

Textiles Monitoring Body

Original: English

AGREEMENT ON TEXTILES AND CLOTHING

Notification under Article 6.11

Agreed Restraint Measures between Brazil and Korea

Imports of artificial and synthetic fibre products
(Brazilian categories 611, 618, 619, 620 and 627)

The Textiles Monitoring Body has received from Brazil and Korea, pursuant to paragraph 11 of Article 6, the joint notification of the restraint measures agreed between Brazil and Korea¹ and is forwarding the text of the notification to WTO Members for their information.

¹See also G/TMB/R/27, paragraphs 8 to 37.

Geneva, 12 March 1997

Mr. András Szepesi
Chairman of the Textiles Monitoring Body
World Trade Organization
Centre William Rappard
Rue de Lausanne, 154
1211 Geneva 21

Dear Sir,

With reference to your letter,² dated 10 February 1997, concerning the transitional safeguards introduced by Brazil on imports of artificial and synthetic fibres of categories 611, 618, 619, 620 and 627 from Korea, and in accordance with Article 6.11 of the Agreement on Textiles and Clothing, we have the pleasure to enclose herewith the terms of the bilateral agreement between the Government of Brazil and the Government of Korea on the levels of restraint measures.

Please accept, Sir, the assurances of our highest consideration.

(signed) Celso Lafer
(Ambassador)
Permanent Representative
Federative Republic of Brazil
to the United Nations Office
and other International Organizations
at Geneva

(signed) Joun Yung Sun
(Ambassador)
Permanent Representative
of the Republic of Korea
to the United Nations Office
and other International Organizations
at Geneva

²Letter addressed to Brazil and Korea by the Chairman at the request of the members of the TMB. (See also paragraph 8 of G/TMB/R/22 and paragraph 8 of G/TMB/R/23.)

TERMS OF THE AGREEMENT BETWEEN THE GOVERNMENT OF BRAZIL AND THE
GOVERNMENT OF KOREA CONCERNING TRANSITIONAL SAFEGUARDS
APPLIED BY BRAZIL ON IMPORTS OF ARTIFICIAL AND SYNTHETIC FIBRES
OF CATEGORIES 611, 618, 619, 620 AND 627 FROM KOREA

1. Safeguards will be in force for three years;
2. The volume of the quotas is the one notified by Brazil and calculated according to Article 6.8 of the ATC, and refers to categories 611, 618, 619, 620 and 627. The Brazilian system of categorization was notified in document WT/L/149;
3. A special shift of 30 per cent from category 620 to 619 will be allowed, plus a 25 per cent special carry forward applicable to category 619. Therefore, the total additional flexibilities (special shift plus special carry forward) will amount to 55 per cent, over and above ATC flexibilities (Article 6.13). Both flexibilities will be granted upon notification to the Brazilian authorities;
4. There will be an anticipation of the annual 6 per cent growth level in the quota allocated to Korea, from the first day of June to the first day of January of each year in which quotas will be in force (1997, 1998 and 1999). This percentage is already provided for in Article 6.13 of the ATC, and is valid for all categories;
5. A swing of 8 per cent, valid for all categories, will be allowed, instead of the 7 per cent swing provided for in Article 6.14 of the ATC;
6. Besides the carryover and the carry forward provided for in Article 6.13 of the ATC, it will be allowed, in 1997, a special carryover of 10 per cent of the "pro rata" quota of 1996, also valid for all categories.