

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

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Textiles Surveillance Body

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ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Bilateral Agreement between Austria and Korea

The Textiles Surveillance Body has received from the Government of Austria a notification of a new bilateral agreement between Austria and Korea for the period 1 August 1979 to 31 July 1982.

The new agreement, which has been notified under Article 4, paragraph 4, of the Arrangement supersedes the previous agreements concluded under Articles 3 and 4.^{1/}

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 the participating countries.^{3/}

^{1/} For original agreements under Article 4, see documents COM.TEX/SB/361 and 416; and under Article 3 see documents COM.TEX/SB/362 and 363.

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

^{3/} For observations of the TSB, see COM.TEX/SB/477, paragraph 19.

June 6, 1979

Sir,

I have the honour to acknowledge the receipt of your letter No.27.638/19-II dated May 29, 1979 and the Record of Discussions attached thereto, concerning the understanding reached in the negotiations, which took place in Seoul from 14 to 16 May 1979, for a bilateral agreement on Korean exports of shirts, blouses, outer garments and coats as arranged in categories a,b,c,d,e,f and g in the same letter.

I further have the honour to confirm that the contents of your letter and the Record of Discussions attached thereto correctly set forth the understanding reached between the representatives of our two governments in the said negotiations.

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

Vienna, May 29, 1979

FEDERAL MINISTRY FOR
TRADE, COMMERCE AND INDUSTRY

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 agreements between Austria and the Republic of Korea under Article 4 of the ARRANGEMENT on trade in cotton textiles, effected by exchange of notes of 20 and 23 November 1978, on trade in woven shirts of discontinuous synthetic fibres, effected by exchange of notes of 17 May and 30 June 1978, and under Article 3 of the ARRANGEMENT on trade in socks of synthetic

fibres, effected by exchange of notes of 17 May and 30 June 1978, and on trade in outer garments, knitted or crocheted, not elastic nor rubberised, of synthetic fibres, and woven blouses and shirt blouses, women's, girls' and infants' wear, of synthetic fibres, effected by exchange of notes of 12 and 30 June 1978.

Since the terms of the aforementioned agreements expire on 31 July 1979, the following agreement under Article 4 of the ARRANGEMENT on trade in the products set out below has been reached as a result of negotiations which took place between representatives of Austria and of the Republic of Korea from 14 to 16 May 1979 in Seoul:

(1) Export limits for the twelve-month period beginning:

<u>Category</u>	<u>Description</u>	<u>Unit</u>	<u>1 August</u> <u>1979</u>	<u>1 August</u> <u>1980</u>	<u>1 August</u> <u>1981</u>
(a)	Woven blouses and shirt blouses, women's, girls' and infants' wear, of cotton, CCCN No. ex 61.02	kg	12,793	13,561	14,375
(b)	Woven shirts of cotton, CCCN No. ex 61.03	..... kg	5,433	5,759	6,105
(c)	Woven shirts of discontinuous synthetic fibres, CCCN No. ex 61.03	..... pieces	960,874	970,483	980,188
(d)	Woven blouses and shirt blouses, women's, girls' and infants' wear, of synthetic fibres, CCCN No. ex 61.02	..... kg	69,265	69,958	70,658
(e)	Outer garments, knitted or crocheted, not elastic nor rubberised, of synthetic fibres, CCCN No. ex 60.05	..... kg	589,312	595,205	601,157

<u>Category</u>	<u>Description</u>	<u>Unit</u>	<u>1 August</u> <u>1979</u>	<u>1 August</u> <u>1980</u>	<u>1 August</u> <u>1981</u>
(f)	Woven outer garments of synthetic fibres, men's and boys' wear, excluding coats of impregnated, coated, covered or laminated woven fabrics, sportswear (including skiwear and swimwear), other coats, suits and trousers, CCCN No. ex 61.01	kg	423,594	429,948	436,397
(g)	Coats of wool or of synthetic fibres, women's, girls' and infants' wear, CCCN No. ex 61.02	kg	32,926	33,749	34,593

(2) For the purposes of this agreement, the textile products set out in paragraph (1) above shall be classified according to the Customs Cooperation Council Nomenclature (CCCN).

