

No. 18615

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

**Exchange of letters constituting an agreement concerning
the export of color television receivers from Korea (with
memorandum and proclamation of 26 January 1979).
Seoul, 14 December 1978 and 12 March 1979, and
Washington, 2 January 1979**

Authentic text: English.

Registered by the United States of America on 18 April 1980.

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

**Échange de lettres constituant un accord relatif à l'expor-
tation de récepteurs de télévision en couleurs en prove-
nance de Corée (avec mémorandum et proclamation du
26 janvier 1979). Séoul, 14 décembre 1978 et 12 mars
1979, et Washington, 2 janvier 1979**

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 18 avril 1980.

EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT¹ BETWEEN
THE UNITED STATES OF AMERICA AND THE REPUBLIC OF KOREA
CONCERNING THE EXPORT OF COLOR TELEVISION RECEIVERS
FROM KOREA

I

Seoul, Korea, 14 December 1978

Dear Mr. Lande,

I have been authorized by my Government to transmit to you a copy of a memorandum which sets forth the self-restraint measures to be applied to exports of color television receivers from Korea. The Government of the Republic of Korea intends to implement these measures during the period ending on June 30, 1980. A copy of the memorandum is enclosed.

Sincerely yours,

[Signed]

PIL SOO PARK

Assistant Minister for Trade and Commerce
Ministry of Commerce and Industry

Mr. Stephen L. Lande
Assistant Special Trade Representative
Office of the Special Representative
for Trade Negotiations
The Executive Office of the President
Washington, D.C.

MEMORANDUM

1. This memorandum describes the self-restraint measures which the Government of the Republic of Korea will take with respect to future exports of color television receivers to the United States. The levels at which the Government of the Republic of Korea will restrain exports of color television receivers, the definition of television receivers, and the period during which the self-restraints will be exercised are set forth in Annex A.

2. The Government of the Republic of Korea will administer these restraints through the issuance of export visas. A facsimile of such visas will be provided by the Government of the Republic of Korea to the Government of the United States of America.

3. In order to assure that there is full compliance with its self-restraint measures, the Government of the Republic of Korea will collect and maintain comprehensive data on exports of color television receivers to the United States. The Government of the Republic of Korea will provide the statistical information collected by the Government of the Republic of Korea to the Government of the United States of America on a monthly basis no later than 30 days after the end of each month.

¹ Came into force on 12 March 1979 by the exchange of the said letters, with retroactive effect from 14 December 1978.

4. The Government of the Republic of Korea recognizes that the objectives of the measures of self-restraint described in the memorandum would not be achieved if exports of color television receivers from Korea were to reach the United States indirectly via exports to third countries. Accordingly, the Government of the Republic of Korea will assure that Korean exporters will obtain, as a condition of sale, contractual commitments from importers in third countries that there will be no trans-shipment of Korean exports to the United States. In addition, the Government of the Republic of Korea will monitor exports to third countries from the point of view of preventing, before export, shipments which would be destined for trans-shipment.

5. Exports of color television receivers during the restraint periods shall be counted against the restraint level applicable to the restraint period in which they are exported. However, up to 10 percent of the restraint level in Period 1 can be carried over into Period 2, and up to 10 percent of the restraint level in Period 2 can be carried forward into Period 1.

6. The actions described in this memorandum are taken under the assumption that, provided the measures outlined in this memorandum and its annex are fully implemented by the Government of the Republic of Korea, the Government of the United States of America will not unilaterally restrict the import of color television receivers from the Republic of Korea except as provided below. The Government of the Republic of Korea recognizes and accepts the fact that the Government of the United States of America may take action under Section 203 (g)(2) of the Trade Act of 1974 to assist the Government of the Republic of Korea in administering its self-restraint measures in the event that it appears exports from Korea may exceed the levels of self-restraint which the Government of the Republic of Korea has stated it will apply in this memorandum.

