REGULATION (EEC) No 3504/73 OF THE COUNCIL

of 18 December 1973

opening, allocating and providing for the administration of Community tariff quotas for certain textile products and footwear originating in developing countries

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community;

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament;

Whereas, within the context of UNCTAD, the European Economic Community offered to grant tariff preferences on finished and semifinished products coming from developing countries; whereas the preferential treatment proposed in that offer covers, generally speaking, all finished and semi-finished industrial products covered by Chapters 25 to 99 of the Brussels Nomenclature which originate in developing countries; whereas the preference consists in the granting of exemption from customs duties; whereas preferential imports are effected up to the level of ceiling calculated by value in respect of each product on the basis of factors which are uniform for all the products; whereas, in order that the preferences granted to the most competitive developing country or countries should be restricted and that a substantial share should be reserved for the least competitive, preferential imports from any one developing country in respect of a given product should not, as a general rule, exceed 50% of the ceiling fixed for that product;

Whereas, in the offer made by the Community, the annual ceilings should normally be calculated on the basis of the total value for 1968 of cif imports from the countries benefiting from this scheme, excluding those already enjoying various preferential tariff arrangements granted by the Community, (basic amount), plus 5% of the value of cif imports from the other countries and from the countries already enjoying such arrangements (additional amount); whereas such additional amount is variable and is calculated each year on the basis of the latest figures available, provided that this entails no reduction in the ceiling;

Whereas, however, in view of the special nature which trade in the majority of textile products referred to in this Regulation may have, it appears generally expedient, wherever this is justified by the particular sensitivity of the products to determine in terms of tonnages the ceilings for the preferential imports of such product, taking due account of deliveries effected by the beneficiary countries alone; whereas, moreover, particularly in view of the high level of deliveries of the products in question to the Community by the third countries concerned, it appears appropriate, except in particular instances, to restrict preferential imports from any single beneficiary country to 20 or 30% of the ceiling laid down for each category of products concerned;

Whereas stating the offer made by the Community includes a clause that the Community drew up the offer on the assumption that all the main industrialized countries which are members of the OECD would participate in granting preferences and would make similar efforts in this direction; whereas, moreover, it is evident from the conclusions worked out in UNCTAD that this offer, while being of a temporary nature, does not constitute a binding commitment and, in particular, may be withdrawn wholly or in part at a later date; whereas this possibility may be adopted *inter alia* with a view to remedying any unfavourable situations which might arise in the associated countries following the implementation of the generalized preference scheme;

Whereas, moreover, the Conference of Heads of State or of Government of the Member States and the States acceding to the European Communities held in Paris from 19 to 21 October 1972 invited the Community institutions and the Member States progressively to adopt an overall policy of development cooperation on a worldwide scale comprising in particular the improvement of generalized preferences with the aim of achieving a steady increase in imports of manufactures from the developing countries;

Whereas tariff preferences have been applied from the second half of 1971 under the conditions set out above and whereas these preferences should continue to be applied throughout 1974;

Whereas, in accordance with Protocol No 23 to the Act of Accession [1], the generalized tariff preference scheme will be applicable in the new Member States from 1 January 1974;

Whereas, having regard to the terms of the offer concerned and to the need to improve the generalized preferences the abovementioned basic and additional amounts should normally refer to 1971; whereas, however, in respect of textile products, the complexity of the measures to be implemented, combined with the abovementioned aim of improving the generalized preferences, as can be overcome only by means of a flat-rate increase of some 50% in the ceilings fixed for 1973;

Whereas it is expedient, therefore, in respect of the products referred to in Annex A which originate in the countries listed in Annex B, that the Community should open, for 1974, duty-free Community tariff quotas within the limits of the amounts in units of account or metric tons given in respect of each of these products;

Whereas charges against each of these tariff quotas must, in respect of the products originating in any of the abovementioned countries, come within a specified percentage of the amount of the quota; whereas the benefit of such tariff quotas should be reserved for products originating in the countries under consideration, the concept of 'originating products' being determined in accordance with the procedure laid down in Article 14 of Council Regulation (EEC) No 802/68 [2] of 27 June 1968 of the common definition of the concept of the origin of goods;

Whereas it is necessary to ensure equal and continuous access for all Community importers to the abovementioned quotas and the uninterrupted application of the rate laid down for those quotas to all imports of the products concerned into all Member States until those quotas are used up; whereas, having regard to the principles set out above, the Community nature of the quotas can be respected by allocating the Community tariff quota among Member States; whereas, moreover, to this end and in the context of the utilization system, the actual charges against the quotas may relate only to products which are entered for home use and which are accompanied by a certificate of origin;

