

**GENERAL AGREEMENT  
ON TARIFFS AND TRADE**

**RESTRICTED**  
**COM.TEX/SB/1928\***  
18 August 1994  
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Textiles Surveillance Body

Original: English

**ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES**

**Notification under Article 4:4**

**Extension and modification of the bilateral agreement between  
the United States and Korea**

The Textiles Surveillance Body received a notification from the United States of a further extension with modifications, of its bilateral agreement with Korea for the period 1 January 1994 to 31 December 1995.<sup>1</sup>

The TSB, pursuant to its procedures regarding notifications received under Article 4<sup>2</sup>, has examined the relevant documentation and is forwarding the text of the notification to participating countries for their information.

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<sup>1</sup>The previous extensions of the agreement and amendments are contained in COM.TEX/SB/1267, 1605, 1622 and 1678.

<sup>2</sup>See COM.TEX/SB/35, Annex B.

\*English only/Anglais seulement/Inglés solamente

Textiles Division  
Public Release  
United States Department of State  
Bureau of Economic and Business Affairs  
Washington, D.C.

20 December 1993

United States and Korea Extend and  
Amend Their Bilateral Textile Agreement  
by Exchange of Notes on 8 November 1993  
and 30 November 1993

The United States and the Republic of Korea exchanged notes in Seoul to amend and extend the bilateral textile agreement between their two Governments. Text of the notes is attached.

Embassy of the  
United States of America

8 November 1993

Excellency:

I have the honour to refer to the Arrangement Regarding International Trade in Textiles, with Annexes, done at Geneva on 20 December 1973, as extended (the Arrangement), and to the bilateral textile agreement between the Governments of the United States of America and of the Republic of Korea effected by exchange of notes dated 14 September 1990, as amended by an exchange of notes dated 31 October and 10 December 1991 (the Agreement).

I have the further honour to refer to the discussions between representatives of our Governments on 30 August-1 September 1993, in Seoul, Korea, concerning exports of cotton, wool, man-made fibre, silk blend and other non-cotton vegetable fibre textile products from Korea to the United States of America. As a result of those discussions, I propose on behalf of the Government of the United States of America that the Agreement be amended to be the Agreement enclosed with this note. If the Agreement is acceptable to the Government of the Republic of Korea, this note and Your Excellency's note in reply shall constitute an amendment to the Agreement between our two Governments.

Accept, Excellency, the renewed assurances of my highest consideration.

Enclosure:

Agreement

His Excellency  
Han Sung Joo,  
Minister of Foreign Affairs,  
Republic of Korea,  
Seoul

### Attachment

1. This Agreement modifies and extends the Agreement between the Government of the Republic of Korea and the Government of the United States of America dated 14 September 1990, as amended, (hereinafter referred to as the Agreement), incorporating the modifications and extensions which have been agreed upon. It shall be the bilateral instrument which governs textile trade between the Republic of Korea and the United States of America.

### Term

2. (a) The term of this Agreement shall be from 1 January 1990, through 31 December 1995, except as provided in paragraph 15.
- (b) An "agreement year", shall be a calendar year commencing on 1 January and ending 31 December.

### Coverage and Structure

3. Textiles and textile products covered by this Agreement are as follows. The determination of whether a textile or textile product is of cotton, wool, man-made fibre, or silk blend or other non-cotton vegetable fibre shall be made in accordance with the terms of paragraph 8. The categories referred to below are those described in Annex A hereto.

- (a) Group I - being products other than apparel and other than luggage (including yarn, fabric, and other made-up and miscellaneous products) of cotton, wool, and/or man-made fibre (categories 200, 201, 218, 219, 220, 222, 223, 224, 225, 226, 227, 229, 300, 301, 313, 314, 315, 317, 326, 360, 361, 362, 363, 369 (excluding 369-L), 400, 410, 414, 464, 465, 469, 600, 603, 604, 606, 607, 611, 613, 614, 615, 617, 618, 619, 620, 621, 622, 624, 625, 626, 627, 628, 629, 665, 666, 669 and 670 (excluding 670-L)).
- (b) Group II - being apparel of cotton, wool, and/or man-made fibre (categories 237, 239, 330, 331, 332, 333, 334, 335, 336, 338, 339, 340, 341, 342, 345, 347, 348, 349, 350, 351, 352, 353, 354, 359, 431, 432, 433, 434, 435, 436, 438, 439, 440, 442, 443, 444, 445, 446, 447, 448, 459, 630, 631, 632, 633, 634, 635, 636, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, L 648, 649, 650, 651, 652, 653, 654, 659).
- (c) Group III - being apparel of silk blend, and other non-cotton vegetable fibres, except sweaters in categories 845 and 846, (categories 831, 832, 833, 834, 835, 836, 838, 839, 840, 842, 843, 844, 847, 850, 851, 852, 858, 859).
- (d) Group IV - being sweaters of silk blend, and other non-cotton vegetable fibres (categories 845 and 846).
- (e) Group V - products other than apparel and other than luggage (including yarn, fabric, and other made-up and miscellaneous products) of silk blend, and other non-cotton vegetable fibres (categories 800, 810, 863, 871, 899).
- (f) Group VI - being luggage of cotton, man-made fibre, silk blend and other non-cotton vegetable fibres (categories and part-categories 369-L, 670-L, 870).

Limits

4. (a)(i) During the term of this Agreement, the Government of the Republic of Korea shall limit annual exports from Korea of cotton, wool, man-made fibre, and silk blend or other non-cotton vegetable fibre textiles and textile products of Korean origin to the United States of America to the group limits, specific limits and sublimits set forth in Annex B hereto, as such limits may be adjusted in accordance with paragraphs 5 and 6. The limits set out in Annex B are without such adjustments. All textile and textile products in categories not subject to specific limits may be exported from Korea to the United States of America only in accordance with paragraph 7.
- (ii) Shipments of cotton, wool, man-made fibres, silk blends and other vegetable fibre textiles and textile products produced and manufactured in the Republic of Korea which are imported for the personal use of the importer and not for resale, regardless of value; properly marked commercial sample shipments valued at US\$250 or less; and shipments of cotton swabs, do not require a visa or exempt certification for entry and shall not be charged to the Agreement levels. All other commercial shipments of the above-mentioned textile fibres, regardless of value, require a visa or exempt certification for entry into the United States of America.
- (iii) The Agreed limit for 1991 for category 617 shall be 4,250,000 square metres.
- (iv) The Agreed limit for 1990 for category 239 shall be 830,992 kilograms.
- (v) Charges to be deducted for cotton swabs exported in 1990 total 318,917 kilograms (2,710,795 sme). All charges for 1990 and 1991 exports of cotton swabs imported into the United States of America will be deducted.
- (b)(i) With respect to the following categories in Group I, the Government of the Republic of Korea shall limit annual exports to the United States of America to the specific limits set out in Annex B of the Agreement as may be adjusted by swing, carryover and carry forward: 219, 300/301, 313, 314, 317/326, 410 and 604.

In addition, the Government of the Republic of Korea agrees to limit total exports in square metres equivalent (sme) in the above categories as follows:

1992	1993
118,480,986 sme	121,610,168 sme

It is further agreed that carryover and carry forward of 3 per cent (of which carryover shall not exceed 1 per cent) shall apply to the annual levels set out above. This subgroup has built-in swing. Group quota not used by the subgroup categories is available to the rest of the Group. Group quota may be used by the subgroup categories up to the subgroup limit. While the subgroup limit has no carryover in 1992 and no carry forward in 1993, the specific limits within the subgroup will still have available all the flexibility permitted under paragraphs 5 and 6 of this Agreement.