7. If, in the view of the Government of the Republic of Korea, the economic conditions prevailing at the time of the transmittal of this memorandum have improved substantially, or if, as a result of the actions described in this memorandum, Korea is placed in an inequitable position *vis-à-vis* third countries in respect to any category of exports to the United States of color television receivers, the Government of the Republic of Korea reserves the right to request consultations with the Government of the United States of America.

8. In taking these measures of self-restraint, the Government of the Republic of Korea has taken no action, and will not take any action, applying to prices for production of color television receivers or allocation of shipments among firms selling (except that it is recognized that such allocation may be determined necessary and therefore directed by the Government of the Republic of Korea in implementing the self-restraint measures outlined in this memorandum) or buying color television receivers.

Annex A

The following items from the Tariff Schedules of the United States Annotated Code (1978) are covered by the provisions of the memorandum:

Color television receivers provided for in TSUSA items 685.2025, 685.2026, 685.2027, 685.2028, 685.2029, 685.2031, 685.2044, 685.2046, 685.2055, 685.2061, 685.2062.

The Government of the Republic of Korea will apply restraints on exports to the United States of color television receivers as defined above so that exports to the United States from Korea will not exceed the following levels during the period specified:

- Period 1 (February 1, 1978-October 31, 1979)* 153,000 units
- Period 2 (November 1, 1979-June 30, 1980) 136,000 units

* The level for Period 1 will be adjusted depending upon the quantity of color television receivers actually exported from the Republic of Korea during the period December 1, 1978, through January 31, 1979, as determined by U.S. Customs data. If the quantity actually exported from the Republic of Korea exceeds 122,000 units in that period, the excess quantity will be deducted from the level for Period 1.

II

The Korean Commercial Attaché to the Special Trade Representative

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

January 2, 1979

Dear Mr. Lande,

Mr. Park Pil Soo, Assistant Minister, Ministry of Commerce and Industry, has received your requests for inclusion of TSUSA Item 685.2064 in his Memorandum of December 14, 1978, describing the self-restraint measures of the Government of Korea with respect to color television exports from Korea to the United States.

In view of the time requirements which you have said are necessary for you to prepare the proper notifications to the Federal Register, Assistant Minister Park has asked me to inform you officially that he has amended his Memorandum of December 14, 1978, by adding the following paragraph to Annex A:

“Amendment to Annex A

The Government of the Republic of Korea will apply the restraints provided for above so as to include incomplete television receivers defined in TSUSA Item 685.2064 during the period February 1-June 30, 1979. With respect to the period July 1, 1979-June 30, 1980, the Government of Korea reserves the right to request, at an appropriate time prior to July 1, 1979, consultations with the United States Government to initiate an overall review of the color television import situation. This review should include both complete and incomplete color television receivers. The Government of Korea recognizes the fact that, with respect to TSUSA Item 685.2064, the Government of the U.S. has the right during the period July 1, 1979-June 30, 1980, to take action under Section (203) (g) (2) of the Trade Act of 1974 to limit imports of this item.”

Sincerely yours,

[Signed]
EUN TAK LEE

Mr. Stephen Lande
Office of Special Trade Negotiations
Washington, D.C.

III

*The American Ambassador to the Korean Assistant Minister for Trade and Commerce,
Ministry of Commerce and Industry*

March 12, 1979

Excellency,

Enclosed please find a copy of the Presidential Proclamation implementing the agreement that was concluded between our two Governments and the agreement that was

concluded between the United States and Taiwan, with respect to color television receivers.

Accept, Excellency, renewed assurances of my highest esteem.

