



산업통상자원부
MINISTRY OF TRADE, INDUSTRY AND ENERGY
REPUBLIC OF KOREA

September 24, 2018

The Honorable Robert E. Lighthizer
United States Trade Representative
Washington, D.C.

Dear Ambassador Lighthizer:

I have the honor to confirm the following understanding reached between the Government of the Republic of Korea (Korea) and the Government of the United States of America (United States) during the modification and amendment negotiations held under the auspices of the Joint Committee pursuant to Article 22.2 (Joint Committee) of the *Free Trade Agreement between the Republic of Korea and the United States of America* (Agreement).

The United States will expedite the commercial availability review process, consistent with its statutory review procedures, for the three products requested by Korea. If a determination is made that commercial availability does not exist for a particular product, the United States will also expeditiously implement the necessary rule change in Annex 4-A (Specific Rules of Origin for Textile or Apparel Goods) upon completion of the process set forth in Article 4.2 (Rules of Origin and Related Matters) of the Agreement.

Further, a separate letter that can be used for public notification, outlining the proposed modifications to the rules of origin under Annex 4-A in detail, is attached to this letter.

I look forward to your response to this letter as soon as possible confirming this understanding.

Sincerely,

Hyun Chong Kim

Attachment



Attachment: Request to modify the rules of origin under the *Free Trade Agreement between the Republic of Korea and the United States of America*

September 24, 2018

William D. Jackson
Assistant United States Trade Representative for Textiles
Executive Office of the President
Washington, D.C.

Dear Assistant U.S. Trade Representative Jackson:

Pursuant to Article 4.2.3 of the *Free Trade Agreement between the Republic of Korea and the United States of America* (Agreement), the Government of the Republic of Korea (Korea) requests that our governments begin consultations to modify the rules of origin under the Agreement for certain end-use yarns, fabrics and apparel based on the lack of commercial availability of certain textile inputs, as described below.

Based on its knowledge of the industry, the Government of Korea has determined that there is no production of these products in Korea or from suppliers in the United States of America (United States).

NO	Input Product Description	Input Product HTS	End-use Product Description
1	certain viscose rayon staple fibers classified in subheadings 5504.10 or 5507.00	5504.10 5507.00	Cotton yarn (other than sewing thread), containing less than 85% by weight of cotton, not put up for retail sale, classified in heading 52.06
2	certain textured and non-textured cuprammonium rayon filament yarns classified in subheading 5403.39	5403.39	Woven fabrics of artificial filament yarn, including woven fabrics obtained from materials of heading 54.05, classified in heading 54.08



3	certain cashmere yarn classified in heading 51.08	51.08	Sweaters, pullovers, sweatshirts, waistcoats (vests) and similar articles, knitted or crocheted, classified in heading 61.10; Other made up clothing accessories, knitted or crocheted, classified in heading 61.17; Knitted or crocheted parts of garments or of clothing accessories, classified in heading 61.17
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The Government of Korea is aware that the solicitation of public comment, the review process of the United States International Trade Commission (USITC) and relevant trade advisory committees, and the Congressional consultation and layover process are required in accordance with the United States domestic laws and regulations in order to modify the rules of origin under the Agreement. The Government of Korea requests that the Government of the United States conduct its domestic procedures expeditiously with respect to these consultations on, potential agreement on, and any subsequent implementation of these proposed modifications to the rules of origin under the Agreement.

The Government of Korea looks forward to a favorable consideration of the request for a change in the relevant rules of origin pursuant to Article 4.2.3, et seq., of the Agreement.

Sincerely,

Yoo Myung-hee
Deputy Minister for Trade Negotiations

Cc: Terry Labat
Acting Chair
Committee for the Implementation of Textile Agreements
U.S. Department of Commerce
Washington D.C.



THE UNITED STATES TRADE REPRESENTATIVE
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON

September 24, 2018

The Honorable Hyun Chong Kim
Trade Minister
Sejong, Republic of Korea

Dear Minister Kim:

I am pleased to acknowledge receipt of your letter of this date, which reads as follows:

I have the honor to confirm the following understanding reached between the Government of the Republic of Korea (Korea) and the Government of the United States of America (United States) during the modification and amendment negotiations held under the auspices of the Joint Committee pursuant to Article 22.2 (Joint Committee) of the *Free Trade Agreement between the Republic of Korea and the United States of America* (Agreement).

The United States will expedite the commercial availability review process, consistent with its statutory review procedures, for the three products requested by Korea. If a determination is made that commercial availability does not exist for a particular product, the United States will also expeditiously implement the necessary rule change in Annex 4-A (Specific Rules of Origin for Textile or Apparel Goods) upon completion of the process set forth in Article 4.2 (Rules of Origin and Related Matters) of the Agreement.

Further, a separate letter that can be used for public notification, outlining the proposed modifications to the rules of origin under Annex 4-A in detail, is attached to this letter.

I look forward to your response to this letter as soon as possible confirming this understanding.

I have the honor to confirm my government shares the understanding expressed in your letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert E. Lighthizer". The signature is stylized and written in a cursive-like font.

Ambassador Robert E. Lighthizer
United States Trade Representative