- (ii) With respect to the following categories in Group II, the Government of the Republic of Korea shall limit annual exports to the United States of America up to the specific limits set out in Annex B of the Agreement as may be adjusted by swing, carryover and carry forward: 333/334/335, (335), 336, 341, 350 and 448.

In addition, the Government of the Republic of Korea agrees to limit total exports in the above categories as follows:

1992	1993
11,374,727 sme	11,690,368 sme

It is further agreed that carryover and carry forward of 3 percent (of which carryover shall not exceed 1 per cent) shall apply to the annual levels set out above. This subgroup has built-in swing. Group quota not used by the subgroup categories is available to the rest of the Group. Group quota may be used by the subgroup categories up to the subgroup limit. While the sub-group limit has no carryover in 1992 and no carry forward in 1993, the specific limits within the subgroup will still have available all the flexibility permitted under paragraphs 5 and 6 of this Agreement.

- (iii) The subgroup limits in paragraphs 4(b)(i) and 4(b)(ii) shall not apply for the 1994 and 1995 agreement years.

#### Swing

5. (a) During any agreement year, the group limits for Groups II, III, and VI set out in Annex B (or pursuant to an amendment thereto) as they may be adjusted under paragraph 6, may be exceeded by not more than one per cent, provided that the total of the group limits of Groups II, III, and VI is not exceeded.
- (b) (i) Beginning in 1991, during any agreement year, the group limits for Groups I or VI set out in Annex B (or pursuant to an amendment thereto) as they may be adjusted under paragraph 6, may be exceeded by not more than 2 per cent, provided that the amount of the increase is compensated for by an equal square metre equivalent decrease in the other Group. Although the total swing allowed to Group I is 2 per cent, upto 0.5 per cent may come from Group II.
- (ii) Beginning with the 1994 agreement year, during any agreement year, the group limit for Group I set out in Annex B (or pursuant to an amendment thereto) as it may be adjusted under paragraph 6, may be exceeded by not more than 3.8 per cent, provided that the amount of the increase is compensated for by an equal square metre equivalent decrease in Group II or Group VI. The total swing allowed into Group I is 3.8 per cent. All of the 3.8 per cent may come from Group II or Group VI. The total swing into Group VI remains a maximum of 2 per cent as stated in paragraph 5(b)(i) above.
- (c) During any agreement year, and within the applicable group limit for such an agreement year as it may be adjusted under paragraphs 5(a) and 6, the specific limits and sublimits set out in Annex B (or pursuant to an amendment thereto) may be exceeded by not more than the percentages listed in Annex C. If not listed in Annex C, swing shall be 7 per cent.

- (d) Swing shall be calculated on the base limit of the receiving category as specified in Annex B.

Special Shift

- (e) In addition to the adjustments pursuant to subparagraph 5(c), the following special shift shall be available to these specific limits during any agreement year:
- (i) Category 200 may be increased by up to 5 per cent provided that an equivalent quantity is deducted from category 201.
  - (ii) Category 607 may be increased by up to 10 per cent provided that an equivalent quantity is deducted from category 300/301.
  - (iii) Category 410 may be increased by up to 10 per cent provided that an equivalent quantity is deducted from category 624.
  - (iv) Category 611 may be increased by up to 3 per cent provided that an equivalent amount is deducted from another man-made fibre fabric category covered by a specific limit.
  - (v) Category 341 or category 641 (and 641-Y) may be increased by up to 15 per cent provided that an equivalent quantity is deducted from the other category.
  - (vi) Category 347/348 may be increased by up to 20 per cent provided that an equivalent quantity is deducted from category 647/8.
  - (vii) Category 645/6 may be increased by up to 9.5 per cent provided that an equivalent quantity is deducted from category 846.
  - (viii) Part-categories 640-D and 640-O may be increased by up to 5 per cent in any agreement year provided that an equivalent quantity is deducted from the other part-category.
  - (ix) Category 340 and sublimit 340-D, or part-category 640-D may be increased by up to 10 per cent provided that an equivalent quantity is deducted from the other category.
  - (x) Category 613/614 may be increased by up to 10 per cent provided that an equivalent quantity is deducted from among the limits of categories 313, 314, 315 and 317/326. This special shift will be available beginning in the 1992 agreement year.
  - (xi) Category 636 may be increased by up to 5 per cent provided that an equivalent quantity is deducted from category 336. This special shift will be available beginning in the 1992 agreement year.
- (f) The above special shifts shall be calculated on the base limit of the receiving category with an equal quantity in SME deducted from the other specific limit.

Carry forward and Carryover

6. (a) Any group limit, specific limit or sublimit set out in Annex B may, after consultations between the Governments of the Republic of Korea and the United States of America, be exceeded in any agreement year by carry forward and/or carryover as provided in paragraph 5 of Annex 8 of the Arrangement. Carry forward shall be available in 1991, but no carry forward shall be available for application in the final agreement year. Carryover and carry forward may be available between the 1993 and 1994 agreement years, and between the 1994 and 1995 agreement years.
- (b) Following consultations pursuant to paragraph 6(a) above between the Governments of the Republic of Korea and the United States of America, it was agreed that any group limit, specific limit and sublimit set out in Annex B may, in any agreement year, be exceeded by carry forward and/or carryover in the following amounts:
- (i) 3 per cent, of which carryover shall not represent more than one per cent in the case of any group limits; and
- (ii) 2 per cent, of which carryover shall not represent more than one per cent in the case of any specific limit or sublimit.
- (c) Carryover shall be available from agreement year 1989 to agreement year 1990 in categories where shortfall exists, except for the group limits and categories 333/4/5, 338/9, 340, 347/8, 443, 611, 619/20, 625-629, 633/4/5, and 647/8. Carryover shall be available from agreement year 1991 to 1992 in categories where shortfall exists.
- (d) For purposes of this Agreement, a shortfall occurs when exports of textiles and textile products from the Republic of Korea to the United States of America in any agreement year are below any applicable group limit, specific limit or sub-limit as set out in Annex B.
- (e) Carryover and carry forward shall be calculated on the receiving year's base limit as specified in Annex B.
- (f) Adjustments made under this paragraph are in addition to those permitted under paragraph 5.

Export Recommendation System

7. (a) Each category and part-category not subject to a specific limit will be subject to the consultation procedures as set forth in subparagraphs 7(b) through 7(f) below.
- (b) (i) The Government of the Republic of Korea shall provide weekly reports promptly (i.e., as soon as possible but in no case later than five US working days following the close of the reporting period), to the Government of the United States of America on export recommendations (ERs), by category and part-category, issued for export to the United States of America for each category and part-category not subject to a specific limit.

