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SERIALS UNIT PROPOSAL FOR A COUNCIL REGULATION

relating to import arrangements for certain textile products

originating in Japan

(submitted to the Council by the Commission)



EXPLANATORY STATEMENT

1. By a decision of 10 July 1975 the Council authorized the Commission to open negotiations with Japan for the conclusion of an agreement on trade in textile products in the context of the Arrangement regarding International Trade in Textiles.

In accordance with the Council decision referred to above and in consultations with the Article 113 Committee, the Commission conducted negotiations with Japan in the months of July, November and December 1975.

2. As a result of those negotiations, a draft agreement was drawn up and initialled by the Heads of the Delegations on 12 December 1975.

The purpose of this proposal for a regulation is to adopt the provisions required for the application of the agreement. (1)

3. The agreement takes account of the particular structure of trade in textiles between the Community and Japan (exports of textiles from the Community to Japan are approximately double Japanese exports of textiles to the Community) and makes provision, in particular, for :

- reciprocal rights and obligations so that an orderly and equitable development of trade may be realised, in conformity with the provisions of the Geneva Arrangement;
- a consultation procedure for any problem which may arise in trade in textiles between the Community and Japan;
- self-restraint (following consultations held within the framework described above) at agreed levels on exports of specific categories of textile products to the Community or certain of its markets;
- an undertaking by the Community to terminate all unilateral quantitative restrictions and any existing measures having equivalent effect as speedily as possible and in any case by 31 March 1977;

(1) The signing of the Agreement took place on 9 July 1976; it was published in the OJ N° L 219 of 12 August 1976.

- an undertaking by the Community not to have recourse to the safeguard clauses of the Geneva Arrangement for the categories of products for which quantitative limits are provided, provided that such agreed limits are respected.

4. As a result of consultations described above, the Parties are agreed that the Japanese authorities will introduce voluntary restraint of exports of certain textile products to the Community or to certain Member States.

As this is a measure voluntarily restraining exports to the Community taken by the authorities of the exporting country, provision should be made for following the trend of the corresponding imports into the Community and for ascertaining whether the agreed limits are being observed.

The agreement negotiated stipulates that imports which are the subject of voluntary restraint shall be accepted by the Community authorities on presentation of an export licence drawn up in accordance with agreed detailed rules and issued by the Japanese authorities. This stipulation means that the authorities of the Member States are obliged to admit imports of products which are the subject of voluntary restraint automatically on submission of an application accompanied by the export licence referred to above.

The attached proposal for a Regulation fixes on the basis of the provisions made between the Community and Japan within the framework of the negotiated Agreement, the import arrangements in the Community for certain textile products originating in Japan.

The Regulation concluding the Agreement having been adopted, the Commission proposes that the Council adopts the present Regulation as speedily as possible.

PROPOSAL FOR A COUNCIL REGULATION

relating to import Arrangements for certain textile products originating in Japan

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 the European Economic Community and Japan, in the context of the Arrangement regarding International Trade in Textiles, have concluded an Agreement on trade in textile products ⁽¹⁾;

Whereas, in accordance with the declarations made by the Community and Japan during the negotiations the provisions of this Agreement had already been applied in advance of the conclusion of the negotiations;

Whereas import arrangements should therefore be adopted for the products in question in order to permit implementation of the Agreement negotiated, and whereas such arrangements should be put into force immediately;

Whereas the Agreement provides for the abolition of all quantitative restrictions as soon as possible after its conclusion and in any case by 31 March 1977;

(1) OJ No. L 219 / 12.8.1976, p. 1

Whereas the Agreement provides for a consultation procedure for the purpose of resolving any problem relating to trade in textile products between the two Parties; whereas in the context of that procedure it has been agreed that Japan will subject its exports of certain textile products to the Community or certain Member States to measures of voluntary restraint, to be administered by the Japanese authorities and applied in accordance with the rules of the two Parties;

Whereas the quantitative limits in question and the detailed rules for administering them should thereof be fixed;

Whereas provision should be made for products brought into the customs territory of the Community under inward processing or temporary admission arrangements and reexported from that territory in the same state or after processing not to count against the quantitative limits referred to above,

HAS ADOPTED THIS REGULATION;

Article 1

Without prejudice to Articles 2 and 3, imports into the Community of textile products of Chapters 51 to 62 inclusive of the Common Customs Tariff, originating in Japan, shall not be subject to quantitative restrictions.

