

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(80) 173 final

Brussels, 14 April 1980

Proposal for a
COUNCIL REGULATION (EEC)
concerning common import arrangements for certain jute products
originating in Bangladesh

(submitted to the Council by the Commission)

COM(80) 173 final

EXPLANATORY MEMORANDUM

1. By decision of 23 November 1979 the Council authorised the Commission to open negotiations with Bangladesh for the conclusion of a new agreement on trade in jute products as the previous Agreement expired on 31 December 1979.

In accordance with this decision the Commission, in consultation with the Article 113 Committee, conducted negotiations in November 1979 and March 1980. These negotiations culminated in a draft Agreement initialled by both Heads of Delegation on 26 March 1980.

The new Agreement, approved by the Article 113 Committee, cannot formally enter into force, however, until the necessary procedures have been completed on both sides (for the Community, conclusion by the Council). The Commission will shortly be submitting a recommendation concluding the Agreement.

However, since it is desirable that the results of the negotiations be put into effect as promptly as possible, it was agreed by exchange of note verbales that pending completion of the necessary procedures, the Agreement would be applied de facto from 1 May 1980. The annexed proposal for a regulation contains provisions to establish import arrangements for the products concerned, as agreed with Bangladesh in the framework of the Agreement.

2. The new Agreement provides inter alia for the voluntary restraint by the Bangladesh authorities, within the quantitative limits agreed, of exports to the Community of certain jute products and for a system of Community control of compliance with those limits.

In order to make such control possible, this proposal for a regulation provides for the introduction of arrangements making imports into the Community of the products in question subject to quantitative limits.

3. The Agreement which has been initialled is concerned only with products originating in and coming from Bangladesh. The authorities of this country will ^{there/}_{fore} apply voluntary restraint only to direct exports to the Community. Thus products covered by the Agreement and originating in Bangladesh may be freely exported to the Community through non-member countries. The Community may oppose such indirect exports, for by the Agreement it is only obliged to admit products originating in and coming from Bangladesh which are accompanied by an export authorization as required by the Agreement.

Since such indirect imports run counter to the objectives of the Agreement the import arrangements introduced by the Community must be applied to products originating in Bangladesh irrespective of where they come from.

4. It is proposed to administer the Community quantitative limits in accordance with the procedure for administering Community quantitative quotas established by Council Regulation (EEC) No. 1023/70, and in particular Article 11(1) thereof. Under this procedure the Council has to determine the criteria for allocating the quantitative limits.

The criteria referred to are primarily those taken as a guide for allocating the ceilings of the previous Agreement.

However, in the light of experience with the functioning of the previous Agreement, and since under the present Agreement the voluntary restraint arrangements apply to a narrower range of products, these criteria have adjusted to give a breakdown of the agreed volumes between the Member States more in line with current trade patterns.

5. The Agreement which has been initialled provides for the automatic, immediate acceptance by the Community authorities of imports subject to limitation, upon production by the importer of an export authorization issued by the Bangladesh authorities certifying that the quantities have been set off against the agreed quantitative limits. This provision therefore obliges the Member States' authorities to grant import authorizations automatically as soon as a request

is made accompanied by an export authorization, provided that the agreed limits are observed.

The new Agreement also stipulates that products entering the Community customs territory under inward processing or other suspensory arrangements and subsequently re-exported from the Community must not be set off against the agreed quantitative limits.

6. The previous Agreement expired on 31 December 1979; as it was not possible to finish the negotiations for the new Agreement before then, the Council, by agreement with the non-member countries concerned, adopted Regulation (EEC) No 3019/79 of 20 December 1979 (1), extending for the first three months of 1980 the import arrangements in force for 1979 for certain jute products originating in Bangladesh, India and Thailand, and stipulating that the quantities imported under the provisional arrangements would be charged against any limits eventually fixed under the new agreements (negotiations or consultations with India and Thailand have since been concluded). Now that a new Agreement has been negotiated with Bangladesh, it is therefore necessary to take account of the quantities set out.

7. So that the objectives of the Agreement may be attained promptly the Commission proposes that the Council adopt the draft Regulation annexed hereto as soon as possible.

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OJ No L 340, 31.12.1979, p. 1

PROPOSAL FOR A

COUNCIL REGULATION (EEC)

concerning common import arrangements
for certain jute products
originating in Bangladesh

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 the People's Republic of Bangladesh have negotiated an Agreement on trade in jute products; whereas the Commission has put before the Council a recommendation concerning the conclusion of that Agreement;

Whereas, in order to implement that Agreement, specific common import arrangements should be introduced for the products concerned originating in Bangladesh ;

Whereas, to this end, the appropriate provisions valid in the Community for the years 1980 to 1983 should be adopted;

Whereas, under the Agreement, the Community is required to admit imports of certain jute products within agreed quantitative limits; whereas, under the Agreement negotiated with Bangladesh, application of the quantitative limits requires the introduction of a special administrative procedure; whereas the common administration should be decentralized by the allocation of the quantitative limits among the Member States and whereas the Member States' authorities should issue import authorizations in accordance with the bilateral control system laid down in the Agreement;