- (ii) The Government of the Republic of Korea will notify the Government of the United States of America immediately whenever ER applications for any category or part category total 15 per cent of the previous agreement year's trade within the reporting period, provided that the issuance of such ERs would bring the total cumulative issuances for the year to 80 per cent of the previous year's trade.
  - (iii) The Government of the Republic of Korea will wait at least five US working days after notification to the Government of the United States of America before issuing ERs against the applications in question.
- (c) The Government of the United States of America may request consultations with a view to agreement on an appropriate level of restraint for any category, part-category, or product not given a specific limit for any agreement year whenever, in the view of the Government of the United States of America, conditions in the US market warrant such a limitation on further trade in any such category, part-category, or product in order to eliminate a real risk of market disruption.
- (d) The request for such consultations shall be supported as soon as possible, and in any case within 21 days of the date of the request, by a statement of market conditions in the United States of America which in the opinion of the Government of the United States of America make necessary the request for consultations. The statement shall include data similar to that contemplated in paragraphs 1 and 2 of Annex A of the Arrangement.
- (e) Upon receipt of a request for such consultations, the Government of the Republic of Korea, as requested by the Government of the United States of America, shall cease or otherwise limit further issuance of ERs for a period of seven US working days. The Government of the United States of America may request the Government of the Republic of Korea to extend the period of seven working days mentioned above and may also request the Government of the Republic of Korea to limit the issuance of ERs to a level different from that specified in paragraph 7(f)(i) and (ii) below, whichever is applicable. The Government of the Republic of Korea shall consider any such request sympathetically and shall respond promptly. Unless agreed otherwise, the Government of the Republic of Korea shall have the right, following the expiration of the period of seven US working days mentioned above or any agreed extension thereof, to resume the issuance of ERs up to the level specified in paragraph 7(f)(i) or (ii) below, whichever is applicable. ERs thus issued, as well as ERs issued prior to receipt of the request for consultations, may be honoured by the issuance of export licences by the Government of the Republic of Korea. The two parties, unless otherwise agreed, shall consult as soon as possible within 30 days of the request for such consultations and shall make their best efforts to complete such consultations within 30 days of the commencement.
- (f)
  - (i) In the event that consultations do not result in agreement, the Government of the United States of America shall have the right to request the Government of the Republic of Korea to limit exports of the relevant products during the agreement year in which the request for consultations is made to level not less than the highest of:

- (A) The level of trade in the relevant product, category or part-category for the immediately preceding agreement year plus either 15 per cent of that level (in the case of cotton, man-made fibre, silk blend and other non-cotton vegetable fibre products) or 6 per cent of that level (in the case of wool products), or
  - (B) The average of the level of trade in the relevant product, category or part-category for all previous years since 1 January 1986 (1 January 1987 in the case of silk blend and other vegetable fibre products) plus either 15 per cent of that average level (in the case of cotton, man-made fibre, silk blend and other non-cotton vegetable fibre products), or six per cent of that average level (in the case of wool products), or
  - (C) The level of ERs issued at the time of receipt of the request for consultation.
- (ii) Except as provided for in subparagraph 7(f)(iii) below, in respect of any product, or category or part-category where a limit has been established for a single agreement year and where, in the immediately subsequent agreement year, the Government of the United States of America makes another request for consultations under subparagraph 7(b) of this Agreement; and, in the event that such consultations do not result in agreement, the Government of the United States of America shall have the right to request the Government of the Republic of Korea to limit exports of the relevant products during the agreement year in which the request for consultations is made to a level not less than the higher of:
- (A) The limit established for the immediately preceding year plus either 8 per cent of that limit (in the case of cotton, man-made fibre, silk blend and other non-cotton vegetable fibre products) or 3 per cent of that limit (in the case of wool products)
  - (B) The level of ERs issued at the time of the receipt of request for consultations.
- (iii) In respect of any product, category or part-category for which a limit is established in any one agreement year, either party may, prior to the start of the immediately following agreement year, elect to convert that limit into a specific limit effective as such from 1 January of the immediately following agreement year. Where such a conversion is made, the specific limit so created shall, from the date of effect, be accorded growth at 2.5 per cent per annum for cotton, man-made fibre, silk blend and other non-cotton vegetable fibre products and at 1 per cent per annum for wool products. The specific limit so created shall, from the year of effect, be accorded flexibility (as provided for in paragraph 5) at 7 per cent; and in subsequent years the flexibility provisions set out in paragraph 6 of the agreement shall also apply.

- (iv) Should two requests in respect of the same product, category or part-category be made under paragraph 7(c) hereof during the term of this Agreement but in different non-consecutive agreement years, the provisions of paragraph 7(f)(i) shall apply to the second of the two requests.
- (v) The two parties agree that the provisions of paragraph 7 shall not derogate from the rights of the two parties under paragraph 16 of the agreement.
- (g) For the purposes of paragraph 7 hereto, the phrase "level of trade" shall mean the level of trade by date of export.
- (h) The Government of the Republic of Korea and the Government of the United States of America shall consult as early as possible with regard to problems that may arise if the provisions of paragraph 7 hereto are invoked near the end of an agreement year to consider the possibility of avoiding undue hardship to the trade.

#### Classification

8. (a) Tops, yarns, piece goods, made-up articles, garments, and other textile manufactured products, all being products which derive their chief characteristics from their textile components of cotton, wool, man-made fibre, silk blends, non-cotton vegetable fibres, or blends thereof, in which any or all of those fibres in combination represent the chief weight of the product, are subject to this Agreement. Components of an article which are not considered relevant to the classification under the General Rules of interpretation of the Legal Notes to Section XI of the Harmonized System are likewise to be disregarded here.
- (b) For the purposes of this Agreement, textile products covered by subparagraph (a) above shall be classified as:
  - (i) man-made fibre textiles, if the product is in chief weight of man-made fibres, unless:
    - (A) the product is knitted or crocheted apparel in which wool equals or exceeds 23 per cent by weight of all fibres, in which case the product will be a wool textile; or
    - (B) the product is apparel, not knitted or crocheted, in which wool equals or exceeds 36 per cent by weight of all fibres, in which case the product will be a wool textile; or
    - (C) the product is a woven fabric in which wool equals or exceeds 36 per cent by weight of all fibres, in which case the product will be a wool textile.
  - (ii) cotton textiles, if not covered by (i) and if the product is in chief weight of cotton, unless the product is a woven fabric in which wool equals or exceeds 36 per cent by weight of all fibres, in which case the product will be a wool textile.
  - (iii) wool textiles, if neither of the foregoing applies, and the product is in chief weight of wool.

- (iv) silk blend or non-cotton vegetable fibre textiles, if none of the foregoing applies and the product is in chief weight of silk or non-cotton vegetable fibres, unless:
  - (A) Cotton with wool and/or man-made fibres in the aggregate equal or exceed 50 per cent by weight of the component fibres thereof and the cotton component equals or exceeds the weight of each of the total wool and/or man-made fibre components, in which case the product will be a cotton textile.
  - (B) If not covered by (iv)(A) and wool exceeds 17 per cent by weight of all component fibres, in which case the product will be considered a wool textile.
  - (C) if not covered by (iv)((A) or (B)) and man-made fibres in combination with cotton and/or wool in the aggregate equal or exceed 50 per cent by weight of the component fibres thereof and the man-made fibre component exceeds the weight of the total wool and/or cotton component, in which case the product will be considered a man-made fibre textile.
- (c) Notwithstanding the above, garments which contain 70 per cent or more by weight silk (unless they also contain over 17 per cent by weight wool) and products other than garments which contain 85 per cent or more by weight silk are not subject to this Agreement. Silk blend and non-cotton vegetable fibre sweaters, as determined above, shall be divided into "silk blend sweaters" and "non-cotton vegetable fibre" sweaters. For the purpose of this division, sweaters shall be classified as "silk blend" if the silk component exceeds by weight the non-cotton vegetable fibre component (if any). Sweaters not classified as "silk blend" sweaters in accordance with the foregoing shall be classified as "non-cotton vegetable fibre" sweaters. Garments containing 70 per cent or more by weight silk and over 17 per cent by weight wool shall be classified as wool textiles, under subparagraph (b)(iv)(B).
- (d) Coverage under this paragraph is intended to be identical with the terms of Article 12 of the Arrangement and in conformance with paragraph 24 of the 31 July 1986 Protocol of Extension. In the event of a question regarding whether a product is covered by this Agreement by virtue of being chief weight of cotton wool, man-made fibre, silk blend or non-cotton vegetable fibre, the chief value of the fibres may be considered.

