

**COUNCIL DECISION****of 15 February 1971****on the conclusion of an Agreement between the European Economic Community and the Republic of Korea on trade in cotton textiles.****(71/117/EEC)****THE COUNCIL OF THE EUROPEAN COMMUNITIES,****Having regard to the Treaty establishing the European Economic Community, and in particular Article 113 thereof;****Having regard to the Recommendation of the Commission;****Whereas by a Decision of 6 February 1970 the Council authorized the Commission to conduct bilateral negotiations with certain third countries on behalf of the European Economic Community in connection with the renewal of the Long-Term Arrangement regarding trade in cotton textiles;****Whereas a draft Agreement between the European Economic Community and the Republic of Korea has been drawn up which is acceptable to the Community,****HAS DECIDED AS FOLLOWS:****Article 1****An Agreement with the Republic of Korea on trade in cotton textiles, together with the Exchanges of Letters relating thereto, is concluded on behalf of the European Economic Community.****The texts of the Agreement and of the Exchanges of Letters are annexed to this Decision.****Article 2****The President of the Council is hereby authorized to designate the person empowered to sign the texts referred to in Article 1 and to confer on him the powers required in order to bind the Community.****Done at Brussels, 15 February 1971.****For the Council  
The President  
M. COINTAT**

**AGREEMENT**

**between the European Economic Community and the Republic of Korea on trade in cotton textiles**

**THE COUNCIL OF THE EUROPEAN COMMUNITIES,**

of the one part, and

**THE GOVERNMENT OF THE REPUBLIC OF KOREA,**

of the other part,

**AWARE** of the importance of world trade in cotton textiles and the need to develop it in an orderly manner in accordance with the provisions of the Long-Term Arrangement regarding trade in cotton textiles (hereinafter called the 'Geneva Arrangement') and in particular Article 4 thereof;

**HAVE DECIDED**, in a spirit of mutual cooperation, to conclude this Agreement and, to this end, have designated as their Plenipotentiaries:

**THE COUNCIL OF THE EUROPEAN COMMUNITIES:**

**THE GOVERNMENT OF THE REPUBLIC OF KOREA:**

**WHO HAVE AGREED AS FOLLOWS:**

**Article 1**

This Agreement shall apply to the cotton textiles originating in and coming from the Republic of Korea and listed in the Annex to the Agreement.

**Article 2**

For the duration of the Agreement and by virtue of the provisions contained therein or annexed thereto, the European Economic Community (hereinafter called the 'Community') undertakes not to introduce new quantitative restrictions and to suspend the application of those at present in force and agrees not to invoke the provisions of Article 3 of the Geneva Arrangement so long as imports into the Community of cotton textiles originating in and coming from the Republic of Korea do not exceed the agreed quantities.

The Government of the Republic of Korea undertakes to take appropriate measures to ensure that the agreed ceilings are observed and to cooperate with the Community in implementing the measures recognized as necessary to that end.

**Article 3**

**(a) Overall ceiling**

The agreed total annual quantity for the duration of the Agreement shall be 6 850 metric tons.

**(b) Ceilings by groups of categories**

The total annual quantity shall be divided between the two groups of categories of products as follows:

<i>Group I</i>	<i>Metric tons</i>
Woven fabrics of cotton, unbleached or bleached, whether or not mercerized	
– intended for the internal market	1 500
– intended for re-exportation	4 000
	<u>5 500</u>
<i>Group II</i>	
Other woven fabrics of cotton, made-up articles and miscellaneous articles of cotton	1 350

**(c) Specific ceilings**

Within the ceilings by groups of categories established under (b), specific ceilings may be agreed on the basis of the list of products annexed to this Agreement, in order to avoid excessive concentration of trade in certain products.

If, in one of the yearly periods, the Community finds that deliveries of a particular subcategory of product for which no specific ceiling has been fixed have rapidly and substantially increased, it may request that a specific

ceiling be fixed. Where such a request is made consultations shall be initiated between the two Parties without delay in order to agree the specific ceiling for the product in question.

#### *Article 4*

1. Up to 10% of the quantity fixed for Group II may be transferred to Group I.

An unused quantity within a specific ceiling may be transferred to another specific ceiling, up to 10% of the specific ceiling to which the transfer is made.

