

No. 17756

**UNITED STATES OF AMERICA
and
REPUBLIC OF KOREA**

**Exchange of notes constituting an agreement relating to
trade in textiles and textile products (with annexes
and related notes). Washington, 23 December 1977**

**Exchange of notes constituting an agreement amending the
above-mentioned Agreement. Washington, 23 and
26 May 1978**

Authentic texts: English.

Registered by the United States of America on 17 April 1979.

**ÉTATS-UNIS D'AMÉRIQUE
et
RÉPUBLIQUE DE CORÉE**

**Échange de notes constituant un accord relatif au commerce
des textiles et des produits textiles (avec annexes et
notes connexes). Washington, 23 décembre 1977**

**Échange de notes constituant un accord modifiant l'Accord
susmentionné. Washington, 23 et 26 mai 1978**

Textes authentiques : anglais.

Enregistrés par les États-Unis d'Amérique le 17 avril 1979.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹
 BETWEEN THE UNITED STATES OF AMERICA AND THE
 REPUBLIC OF KOREA RELATING TO TRADE IN TEXTILES
 AND TEXTILE PRODUCTS

I

The Secretary of State to the Korean Ambassador

DEPARTMENT OF STATE
 WASHINGTON

December 23, 1977

Excellency:

I have the honor to refer to the Arrangement Regarding International Trade in Textiles (hereinafter referred to as the Arrangement), done at Geneva on December 20, 1973.²

I have also the honor to refer to discussions between representatives of the Government of the Republic of Korea and the Government of the United States of America in Washington from July 26 to August 4 and from September 19 to September 22, 1977, and in Seoul from August 23 to August 30, 1977, concerning exports to the United States of America of cotton, wool and man-made fiber textiles and textile products manufactured in the Republic of Korea. As a result of these discussions, and in conformity with Article 4 of the Arrangement, I have the honor to propose, on behalf of the Government of the United States of America, the following Agreement relating to trade in cotton, wool and man-made fiber textiles and textile products between the Republic of Korea and the United States of America:

1. This Agreement shall enter into force on the date of Your Excellency's note confirming the terms hereof and shall remain in force through December 31, 1982, except as provided in paragraph 22.

2. Textiles and textile products covered by this Agreement shall be classified in three groups, as follows:

<i>Group</i>	<i>Definition</i>
I	Yarns, fabrics, made-up goods and miscellaneous textile products of cotton and man-made fibers (Categories 300, 301, 310-320, 330, 359 part (shoe uppers), 360-363, 369, 600-605, 610-614, 625-627, 630, 665, 666 and 669)
II	Apparel of cotton and man-made fibers (Categories 331-342, 345, 347-352, 359, 631-652 and 659)
III	Wool textiles and textile products (Categories 400, 410, 411, 425, 429, 431-436, 438, 440, 442-448, 459, 464, 465 and 469)

¹ Came into force provisionally on 23 December 1977, the date of the note in reply, and definitively on 7 February 1978, i.e., when the Government of the Republic of Korea had notified the Government of the United States of the completion of the necessary domestic legal procedures, with effect from 1 January 1978, in accordance with the provisions of the said notes.

² United Nations, *Treaty Series*, vol. 930, p. 166.

The determination of whether a textile or textile product is of cotton, wool, or man-made fiber shall be made in accordance with the terms of paragraph 10. The Categories referred to in the above definitions of groups are those summarized in Annex A.

3. Each "Agreement Year" shall be a calendar year, with the first Agreement Year commencing on January 1, 1978 and ending on December 31, 1978. "Limit" or "Limits" means, as the context requires, the Aggregate Limit, a Group Limit, a Specific Limit, a Sub-limit, or any combination thereof, as described in paragraph 5. "Flexibility" means, with respect to Group Limits, the amount by which a Group Limit may be exceeded pursuant to paragraph 7, and, with respect to Specific Limits and Sub-Limits, the amount by which a Specific Limit or Sub-Limit may be exceeded pursuant to paragraph 8.

4. (a) The system of Categories and the rates of conversion into square yards equivalent listed in Annex A shall apply in implementing this Agreement except as set out in subparagraph 4 (b).