#### Merged Categories

- 9. (a) The system of categories and the rates of conversion into square metres equivalent listed in Annex A hereto shall apply in implementing this Agreement, except as provided for in paragraph 9 hereof.

- (b) For the purpose of this Agreement and with reference to the particular circumstances of Korea's trade patterns with the United States of America, the categories and part-categories below are merged as indicated and treated as single categories, with limits for categories and sub-categories as set out in Annex B.

Categories merged	Designation in the agreement	Subcategories
300, 301	300/301	None
317, 326	317/326	None
369-L, 670-L, 870	369-L/670-L/870	None
613, 614	613/4	None
619, 620	619/20	None
625, 626, 627, 628, 629	625-629	None
333, 334, 335	33/4/5	335
338, 339	338/9	None
342, 642	342/642	None
347, 348	347/8	None
353, 354, 653, 654	353/4/653/4	None
445, 446	445/6	None
633, 634, 635	633/4/5	633; 635
638, 639	638/9	None
645, 646	645/6	None
647, 648	647/8	None
(The merger below begins 1/1/91) 351, 651	351/651	None



- (c) For the purposes of this Agreement, the following categories summarized in Annex A are divided into part categories:

Category	Designation in the agreement	Description
359	359-H	Headwear
359	359-O	Other
369	369-L	Luggage
369	369-O	Other
459	459-W	Woven headwear
459	459-O	Other
640	640-D	Dress shirt
640	640-O	Other than dress shirts
659	659-H	Headwear
659	659-S	Swimwear
659	659-O	Other
669	669-P	Woven bags
669	669-O	Other
670	670-L	Luggage
670	670-O	Other

- (d) Sublimits identified elsewhere in this Agreement and its Annexes are to apply to products as listed below:

Category	Designation in the agreement	Description
340	340-D	Dress shirts
641	641-Y	Blouses with two or more colours in the warp and or filling

- (e) For the purpose of computing limits and charges to limits, the rates of conversion for individual categories set out in Annex A shall be applied, except as stated below:

Category	Conversion factor
333/4/5	33.75
342/642	14.90
369-L/670-L/870	3.80
633/4/5	34.10
638/639	12.96

Implementation and Administration

10. (a) Changes in the implementation and interpretation of this Agreement (such as changes in practices, rules, procedures, categorization, etc.) which have the effect of upsetting the balance of rights and obligations between the parties, or which affect the economic content of this Agreement, or which affect the ability of either party to use or benefit fully from this Agreement, or which result in any disruption to trade shall normally be avoided. The party initiating the relevant change shall endeavour to consult prior to the time that such action may affect trade between Korea and the United States of America with a view toward making appropriate adjustments to this Agreement. Should consultation prior to implementation not be feasible, both parties agree to consult at the request of either party at the soonest possible date, with a view toward reaching a mutually satisfactory solution within 30 days of the request.
- (b) Mutually satisfactory administrative arrangements or adjustments may be made to resolve minor problems arising in the implementation of this Agreement, including differences in points of procedure or operation.
- (c) Exports from Korea in excess of authorized limits in any agreement year may be denied entry into the United States of America. Any such shipments denied entry may be permitted entry into the United States of America and charged to the applicable limit in the succeeding agreement year.
- (d) Exports from Korea in excess of authorized limits in any agreement year will, if allowed entry into the United States of America during that agreement year, be charged to the applicable limit in the succeeding agreement year.
- (e) The Government of the United States of America will notify the Government of the Republic of Korea as soon as possible of the amount of charges involved pursuant to paragraph 10(d).
- (f) Any action taken pursuant to this paragraph will not prejudice the rights of either side regarding consultations.

Visa System

11. The visa and certification system, as consolidated by letters dated 8 April and 10 April 1991, will remain in force subject to paragraph 10(b).

Exchange of Information

12. (a) The two parties recognize that the successful implementation of this Agreement depends in large part upon mutual cooperation on statistical questions. The Government of the United States of America shall promptly supply the Government of the Republic of Korea with data on monthly imports of cotton, wool, man-made fibre, silk blend and other non-cotton vegetable fibre textile products from Korea.
- (b) Each party agrees to supply promptly any other available statistical data necessary to the implementation of this Agreement requested by the other party.
- (c) The Government of the United States of America and the Government of the Republic of Korea agree to supply to the other party information within its possession reasonably believed to be necessary to the enforcement of this Agreement.

Spacing

13. The Government of the Republic of Korea shall use its best efforts to space exports from Korea to the United States of America within each category or subcategory (or combination of categories) evenly throughout each agreement year, taking into consideration normal seasonal factors.

Equity and the Arrangement

14. (a) If, having regard to the provisions of the Arrangement (and any extension thereof), the Government of the Republic of Korea considers that Korea is being placed in an inequitable position *vis-a-vis* a third party (including in relation to any matter concerning coverage under this Agreement), the Government of the Republic of Korea may request consultations with the Government of the United States of America with a view to taking appropriate remedial action. The Government of the United States of America shall consult with the Government of the Republic of Korea in the event of such a request.
- (b) Either party may request consultations following any extension of the Arrangement, with the objective of revising this Agreement to ensure conformity with the said extension should that, in either party's view, be necessary.

Termination

15. This Agreement may be terminated either by mutual consent of the two parties at any time, or by either party, effective at the end of an agreement year, upon written notice to the other party to be given at least 90 days prior to the end of such agreement year.

Rights

16. For the textiles and textile products covered by this Agreement, it is agreed that either Government may have recourse to any and all provisions of the Arrangement, except that the Government of the United States of America shall not invoke Article 3 of the Arrangement to request restraint on the export cotton, wool, man-made fibre, silk blend and other non-cotton vegetable fibre textile products from Korea to the United States of America. Both Governments reserve their rights to request consultations with respect to textiles and textile products not subject to this Agreement.

Other Consultation Provisions

17. In addition to the consultation provisions elsewhere in this Agreement, the Governments of the Republic of Korea and the Government of the United States of America agree to consult, at the request of either party, on any question arising in the application of this Agreement.

Cooperation in the Prevention of Circumvention

18. (a) The Government of the United States of America and the Governments of Korea agree to take measures necessary to address, to investigate and, where appropriate, to take legal and/or administrative action to prevent circumvention of this Agreement by transshipment, rerouting, false declaration concerning country of origin or falsification of official documents.

