

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/328

26 June 1978

Special Distribution

Textiles Surveillance Body

Original: English

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Amendment to the Bilateral Agreement
between Austria and Korea

The Textiles Surveillance Body has received from the Government of Austria a notification of an amendment extending the existing bilateral agreement between Austria and Korea^{1/} for a further twelve-month period ending 31 December 1978.

The TSB, pursuant to its procedures regarding bilateral agreements notified under Article 4^{2/}, has examined the relevant documentation and is circulating the text of the notification to participating countries for their information.

^{1/} For original agreement see document COM.TEX/SB/59.

^{2/} See COM.TEX/SB/35, Annex B.

EMBASSY OF THE REPUBLIC OF KOREA
VIENNA

February 22, 1978

Sir,

I have the honour to acknowledge the receipt of your letter dated February 9, 1978 and the Record of Discussion attached thereto, concerning the understanding to be made in the negotiations held on December 19 and 20, 1977 in Vienna for exports of cotton textiles from the Republic of Korea to Austria effective as of January 1, 1978 for a period of twelve months.

I have further the honour to confirm the contents of your letter and the Record of Discussion attached thereto as referred to above to be the understanding which has been reached between the representatives of our two countries in the said negotiations.

Accept, Sir, the assurances of my highest consideration.

(Signed) Young Choo Kim
Ambassador

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

V i e n n a

FEDERAL MINISTRY FOR
TRADE , COMMERCE AND INDUSTRY

Vienna, February 9, 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 also 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 on 4 November 1974, and to the negotiations which took place in Vienna on 19 and 20 December 1977 between representatives of Austria and of the Republic of Korea. As a result of these negotiations the following understanding concerning the extension of the aforesaid agreement has been reached:

1. Restraint levels in metric tons for the twelve-month period beginning

<u>Category</u>	<u>1 Jan. 1978</u>
Cotton fabrics as indicated in BTN.Nos. 55.08 and 55.09	72,8
Garments and other finished products of cotton as indicated in BTN.Nos. 60.02, 60.03, 60.04, 60.05, 61.01, 61.02, 61.03, 61.04 and 62.02	97,76

BTN.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 BTN.No. ex 61.03, and 15 per cent for each of the remaining BTN.Nos. as set forth above.

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 4,89 tons for products falling within BTN.No. ex 61.03 and 11,61 tons for 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.

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.

I should be grateful if you would kindly confirm that this letter and the Record of Discussion attached to this letter sets out correctly the understanding reached between the representatives of our two countries.

Accept, Excellency, the assurances of my highest consideration.

(Signed) Dr. Rudolf Willenpart
Director

H.E.
Mr. Young Choo KIM
Ambassador of the Republic of Korea
V i e n n a

Record of Discussion

1. The Korean Delegation pointed out that the exports of Korean PVC gloves and jackets to Austria have been treated as restraint items by the Austrian authorities and requested that in view of Article 12 of the Arrangement Regarding International Trade in Textiles, these items should not be restrained. The Austrian Delegation assured that the Austrian authorities will treat PVC jackets and PVC gloves as non-textile items provided that they do not fall within the purview of "textiles" as defined in Article 12 para. 1 of the ARRANGEMENT.

2. The Austrian Delegation drew the attention of the Korean Delegation to certain discrepancies between export recommendations issued by the Korean authorities and the relevant quotas provided for in the agreements concluded between the two countries. The Korean Delegation assured to look into the matter.