Sincerely,

[Signed]

ROBERT S. STRAUSS

His Excellency Pil Soo Park
Assistant Minister for Trade and Commerce
Ministry of Commerce and Industry
Seoul, Republic of Korea

PRESIDENTIAL DOCUMENTS

Proclamation 4634 of January 26, 1979

Implementation of Orderly Marketing Agreements—and the Temporary Quantitative Limitation on the Importation Into the United States of Color Television Receivers and Cer- tain Subassemblies Thereof

By the President of the United States of America

A Proclamation

1. On March 22, 1977, the United States International Trade Commission (USITC) reported to the President (USITC Publication 808) the results of its investigation under section 201(b) of the Trade Act of 1974 (19 U.S.C. 2251(b)) (the Trade Act). The USITC determined that color television receivers assembled or not assembled, finished or not finished, provided for in item 685.20 of the Tariff Schedules of the United States (TSUS) (19 U.S.C. 1202) are being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry producing articles like or directly competitive with the imported articles. By an evenly divided vote, three USITC Commissioners determined serious injury to exist in the monochrome television receiver industry and three Commissioners made no determination of injury with respect to the monochrome receiver industry. The Commissioners also had an evenly divided determination on the question of injury to that portion of the industry producing subassemblies of color television receivers, also provided for in item 685.20 of the TSUS.

2. On June 24, 1977, in order to remedy the serious injury found to exist by the USITC, I proclaimed (Presidential Proclamation 4511) that the Government of the United States of America and the Government of Japan had entered into

an orderly marketing agreement on May 20, 1977, pursuant to section 203(a)(4) of the Trade Act (19 U.S.C. 2253(a)(4)) limiting the export from Japan to the United States of color television receivers and certain subassemblies thereof, for a period of three years beginning July 1, 1977, to 1.75 million units in each annual restraint period.

3. In Proclamation 4511 I delegated my authority under section 203(e)(3) of the Trade Act (19 U.S.C. 2253(e)(3)) to determine that any agreement negotiated pursuant to section 203(a)(4) of the Trade Act (19 U.S.C. 2253(a)(4)) is no longer effective to the Special Representative for Trade Negotiations (hereinafter referred to as the "Special Representative").

4. Pursuant to the authority delegated to the Special Representative in paragraphs 2 and 4 of Proclamation 4511, and after consultation with representatives of member agencies of the Trade Policy Staff Committee, the Special Representative has determined that imports of color television receivers and certain subassemblies thereof from Taiwan and the Republic of Korea have increased in such quantities so as to disrupt the effectiveness of the orderly marketing agreement with Japan with respect to such products and that for the purposes of section 203(e)(3) of the Trade Act (19 U.S.C. 2253(e)(3)) the orderly marketing agreement with Japan does not continue to be effective. I concur with that determination.

5. Pursuant to the authority vested in the President by the Constitution and the statutes of the United States, including section 203(a)(5) and 203(e)(3) of the Trade Act (19 U.S.C. 2253(a)(5) and 2253(e)(3)), and in order to restore the effectiveness of the orderly marketing agreement with Japan, and to remedy the serious injury to the domestic industry producing color television receivers and certain subassemblies thereof found to exist by the USITC, orderly marketing agreements were concluded on December 14, 1978, and December 29, 1978, between the Government of the United States of America and the Government of the Republic of Korea and Taiwan respectively. The orderly marketing agreements limit the export from the Republic of Korea and Taiwan to the United States of color television receivers and certain subassemblies thereof, for the period February 1, 1979, through June 30, 1980, and set forth conditions under which limitations will be placed on the importation into the United States of such articles by the Government of the United States through quantitative restrictions. These restrictions are to be implemented under the authority of sections 203(a)(5), (e)(3), and (g)(2) of the Trade Act (19 U.S.C. 2253(a)(5), (e)(3), and (g)(2)).

