

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

SCM/3

21 July 1980

Special Distribution

Committee on Subsidies
and Countervailing Measures

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COMMUNICATION FROM KOREA

The following communication from the Permanent Mission of Korea, dated 9 July 1980, has been received on 9 July by the Chairman.

I would like to inform you that my Government intends to enter into a commitment under Article 14:5 of the Agreement on Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade.

In accordance with the procedures adopted by the Committee, I am pleased to notify you of the proposed commitment of my Government, which is attached hereto.

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Proposed commitment of the Republic of Korea

1. With regard to the provisions of Article 14 of the Agreement on Subsidies and Countervailing measures, Government of the Republic of Korea grants no aids to domestic producers or exporters which are materially incompatible with the commitment of Article 9, nor does it intend to establish such aids.
2. The Government of the Republic of Korea understands that, in the light of the above, it will not be subject to the review procedures mentioned in paragraph 8 of Article 14 of the Agreement on Subsidies and Countervailing measures, as regards export subsidies, for a period of six years from the date of the acceptance of the Agreement by the Republic of Korea.
3. The Government of the Republic of Korea also understands that, if extraordinary economic conditions lead it to reconsider its position, the signatories would give sympathetic considerations to the establishment of programs consistent with the change in competitive and development needs of the Republic of Korea.
4. The Government of the Republic of Korea further understands that as its official export credit rates are above those of the international undertaking mentioned in paragraph(k) of the illustrative list of export subsidies, the present system of shortterm export credits of the Republic of Korea is compatible with the commitment of Article 9.