

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(80) 909 final

Brussels, 9 January 1981

Recommendation for a

COUNCIL DECISION

authorizing the Commission to open negotiations with Spain for an
arrangement on trade in certain textile products

(submitted to the Council by the Commission)

COM(80) 909 final



EXPLANATORY MEMORANDUM

1. The Memorandum of Joint Action concerning exports of Spanish textile products signed by the Community and Spain on 20 February 1979 is due to expire on 31 December. As part of the comprehensive Community textile policy, the Commission considers it necessary to negotiate an arrangement to replace the Memorandum for 1 January 1981.
2. With this end in view, the Commission held exploratory talks with the Spanish authorities between July and November 1980. On the first of these occasions, Spain refused to agree to the renewal of the present arrangement as it stands, considering continued use of quantified export objectives in the Memorandum unacceptable. However, it is fully prepared to go on with the system of administrative cooperation and also to continue observing unofficially-notified traditional trade flows, as it has in the past. The Commission proposal, on the other hand, was to renew the Memorandum for a further year without significant change.
3. At the second round of exploratory talks, Spain appears to have realised that it is currently impossible for the Community to envisage any arrangement without quantified export objectives. In these circumstances, it could be persuaded to accept an extension of the present Memorandum for seven months only, provided certain changes were made. Faced by the Commission's insistence, Spain was however able to accept an extension of the current arrangement for 12 months with the proviso that consultations would be held halfway through the year in order to seek a new approach in the management of the arrangement without however affecting its economic content.
4. The Commission considers this a valid way of ensuring continuity of relations with Spain in the textile field, without prejudicing their future development or that of relations with the other preferential countries. It feels that Spain's agreement to this approach is the most that can be obtained.
5. Accordingly, the Commission hereby transmits a recommendation for negotiating directives for a textile arrangement with Spain (Annex). The main features of the arrangement are, briefly:

- i. extension of the Memorandum for twelve months to 31 December 1981 with consultations halfway through the year to seek a new approach in the management of the arrangement without affecting its economic content;
- ii. continuation of the administrative cooperation procedure for all ten of the products covered by the present Memorandum;
- iii. for seven categories, establishment of quantified export objectives for 1981;
- iv. inclusion of Greece in the calculation of export objectives along the lines decided by the Council.

Recommendation for a Council Decision
authorising the Commission to open ne-
gociations with Spain for an arrange-
ment on trade in certain textile products

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 the Community has concluded bilateral textile agreements or
arrangements with certain third countries; whereas the arrangement with
Spain, which expires on 31 December 1980, should be renewed;

HAS DECIDED AS FOLLOWS:

Sole Article

The Commission is hereby authorised to open negotiations with Spain
for a voluntary restraint arrangement for certain textile products.

The Commission will conduct the negotiations in accordance with the
directives contained in Annex 1 and in consultation with the Special
Committee provided for in Article 113 of the Treaty.

NEGOTIATING DIRECTIVES

1981 EEC SPAIN TEXTILE ARRANGEMENT

Extension of the Memorandum of Joint Action of 20 February 1979 subject to the following amendments:

1. Duration

Twelve months to December 31 1981, with consultations foreseen before 1 July 1981 in order to seek a new approach to the management of the arrangement without affecting its economic content.

Clause providing for consultations to take place before expiry of the arrangement, to decide on its successor.

2. Coverage

All ten products in the current arrangement would be covered by the system of administrative cooperation.

3. Export objectives

Export objectives would apply to only seven of the ten products (categories 1,2,4,6,13,20,22). (See Annex)

For the other three categories (3,5,23) the consultation clause, providing for possible suspension of exports (paragraph 6 of the Memorandum), would be retained.

4. Flexibility

Transfer between categories subject to prior agreement with the Community.

1981 EEC-SPAIN TEXTILE ARRANGEMENT
EXPORT OBJECTIVES

ANNEX

Category	Units	1980 Objective	Spanish desiderata	EEC proposal	Regional 1981 levels							
					D	F	I	BNL	UK	IRL	DK	GR
1	Tonnes	18 400	20 000	19 305 (3)	7 250	3 150	450	3 500	2 550	290	2 100	15
2	Tonnes	2 100	Admin.coop.	2 430	370	1 130	140	300	300	20	20	150
4	1 000 P.	10 300 (2)	Admin.coop.	11 011	3 425	3 380	300	3 245	350	30	270	11
6	1 000 P.	6 000 (2) (4)	7 000	6 478(4)	2 000	1 800	170	2 000	420	40	40	8
13	1 000 P.	38 400	41 000	39 930	6 000	17 500	1 420	9 200	4 300	380	1 080	50
20	Tonnes	900	1 000	970	60	440	35	30	260	120	20	5
22	Tonnes	2 450	2 900	2.808	390	500	100	1.365	200	10	215	28
3	Tonnes	2.350	Admin.coop.	Admin.coop.								
5	1 000 P.	3.490 (2)	Admin.coop.									
23	Tonnes	4.350 (2)	Admin.coop.									

(1) Based normally on 1978/80 average annual growth rates

(2) Modified Note Verbale 13.6.1980

(3) This objective applies approximately to counts above 16Nm as to one third and to counts of 16Nm or less as to two thirds

(4) Plus 500 000 pieces TPP

5