Whereas the application of the generally accepted principles in respect of the allocation of the Community tariff quotas which have been opened hitherto entails under these circumstances, in view of the variety of the products concerned and the fact that the beneficiary countries are specified, calculations which are all the more problematic in that the statistical data required sometimes prove to be incomplete or not sufficiently accurate or representative; whereas the time required for these calculations cannot be reconciled with the continuity necessary for the application of the tariff preferences concerned; whereas, under these conditions, it would be advisable still at this stage to adopt a fixed scale for allocating the Community tariff quotas concerned among the Member States; whereas, using as a basis general economic criteria relating to external trade either as a whole or in the textile sector alone, the gross national product and population, the percentages for the initial shares of the Member States in the quota amounts are as follows for the quota year under consideration:

	for products other than textiles	*for textile products*
Germany	27·5%	27%
Benelux	10·5%	10%
France	19·0%	19%
Italy	15·0%	14%
Denmark	5·0%	7%
Ireland	1·0%	1%
United Kingdom	22·0%	22%

Whereas, without affecting the Community nature of the tariff quotas under consideration, it appears possible to provide at this stage for a utilization scheme based on a single allocation among the Member States; whereas, moreover, the allocation set out by this Regulation in no way prejudices the possibility of adopting, following a limited experimental period, the general method of allocation of Community tariff quotas comprising the setting up of a reserve share; whereas at the present juncture it appears feasible that such allocation could be made according to the percentages set out in the table above; whereas, however, as regards certain yarn and woven fabrics of synthetic textiles fibres and sisal twine falling within subheading Nos 51.04, 56.05 A, 56.07 A and ex 59.04 of the Common Customs Tariff, one new Member State, the Kingdom of Denmark, has for some years been importing these at a relatively high level from certain developing countries and has therefore ceased to produce the articles in question; whereas, this special situation should temporarily be taken into account and this Member State should be granted an increased share without restricting the access thereto of countries benefiting from generalized preferences;

[1] OJ No L 73, 27. 3. 1972, p. 14.
[2] OJ No L 148, 28. 6. 1958, p. 1.

Whereas since the Kingdom of Belgium, the Kingdom of the Netherlands and the Grand Duchy of Luxembourg are united in and represented by the Benelux Economic Union, all transactions concerning the administration of the shares allocated to the Benelux Economic Union may be carried out by any one of its Members,

HAS ADOPTED THIS REGULATION:

Article 1

1. From 1 January to 31 December 1974 the Common Customs Tariff duties and the tariff duties of the new Member States on the products listed in Annex A shall be completely suspended within the framework of Community tariff quotas in proportions which shall be expressed in metric tons or units of account and which shall be indicated in respect of each product in column 3 of such Annex.

Ireland is authorized to apply customs duties equal to the duties it applies in respect of the same products *vis-à-vis* Member States other than the United Kingdom.

2. These tariff quotas shall be enjoyed solely by products originating in the countries listed in Annex B. However, those imports which already enjoy exemption from customs duties under other preferential tariff arrangements granted by the Community may not be charged against these tariff quotas. For the purpose of this Regulation, the concept of originating products shall be determined in accordance with the procedure laid down in Article 14 of Regulation (EEC) No 802/68.

With regard to carpets, carpeting and rugs, mentioned in Annex A and falling under heading No 58.01 ex A, the certificates of origin for these products shall state the number of knots per metre of warp.

3. The amount to be charged in respect of each country referred to in paragraph 2 against each of the tariff quota amounts mentioned above shall be limited to the maximum amount given as a percentage and either in metric tons or in units of account in column 4 of Annex A against each category of products.

4. Any amendments to Annex B, in particular by the addition of new countries enjoying tariff preferences, may entail a corresponding adjustment to the amounts of the quotas and to the maximum amounts appearing in columns 3 and 4 of Annex A.

Article 2

1. The Community tariff quotas referred to in Article 1 shall be allocated in shares which shall be, for each Member State, the amounts corresponding to the quantities shown in column 5 of Annex A against each category of products.

2. The shares allocated to Denmark for certain products falling within subheading Nos 51.04, 56.05 A, 56.07 A and ex 59.04 shall be increased by an amount determined by a footnote to Annex A.

Article 1 (3) shall not apply to such an increase.

Article 3

1. The Member States shall ensure free access to the shares which have been allocated to them for importers of the said goods who are established in their territory.

