

**COMMISSION OF THE EUROPEAN COMMUNITIES**

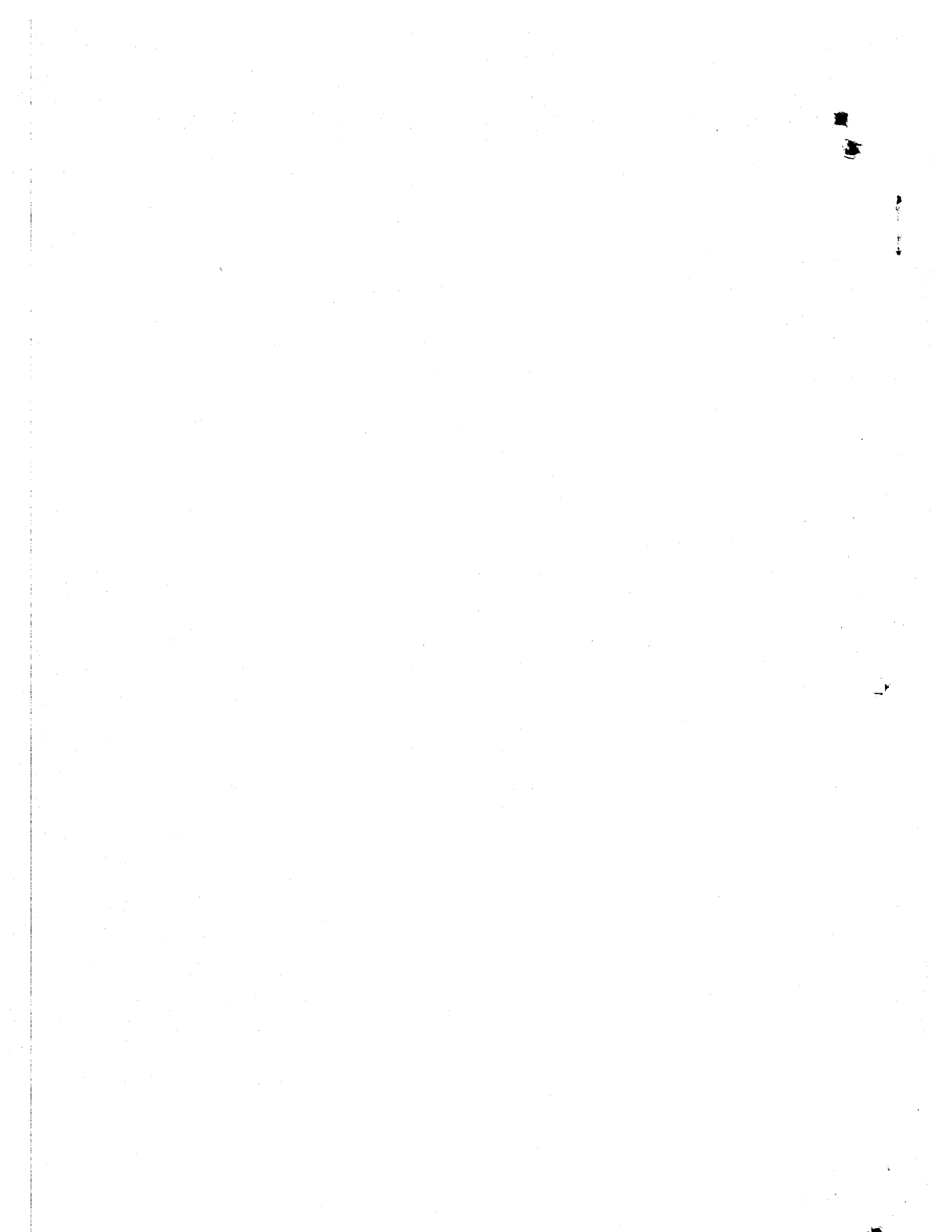
COM(80) 91 final

Brussels, 6th March 1980

**PROPOSAL FOR A COUNCIL REGULATION (EEC)  
CONCERNING COMMON IMPORT ARRANGEMENTS FOR  
CERTAIN JUTE PRODUCTS ORIGINATING IN INDIA**

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(submitted to the Council by the Commission)



EXPLANATORY MEMORANDUM

1. By decision of 23 November 1979 the Council authorised the Commission to open negotiations with India for the conclusion of a new agreement on trade and commercial cooperation 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 January this year. These negotiations culminated in a draft Agreement initialled by both Heads of Delegation on 30 January 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 March 1980. The annexed proposal for a regulation contains provisions to establish import arrangements for the products concerned, as agreed with India in the framework of the Agreement.

2. The new Agreement provides inter alia for the voluntary restraint by the Indian 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 India. The Indian authorities will therefore apply voluntary restraint only to direct exports to the Community. Thus products covered by the Agreement and originating in India 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 India 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 India 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 Indian 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 hold 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 Bangladesh and Thailand are currently under way). Now that a new Agreement has been negotiated with India, the provisional arrangements should no longer apply to that country from the entry into force of this regulation.

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

concerning common import arrangements for certain jute  
products originating in India

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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 Republic of India have negotiated  
an Agreement on trade and commercial cooperation in jute products; whereas  
the Commission has put before the Council a recommendation for a regulation  
concluding that Agreement;

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

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 obliged to admit imports of  
certain jute products within agreed quantitative limits; whereas application  
of the quantitative limits in conformity with the Agreement negotiated with  
India 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 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 India, and taking into consideration the fact the new Agreement establishes  
such limits for a smaller number of products than under the old Agreement,  
making it possible to take fuller account of the supply requirements of the  
various Member States;

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

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

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

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

Whereas Council Regulation (EEC) No 3019/79 extended until 31 March 1980 the import arrangements in force for 1979 for certain jute products originating in Bangladesh, India or Thailand; whereas, from the entry into force of the present Regulation, the provisions of that Regulation must no longer apply in respect of India;

HAS ADOPTED THIS REGULATION :

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<sup>1</sup> OJ No L 340, 31.12.1979, p.1

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Article 1

1. Imports into the Community of the jute originate in India and are shipped between shall be subject to the quantitative limits India and set out in the Annex referred to above.

2. These quantitative limits 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, in such a way 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 India 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 import 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 Indian authorities and containing the particulars set out in Annex B.

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

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

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<sup>1</sup> OJ No L 124, 8.6.1970, p.1



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Article 2

Regulation (EEC) No 3019/79 shall no longer be applicable in respect of India.

Article 3

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

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 exceeding 310 cm. other than those of Category 7	4 330	4 763	5 240	5 763
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.	2 555	2 759	2 979	3 218
				Quantitative limits for Benelux			
				1980	1981	1982	1983
6	57.06	57.06-11; 15; 30	Yarn of jute or of other textile bast fibres of heading No 57.03	7 500	8 100	8 750	9 450

Particulars referred to in Article 1(3)

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

- (a) Member State of final destination
- (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 the Republic of India 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 India 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 India for export to the Community.

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<sup>1</sup>For Category 4 products, the width in centimetres must also be given; this specification will 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.