An unused quantity within the specific ceiling for a subcategory may be transferred within the category to another subcategory not subject to a specific ceiling.

2. A quantity within the ceiling for one of the two groups of categories which has not been used during a yearly period may, within a limit of 10% of the ceiling in question, be carried forward and added to the ceiling for the same group for the following yearly period provided that the unused quantity has not been transferred or carried forward to another head.

3. Within a limit of 10% of each of the agreed ceilings, advance deliveries shall, if the Government of the Republic of Korea so requests in writing in good time, be authorised against the ceilings established for the following yearly period: the Government of the Republic of Korea shall, however, endeavour to ensure that exports of cotton textiles of all categories are phased as evenly as possible over each yearly period, due account being taken, in particular, of seasonal factors. Amounts delivered in advance shall be deducted from the ceilings for the following yearly period.

#### *Article 5*

The two Parties hereby agree that the ceilings shown in the Agreement shall be administered under dual supervision.

#### *Article 6*

The two Parties hereby agree to exchange all information on exports of cotton textiles from the Republic of Korea to the Community and on the corresponding imports into the Community. Each Party shall, for the purposes of the Agreement, apply the classification at its disposal and shall cooperate with the other Party in facilitating comparison of the information supplied.

#### *Article 7*

If the Community should inform the Government of the Republic of Korea that the application of the Agreement has given rise to difficulties affecting the maintenance of trade relations between importers in the Community and their suppliers in the Republic of Korea, the two Parties shall consult each other to determine what measures are necessary to ensure that these trade relations are maintained.

#### *Article 8*

The two Parties undertake to consult each other, at the request of either, on all problems arising out of the implementation of the Agreement.

#### *Article 9*

This Agreement is concluded for a period of three years from 1 January 1971.

Either Party may propose the revision of the Agreement or may denounce it by giving notice at least 120 days before the expiry of any yearly period. In that event it shall expire at the end of that period.

The Annex to this Agreement shall form an integral part thereof.

#### *Article 10*

This Agreement is drawn up in two copies in the Dutch, French, German, Italian and Korean languages, each of these texts being equally authentic.

## ANNEX

## LIST OF COTTON TEXTILE PRODUCTS REFERRED TO IN ARTICLE I OF THE AGREEMENT

Group of categories	Categories	Sub-categories	Description of products
GROUP I	B		<b>WOVEN FABRICS OF COTTON, UNBLEACHED OR BLEACHED, WHETHER OR NOT MERCERIZED</b>
			<b>WOVEN FABRICS OF COTTON, UNBLEACHED</b>
		B 1	Terry towelling and similar terry fabrics
		B 2	Woven fabrics other than gauze or terry towelling and similar terry fabrics, containing less than 85% by weight of cotton
		B 3	Woven fabrics other than gauze or terry towelling and similar terry fabrics, containing 85% or more by weight of cotton, plain weave, weighing more than 70 g but not more than 130 g per square metre, of a width of more than 115 cm but not more than 165 cm, made only with a yarn numbered less than 55.000 m/kg (English number 32)
		B 4	Woven fabrics other than gauze or terry towelling and similar terry fabrics, containing 85% or more by weight of cotton, plain weave, weighing not more than 130 g/m <sup>2</sup> , other than those under B 3
		B 5	Woven fabrics other than gauze or terry towelling and similar terry fabrics, containing 85% or more by weight of cotton, plain weave, of a cotton weight of more than 130 g but not more than 200 g/m <sup>2</sup> a width of at least 85 cm but not more than 115 cm
		B 6	Woven fabrics other than gauze or terry towelling and similar terry fabrics, containing 85% or more by weight of cotton, plain weave, weighing more than 130 g but not more than 200 g/m <sup>2</sup> of a width of more than 115 cm.
		B 7	Woven fabrics other than gauze or terry towelling and similar terry fabrics, containing 85% or more by weight of cotton, of a width of at least 85 cm, other than plain weave
		B 8	Other woven fabrics
GROUP II		C 1	<b>WOVEN FABRICS OF COTTON OTHER THAN UNBLEACHED</b>
		C 1	Bleached, whether or not mercerized
			<b>OTHER WOVEN FABRICS OF COTTON, MADE-UP ARTICLES AND MISCELLANEOUS ARTICLES OF COTTON</b>
		C 2	Gauze other than unbleached or bleached
		C 3	Terry towelling and similar terry fabrics, other than unbleached or bleached