- (b) Both parties agree to cooperate fully, consistent with their domestic laws and procedures, in instances of circumvention or alleged circumvention of the Agreement to address problems arising from circumvention and to establish the relevant facts in the places of import, export and, where applicable, transshipment. Such cooperation, to the extent consistent with domestic laws and procedures, may include investigation of circumvention practices; exchange of documents, correspondence, reports and other relevant information to the extent available; and facilitation of impromptu plant visits and contacts by representatives of either party, upon request and on a case-by-case basis.
- (c) If either party believes that this Agreement is being circumvented, it may request consultations to address the matter or matters concerned with a view to seeking a mutually satisfactory solution. Each party agrees to hold such consultations promptly, beginning within 30 days of a request by a party and concluding within 90 days, unless extended by mutual agreement, and to cooperate fully in terms of the elements set out in paragraph 18(b) above.
- (d) Should the parties be unable to reach a satisfactory solution in the course of the consultations called for under paragraph 18(c), then the Governments of Korea and the United States of America agree that in cases where clear evidence regarding circumvention has been provided, the United States of America may deduct from the quantitative limits for that Agreement Year amounts equivalent to the amount of transshipped products of Korean origin. Any such action taken by the United States of America shall be notified to the TSB with full justification.
- (e) Should the United States of America choose to exercise its rights under paragraph 18(d) to deduct an amount or amounts from the quantitative limits of Korea where more than two major instances of circumvention have been demonstrated even after a corrective measure was taken and/or cooperative consultation was held, within the current or immediately preceding Agreement Year, then the United States of America may deduct from the quantitative limit amounts up to three times the amounts transshipped, provided that such deductions are distributed equally in each of the three following years. This paragraph does not include actions taken pursuant to paragraphs 18(f) and (g) below.
- (f) Where there is clear evidence showing that goods originating in another country have been shipped through Korea to the United States of America as though they were products of Korea, the Governments of Korea and the United States of America agree to take appropriate action. Any such actions, together with their timing and scope, may be taken after consultations held with a view of arriving at a mutually satisfactory solution and shall be notified to the TSB with full justification. Such consultations should be held promptly, beginning within 30 days of a request by a party and concluding within 90 days, unless extended by mutual agreement. Should the parties be unable to reach a satisfactory solution, then the Governments of Korea and the United States of America agree that in cases where clear evidence regarding circumvention has been provided even after a corrective measure was taken and/or cooperative consultation was held, then the United States of America may introduce a restraint in the relevant category or categories, or where a restraint already exists, may deduct from the quantitative limits established under this Agreement for that Agreement Year and amount equivalent to the amount of product transshipped through Korea.
- (g) Parties agree that false declaration concerning fibre content, quantities, description or classifications of merchandise also frustrates the objective of this Agreement. Where there is clear evidence that any such false declaration has been made for purposes of

circumvention, both parties agree to take appropriate measures, consistent with their domestic laws and procedures, against exporters or importers involved. Should either party believe that this Agreement is being circumvented by such false declaration and that no, or inadequate, administrative measures are being applied to address and/or to take action against such circumvention, that party should consult promptly with the party involved with a view to seeking a mutually satisfactory solution. Such consultations should be held promptly, beginning within 30 days of a request by a party and concluding within 90 days, unless extended by mutual agreement. Should the parties be unable to reach a satisfactory solution, then the Governments of Korea and the United States of America agree that in cases where clear evidence regarding such false declarations has been provided even after a corrective measure was taken and/or cooperative consultation was held, then the United States of America may deduct from the quantitative limits established for the current Agreement Year an amount equivalent to the amount of product subject to the false declaration or classification. This provision is not intended to prevent parties from making technical adjustments when inadvertent errors in declarations have been made.

Administrative Arrangements Upon Completion of Uruguay  
Round

19. It is the understanding of the Governments of the Republic of Korea and the United States of America that, if the Uruguay Round is completed with language to phase out the Multifibre Arrangement, then all of the limits set forth in Paragraphs 4, 5 and 6 of the bilateral textile agreement between the United States of America and the Republic of Korea dated 14 September 1990, as amended by an exchange of notes dated 31 October and 10 December 1991 and the exchange of notes dated 1993 (hereinafter the Agreement) shall be superseded by the language of the Uruguay Round Textiles Agreement when implemented by both parties.

The provisions set out in Paragraphs 3, 8, 9, 10, 11, 12, 13, 17 and 18 will be directly relevant to the ability of the United States of America and the Republic of Korea to implement the Uruguay Round Textiles Agreement. Therefore, upon entry into force of the Uruguay Round Textiles Agreement, those provisions will remain in force and will be notified to the Textile Monitoring Body.

ANNEX A

Categories numbers in the:

200 series are of cotton and/or man-made fibre;

300 series are of cotton;

400 series are of wool;

600 series are of man-made fibre; and

800 series are of silk blend and/or other non-cotton vegetable fibres.

Category	Description	Unit	Conversion factor to square metre equivalent
<b>Yarn</b>			
200	Yarns put up for retail sale, & sewing thread	6.6	kg.
201	Specialty yarns	6.5	kg.
300	Carded yarns, cotton	8.5	kg.
301	Combed yarns, cotton	8.5	kg.
400	Wool yarn	3.7	kg.
600	Textured filament yarns, MMF	6.5	kg.
603	Yarn containing 85 per cent or more by weight artificial staple fibre	6.3	kg.
604	Yarn containing 85 per cent or more by weight synthetic staple fibre	7.6	kg.
606	Non-textured filament, MMF	20.1	kg.
607	Other staple fibre yarn, MMF	6.5	kg.
800	Silk blends & non-cotton vegetable fibres	8.5	kg.
<b>Fabric</b>			
218	Of yarns of different colours	1.0	m <sup>2</sup>
219	Duck	1.0	m <sup>2</sup>
220	Fabric of special weave	1.0	m <sup>2</sup>
222	Knit fabric	12.3	kg.
223	Non-woven fabrics	14.0	kg.
224	Pile & tufted fabrics	1.0	m <sup>2</sup>
225	Blue denim	1.0	m <sup>2</sup>
226	Cheesecloth, batistes, lawns, or voiles	1.0	m <sup>2</sup>
227	Oxford cloth	1.0	m <sup>2</sup>
229	Special purpose fabric	13.6	kg.
313	Sheeting	1.0	m <sup>2</sup>
314	Poplin & broadcloth	1.0	m <sup>2</sup>
315	Printcloth	1.0	m <sup>2</sup>
317	Twills	1.0	m <sup>2</sup>
326	Sateens	1.0	m <sup>2</sup>
410	Woven fabrics containing 36 per cent or more by weight wool	1.0	m <sup>2</sup>
414	Other wool fabrics	2.8	kg.

Category	Description	Unit	Conversion factor to square metre equivalent
611	Woven man-made fibre fabric containing 85 per cent or more by weight artificial staple fibres	1.0	m <sup>2</sup>
613	Sheeting	1.0	m <sup>2</sup>
614	Poplin & broadcloth	1.0	m <sup>2</sup>
615	Printcloth	1.0	m <sup>2</sup>
617	Twills & sateens	1.0	m <sup>2</sup>
618	Woven artificial filament fabric	1.0	m <sup>2</sup>
619	Polyester filament fabric, less than 170 g/m <sup>2</sup>	1.0	m <sup>2</sup>
620	Other synthetic filament fabric	1.0	m <sup>2</sup>
621	Impression fabric	14.4	kg.
622	Glass fibre fabric	1.0	m <sup>2</sup>
624	Woven man-made fibre fabric, containing more than 15 per cent but less than 36 per cent wool	1.0	m <sup>2</sup>
Staple/filament combination			
625	Poplin & broadcloth	1.0	m <sup>2</sup>
626	Printcloth	1.0	m <sup>2</sup>
627	Sheeting	1.0	m <sup>2</sup>
628	Twills & sateens	1.0	m <sup>2</sup>
629	Other MMF	1.0	m <sup>2</sup>
810	Woven fabric of silk blends or non-cotton vegetable fibre	1.0	m <sup>2</sup>
Apparel			
237	Playsuits, sunsuit, etc.	19.2	doz.
239	Infants' apparel	6.3	kg.
330	Handkerchiefs	1.4	doz.
331	Gloves & mittens	2.9	dpr.
332	Hosiery	3.8	dpr.
333	M & B suit-type coats	30.3	doz.
334	Other M & B coats	34.5	doz.
335	W & G coats	34.5	doz.
336	Dresses	37.9	doz.
338	M & B knit shirts	6.0	doz.
339	W & G knit shirts & blouses	6.0	doz.
340	M & B shirts, not knit	20.1	doz.
341	M & G shirts & blouses, not knit	12.1	doz.
342	Skirts	14.9	doz.
345	Sweaters	30.8	doz.
347	M & B trousers, slacks & shorts	14.9	doz.
348	W & G trousers, slacks & shorts	14.9	doz.
349	Brassieres & body - supporting garments	4.0	doz.
350	Dressing gowns, etc.	42.6	doz.
351	Nightwear & pyjamas	43.5	doz.
352	Underwear	9.2	doz.
353	M & B down-filled coats	34.5	doz.