(3) The export limit for any category may be exceeded, after consultations between Austria and the Republic of Korea, by a carryover of not more than 11 per cent of the receiving agreement year's applicable export limit in respect of the categories (a) and (b) and of not more than 10 per cent of the receiving agreement year's applicable export limit in respect of the remaining categories in the case of shortfalls in the corresponding export limit for the previous agreement year, and by a carry forward of not more than 6 per cent of the receiving year's applicable export limit in respect of the categories (a) and (b) and of not more than 5 per cent of the receiving year's applicable export limit in respect of the remaining categories. 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 export limit established for the same category for the succeeding agreement year.

(4) Transfers (swing) between the categories (a), (b), (c), (d), (e), (f) and (g) may be made, after consultations between Austria and the Republic of Korea, up to 5 per cent of the export limit for each of the receiving categories (a), (b), (d), (e) and (g) and up to 3 per cent of the export limit for each of the categories (c) and (f) provided that a corresponding reduction is applied in the export limits for the categories from which the transfer is made.

For the purposes of calculating swing, the conversion factors listed in the Annex to this agreement shall apply.

(5) The combination of carryover, carry forward and swing shall not exceed 12 per cent of the receiving year's applicable export limit in respect of the categories (a), (b), (c) and (d) and 13.5 per cent of the receiving year's applicable export limit in respect of the remaining categories.

(6) Upon presentation of export recommendations issued by the Korean authorities within the agreed export limits for direct and/or indirect exports from the Republic of Korea to Austria and endorsed to the effect that the consignments concerned have been debited to the agreed export limits, the competent Austrian authority will issue the corresponding import licences within a period of three weeks.

(7) In order to avoid hardship to the trade in the products specified in paragraph (1) (f) and (g) above between the Republic of Korea and Austria, shipments made on/or before 1 August 1979 will be admitted by Austria upon presentation of the relevant documentation outside the agreed export limit for the twelve-month period beginning 1 August 1979 without endorsed export recommendations, provided that these exports are covered by irrevocable letters of credit opened or other payment provisions

made by Austrian importers before 16 May 1979 and that customs clearance in Austria is effected on 28 September 1979 at the latest.

(8) Austria will, as far as possible, inform the Republic of Korea when imports into Austria of the products that have been debited to the agreed export limits are subsequently re-exported from Austria. The Republic of Korea may then credit the quantities involved to the export limits set out in paragraph (1) above.

(9) An undue concentration of exports of the textile products set out in paragraph (1) above from the Republic of Korea to Austria as regards a special product and/or time shall be avoided. Accordingly, the Korean authorities will use their influence to achieve this aim.

(10) The Republic of Korea will provide Austria with information in respect of exports of the textile products set out in paragraph (1) above to Austria, showing the names of the exporters, the number and dates of export recommendations issued and the quantities covered by these export recommendations, on a monthly basis.

(11) Austria will provide the Republic of Korea with information concerning import licences issued within the agreed export limits upon presentation of export recommendations as indicated in paragraph (6) above, on a monthly and cumulative basis.

(12) Consultations regarding the conduct of exports of the textile products set out in paragraph (1) above from the Republic of Korea to Austria will be held if so desired by either party.

(13) In respect of exports of:

Cotton fabrics, CCCN Nos. 55.08 and 55.09;

Gloves, mittens and mitts, knitted or crocheted, not elastic nor rubberised, of cotton, CCCN No ex 60.02;

Stockings, under stockings, socks, ankle socks, sockettes and the like, knitted or crocheted, not elastic nor rubberised, of cotton, CCCN No. ex 60.03;

Under garments, knitted or crocheted, not elastic nor rubberised, of cotton, CCCN No. ex 60.04;

Outer garments and other articles, knitted or crocheted, not elastic nor rubberised, of cotton, CCCN No. ex 60.05;