Group of categories	Categories	Sub-categories	Description of products
		C 4	Woven pile fabrics and chenille fabrics (other than terry towelling or similar terry fabrics of cotton falling within heading No 55.08 and fabrics falling within heading No 58.05)
		C 5	Woven fabrics other than gauze or terry towelling and similar terry fabrics, dyed
		C 6	Woven fabrics other than gauze or terry towelling and similar fabrics, printed
		C 7	Woven fabrics other than gauze or terry towelling and similar terry fabrics, made with yarns of various colours
	D		MADE-UP HOUSEHOLD ARTICLES OF COTTON
		D 1	Bed linen
		D 2	Table linen
		D 3	Terry toilet linen and terry kitchen linen
		D 4	Other household articles
	E		ARTICLES OF APPAREL OF COTTON
		E 1	Gloves, mittens and mitts, knitted or crocheted, not elastic or rubberized
		E 2	Undergarments, knitted or crocheted, not elastic or rubberized
		E 3	Outer garments and other articles, knitted or crocheted, not elastic or rubberized. Articles other than knitted or crocheted fabrics, elastic or rubberized
		E 4	Men's and boys' trousers and breeches of woven fabric
		E 5	Men's and boys' other outer garments of woven fabric
		E 6	Women's, girls' and infants' outer garments of woven fabric
		E 7	Men's and boys' shirts of woven fabric
		E 8	Men's and boys' other undergarments of woven fabric
		E 9	Women's, girls' and infants' undergarments of woven fabric
		E 10	Handkerchiefs
		E 11	Other articles of apparel and clothing accessories

Group of categories	Categories	Sub-categories	Description of products
	F	F 1	MISCELLANEOUS FABRICS AND MADE-UP ARTICLES OF COTTON Travelling rugs and blankets
		F 2	Floorcloths, dishcloths, dusters and the like
		F 3	Pneumatic mattresses
		F 4	Other

ANNEX II

- Letter No 1 — Dual supervision
- Letter No 2 — Re-exportation
- Letter No 3 — Transit and freedom of trade

*Letter No 1*

Brussels, .....

Your Excellency,

At the conclusion of the negotiations between the Government of the Republic of Korea and the Community which led to the signature of the Agreement on....., the two Parties have agreed as follows:

Imports of cotton textiles from the Republic of Korea will be administered on the basis of a system of dual supervision.

The authorities of the Member States of the Community will, automatically and without delay, accept imports of cotton textile products on submission of the importer's application accompanied by the original of the export authorization. These export authorizations will be issued by the authorities of the Republic of Korea up to the total amount of the agreed ceilings.

The export authorization issued by the authorities of the Republic of Korea shall apply to the products referred to in Article 1 of the Agreement.

The export authorization must contain the following information:

1. the destination,
2. the serial number,
3. the importer's name and address,
4. the exporter's name and address,
5. the net weight (in kilogrammes or metric tons) and value,
6. the category and classification of product,
7. The certificate issued by the authorities of the Republic of Korea showing that the quantity has been charged against the agreed ceiling for exports to the Community.

The authorities of the Member States of the Community will not raise difficulties in the event of a discrepancy between the weight indicated in the export authorization and the shipment or import weight, provided that it is within reasonable limits, while the authorities of the Republic of Korea will for their part endeavour to keep any discrepancies to a minimum.

In the event of total or partial withdrawal of an export authorization, the authorities of the Republic of Korea will notify the authorities of the Member States of the Community thereof. The authorities of the Member States of the Community will take appropriate measures under the administrative provisions in force.

The authorities of the Republic of Korea will forward to the authorities of the Member States of the Community, via the Embassies of the Member States of the Community, and direct to the Commission, quarterly returns showing the total net weight in metric tons covered by the export authorizations issued against the ceilings for exports to the Member States of the Community for each category specified in the Agreement. The categories falling within Group I will be taken as a whole.