6. In accordance with section 203(d)(2) of the Trade Act (19 U.S.C. 2253(d)(2)), I have determined that the level of import relief hereinafter proclaimed permits the importation into the United States of a quantity or value of articles which is not less than the average annual quantity or value of such articles imported into the United States, from the Republic of Korea and from Taiwan, in the 1972-75 period, which I have determined to be the most recent representative period for imports of such articles.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, acting under the authority vested in me by the Constitution and statutes of the United States, including sections 203 and 604 of the Trade Act (19 U.S.C. 2253 and 2483), and section 301 of Title 3 of the United States Code, do hereby proclaim:

(1) Orderly marketing agreements were entered into on December 14, 1978, and December 29, 1978, between the Government of the United States of America and the Government of the Republic of Korea and Taiwan, respectively, with respect to trade in color television receivers and certain subassemblies thereof, effective February 1, 1979. The orderly marketing agreements are to be implemented according to their terms and by quantitative restrictions as directed in this proclamation, including the Annex thereto.

(2) Subpart A, part 2 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is modified as set forth in the Annex to this proclamation.

(3) The President's authority under section 203(e)(2) of the Trade Act (19 U.S.C. 2253(e)(2)) to negotiate orderly marketing agreements with other foreign suppliers of articles subject to this proclamation after any import relief proclaimed pursuant to section 203(a)(1), (2), (3) or (5) of the Trade Act (19 U.S.C. 2253(a)(1), (2), (3) or (5)) takes effect, is hereby delegated to the Special Representative. The President's authority under section 203(e)(3) of the Trade Act (19 U.S.C. 2253(e)(3)) to determine that any agreement negotiated pursuant to section 203(a)(4) or (5) or 203(e)(2) of the Trade Act (19 U.S.C. 2253(a)(4) or (5) or 2253(e)(2)) is no longer effective is hereby delegated to the Special Representative, to be exercised in conformity with paragraph (5) below. In the event of such a determination, the Special Representative shall prepare any proclamations that may be appropriate to implement import relief authorized by section 203(e)(3) of the Trade Act (19 U.S.C. 2253(e)(3)).

(4) The President's authority in section 203(g)(1) and (2) of the Trade Act (19 U.S.C. 2253(g)(1) and (2)) to prescribe regulations governing the entry or withdrawal from warehouse of articles covered by the orderly marketing agreements and to issue rules and regulations governing entry, or withdrawal from warehouse, for consumption of like articles which are the product of countries not parties to such agreements, has been delegated to the Secretary of the Treasury pursuant to section 5(b) of Executive Order No. 11846. Such authority shall be exercised by the Secretary of the Treasury, upon direction by the Special Representative, on consultation with representatives of the member agencies of the Trade Policy Staff Committee.

(5) In exercising the authority delegated in paragraphs (3) and (4) above, the Special Representative shall, in addition to other necessary actions, institute the following actions.

(a) Statistics on imports from the Republic of Korea and Taiwan and from other sources of articles covered by the agreements shall be collected on a monthly basis. Should the effectiveness of the orderly marketing agreements be disrupted, the Special Representative, after consultation with representatives of member agencies of the Trade Policy Staff Committee, may make a determination that for the purposes of section 203(e)(3) of the Trade Act (19 U.S.C. 2253(e)(3)) the orderly marketing agreements do not continue to be effective.

(b) Beginning on February 1, 1979, if during any restraint period the quantity of imports of the articles covered by the agreements, from countries other than

Taiwan and the Republic of Korea, appear likely to disrupt the effectiveness of the provisions of the orderly marketing agreements described in paragraph (1) above, the Special Representative may initiate consultations with those countries responsible for such disruptions and may prevent further entry of such articles for the remainder of that restraint period or may otherwise moderate or restrict imports of such articles from such countries pursuant to section 203(g)(2) of the Trade Act (19 U.S.C. 2253(g)(2)). Before exercising this authority, the Special Representative shall consult with representatives of the member agencies of the Trade Policy Staff Committee.

(c) Should the Special Representative determine, pursuant to this proclamation, to institute import restrictions on articles entered, or withdrawn from warehouse, for consumption from countries other than Taiwan or the Republic of Korea pursuant to this proclamation, such action shall be effective not less than eight days after such determination and any necessary changes in the TSUS have been published in the FEDERAL REGISTER.

