COMMISSION DECISION

of 14 April 1977

authorizing the Kingdom of Belgium, the Grand Duchy of Luxembourg and the Kingdom of the Netherlands not to apply Community treatment to certain men's, boys', women's, girls' and infants' outer garments falling within heading ex 61.01 and ex 61.02 of the Common Customs Tariff, originating in Hong Kong and in free circulation in the other Member States

(Only the French and Dutch texts are authentic)

(77/427/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 6 April 1977 by the Governments of the Benelux countries to the Commission by telex from the Office of the Permanent Representative of the Kingdom of the Netherlands to the European Communities, for authorization not to apply Community treatment to certain men's, boys', women's, girls' and infants' outer garments (trousers and shorts) falling within heading Nos ex 61.01 and ex 61.02 of the Common Customs Tariff, originating in Hong Kong and in free circulation in the Federal Republic of Germany and the United Kingdom,

Whereas imports into the Community of the products in question originating in Hong Kong are the subject of an Agreement negotiated between the Community and Hong Kong concluded on 8 April 1976;

Whereas under the Agreement Hong Kong has undertaken to take all necessary steps to limit its exports of certain textile products to the Community to certain ceilings allocated among Member States;

Whereas the quota share allocated to the Benelux countries in respect of men's, boys', women's, girls' and infants' trousers, jeans and the like (other than knitted or crocheted articles) is 2 467 000 items (1977 annual quota), whereas the quota shares allocated to the Federal Republic of Germany and to the United Kingdom for such products originating in the same non-member country are 21 717 000 and 26 213 000 items respectively;

Whereas disparities in the conditions of importation of these products have created in the Benelux countries an indirect trade flow which threatens to continue and to grow;

Whereas according to information supplied by the Governments of the Benelux countries there are serious economic difficulties in the branch of the clothing industry concerned resulting in a progressive decline of production and a constant reduction of the number of workers employed in that sector;

Whereas these economic difficulties are caused largely by unequal conditions of competition with certain counries (including Hong Kong), whereby such countries are enabled to export at prices lower than those of producers in the Benelux countries;

Whereas indirect imports of the products in question, which would be in addition to these already effected, would be likely to aggravate these economic difficulties;

Whereas it is not possible at the present time to set in motion the machinery for bringing about the necessary cooperation from the Federal Republic of Germany, the United Kingdom and the other Member States;

Whereas authorization should therefore be given, for a limited period, for the application of protective measures, under the first paragraph of Article 115, subject to the conditions laid down by the Commission Decision of 12 May 1971 [1], and in particular Article 1 thereof,

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 the following products:

CCT heading No	Description of goods
ex 61.01	Men's and boys' outer garments (other than knitted or crocheted): — Trousers and shorts
ex 61.02	Women's, girls and infants' outer garments (other than knitted or crocheted): — Trousers and shorts

[1] OJ No L 121, 3. 6. 1971, p. 26.

where they originate in Hong Kong and are in free circulation in the other Member States, and in respect of which applications for import licences were lodged after 27 March 1977.

Article 2

This Decision shall apply until new opportunities arise in the Benelux countries for the importation of the products in question from Hong Kong and in any case not later than 31 December 1977.

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, 14 April 1977.

For the Commission

Étienne DAVIGNON

Member of the Commission