II

(Acts whose publication is not obligatory)

COMMISSION

COMMISSION DECISION

of 8 July 1974

authorizing the Kingdom of Belgium, the Grand Duchy of Luxembourg and the Kingdom of the Netherlands not to apply Community treatment to men's shirts, of cotton or of mixed man-made fibres, and men's pyjamas, of cotton, falling within heading No ex 61.03 of the Common Customs Tariff originating in Romania and put into free circulation in the Federal Republic of Germany

(Only the French and Dutch texts are authentic)

(74/422/EEC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular the first paragraph of Article 115 thereof;

Having regard to the application under the first paragraph of Article 115 of the Treaty made on 1 July 1974, and supplemented on 4 July 1974, by the Governments of the Benelux countries by telex of the Permanent Representative of the Netherlands to the European Communities, for authorization not to apply Community treatment to men's shirts, of cotton or of mixed man-made fibres, and men's pyjamas, of cotton, falling within heading No ex 61.03 of the Common Customs Tariff originating in Romania and put into free circulation in the Federal Republic of Germany;

Whereas in support of the application the Netherlands Government asserted these are sensitive products, imports of which from Eastern Europe are for economic reasons subject to a global quota; whereas the global quota was exceeded by almost 36 % by the importation of products originating in these countries and put into free circulation in the other Member States; whereas the 1974 quota opened in favour of Romania has also been exhausted and imports of the same products originating in Romania and put into free circulation in the other Member States have already been authorized to an amount of 48 % of this quota;

Whereas the request for an import licence to which the application relates is for an amount of more than 42 % of the value of the quota opened in favour of Romania whilst the price of the products concerned is 52 % to 75 % less than the price on the Benelux markets;

Whereas the production of shirts has greatly decreased in the Benelux countries and as a result factories have closed and workers have been dismissed; whereas the prices of imports originating in Eastern Europe are generally about 50 % lower than comparable prices on the Benelux markets; whereas the Member States of the Benelux pursuant to the price clauses in their Trade Agreement with the countries of Eastern Europe can take action against direct imports at prices which are too low; whereas prices are considered too low when they are at least 10 % below internal prices; whereas if no protective measures exist, imports of these products by reason of free circulation will seriously threaten the Benelux industry;

Whereas the request for an import licence to which the application relates is for clothing, originating in Romania and put into free circulation in the Federal Republic of Germany; whereas imports of these

products into the Federal Republic of Germany are admitted within the limits of the quantitative quota provided for by the 1973 Trade Protocol between the Federal Republic of Germany and Romania which was negotiated in accordance with the conclusions obtained from the prior consultation provided for in Title III of the Council Decision of 16 December 1969 [1] and adopted as a guide line for negotiations by the Council Decision of 14 March 1973;

Whereas this quota has been increased unilaterally and for reasons of contingency in 1973, and this increase was the subject of prior consultation as provided by the Council Decision of 19 December 1972 [2]; whereas the quota thus increased was extended in its existing form until 1974, after consultations in accordance with the aforementioned Council Decisions;

Whereas this prior consultation involves such coordination as will ensure the proper functioning and the strengthening of the Common Market, will take into account the legitimate interests of Member States as regards both imports and the growth of exports and will contribute towards the establishment of uniform principles of common commercial policy in relation to the country in question;

Whereas it can therefore be presumed that imports by the Federal Republic of Germany under the quota in question will not be likely to obstruct the execution of commercial policy measures taken by the other Member States in accordance with the Treaty for the same products in relation to the same third country nor to lead to economic difficulties in these other Member States;

Whereas, however, from the information supplied by the governments of the Benelux countries it appears that economic difficulties do exist in the clothing industry; whereas low-priced imports of the products in question, originating in Romania and put into free circulation in the Federal Republic of Germany, could give rise to further economic difficulties;

Whereas such economic difficulties are due to the differences between measures of commercial policy, in particular as regards prices, which are applied by the Member States of Benelux on the one hand, and the Federal Republic of Germany on the other, to imports of the products in question originating in and coming from Romania;

Whereas, however, these economic difficulties do not appear to be due to imports from Member States other than the Federal Republic of Germany, and the Benelux governments have not claimed that such is the case;

Whereas it is not possible to set in motion, at short notice, the machinery for bringing about the necessary cooperation from the Federal Republic of Germany, where appropriate, over prices;

Whereas in these circumstances authorization should be given for the application of measures of protection, under the first paragraph of Article 115, subject to the conditions laid down by the Commission Decision of 12 May 1971 and in particular Article 1 [3] thereof, for a limited period to enable the Commission, in consultation with the Member States concerned, to examine the measures that should be taken to solve the difficulties of the textile industry in the Benelux countries,

HAS ADOPTED THIS DECISION:

Article 1

The Kingdom of Belgium, the Grand Duchy of Luxembourg and the Kingdom of the Netherlands are authorized not to apply Community treatment to imports of men's shirts of cotton or of mixed man-made fibres, and men's pyjamas, of cotton, falling within heading No ex 61.03 of the Common Customs Tariff, originating in Romania and put into free circulation in the Federal Republic of Germany, for which the price charged to the consumer is at least 10 % lower than the price for similar products on the Benelux market, and in respect of which applications for import licences were lodged after 10 June 1974.

Article 2

This Decision shall apply until 31 October 1974.

Article 3

This Decision is addressed to the Kingdom of Belgium, the Grand Duchy of Luxembourg and the Kingdom of the Netherlands.

Done at Brussels, 8 July 1974.

For the Commission

The President

François-Xavier ORTOLI

---

[1] OJ No L 326, 29. 12. 1969, p. 39.
[2] OJ No L 299, 31. 12. 1972, p. 46.
[3] OJ No L 121, 3. 6. 1971, p. 26.