COMMISSION DECISION

of 12 December 1980

authorizing the Federal Republic of Germany not to apply Community treatment to woven fabrics of cotton originating in the People's Republic of China

(Only the German text is authentic)

(80/1229/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 Commission Decision 80/47/EEC of 20 December 1979 on surveillance and protective measures which Member States may be authorized to take in respect of imports of certain products originating in third countries and put into free circulation in another Member States ([1]), and in particular Article 3 thereof,

Whereas on 5 December 1980 a request was made under the first paragraph of Article 115 of the Treaty by the German Government to the Commission of the European Communities for authorization not to apply Community treatment to woven fabrics of cotton falling within heading No 55.09 of the Common Customs Tariff (category 2), originating in the People's Republic of China and in free circulation in the other Member States ;

Whereas the importation into the Community of the products in question originating in the People's Republic of China is covered by an Agreement negotiated between the Community and that country ; whereas under that Agreement the People's Republic of China has undertaken to take all necessary steps to limit its exports of the products in question to the Community within certain ceilings ;

Whereas in order to implement that Agreement and take account of its characteristics, the Council adopted Regulation (EEC) No 3061/79 ([2]), introducing specific common rules for imports of certain textile products ;

Whereas the differences in market conditions within the Community and the particular sensitivity of this branch of Community industry have been taken into account in allocating the abovementioned Community ceilings between the Member States ;

Whereas for this reason disparities still exist between the conditions governing the importation of the products in question into the different Member States ; whereas uniformity can only be brought about gradually ;

Whereas these disparities in the commercial policy measures applied by the Member States have resulted in deflections of trade, in that since 1 January 1980 the Federal Republic of Germany has admitted the products in question in free ciculation, originating in the said third country, which amount to approximately 52,4 % of the direct quota ;

Whereas information has been received by the Commission indicating that total imports of the products in question originating in third countries have increased from 40 250 tonnes in 1978 to 50 228 tonnes in 1979 and amount to 29 022 tonnes for the first six months of 1980 ; whereas the market share taken by those imports has risen from 26·2 % in 1978 to 32 % in 1979 and amounts to 37 % for the first six months of 1980 ;

Whereas the prices of the products in question originating in the People's Republic of China are approximately 55 % below the prices of like products manufactured in the Federal Republic of Germany ;

Whereas output of like products in the Federal Republic of Germany has fallen from 136 102 tonnes in 1978 to 134 011 tonnes in 1979 and amounts to 64 763 tonnes for the first six months of 1980 ; whereas the domestic industry's share of the home market has fallen from 51·4 % in 1978 to 44·3 % in 1979 and amounts to 39·4 % for the first six months of 1980 ;

Whereas the numbers employed fall from 32 000 in 1978 to 30 000 in 1979 and to 29 800 in the first six months of 1980 ;

Whereas further indirect imports, in addition to those already admitted, would be likely to aggravate these difficulties and jeopardize the aims of the abovementioned commercial policy measures ;

([1]) OJ No L 16, 22. 1. 1980, p. 14.
([2]) OJ No L 345, 31. 12. 1979, p. 1.

Whereas it is not possible to set in motion rapidly the machinery for bringing about the necessary cooperation from the other Member States;

Whereas authorization should accordingly be given for the application of protective measures under the first paragraph of Article 115, subject to the conditions laid down in Decision 80/47/EEC, and in particular Article 3 thereof;

HAS ADOPTED THIS DECISION:

Article 1

The Federal Republic of Germany is authorized not to apply Community treatment to the products indicated below, originating in the People's Republic of China and in free circulation in the other Member States in respect of which applications for import licences were lodged after 5 December 1980.

CCT heading No	Description
55.09 (NIMEXE codes 55.09-01, 02, 03, 04, 05, 11, 12, 13, 14, 15, 16, 17, 19, 21, 29, 31, 33, 35, 37, 38, 39, 41, 49, 51, 52, 53, 54, 55, 56, 57, 59, 61, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 76, 77, 78, 81, 82, 83, 84, 86, 87, 92, 93, 97 (category 2)	Woven fabrics of cotton, other than gauze, terry fabrics, narrow woven fabrics, pile fabrics, chenille fabrics, tulle and other net fabrics

Article 2

This Decision shall apply until new opportunities arise in the Federal Republic of Germany for the importation of the products in question originating in the People's Republic of China or until 31 December 1980 whichever is the earlier.

Article 3

This Decision is addressed to the Federal Republic of Germany.

Done at Brussels, 12 December 1980.

For the Commission

Étienne DAVIGNON

Member of the Commission