COMMISSION OF THE EUROPEAN COMMUNITIES

COM(94) 646 final
Brussels, 14.12.1994

94/0311 (ACC)

Proposal for a

COUNCIL REGULATION (EC)

amending Regulation (EC) No 519/94 of 7 March 1994 on common rules for imports from certain third countries and repealing Regulations (EEC) Nos 1765/82, 1766/82 and 3420/83

(presented by the Commission)

(1)

Explanatory memorandum

1. The accession of new Member States to the European Union calls for adjustments in the quantitative quotas introduced by Council Regulation (EC) No 519/94 of 7 March 1994 on imports of certain sensitive products originating in China.[1] Continuity in the acceding countries traditional trade flows for products subject to quotas should be ensured, without adversely affecting the Community industry.

   Such adjustments should be carried out on the basis of these countries' imports for 1993, the most recent year for which full statistical records are available, which may be considered as representative of traditional trade flows, particularly in view of the fact that imports in these countries have been allowed to develop without being subject to quantitative restrictions.

   It should be noted that the adjustments do not entail an increase in the quotas in real terms. Quite simply, they mirror the current position in traditional trade between the Community, the acceding countries and the People's Republic of China.

2. The experience gained in implementing and administering the quotas applicable in 1994, together with a review of the situation of the Community industry concerned, suggest that certain quotas could actually be increased without weakening the protection afforded to the Community industry (eg. 3% for porcelain goods, 17.63% for ceramic goods, 19.76% for glassware and about 4% on average for the toys quotas, including the increases proposed in COM(94)312).

   The same does not apply to footwear quotas, for which, in general, an increase would not be justified beyond that required by the accession of the new Member States. However, analysis of the sector shows that it is possible to expand the range of the sports shoes already exempted from quotas, to include certain footwear designed exclusively for sporting activities; consequently, the quotas covering the products falling within CN codes ex 6402 19 and ex 6403 19 should be eliminated, and the mention of the 12 ecu CIF price condition should be modified in the definition of the footwear involving special technology.

3. It is proposed therefore to modify the quotas applicable in 1995 as shown in the annex to the Regulation attached. To ensure maximum transparency in the way the quotas concerned are increased, the proportion of increase by reason of accession should be shown.

   In addition, as is customary practice in the Community, it is only fair to exempt goods *en route* for one of the acceding countries on 31 December 1994, and for which the destination cannot be changed, from application of the quotas ("shipping clause").

Accordingly, a draft regulation is attached for approval.

---

1 OJ No L 67, 10.3.1994, p.89.

[redacted]

Draft

Council Regulation (EC)

amending Regulation (EC) No 519/94 of 7 March 1994

on common rules for imports from certain third countries

and repealing Regulations (EEC) Nos 1765/82, 1766/82 and 3420/83

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 113 thereof,

Having regard to the proposal from the Commission,

Whereas Council Regulation (EC) No 519/94 of 7 March 1994 on common rules for imports from certain third countries and repealing Regulations (EEC) No 1765/82, (EEC) No 1766/82 and (EEC) No 3420/83,[1] as amended by Regulation (EC) No 1921/94 of 25 July 1994,[2] introduced certain quantitative quotas, listed in Annex II to that Regulation, applicable to the People's Republic of China;

Whereas in accordance with Article 2 of the Act concerning the conditions of accession of Norway, Austria, Finland and Sweden and the adjustments to the Treaties on which the Union is founded, hereafter referred to as the Act concerning the accession, these quotas are applicable to the acceding countries, subject to and on the date of the entry into force of the Treaty concerning the accession of those acceding countries; whereas in accordance with Article 169 of the Act, the Community institutions may make the necessary adaptations to Community acts which have not been provided for in the Act of accession;

Whereas the Council, in determining the level of the quotas referred to above, endeavoured to strike a balance between adequate protection of the Community industries concerned and the need to preserve traditional trade flows with the People's Republic of China, bearing in mind the various interests of the parties concerned;

Whereas with a view to accession this balance should be preserved by ensuring continuity in the acceding countries's traditional trade flows for the products concerned, without prejudice to the protection of the Community industry;

---

1 OJ No L 67, 10.3.1994, p.89.

2 OJ No L 198, 30.7.1994, p.1.

Whereas, to this end, it should be borne in mind that imports of the products concerned have developed in each of the acceding countries without the constraints imposed by quantitative restrictions, whereas imports recorded in 1993 - the most recent year for which full statistical records are available - may be considered as being representative of the pattern of traditional trade;

Whereas in the circumstances, subject to and on the date of entry into force of the Treaty concerning the accession of Norway, Austria, Finland and Sweden, the levels of quotas established on an annual basis pursuant to Regulation (EC) No 519/94 should be adjusted by addition of the quantities shown in the Annex to this Regulation, which are equivalent to imports recorded in 1993;