Article 2

1. Imports into the Community of textile products listed in Annex A and originating in Japan shall be subject, during 1977, to the Community quantitative limits set out in that list.
2. The Community quantitative quotas shall be allocated, among the Member States in accordance with the procedure laid down by Regulation (EEC) No 1023/70, (2) in particular Article 11 thereof, in such a way as to ensure the expansion and orderly development of trade in textiles and to permit carryover and anticipation from year to year.

The allocation shall be made, however, on the basis of the import volumes admitted on the conditions currently applied in the Member States and shall provide for annual rates of increase that are appreciably higher for the Member States whose import volumes are relatively the lowest in such a way as to adapt them by progressive stages to market supply requirements.

3. The relevant authorities of the Member States concerned shall, automatically and without delay, authorize the entry into free circulation of the products referred to in paragraph 1 upon presentation by the importer of a certified copy of an export licence granted by the Japanese authorities conforming to the specifications set out in Annex B.

4. Products brought into the customs territory of the Community under the inward processing traffic system or temporary admission arrangements and reexported from that territory without further processing or after undergoing working shall not be set off against the quantitative limits referred to in paragraph 1.

Article 3

1. In the Member States indicated in the list in Annex C, imports of textile products included in that list and originating in Japan shall be subject, in 1976 and 1977, to the quantitative limits set out in that list.
2. The quantitative limits may be adjusted in accordance with the procedure laid down in Article 11 of Regulation (EEC) No 1023/70.
3. Article 3(3) and (4) shall apply to the quantitative limits referred to in this Article.

Article 5

This Regulation shall enter into force on the third day following 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.

Done at Brussels,

For the Council

The President

Community ceilings

Category No	OCT heading No	Description	Control unit	Member State	Quantitative limit
					1977
1	51.04	Woven fabrics of man-made fibres (continuous), including woven fabrics of monofil or strip of heading No 51.01 or 51.02: ex A. Of synthetic textile fibres (see footnotes)	1 000 kg	D F I BNL UK IRL DK EEC	1 400 493 412 536 1 175 363 121 5 000
2	35.09 36.07	Woven fabrics of cotton Woven fabrics of man-made fibres: A. Of synthetic textile fibres	1 000 kg	D F I BNL UK IRL DK EEC	4 500 3 200 1 900 1 700 1 500 1 800 1 000 15 100

(1) For the year 1977 the coverage for Category 1 is Nimex 2 Nos. 05, 07, 21, 23, ex 25 (polyamid, heavier than 70 g/m² and polyester, heavier than 100 g/m² but lighter than 200 g/m² 27, 32 and 34.

CERTIFICATE OF EXPORT FROM JAPAN

Date: _____

Certificate No. of Export to
European Economic Community

() No. _____

Export Licence No. _____

1. Name of Exporter _____

2. Name of Importer _____

3. Item No. & Description _____

4. Quantity _____

I hereby certify that the above mentioned cargo of Japanese origin forms part
of and has been debited from the export quota to the European Economic Community

()

Signature:

Title:

Ref.

Name of Vessel _____

Date of Signature _____

Regional ceilings

Category No	CCP Heading No	Description	Member State	Control Unit	Quantitative Limit	
					1976	1977
1	53.07 (Nimexe .11,.19)	Yarn of combed sheeps or lambs' wool (worsted yarn) not put up for retail sale	FRG	T	750	1,000
2	58.04	Woven pile fabrics and chenille fabrics	F I	T	310 212	350 225
3a.	58.05 (Nimexe .51, .59, .61, .69)	Narrow woven fabrics, and narrow fabrics (bolduc) consisting of warp without weft assembled by means of an adhesive, other than goods falling within heading No. 58.06	BNL	T	140	160
3b	58.05 (all nimexes other than 16)	idem	UK	T	150	180
					15-month period 1.1.1976 to 31.3.1977	
	ex 61.01 ex 61.02	Raincoats of the overcoat type	I	Pieces	600,000	