(b) For purposes of this Agreement, and in recognition of the patterns of trade of the Republic of Korea with the United States of America, the groups of Categories below are merged and treated as single Categories and Subcategories as indicated, with Limits for Categories and Sub-Limits for Subcategories as set out in Annex B:

<i>Categories merged</i>	<i>Designation in agreement</i>	<i>Subcategories</i>
333, 334, 335	333/334/335	333/334; 335
347, 348	347/348	347; 348
433, 434	433/434	433; 434
445, 446	445/446	None
633, 634, 635	633/634/635	633; 634; 635
638, 639	638/639	None
645, 646	645/646	None

For purposes of computing charges to Aggregate, Group and Specific Limits and Sub-Limits for the Categories and Sub-Categories cited above, rates of conversion for individual Categories set out in Annex A shall be applied, except that the rates of conversion for Categories 333 and 334 shall be 39.5 square yards equivalent per dozen and that the rates of conversion for Categories 638 and 639 shall be 15.5 square yards equivalent per dozen.

(c) The Government of the United States of America reserves the right to consult with the Government of the Republic of Korea, under paragraph 21, should trade patterns within any of the above Categories change significantly.

(d) For purposes of this Agreement, Category 640, as summarized in Annex A, is divided into two Categories, designated Category 640 (dress shirts) and category 640 (other shirts), each subject to a Specific Limit as set out in Annex B.

5. Commencing with the first Agreement Year, and during the subsequent term of this Agreement, the Government of the Republic of Korea shall limit annual exports from the Republic of Korea to the United States of America of cotton, wool, and man-made fiber textiles and textile products manufactured in the Republic of Korea to the Aggregate, Group and Specific Limits and Sub-Limits set out in Annex B, as such Limits may be adjusted in accordance with paragraphs 7, 8, and 9. The Limits set out in Annex B do not include any adjustments permitted under paragraphs 7, 8, or 9.

6. (a) Categories not subject to Specific Limits are subject to Consultation Levels and to the Aggregate and applicable Group Limits. Except as specified in Annex C, which sets out certain Consultation Levels for the first Agreement Year, or as established pursuant to sub-paragraph 6(b), Consultation Levels for each Agreement Year for Categories not subject to a Specific Limit shall be 1,000,000 square yards equivalent for

Categories in Group I, 700,000 square yards equivalent for Categories in Group II, and 100,000 square yards equivalent for Categories in Group III.

(b) For the second and subsequent Agreement Years, the following procedures shall apply with respect to exports during each of such Agreement Years in each Category not subject to a Specific Limit:

- (i) By November 1 immediately preceding the applicable Agreement Year, the Government of the Republic of Korea shall notify the Government of the United States of America of anticipated exports in each such Category during that Agreement Year. Following receipt of such notice, the Government of the United States of America shall have 30 days in which to request consultation with respect to any such Category.
- (ii) When the Government of the United States of America requests consultations, the Government of the Republic of Korea shall meet promptly (but in any event not more than 30 days after the request for consultations by the Government of the United States of America) with the Government of the United States of America to work out a mutually satisfactory solution to such problems as may exist with respect to the anticipated exports referred to under sub-paragraph 6(b)(i). The consultations shall be concluded within 30 days, unless the two Governments agree otherwise.
- (iii) In the event that such consultations do not result in a mutually satisfactory solution, the Government of the Republic of Korea shall limit its exports in any Category subject to consultations during the Agreement Year in question to the level requested by the Government of the United States of America at the conclusion of such consultations. Such level shall not be less than the level in effect during the Agreement Year in which the Government of the United States of America requested consultations. Beginning with the Agreement Year following the one in which the United States of America requested consultations, such level will be deemed to be a Specific Limit. During the first Agreement Year in which the level is first deemed to be a Specific Limit, it will be subject to Flexibility and Carry Forward provisions of paragraphs 8 and 9. During each Agreement Year subsequent to the Agreement Year in which the level is first deemed to be a Specific Limit, it shall be increased by 1 percent in the case of Categories in Group III, and 6.5 percent in the case of Categories in Group I and II, and shall be subject to Flexibility provisions of paragraph 8 and to the Carryover and Carry Forward provisions of paragraph 9.
- (iv) If consultations are not requested by the Government of the United States of America with respect to any Category not subject to a Specific Limit, the Government of the Republic of Korea shall not permit exports in such Category to exceed the level stated by the Government of the Republic of Korea under sub-paragraph 6(b)(i) without specific concurrence of the Government of the United States of America to such additional exports. The Government of the Republic of Korea may request such concurrence at any time it believes appropriate. The Government of the United States of America shall give due consideration to such request for concurrence and shall respond within 21 days of the receipt of any such request.

7. During any Agreement Year, and within the Aggregate Limit for such Agreement Year, the Group Limits set out in Annex B applicable to such Agreement Year may be exceeded by not more than 15 percent in the case of Group I, by not more than 7 percent in the case of Group II, and by not more than 3 percent in the case of Group III. Adjustments made pursuant to this paragraph are in addition to those pursuant to paragraph 9.

