I

*(Acts whose publication is obligatory)*

# REGULATION (EEC) No 3045/74 OF THE COUNCIL

## of 2 December 1974

## opening, allocating and providing for the administration of Community tariff quotas for certain cotton textile and like products 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;

Whereas, within the context of UNCTAD, the European Economic Community offered to grant tariff preferences on finished and semi-finished 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 ceilings 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 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, however, in respect of cotton textile products formerly covered by the long-term arrangement regarding international trade in cotton textiles, the offer made by the Community lays down that the preferences in the form of duty-free ceilings normally calculated according to the formula set out in the preceding recital, will be granted to the countries enjoying generalized preferences which are signatories to the long-term arrangement or possibly to those countries which undertake *vis-à-vis* the Community commitments similar to those existing under that arrangement and for the duration of the said arrangement; whereas the arrangement expired on 30 September 1973 and was extended to 31 December 1973; whereas, as in 1974 and on a transitional basis, it may be anticipated that the countries concerned thereby will, for 1975, adopt measures with equivalent aims, pending application of the arrangement regarding international trade in textiles [1]; whereas it is apparent that only imports from these countries are to form the basis for calculating the abovementioned ceilings; whereas, with particular regard to the link which Article 6 of the said long-term arrangement establishes between cotton products and substitute products, it appears justified in these circumstances and by virtue of the fact that a total suspension of customs duties is involved to include in the same scheme as that described above those substitute textile products given in the conditional list of partial and limited reductions of customs duties deposited with GATT by the Community during the last series of tariff negotiations; whereas, moreover, in view of the special nature which trade in the products concerned may have, it appears expedient, wherever this is justified by the particular sensitivity of the product, to determine in terms of tonnages the ceilings for the preferential imports of such products, taking due account of deliveries effected during 1968 by the beneficiary countries alone; whereas, moreover,

[1] OJ No L 118, 30. 9. 1974, p. 1.

particularly in view of the high level of deliveries of the textiles 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 30 % of the ceiling laid down for each category of textile products concerned;

Whereas the offer made by the Community includes a clause stating 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 world-wide 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 thoughout 1975;

Whereas, in accordance with Protocol 23 to the Act of Accession [1], the generalized tariff preferences scheme will be fully applicable in the new Member States from 1 January 1974;

Whereas in respect of textile products, the complexity of the measures to be implemented, combined with the abovementioned aim of improving the generalized preferences, could in 1974 be overcome only by means of a flat-rate increase of some 50% in the ceilings fixed for 1973; whereas the same situation will again prevail in 1975, so that such improvement can be effected only by means of a flat-rate increase of 5% in the ceilings fixed for 1974;

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 1975, duty-free Community tariff quotas within the limits of the amounts in 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 on 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 defined 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 goods 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 until now entails, under these circumstances and in view of the variety of the products concerned and in view of the fact that the benefiting 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

[1] OJ No L 73, 27. 3. 1972, p. 14.

[2] OJ No L 148, 28. 6. 1968, p. 1.

among the Member States; whereas, using as a basis general economic criteria relating to external trade, in textiles, 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:

| | |
|---|---|
| Germany | 27% |
| Benelux | 10% |
| France | 19% |
| Italy | 14% |
| Denmark | 7% |
| Ireland | 1% |
| United Kingdom | 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 the general method of allocation of Community quotas comprising the setting up of a reserve share; whereas implementation of this principle in this particularly sensitive sector can, however, take place only progressively, yet must remain attuned to the methods of administration laid down in the general framework of the generalized tariff preference scheme; whereas at the present juncture it appears feasible that such allocation could as a rule be made according to the percentages set out in the table above; whereas, however, one of the new Member States, the Kingdom of Denmark, has for a number of years been importing relatively large quantities of certain cotton yarns and woven fabrics falling within heading Nos ex 55.05 and ex 55.09 of the Common Customs Tariff from a number of 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;

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 1975 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 of volumes which shall be expressed in metric tons and which shall be indicated against each product in column 3 of that Annex.

Ireland is authorized to apply customs duties equal to the duties it applied 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 purposes 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.

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 in metric tons in column 4 of Annex A against each category of products.

4. Any amendment to Annex B, in particular by the addition of new countries enjoying tariff preferences, may entail a corresponding adjustment to the volumes 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 quantities shown in column 5 of Annex A against each category of products.

2. The shares allocated to Denmark for certain products falling within heading Nos ex 55.05 and ex 55.09 shall be increased by an amount determined in 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 established in their territory.