Category	Description	Unit	Conversion factor to square metre equivalent
354	W & G down-filled coats	34.5	doz.
359	Other cotton apparel	8.5	kg.
431	Gloves & mittens	1.8	dpr.
432	Hosiery	2.3	dpr.
433	M & B suit-type coats	30.1	doz.
434	Other M & B coats	45.1	doz.
435	W & G coats	45.1	doz.
436	Dresses	41.1	doz.
438	Knit shirts & blouses	12.5	doz.
439	Infants' wear	6.3	kg.
440	Shirts & blouses, not knit	20.1	doz.
442	Skirts	15.0	doz.
443	M & B suits	3.76	Nos.
444	W & G suits	3.76	Nos.
445	M & B sweaters	12.4	doz.
446	W & G sweaters	12.4	doz.
447	M & B trousers, slacks & shorts	15.0	doz.
448	W & G trousers, slacks & shorts	15.0	doz.
459	Other wool apparel	3.7	kg.
630	Handkerchiefs	1.4	doz.
631	Gloves & mittens	2.9	dpr.
632	Hosiery	3.8	dpr.
633	M & B suit-type coats	30.3	doz.
634	Other M & B coats	34.5	doz.
635	W & G coats	34.5	doz.
636	Dresses	37.9	doz.
638	M & B knit shirts	15.0	doz.
639	W & G knit shirts & blouses	12.5	doz.
640	M & B shirts, not knit	20.1	doz.
641	W & G shirts & blouses, not knit	12.1	doz.
642	Skirts	14.9	doz.
643	M & B suits	3.76	Nos.
644	W & G suits	3.76	Nos.
645	M & B sweaters	30.8	doz.
646	W & G sweaters	30.8	doz.
647	M & B trousers, slacks & shorts	14.9	doz.
648	W & G trousers, slacks & shorts	14.9	doz.
649	Brassieres & body supporting garments	4.0	doz.
650	Dressing gowns, etc.	42.6	doz.
551	Nightwear & pyjamas	43.5	doz.
652	Underwear	13.4	doz.
653	M & B down-filled coats	34.5	doz.
654	W & G down-filled coats	34.5	doz.
659	Other MMF apparel	14.4	kg.
831	Gloves & mittens	2.9	dpr.
832	Hosiery	3.8	dpr.
833	M & B suit-type coats	30.3	doz.
834	Other M & B coats & jackets	34.5	doz.
835	W & G coats & jackets	34.5	doz.

Category	Description	Unit	Conversion factor to square metre equivalent
836	Dresses	37.9	doz.
838	Knit shirts, blouses & tops	11.7	doz.
389	Infants' wear	6.3	kg.
840	Not knit shirts & blouses	16.7	doz.
842	Skirts	14.9	doz.
843	M & B suits	3.76	Nos.
844	W & G suits	3.76	Nos.
845	Sweaters of vegetable fibre	30.8	doz.
846	Sweaters of silk blend	30.8	doz.
847	Trousers, slacks & shorts	14.9	doz.
850	Robes & dressing gowns	42.6	doz.
851	Nightwear & pyjamas	43.5	doz.
852	Underwear	11.3	doz.
858	Neckwear	6.6	kg.
859	Other apparel	12.5	kg.
Made-up & miscellaneous textiles			
360	Pillowcases	0.9	Nos.
361	Sheets	5.2	Nos.
362	Bedspreads & quilts	5.8	Nos.
363	Terry & other pile towels	0.4	Nos.
369	Cotton manufactures, not specified (nspf)	8.5	kg.
464	Blankets	2.4	kg.
465	Floor coverings	1.0	m <sup>2</sup>
469	Wool manufactures, nspf	3.7	kg.
665	Floor coverings	1.0	m <sup>2</sup>
666	Other furnishings	14.4	kg.
669	Man-made fibre manufactures, nspf	14.4	kg.
670	Flat goods, handbags, luggage	3.7	kg.
863	Towels	0.4	Nos.
870	Luggage	3.7	kg.
871	Handbags & flatgoods	3.7	kg.
899	Other manufactures	11.1	kg.

ANNEX B

Category	Unit	Growth rate	1990 Base levels	1991 Base levels
Group I (C,W, MMF Non- app.)(excl. luggage)	sme	1.20	377,000,000	381,524,000
200	kg.	2.50	370,000	379,250
201	kg.	6.00	1,300,000	1,378,000
218	m <sup>2</sup>	2.50	7,500,000	7,687,500
219	m <sup>2</sup>	2.50	7,000,000	7,175,000
300/301	kg.	2.50	2,515,860	2,578,757
313	m <sup>2</sup>	2.50	41,000,000	42,025,000
314	m <sup>2</sup>	2.50	22,859,802	23,431,297
315	m <sup>2</sup>	1.50	16,000,000	16,240,000
317/326	m <sup>2</sup>	2.50	15,236,665	15,617,582
363	Nos.	2.50	900,000	922,500
410	m <sup>2</sup>	1.00	3,250,000	3,282,500
604	kg.	3.00	298,720	307,682
607	kg.	2.50	900,000	922,500
611	m <sup>2</sup>	2.50	3,000,000	3,075,000
613/4	m <sup>2</sup>	2.50	5,000,000	5,125,000
619/20	m <sup>2</sup>	1.00	86,500,000	87,365,000
624	m <sup>2</sup>	2.50	7,500,000	7,687,500
625-629	m <sup>2</sup>	2.50	12,800,000	13,120,000
669-P	kg.	2.50	1,887,126	1,934,304
Group II (C,W, MMF apparel)	sme	1.00	559,000,000	564,590,000
237	doz.	2.50	49,754	50,998
239	kg.	2.50	-----	851,767
333/4/5	doz.	2.50	225,000	230,625
(335)	doz.	2.50	115,000	117,875
336	doz.	2.50	47,549	48,738
338/9	doz.	2.50	1,000,000	1,025,000
340	doz.	2.50	520,000	533,000
(340-D)	doz.	2.50	270,000	276,750
341	doz.	1.50	160,000	162,400
342/642	doz.	2.50	166,781	170,951
345	doz.	2.50	97,148	99,577
347/8	doz.	2.50	370,000	379,250