8. During any Agreement Year, and within the Aggregate and applicable Group Limits for such Agreement Year, as they may be adjusted pursuant to paragraphs 7 and 9, any Specific Limit or Sub-Limit set out in Annex B, or pursuant to an amend-

ment to Annex B, or as a result of the consultation procedure in subparagraph 6(b) may be exceeded by not more than:

- 10 percent if included within Group I,
- 7 percent if included within Group II,
- 5 percent if included within Group III,

provided however, that the Specific Limits and Sub-Limits, for Categories 319, 633/634/635, 638/639, 640 (dress shirts), 640 (other shirts), 641, 643, 645/646, and 647 may not be exceeded by more than 6 percent. Adjustments made pursuant to this paragraph are in addition to those pursuant to paragraph 9.

9. (a) In any Agreement Year, in addition to any adjustments pursuant to paragraphs 7 and 8, exports may exceed by a maximum of 11 percent (7.15 percent during the first Agreement Year) the Aggregate Limit and any Group or Specific Limit or Sub-limit by allocating to such Limit for that Agreement Year an unused portion of the corresponding Limit for the previous Agreement Year ("Carryover") or a portion of the corresponding Limit for the succeeding Agreement Year ("Carry Forward") subject to the following conditions:

- (i) Carryover may be utilized as available up to 11 percent of the receiving Agreement Year's applicable Limits, provided, however, that no Carryover shall be available for application during the first Agreement Year, or for Specific Limits created pursuant to subparagraph 6(b) for the first year in which they are in existence;
- (ii) Except in the first Agreement Year or for the first year of the existence of any Specific Limit created pursuant to subparagraph 6(b), to which Carryover does not apply, the combination of Carryover and Carry Forward shall not exceed 11 percent of the receiving Agreement Year's applicable Limit in any Agreement Year;
- (iii) Carry Forward may be utilized up to 7.15 percent of the receiving Agreement Year's applicable Limits and shall be charged against the immediately following Agreement Year's corresponding Limits;
- (iv) Carryover of Shortfall (as defined in Subparagraph 9(b)) shall not be applied to any Specific Limits until the Governments of the Republic of Korea and the United States of America have agreed upon the amounts involved. Consultations to consider the amounts involved shall be held promptly upon the request of either Government and in any case within the first six months of the Agreement Year following the Agreement Year in which the Shortfall occurred.

(b) For purposes of this Agreement, a Shortfall occurs when exports of textiles or textile products of the Republic of Korea to the United States of America during an Agreement Year are below the Aggregate Limit and any applicable Group Limit, Specific Limit or Sub-limit. In the Agreement Year following the Shortfall, such exports from the Republic of Korea to the United States of America may be permitted to exceed the Aggregate, Group, and Specific Limits and Sub-Limits, subject to conditions of subparagraph 9(a) by Carryover of Shortfalls in the following manner:

- (i) The Carryover shall not exceed the amount of Shortfall in either the Aggregate Limit or any applicable Group, Specific Limit or Sub-Limit;
- (ii) In the case of Shortfall in a Category or Sub-category subject to a Specific Limit or Sub-limit, the Shortfall shall be used in the Category or Sub-category in which the Shortfall occurred; and
- (iii) In the case of Shortfalls not attributable to Categories (or combinations of Categories) or Sub-categories subject to Specific Limits or Sub-limits, the Carryover shall be used in the same Group in which the Shortfall occurred.

(c) The Limits referred to in Sub-paragraphs (a) and (b) of this paragraph are without any adjustment under this paragraph or paragraphs 7 or 8.

(d) The total adjustment under this paragraph shall be in addition to adjustments to the Limits permitted by paragraphs 7 and 8.

10. (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, or man-made fibers, or blends thereof, in which any or all of those fibers represent either the chief value of the fibers or 50 percent or more by weight (or 17 percent or more by weight of wool) of the product, are subject to this Agreement.

(b) For the purposes of this Agreement, textile products shall be classified as cotton, wool or man-made fiber textiles if wholly or in chief value of any of these fibers. Any products covered by subparagraph 10(a) but not in chief value of cotton, wool or man-made fiber shall be classified as:

- (i) Cotton textiles if containing 50 percent or more by weight of cotton, of it the cotton component exceeds by weight the wool and/or the man-made fiber component;
- (ii) Wool textiles if not cotton, and wool equals or exceeds 17 percent by weight of all component fibers; and
- (iii) Man-made fiber textiles if neither of the foregoing applies.

11. 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.

12. (a) 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, man-made fiber and wool textiles and textile products into the United States of America from the Republic of Korea.