2. The extent to which a Member State used up its share shall be determined on the basis of the 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 submitted before the date on which the levying of duties is re-introduced.

*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 factor, the normal tariff is to be re-introduced 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 share.

*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 1975.

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

Done at Brussels, 2 December 1974.

*For the Council*

*The President*

J. SAUVAGNARGUES

*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 | Maximum amount per country (4) | | Volume of shares allocated to Member States in metric tons | |
|---|---|---|---|---|---|---|---|
| | | | | % | metric tons | | |
| | (1) | (2) | (3) | | | (5) | |
| | 55.05 | Cotton yarn, not put up for retail sale: | | | | | |
| | | B. Other: | | | | | |
| | | II. Not specified: | | | | | |
| | | Single, measuring per kg: | | | | | |
| 1 | | — 14 000 m or less | 1 189 | 30 | 357 | Germany | 321·03 |
| | | | | | | Benelux | 118·90 |
| | | | | | | France | 225·91 |
| | | | | | | Italy | 166·46 |
| | | | | | | Denmark | 83·23 |
| | | | | | | Ireland | 11·89 |
| | | | | | | United Kingdom | 261·58 |
| 2 | | — More than 14 000 m and up to 40 000 m | 4 488 | 30 | 1 346 | Germany | 1 211·76 |
| | | | | | | Benelux | 448·80 |
| | | | | | | France | 852·72 |
| | | | | | | Italy | 628·32 |
| | | | | | | Denmark (1) | 314·16 |
| | | | | | | Ireland | 44·88 |
| | | | | | | United Kingdom | 987·36 |
| 3 | | — More than 40 000 m and up to 80 000 m | 1 544 | 30 | 463 | Germany | 416·88 |
| | | | | | | Benelux | 154·40 |
| | | | | | | France | 293·36 |
| | | | | | | Italy | 216·16 |
| | | | | | | Denmark (2) | 108·08 |
| | | | | | | Ireland | 15·44 |
| | | | | | | United Kingdom | 339·68 |
| 4 | | — More than 80 000 m and up to 120 000 m | 221 | 30 | 66 | Germany | 59·67 |
| | | | | | | Benelux | 22·10 |
| | | | | | | France | 41·99 |
| | | | | | | Italy | 30·94 |
| | | | | | | Denmark | 15·47 |
| | | | | | | Ireland | 2·21 |
| | | | | | | United Kingdom | 48·62 |
| | 55.09 | Other woven fabrics of cotton: | | | | | |
| | | A. Containing 85% or more by weight of cotton: | | | | | |
| | | ex I. Of a width of less than 85 cm: | | | | | |
| 5 | | — Unbleached | 804 | 30 | 241 | Germany | 217·08 |
| | | | | | | Benelux | 80·40 |
| | | | | | | France | 152·76 |
| | | | | | | Italy | 112·56 |
| | | | | | | Denmark | 56·28 |
| | | | | | | Ireland | 8·04 |
| | | | | | | United Kingdom | 176·88 |

(1) Pursuant to Article 2 (2), this share is increased by 1 100·82 metric tons.
(2) Pursuant to Article 2 (2), this share is increased by 597·01 metric tons.