Category	Unit	Growth rate	1990 Base levels	1991 Base levels
350	doz.	2.50	13,829	14,175
351	doz.	2.50	121,576	-----
651	doz.	2.50	68,407	-----
351/651	doz.	2.50	-----	194,732
352	doz.	2.50	147,840	151,536
353/4/653/4	doz.	1.50	236,577	240,126
359-H	kg.	2.50	2,129,773	2,183,017
433	doz.	0.50	13,328	13,395
434	doz.	0.50	6,836	6,870
435	doz.	1.00	32,236	32,558
436	doz.	1.00	13,646	13,782
438	doz.	1.00	54,712	55,259
440	doz.	0.50	190,000	190,950
442	doz.	1.00	46,117	46,578
443	Nos.	0.00	322,056	322,056
444	Nos.	1.00	50,251	50,754
445/6	doz.	0.50	50,000	50,250
447	doz.	0.50	85,304	85,731
448	doz.	1.00	32,443	32,767
459-W	kg.	1.00	87,761	88,639
631	doz.	2.50	249,624	255,865
632	dpr.	2.50	1,322,364	1,355,423
633/4/5	doz.	0.30	1,322,769	1,326,737
(633)	doz.	0.30	150,000	150,450
(635)	doz.	0.30	559,000	560,677
636	doz.	1.50	237,736	241,302
638/9	doz.	0.30	5,150,000	5,165,450
640-D	doz.	0.50	3,000,000	3,015,000
640-O	doz.	0.50	2,500,000	2,512,500
641	doz.	0.60	998,855	1,004,848
(641-Y)	doz.	0.60	37,730	37,956
643	doz.	0.60	740,000	744,440
644	doz.	0.60	1,113,298	1,119,978
645/6	doz.	0.50	3,436,466	3,453,648
647/8	doz.	1.00	1,215,166	1,227,318
650	doz.	2.50	20,236	20,742
659-H	kg.	1.50	1,173,698	1,191,303
659-S	kg.	2.50	148,827	152,548
Group III (Silk-blends and other vegetable fibre apparel excl. 845 & 846)	sme	0.10	18,066,802	18,084,869
835	doz.	0.50	27,544	27,682

Category	Unit	Growth rate	1990 Base levels	1991 Base levels
Group IV (Sweaters of silk blend and/or other vegetable fibre)				
845	doz.	0.00	2,315,056	2,315,056
846	doz.	0.10	811,512	812,324
Group VI (C, MMF, SBOV Luggage, 369-L/670- L/870)	sme	2.50	58,670,271	60,137,028
Group I (C.W, MMF non- app ) (excl. Luggage)	sme	1.20	386,102,288	390,735,515
200	kg.	2.50	388,731	398,449
201	kg.	6.00	1,460,680	1,548,321
218	m <sup>2</sup>	2.50	7,879,688	8,076,680
219	m <sup>2</sup>	2.50	7,354,375	7,538,234
300/301	kg.	2.50	2,643,226	2,709,307
313	m <sup>2</sup>	2.50	43,075,625	44,152,516
314	m <sup>2</sup>	2.50	24,017,079	24,617,506
315	m <sup>2</sup>	1.50	16,483,600	16,730,854
317/326	m <sup>2</sup>	2.50	16,008,022	16,408,223
363	Nos.	2.50	945,563	969,202
410	m <sup>2</sup>	1.00	3,315,325	3,348,478
604	kg.	3.00	316,912	326,419
607	kg.	2.50	945,563	969,202
611	m <sup>2</sup>	2.50	3,151,775	3,230,672
613/4	m <sup>2</sup>	2.50	5,253,125	5,384,453
617	m <sup>2</sup>	2.50	4,356,250	4,465,156
619/20	m <sup>2</sup>	1.00	88,238,650	89,121,037
624	m <sup>2</sup>	2.50	7,879,688	8,076,680
625-629	m <sup>2</sup>	2.50	13,448,000	13,784,200
669-P	kg.	2.50	1,982,662	2,032,229
Group II (C,W, MMF Apparel)	sme	1.00*	554,523,713	560,068,950
237	doz.	2.50	52,273	53,580
239	kg.	2.50	873,061	894,888
333/4/5	doz.	2.50	236,391	242,301
(335)	doz.	2.50	120,822	123,843
336	doz.	2.50	49,956	51,205
338/9	doz.	2.50	1,050,625	1,076,891
340	doz.	2.50	546,325	559,983
(340-D)	doz.	2.50	283,669	290,761
341	doz.	1.50	164,836	167,309
342/642	doz.	2.50(1)	190,000	194,750

Category	Unit	Growth rate	1990 Base levels	1991 Base levels
345	doz.	2.50	102,066	104,618
347/8	doz.	2.50	388,731	398,449
350	doz.	2.50	14,529	14,892
351/651	doz.	2.50	199,600	204,590
352	doz.	2.50	155,324	159,207
353/4/653/4	doz.	1.50	243,728	247,384
359-H	kg.	2.50	2,237,592	2,293,532
433	doz.	0.50	13,462	13,529
434	doz.	0.50	6,904	6,939
435	doz.	1.00	32,884	33,213
436	doz.	1.00	13,920	14,059
438	doz.	1.00	55,812	56,370
440	doz.	0.50	191,905	192,865
442	doz.	1.00	47,044	47,514
443	Nos.	0.00	322,056	322,056
444	Nos.	1.00	51,262	51,775
445/6	doz.	0.50	50,501	50,754
447	doz.	0.50	86,160	86,591
448	doz.	1.00	33,095	33,426
459-W	kg.	1.00	89,525	90,420
631	dpr.	2.50	262,262	268,819
632	dpr.	2.50	1,389,309	1,424,042
633/4/5	doz.	0.30	1,330,717	1,334,709
(633)	doz.	0.30	150,901	151,354
(635)	doz.	0.30	562,359	564,046
636	doz.	1.50	244,922	248,596
638/9	doz.	0.30	5,180,946	5,196,489
640-D	doz.	0.50	3,030,075	3,045,225
640-O	doz.	0.50	2,525,063	2,537,688
641	doz.	0.60	1,010,877	1,016,942
(641-Y)	doz.	0.60	38,184	38,413
643	Nos.	0.60	748,907	753,400
644	Nos.	0.60	1,126,698	1,133,458
645/6	doz.	0.50	3,470,916	3,488,271
647/8	doz.	1.00	1,239,591	1,251,987
650	doz.	2.50	21,261	21,793
659-H	kg.	1.50	1,209,173	1,227,311
659-S	kg.	2.50	156,362	160,271
Group III (Silk-blends and other vegetable fibre apparel excl. 845 & 846)	sme	0.10	18,102,954	18,121,057
835	doz.	0.50	27,820	27,959