(6) The Special Representative shall take such actions and perform such functions for the United States as may be necessary concerning the administration, implementation, modification, amendment or termination of the agreements described in paragraph (1) of this proclamation, and any actions and functions necessary to implement paragraphs (3), (4) and (5) of this proclamation. In carrying out his responsibilities under this paragraph the Special Representative is authorized to delegate to appropriate officials or agencies of the United States authority to perform any functions necessary for the administration and implementation of the agreements or actions. The Special Representative is authorized to make any changes in Part 2 of the Appendix to the TSUS which may be necessary to carry out the agreements or actions. Any such changes in the agreements shall be effective on and after their publication in the FEDERAL REGISTER.

(7) The Commissioner of Customs shall take such actions as the Special Representative shall determine are necessary to carry out the agreements described in paragraph (1) of this proclamation and to implement any import relief pursuant to paragraphs (3), (4) and (5) of this proclamation, or any modification thereof, with respect to the entry or withdrawal from warehouse, for consumption into the United States of products covered by such agreements or by such other import relief.

(8) This proclamation shall be effective as of February 1, 1979, and shall continue in force through June 30, 1980, unless the period of its effectiveness is earlier expressly modified or terminated.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-sixth day of January, in the year of our Lord, nineteen hundred and seventy-nine, and of the Independence of the United States of America the two hundred and third.

[Signed — Signé]¹

¹ Signed by Jimmy Carter — Signé par Jimmy Carter.

ANNEX

Subpart A, part 2 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is modified—

(a) by adding the following headnote:

"5. Quantitative limitation on color television receivers and certain subassemblies thereof.—The provisions of this headnote apply to items 923.74 through 923.83, inclusive, of this subpart. The quantitative import limitations imposed are in addition to the duties provided for the restrained articles in schedule 6, part 5. The import restrictions provided for in this subpart do not apply to a single color television receiver or subassembly thereof, if imported for the personal use of the importer.

(a) Definition.—For the purposes of this subpart—

(i) each subassembly that contains as a component, or is covered in the same entry with, one or more of the following television components, viz., tuner, channel selector assembly, antenna, deflection yoke, degaussing coil, picture tube mounting bracket, grounding assembly, parts necessary for fixing the picture tube or tuner in place, consumer operated controls, or speaker, shall be classified in items 923.78 through 923.83, inclusive;

(ii) for the purposes of items 923.78 through 923.83, inclusive, each subassembly shall be counted as a single unit, except that two or more different printed circuit boards or ceramic substrates covered by the same entry and designed for assembly into the same television models shall be counted as one unit;

(iii) the term "restraint period" refers to the time periods set forth in items 923.74 through 923.83, inclusive; and

(iv) the term "exported" refers to the actual date the merchandise finally leaves the country of exportation for the United States as provided for in section 152.1(c) of the U.S. Customs regulations (19 CFR 152.1(c)).

(b) Export visa.—None of the color television receivers and subassemblies thereof provided for herein exported on or after February 1, 1979, from the foreign countries involved may be entered unless such color television receivers and subassemblies are accompanied by an appropriate export visa issued by the government of the exporting country.

(c) Color television receivers and certain subassemblies thereof exported prior to February 1, 1979.—All color television receivers and subassemblies thereof provided for in items 923.74 through 923.83, inclusive, which were exported from the foreign country involved prior to February 1, 1979, may be entered prior to April 1, 1979, without the requirement of export visas. No such color television receivers and subassemblies may be entered on or after April 1, 1979, unless accompanied by an appropriate export visa issued by the exporting country and such products shall be counted against the applicable restraint levels.

(d) Color television receivers and certain subassemblies thereof exported and entered in different restraint periods.—Color television receivers and subassemblies thereof provided for in items 923.74 through 923.83, inclusive, which are exported from the foreign country involved during one restraint period, but are entered more than 90 days following the beginning of the subsequent restraint period, shall be counted against the restraint levels for that subsequent restraint period. Color television receivers and subassemblies thereof provided for in items 923.74 through 923.83, inclusive, which are exported from the foreign country involved during one restraint period in excess of the restraint level for such period, may be entered after the beginning of the next restraint period and shall be counted against the restraint level for such item for such subsequent restraint period.