Men's and boys' woven outer garments, of cotton, CCCN No.ex 61.01;

Women's, girls' and infants' woven outer garments other than blouses, of cotton, CCCN No.ex 61.02;

Men's and boys' woven under garments other than shirts, including collars, shirt fronts and cuffs, of cotton, CCCN No. ex 61.03;

Women's, girls' and infants' woven under garments, of cotton, CCCN No. ex 61.04;

Bed linen, table linen, toilet linen and kitchen linen; curtains and other furnishing articles, of cotton, CCCN No. ex 62.02;

Socks of synthetic fibres, CCCN No. ex 60.03;

Sportswear (including skiwear and swimwear) and coats, of synthetic fibres, for men and boys, CCCN No. ex 61.01;

Sportswear (including skiwear and swimwear) and other outer garments, of synthetic fibres, for women, girls and infants, CCCN No. ex 61.02;

Pyjamas and other under garments, of synthetic fibres, for men (excluding men's shirts) and women, CCCN Nos. ex 61.03 and ex 61.04,

the competent Austrian authority will upon presentation of export recommendations issued by the Korean authorities automatically issue import licences and will provide the Republic of Korea with information concerning import licences issued upon presentation of export recommendations on a monthly basis. Should exports of these products from the Republic of Korea to Austria develop in a manner which, in the view of Austria, causes real risks of market disruption, Austria may request consultations with a view to reaching an agreement on mutually acceptable terms. The request for such consultations shall be accompanied by a statement containing relevant data of the market conditions, as provided for in the relevant articles of the ARRANGEMENT. The Republic of Korea agrees to consult within thirty days from the date on which the request for consultations has been received, and to make its best efforts to complete such consultations within fifteen days of their commencement. If no agreement is reached, the Republic of Korea will limit exports of any of the aforementioned products at an annual level not lower than the respective imports into Austria during the twelve-month period ending one month preceding the month in which the request for consultations is made.

I should be grateful if you would kindly confirm that this letter, the Annex and the attached Record of Discussions set out correctly the understanding reached between our two countries.

Accept, Excellency, the assurances of my highest consideration.

Dr. Rudolf Willenpart
Director

His Excellency
Young Choo Kim
Ambassador of the Republic of Korea

Vienna

A N N E X

CONVERSION FACTORS

<u>Category</u>	<u>Description</u>	<u>Table of equivalence</u>	
(a) and (d)	Woven blouses and shirt blouses, women's, girls' and infants' wear, CCCN No. ex 61.02	5.55 pieces/kg	180 gr/piece
(b) and (c)	Woven shirts, CCCN No. ex 61.03	4.60 pieces/kg	217 gr/piece
(e)	Outer garments, knitted or crocheted, not elastic nor rubberised, CCCN No. ex 60.05	4.53 pieces/kg	220.8 gr/piece
(f)	Woven outer garments of synthetic fibres, men's and boys' wear, excluding coats of impregnated, coated, covered or laminated woven fabrics, sportswear (including ski-wear and swimwear), other coats, suits and trousers, CCCN No. ex 61.01	2.30 pieces/kg	435 gr/piece
(g)	Coats of wool or of synthetic fibres, women's, girls' and infants' wear, CCCN No. ex 61.02	0.84 pieces/kg	1.190 gr/piece

Record of Discussions

1) For the purpose of applying for import licences to be issued upon presentation of export recommendations as indicated in paragraph (6) of the agreement, the validity of these export recommendations shall expire six months after the end of the twelve-month period during which they were issued. For the same purpose, the validity of export recommendations issued before 31 July 1978 shall expire on 31 August 1979.

2) For the purpose of the information mentioned in paragraph (8) of the agreement, export recommendations issued for retention in Austria of products subsequently re-exported from Austria shall be considered as valid if presented to the competent Austrian authority not later than six months after the end of the twelve-month period during which they were issued, together with the foreign buyer's confirmation of the Korean origin of such products.

3) 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, 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.