Category	Unit	Growth rate	1990 Base levels	1991 Base levels
Group IV (Sweaters of silk blend and/or other vegetable fibre)				
845	doz.	0.00	2,315,056	2,315,056
846	doz.	0.10	813,136	813,949
Group VI (C,MMF,SBOV Luggage, 369-L/670- L/870)	sme	2.50	61,640,454	63,181,465
Group I (C,W,MMF Non-app.) (excl. Luggage)	sme	1.20	395,424,341	400,169,433
200	kg.	2.50	408,410	418,620
201	kg.	6.00	1,641,220	1,739,693
218	m <sup>2</sup>	2.50	8,278,597	8,485,562
219	m <sup>2</sup>	2.50(2)	7,538,234	7,726,690
300/301	kg.	2.50	2,777,040	2,846,466
313	m <sup>2</sup>	2.50	45,256,329	46,387,737
314	m <sup>2</sup>	2.50	25,232,944	25,863,768
315	m <sup>2</sup>	1.50	16,981,817	17,236,544
317/326	m <sup>2</sup>	2.50	16,818,429	17,238,890
363	Nos.	2.50(2)	969,202	993,432
410	m <sup>2</sup>	1.00	3,381,963	3,415,783
604	kg.	3.00	336,212	346,298
607	kg.	2.50	993,432	1,018,268
611	m <sup>2</sup>	2.50	3,311,439	3,394,225
613/4	m <sup>2</sup>	2.50	5,519,064	5,657,041
617	m <sup>2</sup>	2.50	4,576,785	4,691,205
619/20	m <sup>2</sup>	1.00	90,012,247	90,912,369
624	m <sup>2</sup>	2.50(2)	8,076,680	8,278,597
625-629	m <sup>2</sup>	2.50	14,128,805	14,482,025
669-P	kg.	2.50(2)	2,032,229	2,083,035
Group II (C,W,MMF apparel)	sme	1.00(1)	565,669,6	571,326,33
237	doz.	2.50	54,920	56,293
239	kg.	2.50	917,260	940,192
333/4/5	doz.	2.50	248,359	254,568
(335)	doz.	2.50	126,939	130,112
336	doz.	2.50	52,485	53,797
338/9	doz.	2.50	1,103,813	1,131,408
340	doz.	2.50	573,983	588,333
(340-D)	doz.	2.50	298,030	305,481
341	doz.	1.50	169,819	172,366
342/642	doz.	2.50(1)	199,619	204,609

Category	Unit	Growth rate	1990 Base levels	1991 Base levels
345	doz.	2.50	107,233	109,914
347/8	doz.	2.50	408,410	418,620
350	doz.	2.50	15,264	15,646
351/651	doz.	2.50	209,705	214,948
352	doz.	2.50	163,187	167,267
353/4/653/4	doz.	1.50	251,095	254,861
359-H	kg.	2.50	2,350,870	2,409,642
433	doz.	0.50	13,597	13,665
434	doz.	0.50	6,974	7,009
435	doz.	1.00	33,545	33,880
436	doz.	1.00	14,200	14,342
438	doz.	1.00	56,934	57,503
440	doz.	0.50	193,829	194,798
442	doz.	1.00	47,989	48,469
443	Nos.	0.00	322,056	322,056
444	Nos.	1.00	52,293	52,816
445/6	doz.	0.50	51,008	51,263
447	doz.	0.50	87,024	87,459
448	doz.	1.00	33,760	34,098
459-W	kg.	1.00	91,324	92,237
631	dpr.	2.50	275,539	282,427
632	dpr.	2.50	1,459,643	1,496,134
633/4/5	doz.	0.30	1,338,713	1,342,729
(633)	doz.	0.30	151,808	152,263
(635)	doz.	0.30	565,738	567,435
636	doz.	1.50	252,325	256,110
638/9	doz.	0.30	5,212,078	5,227,714
640-D	doz.	0.50	3,060,451	3,075,753
640-O	doz.	0.50	2,550,376	2,563,128
641	doz.	0.60	1,023,044	1,029,182
(641-Y)	doz.	0.60	38,643	38,875
643	Nos.	0.60	757,920	762,468
644	Nos.	0.60	1,140,259	1,147,101
645/6	doz.	0.50	3,505,712	3,523,241
647/8	doz.	1.00	1,264,507	1,277,152
650	doz.	2.50	22,338	22,896
659-H	kg.	1.50	1,245,721	1,264,407
659-S	kg.	2.50	164,278	168,385
<b>Group III</b> (Silk-blends and other vegetable fibre apparel excl. 845 & 846)	sme	0.10	18,139,178	18,157,317
835	doz.	0.50	28,099	28,239

Category	Unit	Growth rate	1990 Base levels	1991 Base levels
<b>Group IV</b> (Sweaters of silk blend and/or other vegetable fibre)				
845	doz.	0.00	2,315,056	2,315,056
846	doz.	0.10	814,763	815,578
<b>Group VI</b> (C,MMF,SBOV Luggage, cat. 369-L/670-L/870)	sme	2.50	64,761,002	66,380,027

<sup>1</sup>This rate does not apply for growth to 1992 from the 1991 restraint level.

<sup>2</sup>This rate does not apply for growth to 1994 from the 1993 restraint level.

ANNEX C

Categories and sub-categories	Per cent swing
201	6
218	10
333/4/5	6
338/9	6
340	6
(340-D)	6
341	6
347/8	6
353/4/653/4	6
410	5
433	5
434	5
438	5
440	5
443	5
444	5
445/6	5
447	5
604	(2 in 1990-1991); (7 in 1992-1995)
633/4/5	2
(633)	2
(635)	2
638/9	2
640-O	0
640-D	0
641	5
641-Y	5
643	5
645/6	0
647/8	5
659-H	5
845	0
846	0

ANNEX DAgreed List of Exempt Items

1. "Chima": The long, formless and ample skirt portion of the traditional Korean chima-chogori dress set.
2. "Chogori": The short, halter-type blouse or top portion of the traditional Korean chima-chogori dress set.
3. "Bosun": The ankle boot-type article, wholly of cloth, worn by Korean women indoors.
4. "Fabrics": not to exceed 24 x 48 inches in size, containing hand-embroidered or handpainted Korean scenes, and used primarily as decorations or art objects.
5. "Handmade carpets": i.e., in which the pile was inserted or knotted by hand and classified by the US Customs Service under HS Numbers HTS 5701.10.1600, 5701.10.2010, and 5703.20.1000.
6. "Korean-style handbags": and other flat goods of the type considered by the US Customs Service to be classified as luggage, women's and children's handbags, and billfolds, card cases, coin purses, eyeglass cases and other flat goods.
7. "Martial Arts Uniforms"
8. "Toys for Animals"

Ministry of Foreign Affairs

Republic of Korea

Seoul, 30 November 1993

Excellency,

I have the honour to acknowledge the receipt of Your Excellency's note dated 8 November 1993 concerning the result of the discussion between representatives of our Governments on 30 August - 1 September 1993 in Seoul, regarding the exports of cotton, wool, man-made fibre, silk blend and other non-cotton vegetable fibre textile products from the Republic of Korea to the United States of America.

"Excellency:

I have the honour to refer to the Arrangement Regarding International Trade in Textiles, with Annexes, done at Geneva on 20 December 1973, as extended (the Arrangement), and to the bilateral textile agreement between the Governments of the United States of America and of the Republic of Korea effected by exchange of notes dated 14 September 1990, as amended by an exchange of notes dated 31 October and 10 December 1991 (the Agreement).

I have the further honour to refer to the discussions between representatives of our Governments on 30 August - 1 September 1993, in Seoul, Korea, concerning exports of cotton, wool, man-made fibre; silk blend and other non-cotton vegetable fibre textile products from Korea to the United States of America. As a result of those discussions, propose on behalf of the Government of the United States of America that the Agreement be amended to be the Agreement enclosed with this note. If the Agreement is acceptable to the Government of the Republic of Korea, this note and Your Excellency's note in reply shall constitute an amendment to the Agreement between our two Governments.

Accept, Excellency, the renewed assurances of my highest consideration.

Enclosure: Agreement"

I have the honour to further inform Your Excellency that the proposed textile agreement enclosed with Your Excellency's note is acceptable to the Government of the Republic of Korea, and to confirm on behalf of the Government of the Republic of Korea Your Excellency's note and this note in reply thereto shall constitute an agreement between our two Governments.

Accept, Excellency, the renewed assurances of my highest consideration.

Enclosure: Agreement

(Signed) Han Sung-Joo  
Minister of Foreign Affairs