(e) Carryover.—If the restraint level for any item has not been filled for a restraint period, upon appropriate request of the foreign government involved, the shortfall may be entered under the same item during the following restraint period provided that the amount of shortfall so entered does not exceed 11 percent of the restraint level for the restraint period during which the shortfall occurred for products of Taiwan and 10 percent for products of the Republic of Korea.

(f) Exceeding restraint levels.—Upon appropriate request of the Government of the Republic of Korea, the restraint level for item 923.81 may be exceeded by not more than 10 percent. If the restraint level is exceeded the Special Representative for Trade Negotiations shall make a downward adjustment of the restraint level for item 923.83 in the absolute amount the restraint level for item 923.81 was exceeded.

(g) Adjustments.—The quota quantity applicable to item 923.74 shall be adjusted by the Special Representative for Trade Negotiations depending upon the quantity of color television

receivers actually exported from Taiwan and entered into the United States during the period July 1, 1978, through January 31, 1979, inclusive, as determined from U.S. Customs data. If the quantity actually exported from Taiwan and entered into the United States exceeds 368,000 units; the amount of the excess shall be deducted from the quota quantity of 127,000 units. If the quantity actually exported from Taiwan and entered into the United States is less than 368,000 units, the amount of the deficiency shall be added to the quota quantity of 127,000 units. The quota quantity applicable to item 923.81 shall be adjusted by the Special Representative for Trade Negotiations depending upon the quantity of color television receivers actually exported from the Republic of Korea and entered into the United States during the period December 1, 1978, through January 31, 1979, inclusive, as determined from U.S. Customs data. If the quantity actually exported from the Republic of Korea and entered into the United States exceeds 122,000 units, the amount of the excess shall be deducted from the quota quantity of 153,000 units. The above adjustments are to be effective on and after the date of their publication in the FEDERAL REGISTER.

(b) by inserting in numerical sequence the following new provisions:

Item	Articles	Quota Quantity (in units)
	Whenever the respective aggregate quantity of color television receivers and subassemblies thereof specified below for items 923.74 through 923.83, inclusive, the product of a specified foreign country, has been exported in any restraint period from that country and has been entered, no article in such item the product of such country exported during such restraint period may be entered, except as provided in headnote 5:	
	Taiwan:	
	Color television receivers, having a picture tube, provided for in item 685.20:	
923.74	If exported during the period from February 1, 1979, through June 30, 1979, inclusive	127,000
923.76	If exported during the period from July 1, 1979, through June 30, 1980, inclusive	373,000
	Printed circuit boards and ceramic substrates with components assembled thereon, for color television receivers; subassemblies containing one or more of such boards or substrates, except tuners or convergence assemblies; all the foregoing not having a picture tube, and entered with components enumerated in headnote 5(a)(i) and with all or part of a chassis frame, provided for in item 658.20:	
923.78	If exported during the period from February 1, 1979, through June 30, 1979, inclusive	270,000
923.79	If exported during the period from July 1, 1979, through June 30, 1980, inclusive	648,000
	Republic of Korea:	
	Color television receivers, having a picture tube, provided for in item 685.20; printed circuit boards and ceramic substrates with components assembled thereon for color television receivers and subassemblies containing one or more of such boards or substrates (except tuners or convergence assemblies), all the foregoing not having a picture tube, and entered with components enumerated in headnote 5(a)(i) and with all or part of a chassis frame, provided for in item 685.20:	
923.81	If exported during the period from February 1, 1979, through October 31, 1979, inclusive	153,000
923.83	If exported during the period from November 1, 1979, through June 30, 1980, inclusive	136,000."