

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(77) 487 final.

Brussels, 12 October 1977.

DRAFT FOR A COUNCIL DECISION ACP - EEC

Request from the Government of Mauritius  
for a derogation from the concept of  
'originating products' in respect of  
unbleached woven fabrics of cotton

(submitted to the Council by the Commission)

COM(77) 487 final.



## Explanatory Memorandum

### I. THE SITUATION

By virtue of ACP-CEE Council of Ministers Decision 3/76 of 14 July 1976, which entered into force on 1 August 1976, Mauritius was granted a derogation from the concept of 'originating products' for unbleached woven fabrics of cotton manufactured from non-originating yarn. The derogation, valid for one year and renewable, on certain conditions, for a further year, covered a quantity of 832 tonnes to be allocated among the Member States. Réunion was excluded from the scope of the above decision.

The aim of the derogation was to facilitate the creation of a new industry; the profits earned from the sale of unbleached cotton fabrics in the Community were to be reinvested initially in a bleaching and printing plant and then in a spinning mill, thus allowing Mauritius to build up over two years an integrated production unit whose output would fully satisfy the criteria governing the origin of textile products.

It appears that in the course of the year of application of the Decision only 170 of the 832 tonnes covered by the derogation were actually exported to the Community. This would seem to be the result of teething troubles with the weaving plant caused partly by problems with staff qualifications and partly by the lack of transport for conveying supplies to the plant and for despatching finished goods.

### II. REQUEST FOR AN EXTENSION

At the third ACP-EEC Customs Cooperation Committee meeting on 22 March 1977 the ACP Chairman submitted a request for an extension, while the Mauritian Representative referred to the terms of the derogation in force, pointing out that it could be the subject of a further decision, also valid for one year and covering the same quantity in the event of this still being proved to be necessary.

### III. OPINION OF THE COMMISSION'S DEPARTMENTS

Despite the fact that Community policy on textiles is currently being revised, it would seem that in view of the assurances, if not undertakings, already given, this request cannot simply be rejected.

On this subject, the Mauritian government has confirmed, through its mission in Brussels, that the spinning mills would be operative by the stated time -- that is to say the second half of 1978 and that, as a result, the products constituting the present request for derogation would comply entirely with the rules of origin foreseen in the special provision in List A. Given the quantities actually exported, however, the initial quantity should be reduced to 400 t and to make it clear that under no circumstances could the decision be further extended. The 400 t should be allocated among the Member States in the same proportions as were used in the original Decision, and Réunion should again be excluded from the scope of the provisions.

The Commission accordingly proposes the following draft decision of the ACP-EEC Council of Ministers.

Decision of the ACP-EEC Council of Ministers of derogating from the concept of 'originating products' to take account of the special situation of Mauritius with regard to certain products of the textile industry

---

THE ACP-EEC COUNCIL OF MINISTERS,

Having regard to the ACP-EEC Convention of Lomé signed on 28 February 1975, hereinafter called 'the Convention', and in particular Article 9(2) thereof,

Whereas Article 27 of Protocol No 1 to the Convention, concerning the definition of the concept of 'originating products' and methods of administrative cooperation, states that derogations from the rules of origin may be made, in particular to facilitate the development of existing industries or the creation of new industries;

Whereas the ACP States have submitted a request from the Government of Mauritius for a one-year derogation from the definition set out in the said Protocol for textile products manufactured in that State;

Whereas, in accordance with Article 27 of Protocol No 1, the Customs Cooperation Committee has adopted a report on the said request;

Whereas in order to take account of the special situation of Mauritius and to enable the industrial sectors concerned to set up new industries which necessitate derogations from the said Protocol for a period of one year, provision should be made for a derogation from the definition set out in the said Protocol;

Whereas an assurance has been given that the products subject to this request for a derogation will meet the relevant criteria laid down in Protocol No 1, at the latest by the end of the period of the said derogation;

Whereas the quantity covered by the derogation should be broken down among the Member States of destination,

HAS DECIDED AS FOLLOWS:

Article 1

By way of derogation from the special provisions in List A in Annex II to Protocol No 1, unbleached cotton fabrics falling within tariff heading No ex 55.09 manufactured in Mauritius, from non-originating yarn, shall be considered as originating in Mauritius subject to the following conditions.

Article 2

This derogation shall relate to 400 tonnes of unbleached cotton fabrics falling within tariff heading No ex 55.09 imported into the Community between \_\_\_\_\_ and \_\_\_\_\_, this quantity being allocated as follows:

Germany	108 tonnes
Benelux	40 "
France	76 "
Italy	56 "
Denmark	28 "
Ireland	4 "
United Kingdom	88 "