2. The extent to which the shares of Member States have been actually used up shall be determined on the basis of imports of the said goods which have been entered for home use and which are accompanied by a certificate of origin in accordance with the rules referred to in Article 1 (2).

3. Goods shall qualify for a tariff quota only if the certificate of origin referred to in paragraph 2 is presented before the date on which the levying of duties is reintroduced.

Article 4

The Commission shall take all necessary measures to ensure that the maximum amount referred to in Article 1 (3) is observed. When the charges, at Community level, of products originating in each of the countries listed in Annex B against any one of the Community tariff quotas reach the maximum amount laid down in column 4 of Annex A, the Commission shall immediately notify the Member States of the date on which, as a result of this fact, the normal

tariff is to be reintroduced in respect of the country in question. This notification shall be published in the *Official Journal of the European Communities.*

Article 5

Member States shall inform the Commission at regular intervals of imports of the products in question actually charged against their shares.

Article 6

Member States and the Commission shall cooperate closely to ensure that the above Articles are observed.

Article 7

This Regulation shall enter into force on 1 January 1974.

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

Done at Brussels, 18 December 1973.

For the Council

The President

J. CHRISTENSEN

ANNEX A

List of products subject to zero-duty Community tariff quotas under the generalized tariff preferences granted to developing countries

Order No	CCT heading No	Description	Quota amount in metric tons (a)	Maximum amount per country (4)		Volume of shares allocated to Member States in metric tons (a)	
				%	metric tons (a)		
	(1)	(2)	(3)			(5)	
1	51.01	Yarn of man-made fibres (continuous), not put up for retail sale: A. Yarn of synthetic textile fibres B. Yarn of regenerated textile fibres: II. Other	1 350	50	675	Germany Benelux France Italy Denmark Ireland United Kingdom	364·50 135·00 256·50 189·00 94·50 13·50 297·00
2	51.04	Woven fabrics of man-made fibres (continuous), including woven fabrics of monofil or strip of heading No 51.01 or 51.02	330	30	99	Germany Benelux France Italy Denmark (1) Ireland United Kingdom	89·10 33·00 62·70 46·20 23·10 3·30 72·60
3	56.05	Yarn of man-made fibres (discontinuous or waste), not put up for retail sale: A. Of synthetic textile fibres	548	20	110	Germany Benelux France Italy Denmark (2) Ireland United Kingdom	147·96 54·80 104·12 76·72 38·36 5·48 120·56
4	56.07	Woven fabrics of man-made fibres (discontinuous or waste): A. Of synthetic textile fibres	510	30	153	Germany Benelux France Italy Denmark (3) Ireland United Kingdom	137·70 51·00 96·90 71·40 35·70 5·10 112·20

(a) Save as otherwise indicated.
(1) Pursuant to Article 2 (2) this share is increased by 26·90 metric tons.
(2) Pursuant to Article 2 (2) this share is increased by 61·64 metric tons.
(3) Pursuant to Article 2 (2) this share is increased by 464·30 metric tons.

Order No	CCT heading No	Description	Quota amount in metric tons (a)	Maximum amount per country (4)		Volume of shares allocated to Member States in metric tons (a)	
				%	metric tons (a)		
	(1)	(2)	(3)			(5)	
	58.01	Carpets, carpeting and rugs, knotted (made up or not):					
		ex A. Of wool or of fine animal hair, containing per metre of warp:					
5		— At least 350 rows of knots	2 700	20	540	Germany	729·00
						Benelux	270·00
						France	513·00
						Italy	378·00
						Denmark	189·00
						Ireland	27·00
						United Kingdom	594·00
6		— 350 to 500 rows of knots	2 100	30	630	Germany	567·00
						Benelux	210·00
						France	399·00
						Italy	294·00
						Denmark	147·00
						Ireland	21·00
						United Kingdom	462·00
	ex 59.04	Twine, cordage, ropes and cables, plaited or not:					
7		— Of hemp	2 400	30	720	Germany	648·00
						Benelux	240·00
						France	456·00
						Italy	336·00
						Denmark	168·00
						Ireland	24·00
						United Kingdom	528·00
8		— Of sisal *(agave sisalana)*	600	30	180	Germany	162·00
						Benelux	60·00
						France	114·00
						Italy	84·00
						Denmark (1)	42·00
						Ireland	6·00
						United Kingdom	132·00
9		— Of synthetic textile fibres	578	30	173	Germany	156·06
						Benelux	57·80
						France	109·82
						Italy	80·92
						Denmark	40·46
						Ireland	5·78
						United Kingdom	127·16
10		— Other, other than coir fibres	450	30	135	Germany	121·50
						Benelux	45·00
						France	85·50
						Italy	63·00
						Denmark	31·50
						Ireland	4·50
						United Kingdom	99·00

(a) Save as otherwise indicated.
(1) Pursuant to Article 2 (2) this share is increased by 158 metric tons.

