

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(76) 35 final.

Brussels, 3 February 1976

Recommendation for  
a Council Decision

authorising the Commission to open negotiations with  
Romania for the conclusion of an agreement on trade  
in textiles

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(submitted to the Council by the Commission)



## Explanatory Memorandum

1. The Community is a party to the Arrangement Regarding International Trade in Textiles (M.F.A.). Article 4 of this Arrangement leaves open the possibility for participating countries to conclude bilateral agreements between importing and exporting countries. The Community was of the opinion that it was through the conclusion of such agreements with its principal suppliers that the principal objective of the M.F.A., i.e. the orderly development of trade in textiles, could best be achieved.

In accordance with this view, negotiations were initiated first with those third countries with which the Community had already concluded agreements on trade in cotton textiles.

2. At its meeting on 12 March 1975 the Committee of Permanent Representatives decided that negotiations should also be proposed by the Community to the three state-trading countries which are parties to the M.F.A.—Hungary, Poland and Romania (without prejudice to possible negotiations for global trade agreements). It also agreed the text of a letter to be addressed by the Commission to the three countries indicating the willingness of the Community to open negotiations which, "while taking account of the differences in commercial structures, would be based on the provisions of Article 4 of the M.F.A." (see text of letter in Annex A).

On 8 January 1976 the Romanian authorities replied that they were prepared to open negotiations with the Community based on Article 4 of the M.F.A. and also taking account of Articles 2 and 6 (see text of letter in Annex B).

By contrast, Poland and Hungary have not replied to the Community's offer. The Commission considers, consequently, that the import rules at present applied with regard to those countries, in conformity with the provisions of the GATT, including the protocols of accession, should remain in effect.

3. In view of the time-limit fixed in the M.F.A. for the conclusion of bilateral agreements (31 March 1976) and in view also of the favourable response from Romania to the Community offer, the Commission is of the opinion that negotiations with Romania should be opened as quickly as possible. In unofficial conversations between the Commission's services and the Romanian authorities and in meetings of the Council's textile group on the preparation of possible negotiations with the state-trading countries certain elements which could serve as a basis for the negotiations have emerged.

In the light of these elements and in view of the provisions and obligations of the M.F.A., the Commission considers that the negotiations with Romania should be governed by the same criteria as the other negotiations which have already taken place, with the exception of those items which are necessary to take account of the differences in commercial structures mentioned in the Commission's letter, cited above at point 2.

On the internal level, the provisions adopted for the preceding negotiations, particularly burden-sharing, should apply.

4. Consequently, the Commission recommends to the Council, by virtue of Article 113 of the Treaty, that it adopt the attached Decision.

Recommendation for a Council Decision  
authorising the Commission to open negotiations with Romania  
for the conclusion of an agreement on trade in textiles

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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 from the Commission,

Whereas Article 4 of the Arrangement Regarding International Trade in  
Textiles permits the conclusion of bilateral agreements between  
importing and exporting countries;

Whereas the Community considers that the conclusion of such agreements  
with the third countries which are its principal suppliers would best  
enable it to achieve the objectives of the said Arrangement Regarding  
International Trade in Textiles;

Whereas the Community therefore proposed to Romania, a party  
to the said Arrangement, the opening of negotiations for the conclusion  
of an agreement on trade in textiles and whereas Romania has replied  
favourably,

HAS ADOPTED THIS DECISION :

Article 1

The Commission is hereby authorised to open negotiations with  
Romania with a view to the conclusion of an agreement on trade in  
textile products, in accordance with the provisions of the Arrangement  
Regarding International Trade in Textiles.

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Article 2

The Commission shall conduct such negotiations in consultations with the special Article 113 Committee and on the basis of the directives in the Annex hereto.

Done at Brussels,

For the Council  
The President

Directives for negotiations with Romania

I. Items identical with those adopted with regard to all the countries with which the Community has negotiated.

- a) Autolimitation agreement, valid until 31 December 1977, with an administration system which includes double-checking.
- b) Coverage of the agreement established selectively on the basis of the criteria in Article 4 of the M.F.A.: elimination of real risks of market disruption and the fixing of ceilings based on that concept.
- c) Binding consultation clause and regional measures.
- d) Provisions for flexibility, carry-over and anticipation.

II. Additional items

- a) Inclusion of linen in the coverage of the agreement.
- b) Provisions relating to outward processing traffic: of the kind adopted for Yugoslavia.

III. Specific items flowing from the differences in commercial structures.

- a) A price clause allowing account to be taken of the particular methods of price-formation in Romania and giving to the Community the possibility of intervening in case products covered by the agreement should be offered for sale at prices considerably below:
  - the price of the national product at the same level of trade
  - and the price generally prevailing for exports by other countries to the importing market.
- b) Market access for Community textile products : an undertaking to be given by Romania to diversify and increase its imports of textile products from the Community.

COMMISSION  
DES  
COMMUNAUTÉS EUROPÉENNES

Bruxelles, le 24 mars 1975

Direction Générale des  
Relations Extérieures

1345

Monsieur l'Ambassadeur,

Divers problèmes se posent à l'heure actuelle dans le commerce international des textiles auxquels il importe maintenant de rechercher des solutions. Votre pays est comme la Communauté économique européenne partie à l'Arrangement concernant le commerce international des textiles.

La Communauté est prête par conséquent à entamer avec la Roumanie des négociations bilatérales en ce qui concerne les produits textiles qui, tout en tenant compte des différences de structures commerciales en présence, seraient fondées sur les dispositions de l'article 4 de l'Arrangement.

La Commission tient par ailleurs à rappeler la communication qu'elle a faite à votre pays en novembre 1974 visant l'ouverture de négociations commerciales destinées à pouvoir couvrir aussi les produits textiles et c'est également dans cette perspective qu'elle vous adresse la présente communication.

Veillez agréer, Monsieur l'Ambassadeur, l'assurance de ma haute considération.

E.P. WELLENSTEIN

Son Excellence Monsieur Alexandru LAZAREANU,  
Ambassadeur extraordinaire et plénipotentiaire  
de la République Socialiste de Roumanie,  
105, rue Gabrielle,  
1180 BRUXELLES





L'AMBASSADEUR  
DE LA  
REPUBLIQUE SOCIALISTE DE ROUMANIE

No.115

Bruxelles, le 8 janvier 1976

Monsieur le Directeur général,

En me référant à votre lettre no.1345 du 24 mars 1975, j'ai l'honneur de vous faire savoir que la Partie roumaine, en tant que membre à l'Arrangement concernant le commerce international des textiles, est prête à entamer avec la Communauté économique européenne des négociations en vue de régler ses exportations des textiles dans les pays membres de la C.E.E.

Les autorités roumaines sont d'accord que ces négociations se déroulent sur la base des dispositions de l'article 4, tout en prenant en considération les dispositions des articles 2 et 6 de l'Arrangement.

La Partie roumaine est convaincue que, conformément aux dispositions de l'Arrangement, ainsi qu'à la position qu'elle a exprimée lors des pourparlers exploratoires avec la Commission, le traitement réservé à la Roumanie, pays en voie de développement, ne sera pas moins favorable que celui accordé par la Communauté aux autres pays tiers exportateurs de textiles, avec lesquels elle a conclu des accords bilatéraux sur la base de l'Arrangement.

Veuillez agréer, Monsieur le Directeur général, l'assurance de ma haute considération.

Al. Lazareanu

Monsieur E.P.WELLENSTEIN  
Directeur Général des Relations  
Extérieures  
Commission des Communautés Européennes