(b) The Government of the Republic of Korea shall promptly supply the Government of the United States of America with data on monthly exports of cotton, man-made fiber and wool textiles and textile products from the Republic of Korea to the United States of America.

(c) Each Government agrees to supply promptly any other available statistical data necessary to the implementation of this Agreement requested by the other Government.

13. The Government of the Republic of Korea shall use its best efforts to space exports from the Republic of Korea to the United States of America within each Category or Sub-Category evenly throughout each Agreement Year, taking into consideration normal seasonal factors.

14. If, having regard to the provisions of the Arrangement, the Government of the Republic of Korea considers that the Republic of Korea is being placed in an inequitable position *vis-à-vis* a third country, 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.

15. For the duration of this Agreement, the Government of the United States of America shall not invoke the procedures of Article 3 of the Arrangement to request restraint on the export of cotton, wool and man-made fiber textiles and textile products from the Republic of Korea to the United States. Each Government reserves its rights under the Arrangement with respect to textiles and textile products not subject to this Agreement.

16. The Government of the Republic of Korea shall administer its export control system under this Agreement. The Government of the United States of America may assist the Government of the Republic of Korea in implementing the limitation provisions of this

Agreement by controlling imports of textiles and textile products covered by this Agreement.

17. (a) Subject to agreed certification procedures, exports of the textiles and textile products listed in Annex D, including Taekwondo and Judo suits, from the Republic of Korea to the United States of America shall be exempt from the provisions of this Agreement. Exports of animal toys and similar "non-textile items" from the Republic of Korea to the United States also are not subject to the provisions of this Agreement.

(b) Exports of cotton, wool and man-made fiber textiles and textile products in shipments individually valued at less than \$250.00 shall not be charged to the Limits of this Agreement.

18. The two Governments will consult on appropriate Limits for Category 443 for the third and subsequent Agreement Years prior to the end of the second Agreement Year. The Government of the Republic of Korea and the Government of the United States of America shall also consult in timely manner (a) on appropriate limits for Category 440, for each Agreement Year, and (b) on appropriate treatment of leather patched apparel subject to this Agreement.

19. During the first Agreement Year, each Government shall maintain records on imports or exports, as appropriate, of cotton suits, the component parts of which were charged to two or more of Categories 333, 334, 335, 342, 347, and 348. If the Government of the United States of America requests consultation with the Government of the Republic of Korea prior to the end of the first Agreement Year with a view to creating a separate Specific Limit for cotton suits, the Government of the Republic of Korea agrees to consult promptly with the Government of the United States of America.

20. (a) The Government of the United States of America and the Government of the Republic of Korea agree to consult, upon the request of either Government, on any question arising in the implementation of this Agreement.

(b) The two Governments agree to undertake a major review of this Agreement no later than the end of the third Agreement Year.

21. The Government of the United States of America and the Government of the Republic of Korea may at any time propose revisions in the terms of this Agreement. Each Government agrees to consult promptly with the other Government about such proposals with a view to making such revisions to this Agreement, or taking such other appropriate action as may be mutually agreed upon.

22. Either Government may terminate this Agreement, effective at the end of an Agreement Year, by written notice to the other Government, to be given at least 90 days prior to the end of such Agreement Year.

If the foregoing conforms with the understanding of the Government of the Republic of Korea, this note and Your Excellency's note of confirmation on behalf of the Government of the Republic of Korea shall constitute an Agreement between our two Governments.

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

For the Secretary of State:

WILLIAM BARRACLOUGH

His Excellency Yong Shik Kim
Ambassador of the Republic of Korea

ANNEX A

<i>Category</i>	<i>Description</i>	<i>Conversion factor</i>	<i>Unit of measure</i>
<i>Yarn</i>			
	—Cotton		
300	Carded	4.6	Lb.
301	Combed	4.6	Lb.
	—Wool		
400	Tops and yarn	2.0	Lb.
	—Man-made fiber		
600	Textured	3.5	Lb.
601	Cont. cellulosic	5.2	Lb.
602	Cont. noncellulosic	11.6	Lb.
603	Spun cellulosic	3.4	Lb.
604	Spun noncellulosic	4.1	Lb.
605	Other yarns	3.5	Lb.
<i>Fabric</i>			
	—Cotton		
310	Ginghams	1.0	Syd.
311	Velveteens	1.0	Syd.
312	Corduroy	1.0	Syd.
313	Sheeting	1.0	Syd.
314	Broadcloth	1.0	Syd.
315	Printcloths	1.0	Syd.
316	Shirtings	1.0	Syd.
317	Twills and sateens	1.0	Syd.
318	Yarn-dyed	1.0	Syd.
319	Duck	1.0	Syd.
320	Other fabrics, n.k.	1.0	Syd.
330	Handkerchiefs	1.7	Dz.
	—Wool		
410	Woolens and worsted	1.0	Syd.
411	Tapestries and upholstery	1.0	Syd.
425	Knit	2.0	Lb.
429	Other fabrics	1.0	Syd.
	—Man-made fiber		
610	Cont. cellulosic, n.k.	1.0	Syd.
611	Spun cellulosic, n.k.	1.0	Syd.
612	Cont. noncellulosic, n.k.	1.0	Syd.
613	Spun noncellulosic, n.k.	1.0	Syd.
614	Other fabrics, n.k.	1.0	Syd.
625	Knit	7.8	Lb.
626	Pile and tufted	1.0	Syd.
627	Specialty	7.8	Lb.
<i>Apparel</i>			
	—Cotton		
331	Gloves	3.5	Dpr.
332	Hosiery	4.6	Dpr.
333	Suit-type coats, M and B	36.2	Dz.
334	Other coats, M and B	41.3	Dz.
335	Coats, W, G and I	41.3	Dz.
336	Dresses (inc. uniforms)	45.3	Dz.

Category	Description	Conversion factor	Unit of measure
337	Playsuits, sunsuits, washsuits, creepers	25.0	Dz.
338	Knit shirts (inc. T-shirts, other and sweatshirts), M and B . . .	7.2	Dz.
339	Knit shirts and blouses (inc. T-shirts, other & sweatshirts), W, G and I	7.2	Dz.
340	Shirts, n.k.	24.0	Dz.
341	Blouses, n.k.	14.5	Dz.
342	Skirts	17.8	Dz.
345	Sweaters	36.8	Dz.
347	Trousers, slacks, and shorts (outer), M and B	17.8	Dz.
348	Trousers, slacks and shorts (outer), W, G and I	17.8	Dz.
349	Brassieres, etc.	4.8	Dz.
350	Dressing gowns, inc. bathrobes, and beach robes, lounging gowns, house coats, and dusters	51.0	Dz.
351	Pajamas and other nightwear	52.0	Dz.
352	Underwear (inc. union suits)	11.0	Dz.
359	Other apparel	4.6	Lb.
—Wool			
431	Gloves	2.1	Dpr.
432	Hosiery	2.8	Dpr.
433	Suit-type coats, M and B	3.0	No.
434	Other coats, M and B	4.5	No.
435	Coats, W, G and I	4.5	No.
436	Dresses	4.1	No.
438	Knit shirts and blouses	15.0	Dz.
440	Shirts and blouses, n.k.	24.0	Dz.
442	Skirts	1.5	No.
443	Suits, M and B	4.5	No.
444	Suits, W, G and I	4.5	No.
445	Sweaters, M and B	14.88	Dz.
446	Sweaters, W, G and I	14.88	Dz.
447	Trousers, slacks, and shorts (outer), M and B	1.5	No.
448	Trousers, slacks and shorts (outer), W, G and I	1.5	No.
459	Other wool apparel	2.0	Lb.
—Man-made fiber			
630	Handkerchiefs	1.7	Dz.
631	Gloves	3.5	Dpr.
632	Hosiery	4.6	Dpr.
633	Suit-type coats, M and B	36.2	Dz.
634	Other coats, M and B	41.3	Dz.
635	Coats, W, G and I	41.3	Dz.
636	Dresses	45.3	Dz.
637	Playsuits, sunsuits, washsuits, etc.	21.3	Dz.
638	Knit shirts, (inc. T-shirts), M and B	18.0	Dz.
639	Knit shirts and blouses (inc. T-shirts), W, G and I	15.0	Dz.
640	Shirts, n.k.	24.0	Dz.
641	Blouses, n.k.	14.5	Dz.
642	Skirts	17.8	Dz.
643	Suits, M and B	4.5	No.
644	Suits, W, G and I	4.5	No.
645	Sweaters, M and B	36.8	Dz.
646	Sweaters, W, G and I	36.8	Dz.
647	Trousers, slacks, and shorts (outer), M and B	17.8	Dz.
648	Trousers, slacks and shorts (outer), W, G and I	17.8	Dz.
649	Brassieres, etc.	4.8	Dz.
650	Dressing gowns, inc. bath and beach robes	51.0	Dz.

