

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Textiles Surveillance Body

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ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Article 3 Notifications

Agreement between the European Economic Community and the Republic of Korea

The Textiles Surveillance Body has received from the EUROPEAN ECONOMIC COMMUNITY a notification of a mutually acceptable interim arrangement with the Republic of Korea following temporary restraint measures taken by the EEC under Article 3:6 of the Arrangement. This agreement has been notified by the EEC under Article 3 of the Arrangement.

In the course of the review by the TSB of this agreement the question was raised as to whether the product restrained was covered by Article 12 of the Arrangement. Reference was, therefore, made to paragraph 4 of this Article and, in the absence of any specific difficulties referred to the TSB, it was assumed that both parties have considered this matter in reaching this agreement.

The TSB is circulating this notification to participating countries in the Arrangement for their information.

Lettor No. 1

11 July 1975

Dear Mr. Wurth,

I refer to my letter of 23 June 1975 informing you of certain temporary restraint measures which, under Article 3, paragraph 6 of the Arrangement Regarding International Trade in Textiles, the European Economic Community had taken with respect to imports of knitted gloves from the Republic of Korea into a Member State of the Community, namely France.

Since the taking of these measures by the Community, consultations have continued with the Korean authorities and it has now been found possible to reach a mutually acceptable interim arrangement. The attached copy of the agreed record of discussion sets out the basis for the agreement.

I should be obliged if you would communicate these details to the members of the TSB.

Yours sincerely,

(Signed) B. MEYNELL

AGREED RECORD OF DISCUSSION

Present:

Community delegation

Mr. Boseler
Mr. Cunnane

Korean delegation

Mr. Chong Sang Park
Mr. Hyung Il Han
Mr. Nai Sung Kim

The meeting took place in pursuance of the request for immediate co-operation (under Article 3 of the Arrangement Regarding International Trade in Textiles) put forward in the Note Verbale by the Directorate General for External Relations of 23 May 1975.

It was agreed that measures were needed to avoid disruption in the French market. It was further noted that the Community and Korea were in negotiations under Article 4 of the MFA but that meanwhile it was desirable to co-operate immediately on a bilateral emergency basis as provided for in the MFA.

Having regard to the provisions of the MFA, and in the light of statistical information exchanged in the course of discussions the Commission representative indicated that the following autonomous measures were contemplated under Community Regulations in force. The Korean representative agreed that they would constitute a mutually acceptable interim arrangement.

- (i) Imports into France of knitted gloves under Nimex Codes 60.02-40 and 60.02-60 would be made subject to the production of an import authorization, and the total quantity to be admitted during the six-month period beginning on 15 June 1975 should not exceed the following quantity: 1.35 million pairs.

- (ii) Import authorizations shall be issued by the competent Community authorities in France, upon the presentation of an export visa, issued by the competent Korean authorities, subject to the above limit.

In practice this means that the French authorities would issue authorizations automatically upon presentation of the Korean export visa.

Subject to production of the relevant documentation, goods actually shipped from Korea to France before 15 June 1975 would not be taken into account in the above-mentioned levels.

The Korean and the Commission's representatives indicated their authorities' willingness to co-operate in the implementation of the above arrangement.

Finally, it was acknowledged on both sides that the interim emergency arrangements referred to above would be terminated upon the conclusion of an Article 4 bilateral agreement between the Community and Korea, and that the criteria used in this Arrangement would not prejudice negotiations for a bilateral agreement on other items.

The Commission representative indicated that his authorities had the intention to take into account, when fixing the measures applicable for the next period, the amount of goods actually shipped from Korea to France before 15 June 1975. The Korean representative firmly objected.

Brussels, 7 July 1975

(Signed) Chong Sang PARK

(Signed) J.-P. BESELER

Letter No. 2

23 June 1975

Dear Mr. Wurth,

I am writing to inform the TSB of certain temporary restraint measures which the European Economic Community has taken in accordance with Article 3, paragraph 6 of the Arrangement Regarding International Trade in Textiles.

Consultations were held in Brussels in May and June of this year on the basis of a note verbale and memorandum communicated by the Commission of the European Communities to the Korean authorities (reproduced in Annex A) requesting such immediate co-operation as might be necessary to avoid further damage to Community producers in France. These consultations did not, however, result in a mutually acceptable interim arrangement.

Accordingly, in the highly unusual and critical circumstances which exist, the Commission has adopted temporary restraint measures, a copy of which is attached as Annex B.

I should be obliged if you would communicate these details to the TSB.

Yours sincerely,

(Signed) E. MEYNELL