

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(94) 443 final
Brussels, 20.10.1994

94/0239 (ACC)

Proposal for a

COUNCIL REGULATION (EC)

amending for 1994 the level of the quantitative limits applicable
to imports of certain textile products
originating in China and
listed in Annex IV to Council Regulation (EC) No 517/94
of 7 March 1994
on common rules for imports of textile products
from certain third countries not covered by bilateral agreements,
protocols or other arrangements,
or by other specific Community import rules

(presented by the Commission)

EXPLANATORY MEMORANDUM

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Subject: Proposal for a Council Regulation modifying, for the year 1994, the level of quantitative limits applicable to the import of certain textile products originating in China, which are specified in Annex IV of Council Regulation (EC) no. 517/94 of 7 March 1994 on common rules for imports of textile products from certain third countries not covered by bilateral agreements, protocols, or other arrangements, or by other specific Community import rules.

Annex IV of Council Regulation (EC) no. 517/94 of 7 March 1994 (on common rules for imports of textile products from certain third countries not covered by bilateral agreements, protocols, or other arrangements, or by other specific Community import rules) placed quantitative restrictions on imports of a limited number of textile products originating in China; each of these quotas reflects the particular sensitivity of the different sectors of the Community textile industry to Chinese imports.

When settling the level of these quotas the Council endeavoured to find a certain balance between protection for the concerned sectors of Community industry and maintaining an acceptable level of trade with China.

However, several Member States, following the implementation of these quotas determined that this balance had not been attained in an entirely satisfactory manner, in so far as disruptions have occurred in trade with China affecting the activities and profitability of certain Community economic sectors involved in importing the products concerned.

The Commission, in order to facilitate the transition between the former and current import regimes, has proposed to the Committee established by Regulation (EC) n° 517/94 exceptional quota increases only for 1994, in order not to hinder the current bilateral negotiations with China, as indicated in the first Article of the proposal. These increases represent 25% of all (*textiles*) quotas created relative to China. These additional amounts are to be allocated to importers under the provisions of Article 17 of the Council Regulation according to the order in which notification is received from the Member States of the requests for import authorisation;

The draft measures submitted by the Commission to the Committee have not received a favourable opinion of the Committee (absence of a qualified majority). In the absence of opinion, the Article 25, paragraph 4, procedure foresees that the Commission will submit to the Council, without delay, a proposal concerning measures to be taken.

The Council is therefore asked to adopt the following draft regulation which contains the initial proposal of the Commission as submitted to the Committee established by Regulation (EC) n° 517/94.

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Proposal for a
Council Regulation (EC) No .../94
amending for 1994 the level of the quantitative limits applicable
to imports of certain textile products
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listed in Annex IV to Council Regulation (EC) No 517/94
of 7 March 1994
on common rules for imports of textile products
from certain third countries not covered by bilateral agreements,
protocols or other arrangements,
or by other specific Community import rules

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 113 thereof,

Having regard to Council Regulation (EC) No 517/94 on common rules for imports of textile products from certain third countries not covered by bilateral agreements, protocols or other arrangements, or by other specific Community import rules, and in particular Article 5 in conjunction with Article 25(4) thereof¹⁾

Having regard to the Commission proposal,

Whereas the Council, by Regulation (EC) No 517/94, imposed Community-level quantitative limits on imports of certain textile products originating in China because of the sensitivity of the relevant sectors of the Community textile industry;

Whereas the Council, in setting the level of these quotas, endeavoured to find a certain balance between providing the requisite protection for the relevant sectors of the Community textiles industry and maintaining an acceptable level of trade with China;

Whereas the introduction of the quotas and their implementation on the basis of the administrative rules laid down in Regulation (EC) No 517/94 have given rise to complaints from some Member States that this balance has not been satisfactorily achieved for 1994 since disturbances in trade with China have affected the business and profits of certain sectors of the Community economy engaged in the importation, marketing and processing of the products in question;

Whereas, in view of this, and in order to facilitate the transition between the previous rules for imports and those established under Regulation (EC) No 517/94, the Commission has considered it appropriate to adapt the levels of these quotas by increasing them appropriately for the year 1994 based in particular on the quantitative requirements transmitted by the Member States, taking into account the objective of the Commission which remains the conclusion of a bilateral agreement with the People's Republic of China for all the products concerned which, by changing the present regime into a conventional regime, should give guarantees concerning the supply of Chinese raw materials at acceptable price conditions.

¹⁾ OJ n° L67, 10.3.1994, p. 1

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Whereas it should be reiterated that the amounts by which the quotas for 1994 are to be increased are subject to the administrative rules laid down in Regulation (EC) No 517/94 and will therefore be allocated by the Commission, in accordance with Article 17(1) and (2) of that Regulation, in the order in which notification is received from the Member States of the requests for import authorization from the date of entry into force of this Regulation;

Whereas, in order to ensure optimal utilization of the quantities confirmed under this Regulation, the validity of the import permits should be fixed at ninety days from the date of issue by the Member States;

Whereas these measures have not received a favourable opinion of the Committee established under Council Regulation (EC) n° 517/94 and Article 25, paragraph 4 of the said Regulation foresees that if the proposed measures are not in conformity with the opinion of the Committee or in the absence of an opinion of the Committee, the Commission shall present to the Council, without delay, a proposal for the measures to be taken.

HAS ADOPTED THIS REGULATION:

Article 1

Annex IV to Regulation (EC) No 517/94 shall be amended for the year 1994 as follows in respect of products originating in China and falling within categories ex 18, ex 20, ex 78, 115, 117, 118, 120, ex 136, 156, 157, 159 and 161:

Annex IVA

The product descriptions of the above categories
are to be found in Annex IA to Regulation (EC) No 517/94

Category	Unit	Exceptional additional amounts for 1994
ex 18 ¹⁾	tonnes	150
ex 20 ¹⁾	tonnes	10
ex 78 ¹⁾	tonnes	10
115	tonnes	200
117	tonnes	100
118	tonnes	60
120	tonnes	60
ex 136 ^{1),2)}	tonnes	30
156	tonnes	800
157	tonnes	1 600
159	tonnes	1 200
161	tonnes	1 550

¹⁾ Categories marked by "ex" cover products other than those of wool or fine hairs, cotton or synthetic or artificial textile materials.

²⁾ This category covers only woven fabrics and other silk products other than unbleached, scoured or bleached products falling within CN codes 5007 20 19, 5007 20 31, 5007 20 39, 5007 20 41, 5007 20 59, 5007 20 61, 5007 20 69, 5007 20 71, 5007 90 30, 5007 90 50 and 5007 90 90.

Article 2

From the date of entry into force of this Regulation, the additional quota amounts for the year 1994 will, in accordance with Article 17(1) and (2) of Council Regulation (EC) No 517/94, be allocated in the chronological order in which notification of the requests for import authorization is received from the Member States.

Article 3

The import authorizations issued by the Member States' competent authorities shall be valid for ninety days from the date of issue.

Article 4

This Regulation shall enter into force on the day after that of its publication in the Official Journal of the European Communities.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

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