<i>Category</i>	<i>Description</i>	<i>Conversion factor</i>	<i>Unit of measure</i>
651	Pajamas and other nightwear	52.0	Dz.
652	Underwear	16.0	Dz.
659	Other apparel	7.8	Lb.
<i>Made-ups and misc.</i>			
—Cotton			
360	Pillowcases	1.1	No.
361	Sheets	6.2	No.
362	Bedspreads and quilts	6.9	No.
363	Terry and other pile towels	0.5	No.
369	Other cotton manufactures	4.6	Lb.
—Wool			
464	Blankets and auto robes	1.3	Lb.
465	Floor covering	0.1	Sft.
469	Other wool manufactures	2.0	Lb.
—Man-made fiber			
665	Floor coverings	0.1	Sft.
666	Other furnishings	7.8	Lb.
669	Other man-made manufactures	7.8	Lb.

ANNEX B

AGGREGATE, GROUP SPECIFIC LIMITS AND SUB-LIMITS

Category	Description	Units	1st year	2nd year	3rd year	4th year	5th year
<i>Aggregate</i>		Syd.	582,121,075	619,958,945	660,256,276	703,172,934	748,879,175
<i>Group I—</i>							
319	Yarn, Fabric, Made-up and Misc. Cotton and Man-Made Fiber Products ...	Syd.	116,528,319	124,265,371	132,506,959	141,285,894	150,647,118
	Duck	Syd.	22,313,696	23,038,891	23,787,655	24,560,754	25,358,978
<i>Group II—</i>							
	Apparel of Cotton and/or Man-Made Fiber	Syd.	451,179,921	481,136,611	513,046,784	547,037,483	583,244,003
333/334/335 (333/334)	Cotton coats	Doz.	76,555	81,531	86,831	92,475	98,486
(335)	Men's and boys'	Doz.	43,560	46,391	49,407	52,618	56,038
340	Coats, W, G and I	Doz.	44,479	47,370	50,449	53,728	57,221
347/348	Shirts, not knit	Doz.	135,127	143,910	153,264	163,226	173,836
(347)	Trousers, slacks, and shorts	Doz.	201,439	214,533	228,477	243,328	259,145
(348)	M and B	Doz.	142,245	151,491	161,338	171,825	182,994
633/634/635 (633)	W, G and I	Doz.	109,354	116,675	124,259	132,336	140,938
(634)	Man-made fiber coats	Doz.	1,200,158	1,233,762	1,281,879	1,331,872	1,383,815
(635)	Suit-type coats, M and B	Doz.	153,403	157,698	163,849	170,238	176,878
638/639 (634)	Other coats, M and B	Doz.	706,666	726,452	754,783	784,220	814,805
640	Coats, W, G and I	Doz.	520,113	534,676	555,529	577,194	599,705
640	Knit tops	Doz.	4,823,998	4,872,238	5,062,255	5,259,683	5,464,811
640	Dress shirts, not knit	Doz.	3,893,474	4,002,491	4,158,588	4,320,773	4,489,284
641	Other shirts, not knit	Doz.	1,440,626	1,480,964	1,538,721	1,598,731	1,661,082
643	Blouses, not knit	Doz.	896,397	921,496	957,434	994,774	1,033,571
645/646 (645/646)	Suits, M and B	Nos.	648,288	654,771	680,307	706,839	734,406
647	Sweaters	Doz.	2,836,106	2,864,467	2,976,181	3,092,252	3,212,850
	Trousers, slacks, and shorts, M and B	Doz.	867,055	891,333	926,095	962,212	999,738

<i>Category</i>	<i>Description</i>	<i>Units</i>	<i>1st year</i>	<i>2nd year</i>	<i>3rd year</i>	<i>4th year</i>	<i>5th year</i>
<i>Group III—</i>	Wool Products	Syd.	14,412,835	14,556,963	14,702,533	14,849,558	14,998,054
433/434	Wool coats	Nos.	194,404	196,348	198,312	200,295	202,298
(433)	Suit-type coats, M and B	Nos.	141,351	142,765	144,192	145,634	147,090
(434)	Other coats, M and B	Nos.	72,493	73,218	73,950	74,690	75,437
438	Knit shirts and blouses	Doz.	43,674	44,111	44,552	44,998	45,448
440	Shirts and blouses, not knit	Doz.			(Subject to consultation)		
443	Suits, M and B	Nos.	320,448	320,448	(Subject to consultation)		
444	Suits, W, G and I	Nos.	45,495	45,950	46,410	46,874	47,343
445/446	Wool sweaters	Doz.	48,931	49,320	49,915	50,413	50,917
447	Trousers, slacks, and shorts, M and B	Nos.	938,611	947,997	957,477	967,052	976,722