Whereas, in addition, the experience gained in applying and administering the 1994 quotas together with a review of the situation of the various Community producers based on available data concerning the main economic indicators, and in particular production, exports, imports, consumption and employment levels, suggest that some of these quotas could be increased; whereas such increases may be introduced while guaranteeing the necessary level of protection for the Community industry and ensuring a more appropriate volume of trade with China; whereas the same does not hold in respect of quotas imposed on footwear, which should not be increased beyond the quantities required by reason of the accession of the new Member States;

Whereas, however, Council Regulation (EC) No 519/94 had excluded from the application of any quantitative restrictions certain sports footwear involving special technology; whereas in-depth analysis of the sector shows that the range of such footwear which may be freely imported without causing prejudice to the Community industry can be expanded; whereas the quotas covering the products falling within CN codes ex 6402 19 and ex 6403 19 should be eliminated and the mention of the CIF price condition figuring in the definition of the footwear involving special technology should be modified; whereas these products should however be subject to prior Community surveillance, and Annex III to Regulation (EC) No 519/94 should accordingly be amended;

Whereas, therefore, from 1 January 1995, subject to the entry into force on that date of the Treaty of accession to the European Union of Norway, Austria, Finland and Sweden as regards the adjustments required by it, the quantitative quotas introduced by Regulation (EC) No 519/94 should be modified as shown in the Annex to this Regulation;

Whereas quotas should not apply to products *en route* for one of the acceding countries on 31 December 1994 where their destination cannot be changed,

HAD ADOPTED THIS REGULATION:

Article 1

As from 1 January 1995 Annex II to Regulation (EC) No 519/94 shall be replaced by the Annex to this Regulation.

Article 2

The text concerning footwear in Annex III to Regulation (EC) No 519/94 is hereby replaced by the following :

"Footwear falling within HS/CN codes 6402 19
ex 6402 99 (1)
6403 19
ex 6403 91 (1)
ex 6403 99 (1)
ex 6404 11 (1)

(1) a) footwear which is designed for a sporting activity and has, or has provision for the attachment of spikes, sprigs, stops, clips, bars or the like, with a non-injected sole;

b) footwear involving special technology : shoes

- with in-soles of a length of less than 24 cm and which have a cif price per pair of not less than ECU 6
- with in-soles of a length of 24 cm or more and which have a cif price per pair of not less than ECU 8

for use in sporting activities, with a single- or multi-layer moulded sole, not injected, manufactured from synthetic materials specially designed to absorb the impact of vertical or lateral movements and with technical features such as hermetic pads containing gas or fluid, mechanical components which absorb or neutralize impact or materials such as low-density polymers."

Article 3

Products en route for either Austria, Finland or Sweden on 31 December 1994 shall not be subject to the quotas listed in the Annex to this Regulation and may therefore be freely imported, where their destination cannot be changed.

Article 4

This Regulation shall enter into force on 1 January 1995.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

ANNEX

Annex II

List of quota for certain products originating in China

Product description	CN Code	Quotas (annual basis)	of which by reason of accession
Gloves	4203 29	ECU 119.090.934	ECU 22.140.267
Footwear falling within HS/CN codes	ex 6402 99(1)	39.151.481 pairs	4.151.481 pairs
	6403 51 6403 59	2.740.116 pairs	240.116 pairs
	ex 6403 91(1) ex 6403 99(1)	11.881.963 pairs	1.955.963 pairs
	ex 6404 11(1)	18.228.780 pairs	1.378.780 pairs
	6404 19 10	31.897.716 pairs	2.845.716 pairs
Tableware, kitchenware of porcelain or china	6911 10	44.345 tonnes	3.893 tonnes
Ceramic tableware or kitchenware	6912 00	34.592 tonnes	2.377 tonnes
Glassware of a kind used for table, etc.	7013	15.515 tonnes	1.906 tonnes
Car radios falling within HS/CN codes	8527 21 8527 29	2.238.899 units 251.664 units	138.899 units 19.587 units
Toys falling within HS/CN codes	9503 41 9503 49 9503 90	ECU 274.764.243 ECU 132.767.177 ECU 649.465.212	ECU 16.447.910 ECU 11.110.177 ECU 44.714.212

(1) Excluding :

a) footwear which is designed for a sporting activity and has, or has provision for the attachment of spikes, sprigs, stops, clips, bars or the like, with a non-injected sole;

b) footwear involving special technology : shoes

- *with in-soles of a length of less than 24 cm and which have a cif price per pair of not less than ECU 6*
- *with in-soles of a length of 24 cm or more and which have a cif price per pair of not less than ECU 8*

for use in sporting activities, with a single- or multi-layer moulded sole, not injected, manufactured from synthetic materials specially designed to absorb the impact of vertical or lateral movements and with technical features such as hermetic pads containing gas or fluid, mechanical components which absorb or neutralize impact or materials such as low-density polymers.

ISSN 0254-1475

COM(94) 646 final

DOCUMENTS

EN **11 02**

Catalogue number : CB-CO-94-675-EN-C

ISBN 92-77-83988-0

Office for Official Publications of the European Communities
L-2985 Luxembourg