COMMISSION OF THE EUROPEAN COMMUNITIES

COM(76) 496 final.

Brussels, 24 September 1976.

Proposal for a

COUNCIL DECISION

provisionally extending in advance for 1977 the import quotas laid down for 1976 by Council Decision 75/788/EEC in respect of the People's Republic of China

(submitted to the Council by the Commission)

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COM(76) 496 final.

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EXPLANATORY NOTE

1. In conformity with Council Decision 75/210/EEC of 27 March 1975, the Council adopts each year, before the 30 november, the import quotas to be opened by the Member States in respect of various State trading countries for the following year.

If no Council Decision has been adopted by that date, the existing import quotas are automatically extended on a provisional basis for the following year: the Council then adopts the definitive quotas before the following 1st March.

2. As regards China, a number of Member States recently expressed the wish to be allowed publish the quotas for 1977 before the Canton Trade Fair, which lasts from mid-October until mid'November, so that the Community firms know the import possibilities for 1977 into their respective countries from China, before attending the Fair which is a very important event for the purpose of concluding trade agreements with China.

3. In view of the advisability of meeting the wishes of the Member States in this case, the Commission feels that the adoption of the quotas in question can be achieved by an early (in relation to the specified date of 30 November) extension on a provisional basis of the current quotas of all the Member States in respect of China: the advantage of this measure is that on the one hand all the Member States will be able to take part in the Canton Trade Fair under the same conditions, and on the other hand, the measure will not prejudge the definitive quota arrangements which the Council will adopt for 1977 on a proposal from the Commission next autumn.

Since in this proposal the Commission envisages a number of technical adjustments for certain quotas in the textile sector, so as to improve the economic coordination possibilities for imports of a number of particularly sensitive products, it would be advisable that in the granting of import authorisations for these same quotas in respect of China, the Member States already take into account this aim so as to avoid prejudging the possibility of adjusting these quotas in the future. To this end the Commission reserves the right to provide orally the precise details during the examination of the present proposal within the Trade Questions Working Group of the Council.

4. As requested by a number of Member States, the Council and Commission could moreover, by a joint declaration in the minutes at the time of adoption of the present decision, agree that the definitive quota arrangement which will be adopted in respect of Chine next automn, will not be more restrictive than the one in force for 1976 and extended on a provisional basis for 1977.

5. The Commission therefore proposes that the Council adopt the decision and the declaration for the minutes as laid down in Annexes I and II respectively

ANNEX I

COUNCIL DECISION

provisionally extending in advance for 1977 the import quotas laid down for 1976 by Council Decision 75/788/EEC in respect of the People's Republic of China

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 proposal from the Commission,

Whereas, under Article 8 of Council Decision 75/210/EEC on unilateral import arrangements in respect of state-trading countries⁽¹⁾, the Council should normally adopt by 30 November 1976 the changes to be made for the year 1977 to the import quotas listed in the Annexes to Council Decision 75/788/EEC of 18 December 1975 amending for 1976 the import quotas laid down by the first-named Decision⁽²⁾, and whereas if no Council Decision has been adopted by that date, the existing import quotas are to be extended on a provisional basis for the following year;

Whereas, however, the Canton Trade Fair - which by tradition is particularly important as regards the conclusion of commercial contracts between Community firms and import and export undertakings of the People's Republic of China - starts in mid-October, and whereas it is therefore advisable that the import quotas to be opened in respect of that country for 1977 be laid down before the Canton Trade Fair;

- (¹) OJ No L 99, 21. 4.1975, p. 7
- (²) OJ No L 332, 29.12.1975, p. 1

Whereas, however, it is advisable at this stage that the import quotas in question be adopted on a provisional basis, by an advance extension of the import quotas currently in force, this by way of derogation from Article 8, second paragraph, first sentence, of Council Decision 75/210/EEC and subject to such amendments as the Council may make on the adoption of the import quotas for 1977 in respect of all state-trading countries;

HAS ADOPTED THIS DECISION:

Article 1

By way of derogation from Article 8, second paragraph, first sentence, of Decision 75/210/EEC, the provisional extension for 1977 of the import quotas as set out in Annex X to Decision 75/788/EEC concerning the People's Republic of China shall take effect on the date of entry into force of thisDecision.

Such extension shall be without prejudice to any changes or adjustments to the said quotas that the Council may consider necessary upon the adoption pursuant to the aforesaid Article 8 of the import quotas for 1977 in respect of all state-trading countries.

Imports under the quotas extended as aforesaid may not be effected before 1 January 1977.

Article 2

This Decision is addressed to the Member States.

Done at

For the Council The President

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ANNEX II

<u>D R A F T</u>

Joint Declaration of the Council and the Commission to be included in the minutes

The Council and the Commission hereby agree, each in respect of its own particular area of competence, that the definitive quotas to be adopted for 1977 in respect of China pursuant to Article 8 of Decision 75/210/EEC will not, taken overall, be more restrictive as regards their effective scope than those for 1976.