ANNEX C

U.S.-KOREA BILATERAL TEXTILE AGREEMENT,
AGREED CONSULTATION LEVEL—1978

Category	Description	Units	Level
<i>Group I</i>			
300	Cotton carded yarn	Lbs.	326,087
301	Cotton combed yarn	Lbs.	326,087
310	Ginghams	Syd.	2,000,000
313	Sheeting	Syd.	7,500,000
314	Broadcloth	Syd.	7,000,000
315	Printcloth	Syd.	6,000,000
317	Twill and sateen	Syd.	4,750,000
320	Other cotton fabric	Syd.	16,000,000
330	Handkerchiefs	Doz.	1,300,000
362	Bedspreads and quilts	Nos.	362,319
363	Terry and other pile towels	Nos.	5,000,000
369	Other cotton manufactures	Lbs.	4,082,609
359pt.	Shoe uppers (380.3980,382.3380)	Lbs.	1,086,957
600	Textured yarn	Lbs.	1,428,571
601	Cellulosic yarn	Lbs.	1,923,077
605	Other yarns (cordage 316.6020)	Lbs.	2,571,429
612	Cellulosic fabric, NK	(Lbs.)	(1,303,951)
	(Tie fabric)	Syd.	19,000,000
		(Syd.)	(4,000,000)
613	Spun cellulosic fabric, NK	Syd.	4,250,000
614	Other fabric, NK	Syd.	2,300,000
625	Knit fabric	Lbs.	641,026
666	Other furnishings	Lbs.	256,410
669	Other MMF mfgs.	Lbs.	2,100,000
	(Fishnets)	(Lbs.)	(250,357)
	(Tents)	(Lbs.)	(1,410,256)
<i>Group II</i>			
331	Gloves	DPr.	330,000
336	Dresses	Doz.	30,256
337	Playsuits	Doz.	100,000
338/339	Knit tops	Doz.	444,444
341	Blouses	Doz.	89,655
345	Sweaters	Doz.	27,174
350	Dressing gowns	Doz.	19,608
351	Nightwear	Doz.	38,462
352	Underwear	Doz.	163,636
359pt.	Other apparel (excluding shoe uppers)	Lbs.	1,500,000
631	MMF gloves	DPr.	396,571
632	Hosiery	DPr.	260,000
636	Dresses	Doz.	124,754
642	Skirts	Doz.	105,056
648	Trousers, W, G and I	Doz.	337,079
649	Brassieres	Doz.	218,750
650	Dressing gowns	Doz.	17,647
651	Nightwear	Doz.	28,846
652	Underwear	Doz.	437,500
659	Other apparel	Lbs.	5,128,205

<i>Category</i>	<i>Description</i>	<i>Units</i>	<i>Level</i>
<i>Group III</i>			
410	Woolen and worsteds	Syd.	2,750,000
448	Trousers, W, G and I	Nos.	87,500
459pt.	Soles and uppers of wool felt	Lbs.	2,850,000
459pt.	Other than soles and uppers of wool felt	Lbs.	1,000,000
464	Blankets and auto robes	Lbs.	153,846
469	Other	Lbs.	102,500

ANNEX D

- 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. An ankle boot-type article, wholly of cloth, worn by Korean women indoors.
- 4) Fabrics, not exceeding 24 × 48 inches in size, containing hand-embroidered or hand-painted 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 U.S. Customs under TSUSA numbers 360.10500, 360.1000, 360.1500, or 360.7540.
- 6) Korean style handbags and other flat goods of the type considered by the U.S. Customs to be classified as luggage: women's and children's handbags, and bill-folds, card cases, coin purses, eyeglass cases, and similar flat goods.

II

The Korean Ambassador to the Secretary of State

EMBASSY OF THE REPUBLIC OF KOREA
WASHINGTON, D.C.

KAM 77/254

December 23, 1977

Excellency:

I have the honor to acknowledge the receipt of Your Excellency's note of December 23, 1977, concerning the exports of cotton, wool and man-made fiber textiles and textile products from the Republic of Korea to the United States of America.

I have further the honor to inform Your Excellency that the proposals set forth in Your Excellency's note are acceptable to the Government of the Republic of Korea and to confirm on behalf of the Government of the Republic of Korea

that 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.

[Signed]

YONG SHIK KIM
Ambassador

His Excellency Cyrus R. Vance
Secretary of State
Department of State
Washington, D.C.

RELATED NOTES

I

The Korean Ambassador to the Secretary of State

EMBASSY OF THE REPUBLIC OF KOREA
WASHINGTON, D.C.

