
in 1.000 AS)	881.214	1.416		
x 62.02				
in 1.000 AS)	165.718	-	265.861	130.137
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REPUBLIC OF KOREA
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(in metric tons)

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	IMPORTS total	thereof Rep. of Korea	DOMESTIC PRODUCTION	EXPORTS total
55.08.	230,3	-	376,5	264,7
55.09 14-89	8.919,1	198,5	12.747,4	5.948,1
60.01 85/86	1.884,0	-	270,5	1.245,8
60.02 40	42,6	-	6,4	1,2
60.03 40	290,2	12,5	153,4	256,2
60.04 49	1.553,8	5,6	4.572,4	458,5
60.05 33/86	1.015,8	21,6	979,7	466,6
Total	13.935,8	238,2	19.106,3	8.641,1
thereof:				
Chapter 60	4.786,4	39,7	5.982,4	2.428,3
thereof:				
60.03 40	290,2	12,5	153,4	256,2
ex Chapter 61 (in 1.000 AS)	1,454.107	3.711	-	-
ex 62.02 (in 1.000 AS)	379.143	-	485.883	261.294
1st Semester 1978 =====				
55.08	165,8	-	234,5	167,3
55.09 14-89	4.465,5	33,2	6.031,2	3.290,6
60.01 85/86	849,4	-	116,3	585,9
60.02 40	17,4	0,0	3,7	0,3
60.03 40	175,6	5,3	89,6	127,5
60.04 49	717,5	1,8	2.321,8	255,3
60.05 33/86	540,8	0,8	562,9	269,9
Total	6.932,0	41,1	9.360,0	4.696,8
thereof:				
Chapter 60	2.300,7	7,9	3.094,3	1.238,9
thereof:				
60.03 40	175,6	5,3	89,6	127,5
ex Chapter 61 (in 1.000 AS)	765.468	576	-	-
ex 62.02 (in 1.000 AS)	168.322	-	232.855	122.902

Imports of Garments of Cotton from
the Republic of Korea

Quantity (Q): Quintals
Value (V): 1.000 A.S.

	1976		1977		First semester 1977		First semester 1978	
	Q	V	Q	V	Q	V	Q	V
Outer garments for men and boys, total:	80	1.501	143	1.845	42	370	5	63
Sports wear	-	-	42	377	42	370	5	46
Coats	-	-	65	858	-	-	-	-
Jackets	-	-	13	227	-	-	-	-
Other outer garments	-	-	23	383	-	-	-	10
Suits	-	-	-	-	-	-	-	7
Outer garments for women and girls, total:	32	893	53	968	-	-	12	138
Sports wear	-	-	-	-	-	-	9	93
Coats	-	-	53	968	-	-	3	41
Costumes	-	-	-	-	-	-	-	1
Blouses	-	-	-	-	-	-	-	2
Trousers	-	-	-	-	-	-	-	1
			Pieces		Pieces		Pieces	
Shirts	-	-	24.631	823	24.026	764	5.113	317
Total:		2.394		3.636		1.134		518

Import of Shirts from the Republic of Korea

	First semester 1978	First semester 1977
	Pieces	Pieces
Total imports of shirts of synthetic fibres	2.034.490	1.829.181
Thereof from the Republic of Korea	537.359	423.643
Increase amounting to	113.716	as compared to first semester 1977 = 26,8%
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Total imports of shirts of cotton	709.935	1.105.747
Thereof from the Republic of Korea	5.113	24.028
Decrease amounting to	18.915	as compared to first semester 1977 = 78,7%
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Total imports of shirts from the Republic of Korea	543.472	447.671
Increase amounting to	95.801	as compared to first semester 1977 = 21,4%