I shall be obliged if you will confirm that your Government is in agreement with the contents of this letter.

Please accept, Your Excellency, the assurance of my highest consideration.

*On behalf of the Council  
of the European Communities*

To His Excellency

Mr.....

Head of the Delegation  
of the Republic of Korea

*Letter No 1*

Brussels.....

Sir,

You were good enough to make the following communication to me in your letter of today's date:

'At the conclusion of the negotiations between the Governments of the Republic of Korea and the Community which led to the signature of the Agreement on....., the two Parties have agreed as follows:

Imports of cotton textiles from the Republic of Korea will be administered on the basis of a system of dual supervision.

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1. the destination,
2. the serial number,
3. the importer's name and address,
4. the exporter's name and address,
5. the net weight (in kilogrammes or metric tons) and value,
6. the category and classification of product,
7. The certificate issued by the authorities of the Republic of Korea showing that the quantity has been charged against the agreed ceiling for exports to the Community.

The authorities of the Member States of the Community will not raise difficulties in the event of a discrepancy between the weight indicated in the export authorization and the shipment or import weight, provided that it is within reasonable limits, while the authorities of the Republic of Korea will for their part endeavour to keep any discrepancies to a minimum.

In the event of total or partial withdrawal of an export authorization, the authorities of the Republic of Korea will notify the authorities of the Member States of the Community thereof. The authorities of the Member States of the Community will take appropriate measures under the administrative provisions in force.

The authorities of the Republic of Korea will forward to the authorities of the Member States of the Community, via the Embassies of the Member States of the Community, and direct to the Commission, quarterly returns showing the total net weight in metric tons covered by the export authorizations issued against the ceilings for exports to the Member States of the Community for each category specified in the Agreement. The categories falling within Group I will be taken as a whole.

I shall be obliged if you will confirm that your Government is in agreement with the contents of this letter.'

I have the honour to confirm that the Government of the Republic of Korea is in agreement with that communication.

Please accept, Sir, the assurance of my highest consideration.

*Head of the Delegation  
of the Republic of Korea*



*Letter No 2*

Brussels, .....

Your Excellency,

At the conclusion of the negotiations between the Government of the Republic of Korea and the Community which led to the signature of the Agreement on....., the two Parties have agreed as follows:

All exports to the Community shall be counted against the agreed ceilings. If additional supplies are required for re-exportation to third countries after processing, the authorities of the Member States may issue special import authorizations for which the corresponding export licences will be issued without the amount being charged against the agreed ceilings.

The Commission will inform the Government of the Republic of Korea thereof.

I shall be obliged if you will confirm that your Government is in agreement with the contents of this letter.

Please accept, Your Excellency, the assurance of my highest consideration.

*On behalf of the Council  
of the European Communities*

To His Excellency

Mr. ....

Head of the Delegation  
of the Republic of Korea

*Letter No 2*

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The Commission will inform the Government of the Republic of Korea thereof.

I shall be obliged if you will confirm that your Government is in agreement with the contents of this letter.'

I have the honour to confirm that the Government of the Republic of Korea is in agreement with that communication.

Please accept, Sir, the assurance of my highest consideration.

*Head of the Delegation  
of the Republic of Korea*

*Letter No 3*

Brussels,.....

Your Excellency,

At the conclusion of the negotiations between the Government of the Republic of Korea and the Community which led to the signature of the Agreement on....., the two Parties have agreed as follows:

The Agreement shall in no way impede merchants in Community countries from freely engaging, as they have done in the past, in trade with third countries.

This principle shall apply not only to business carried out under transit arrangements but also to transactions involving goods which do not enter the customs territory of the Community.

I shall be obliged if you will confirm that your Government is in agreement with the contents of this letter.

Please accept, Your Excellency, the assurance of my highest consideration.

*On behalf of the Council  
of the European Communities*

To His Excellency

Mr. ....

Head of the Delegation  
of the Republic of Korea

*Letter No 3*

Brussels,.....

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This principle shall apply not only to business carried out under transit arrangements but also to transactions involving goods which do not enter the customs territory of the Community.

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Please accept, Sir, the assurance of my highest consideration.

*Head of the Delegation  
of the Republic of Korea*