Whereas, to ensure optimum utilization of the quantitative limits in question, they should be allocated both in accordance with the criteria taken as a guide in allocating the quantitative limits under the previous Agreement with Bangladesh and taking into consideration the fact that the new Agreement establishes such limits for a smaller number of products than under the old Agreement, thereby enabling fuller account to be taken of the supply requirements of the various Member States;

Whereas, however, since considerable disparities still exist in the conditions under which imports of the products in question may be admitted into different Member States, it will be possible to standardize such conditions on a gradual basis only; whereas allocation can, therefore, be aligned only progressively on supply requirements;

Whereas steps should be taken to ensure that the objectives of the Agreement are not defeated by indirect imports of products originating in Bangladesh;

Whereas imports should be set off against the quantitative limits fixed for the year during which the goods were shipped from Bangladesh;

Whereas products which enter the Community's customs territory under inward processing or other suspensory arrangements and which are re-exported from that territory in their original condition or after processing should not be set off against the above-mentioned quantitative limits;

Whereas Council Regulation (EEC) No 3019/79 ⁽¹⁾ extended until 31 March 1980 the import arrangements in force for 1979 for certain jute products originating in Bangladesh, India or Thailand;

⁽¹⁾ OJ No L 340, 31.12.1979, p. 1

HAS ADOPTED THIS REGULATION:

Article 1

1. Imports into the Community of the jute products listed in Annex A which originate in Bangladesh and are shipped between 1 January 1980 and 31 December 1983 shall be subject to the annual quantitative limits agreed between the Community and Bangladesh and set out in the Annex referred to above.
2. The quantitative limits referred to in paragraph 1 shall be allocated among the Member States in accordance with the procedure laid down in Council Regulation (EEC) No 1023/70 of 25 May 1970 establishing a common procedure for administering quantitative quotas ⁽¹⁾, and in particular in Article 11 thereof, so as to ensure the expansion and orderly development of trade in jute products and to permit amounts to be carried over or brought forward from one year to another.
3. The jute products referred to in paragraph 1 originating in Bangladesh shall be imported within the framework of the bilateral control system defined in the Agreement, whereby the authorities of the Member States concerned shall, within the quantitative limits prescribed, automatically authorize the importation of the products referred to in paragraph 1 immediately upon production by the importer of the original copy of the export authorization issued by the Bangladesh authorities and containing the particulars set out in Annex B.

(¹) OJ No L 124, 8.6.1970, p. 1

4. Authorized imports shall be set off against the quantitative limits established for the year in which the products were shipped from Bangladesh. In issuing import authorizations in respect of the quantitative limits established for 1980, the authorities of the Member States shall take into account authorizations issued to cover products subject to quantitative limitation under the provisional arrangements provided for by Council Regulation (EEC) No 3019/79 and until the entry into force of this Regulation.

5. Products admitted into the Community's customs territory under inward processing or other suspensory arrangements shall not, provided that they are declared under such arrangements to be for re-export from that territory in their original condition or after processing, be set off against the quantitative limits referred to in paragraph 1.

Article 2

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

Done at Brussels,
For the Council
The President

ANNEX A

Quantitative limits referred to in Article 1(1)

(tonnes)

Category No	CCT Heading	Nimex Code	Description	Quantitative Limits			
				1980	1981	1982	1983
4	57.10 B	57.10-61 ex 57.10-65	Woven fabrics of jute or of other bast fibres of heading No 57.03 : ex B. of a width of more than 150 cm. but not more than 310 cm. other than those of Category 7	3 345	3 679	4 049	4 453
7	57.10 B	57.10-70	Woven fabrics of jute or of other textile bast fibres of heading No. 57.03 : ex B. of a width of more than 150 cm., wholly or partially bleached, dyed or printed and having no visible selvedge in the width.	1 845	1 993	2 151	2 323

Particulars referred to in Article 1(3)

Export authorizations issued by the Bangladesh authorities in respect of the products covered by this Regulation shall contain the following particulars:

- (a) The destination (relevant Member State concerned)
- (b) Serial number;
- (c) Importer's name and address;
- (d) Exporter's name and address;
- (e) Net weight (in kg or tonnes) and value;
- (f) Category and classification of the product;
- (g) Certification by the authorities of Bangladesh that the quantity has been set off against the quantitative limits fixed for the year in which the products were shipped, i.e. placed on board in Bangladesh for export to the Community (Member State of final destination) or, where appropriate, are for immediate re-export or are for processing and subsequent re-export outside the Community;
- (h) Year during which the products were shipped, that is, were placed on board in Bangladesh for export to the Community.

(¹) For Category 4 products, the width in centimetres shall also be given; this specification shall be required until the NIMEXE classification is amended so that headings Nos. 57.10-61 and 65 reflect the description of products falling within the current definition of Category 4.