| Order No | CCT heading No | Description | Quota amount in metric tons | Maximum amount per country (4) | | Volume of shares allocated to Member States in metric tons | |
|---|---|---|---|---|---|---|---|
| | | | | % | metric tons | | |
| | (1) | (2) | (3) | | | (5) | |
| | 55.09 *(cont'd)* | II. Other: | | | | | |
| | | — Unbleached, of a width of: | | | | | |
| 6 | | — 85 cm to 115 cm | 4 017 | 30 | 1 205 | Germany | 1 084·59 |
| | | | | | | Benelux | 401·70 |
| | | | | | | France | 763·23 |
| | | | | | | Italy | 562·38 |
| | | | | | | Denmark | 281·19 |
| | | | | | | Ireland | 40·17 |
| | | | | | | United Kingdom | 883·74 |
| 7 | | — More than 115 cm and up to 165 cm | 2 442 | 30 | 733 | Germany | 659·34 |
| | | | | | | Benelux | 244·20 |
| | | | | | | France | 463·98 |
| | | | | | | Italy | 341·88 |
| | | | | | | Denmark (1) | 170·94 |
| | | | | | | Ireland | 24·42 |
| | | | | | | United Kingdom | 537·24 |
| 8 | | — More than 165 cm | 788 | 30 | 236 | Germany | 212·76 |
| | | | | | | Benelux | 78·80 |
| | | | | | | France | 149·72 |
| | | | | | | Italy | 110·32 |
| | | | | | | Denmark | 55·16 |
| | | | | | | Ireland | 7·88 |
| | | | | | | United Kingdom | 173·36 |
| 9 | | — Not specified | 332 | 30 | 100 | Germany | 89·64 |
| | | | | | | Benelux | 33·20 |
| | | | | | | France | 63·08 |
| | | | | | | Italy | 46·48 |
| | | | | | | Denmark (2) | 23·24 |
| | | | | | | Ireland | 3·32 |
| | | | | | | United Kingdom | 73·04 |
| | ex 60.03 | Stockings, under stockings, socks anklesocks, sockettes and the like, knitted or crocheted, not elastic or rubberized: | | | | | |
| 10 | | — Of cotton | 174 | 30 | 52 | Germany | 46·98 |
| | | | | | | Benelux | 17·40 |
| | | | | | | France | 33·06 |
| | | | | | | Italy | 24·36 |
| | | | | | | Denmark | 12·18 |
| | | | | | | Ireland | 1·74 |
| | | | | | | United Kingdom | 38·28 |
| | 61.01 | Men's and boys' outer garments: | | | | | |
| 11 | | — In woven fabrics of cotton | 210 | 30 | 63 | Germany | 56·70 |
| | | | | | | Benelux | 21·00 |
| | | | | | | France | 39·90 |
| | | | | | | Italy | 29·40 |
| | | | | | | Denmark | 14·70 |
| | | | | | | Ireland | 2·10 |
| | | | | | | United Kingdom | 46·20 |

(1) Pursuant to Article 2 (2), this share is increased by 787·18 metric tons.
(2) Pursuant to Article 2 (2), this share is increased by 1 177·88 metric tons.

| Order No | CCT heading No (1) | Description (2) | Quota amount in metric tons (3) | Maximum amount per country (4) % | Maximum amount per country (4) metric tons | Volume of shares allocated to Member States in metric tons (3) | |
|---|---|---|---|---|---|---|---|
| 12 | 61.01 *(cont'd)* | — Others | 210 | 30 | 63 | Germany<br>Benelux<br>France<br>Italy<br>Denmark<br>Ireland<br>United Kingdom | 56·70<br>21·00<br>39·90<br>29·40<br>14·70<br>2·10<br>46·20 |
| | 61.02 | Women's, girls' and infants' outer garments: | | | | | |
| 13 | | — In woven fabrics of cotton | 210 | 30 | 63 | Germany<br>Benelux<br>France<br>Italy<br>Denmark<br>Ireland<br>United Kingdom | 56·70<br>21·00<br>39·90<br>29·40<br>14·70<br>2·10<br>46·20 |
| 14 | | — Others | 210 | 30 | 63 | Germany<br>Benelux<br>France<br>Italy<br>Denmark<br>Ireland<br>United Kingdom | 56·70<br>21·00<br>39·90<br>29·40<br>14·70<br>2·10<br>46·20 |
| | 61.03 | Men's and boys' under garments, including collars, shirt fronts and cuffs: | | | | | |
| 15 | | — In woven fabrics other than cotton | 210 | 30 | 63 | Germany<br>Benelux<br>France<br>Italy<br>Denmark<br>Ireland<br>United Kingdom | 56·70<br>21·00<br>39·90<br>29·40<br>14·70<br>2·10<br>46·20 |
| | 62.02 | Bed linen, table linen, toilet linen and kitchen linen, curtains and other furnishing articles: | | | | | |
| 16 | | — In woven fabrics of cotton | 174 | 30 | 52 | Germany<br>Benelux<br>France<br>Italy<br>Denmark<br>Ireland<br>United Kingdom | 46·98<br>17·40<br>33·06<br>24·36<br>12·18<br>1·74<br>38·28 |
| 17 | | — Other | 92 | 30 | 28 | Germany<br>Benelux<br>France<br>Italy<br>Denmark<br>Ireland<br>United Kingdom | 24·84<br>9·20<br>17·48<br>12·88<br>6·44<br>0·92<br>20·24 |

*ANNEX B*

**List of developing countries benefiting under generalized tariff preferences from certain textile products**

Afghanistan

Argentina

Bangladesh

Colombia

Egypt, Arab Republic of

El Salvador

India

Indonesia

Jamaica

Korea (South)

Malaysia

Mexico

Pakistan

Philippines

Sri Lanka

Thailand

Vietnam, Republic of