December 23, 1977

KAM 77/255

Excellency:

With reference to the notes exchanged today concerning the exports of cotton, wool and man-made fiber textiles and textile products from the Republic of Korea to the United States of America, I have the honor, on behalf of my Government, to propose that the Agreement as contained in the said notes will take effect provisionally until the Government of the Republic of Korea notifies the Government of the United States of America of the completion of its domestic legal procedures necessary for the formal entry into force of the above-mentioned Agreement.

If the above proposal is acceptable to your Government, I have further the honor to suggest that this note and Your Excellency's note of acceptance shall constitute an Agreement between the two Governments.

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

[Signed]

YONG SHIK KIM
Ambassador

His Excellency Cyrus R. Vance
Secretary of State
Department of State
Washington, D.C.

II

The Secretary of State to the Korean Ambassador

DEPARTMENT OF STATE
WASHINGTON

December 23, 1977

Excellency:

I have the honor to refer to Your Excellency's note of today's date concerning the provisional nature of the bilateral agreement of December 23, 1977 relating to trade in cotton, wool and man-made fiber textiles. I have further the honor to confirm that the proposal set out in Your Excellency's note is acceptable to the Government of the United States of America and that the bilateral textile agreement of December 23, 1977 is entered into provisionally in accordance with the terms of Your Excellency's note.

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

For the Secretary of State:

WILLIAM BARRACLOUGH

His Excellency Yong Shik Kim
Ambassador of Korea

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF KOREA AMENDING THE AGREEMENT OF 23 DECEMBER 1977 RELATING TO TRADE IN TEXTILES AND TEXTILE PRODUCTS²

I

The Secretary of State to the Korean Ambassador

May 23, 1978

Excellency:

I have the honor to refer to the Agreement of December 23, 1977, regarding trade in cotton, wool and man-made fiber textiles and textile products² between the Republic of Korea and the United States of America (the Agreement) and to consultations between representatives of the Government of the Republic of Korea and the Government of the United States of America in Seoul on February 16-18, 1978, and in Washington on March 17, 1978, held in accordance with paragraph 18 of the Agreement, concerning appropriate limits for Category 440.

On the basis of these consultations I have the honor to propose, on behalf of the Government of the United States of America, that the Agreement be amended as follows:

1. Paragraph 8 of the Agreement is amended to read as follows:

“8. During any Agreement Year, and within the Aggregate and applicable Group Limits for such Agreement Year, as they may be adjusted pursuant to paragraphs 7 and 9, any Specific Limit or Sub-Limit set out in Annex B, or pursuant to an amendment to Annex B, or as a result of the consultation procedures in subparagraph 6(b) may be exceeded by not more than:

10 percent if included within Group I,
7 percent if included within Group II,
5 percent if included within Group III,

provided however, that the Specific Limits and Sub-Limits for Categories 319, 633/634/635, 638/639, 640 (dress shirts), 640 (other shirts), 641, 643, 645/646, and 647 may not be exceeded by more than 6 percent and the Specific Limit for Category 440 may not be exceeded by more than 3 percent. Adjustments made pursuant to this paragraph are in addition to those pursuant to paragraph 9.”

2. Annex B is amended by deleting the phrase “(Subject to consultation—)” opposite Category 440 and inserting in its place the following Specific Limits for the Agreement Years specified:

<i>1st year</i>	<i>2nd year</i>	<i>3rd year</i>	<i>4th year</i>	<i>5th year</i>
“199,999	201,999	204,019	206,059	208,120”

¹ Came into force on 26 May 1978 by the exchange of the said notes.

² See p. 64 of this volume.

If the foregoing conforms with the understanding of the Government of the Republic of Korea, this note and Your Excellency's note of confirmation on behalf of the Government of the Republic of Korea shall constitute an amendment to the Agreement.

For the Secretary of State:

WILLIAM BARRACLOUGH

His Excellency Yong Shik Kim
Ambassador of Korea

II

The Korean Ambassador to the Secretary of State

EMBASSY OF THE REPUBLIC OF KOREA
WASHINGTON, D.C.

May 26, 1978

KAM 78/91

Excellency:

I have the honor to acknowledge the receipt of Your Excellency's note of May 23, 1978, concerning the export of cotton, wool and man-made fiber textiles and textile products from the Republic of Korea to the United States of America.

I have further the honor to inform Your Excellency that the proposals set forth in Your Excellency's note are acceptable to the Government of the Republic of Korea and to confirm on behalf of the Korean Government that Your Excellency's note and this note in reply thereto shall constitute an amendment correcting the Agreement.

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

[Signed]

YONG SHIK KIM
Ambassador

His Excellency Cyrus R. Vance
Secretary of State
Department of State
Washington, D.C.