Order No	CCT heading No (1)	Description (2)	Quota amount in metric tons (a) (3)	Maximum amount per country (4) %	Maximum amount per country (4) metric tons (a)	Volume of shares allocated to Member States in metric tons (a) (5)	
11	ex 60.03	Stockings, under stockings, socks, ankle-socks, sockettes and the like, knitted or crocheted, not elastic or rubberized: — Other than of cotton	256	30	77	Germany Benelux France Italy Denmark Ireland United Kingdom	69·12 25·60 48·64 35·84 17·92 2·56 56·32
12	60.04	Under garments, knitted or crocheted, not elastic or rubberized: B. Of other textile materials	1 650	20	330	Germany Benelux France Italy Denmark Ireland United Kingdom	445·50 165·00 313·50 231·00 115·50 16·50 363·00
13	60.05	Outer garments and other articles, knitted or crocheted, not elastic or rubberized: A. Outer garments and clothing accessories: ex II. Other ex B. Other	496	30	149	Germany Benelux France Italy Denmark Ireland United Kingdom	133·92 49·60 94·24 69·44 34·72 4·96 109·12
14	64.01	Footwear with outer soles and uppers of rubber or artificial plastic material:	2 137 000	30	— in units of account — 641 100	Germany Benelux France Italy Denmark Ireland United Kingdom	587 675 224 385 406 030 320 550 106 850 21 370 470 140
15	64.02	Footwear with outer soles of leather or composition leather; footwear (other than footwear falling within heading No 64.01) with outer soles of rubber or artificial plastic material: A. Footwear with uppers of leather	17 458 000	20	— in units of account — 3 491 600	Germany Benelux France Italy Denmark Ireland United Kingdom	4 800 950 1 833 090 3 317 020 2 618 700 872 900 174 580 3 840 760
16	64.02	Footwear with outer soles of leather or composition leather; footwear (other than footwear falling within heading No 64.01) with outer soles of rubber or artificial plastic material: B. Other	9 693 000	20	— in units of account — 1 938 600	Germany Benelux France Italy Denmark Ireland United Kingdom	2 665 575 1 017 765 1 841 670 1 453 950 484 650 96 930 2 132 460

(a) Save as otherwise indicated.

ANNEX B

List of developing countries and territories enjoying generalized tariff preferences

INDEPENDENT COUNTRIES

Afghanistan
Algeria
Argentina
Bahamas
Bahrain
Bangladesh
Barbados
Bhutan
Bolivia
Botswana
Brazil
Burma
Burundi
Cameroon
Central African Republic
Chad
Chile
Colombia
Congo, People's Republic of
Costa Rica
Cuba
Cyprus
Dahomey
Dominican Republic
Ecuador
Egypt, Arab Republic of
El Salvador
Equatorial Guinea
Ethiopia
Fiji
Gabon
Gambia
Ghana
Guatemala
Guinea
Guyana
Haiti
Honduras
India
Indonesia
Iran
Iraq
Ivory Coast
Jamaica
Jordan
Kenya
Khmer Republic
Korea (South)
Kuwait
Laos
Lebanon
Lesotho
Liberia
Libya
Malagasy Republic
Malawi
Malaysia
Maldive Islands
Mali
Mauritania
Mauritius
Mexico
Morocco
Nauru
Nepal
Nicaragua
Niger
Nigeria
Oman
Pakistan
Panama
Paraguay
Peru
Philippines
Qatar
Romania
Rwanda
Saudi Arabia
Senegal
Sierra Leone
Singapore
Somalia
Sri Lanka
Sudan
Swaziland
Syria
Tanzania
Thailand
Togo
Tonga
Trinidad and Tobago
Tunisia
Uganda
United Arab Emirates:
- Abu Dhabi
- Dubai
- Ras al Khaimah
- Fujairah
- Ajman
- Sharjah
- Ummal Qaiwain

Upper Volta
Uruguay
Venezuela
Vietnam, Republic of
Western Samoa
Yemen, People's Democratic Republic of
Yemen Arab Republic
Yugoslavia
Zaire
Zambia