COUNCIL REGULATION (EEC) No 115/77

of 18 January 1977

concerning import arrangements for certain textile products originating in Malaysia

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 113 thereof,

Having regard to the proposal from the Commission,

Whereas, in the context of the Arrangement regarding international trade in textiles, the European Economic Community and Malaysia have negotiated an Agreement on trade in textiles ; whereas the Commission has submitted to the Council a recommendation for a Regulation concluding that Agreement, hereinafter referred to as the 'Agreement' ;

Whereas, for the purpose of implementing the Agreement, import arrangements must be adopted for the products in question ;

Whereas the Agreement requires the Community to admit imports of certain textile products within the quantitative limits laid down, compliance with which will be guaranteed by a system of bilateral checking ;

Whereas appropriate provisions applicable in the Community should therefore be adopted for the duration of the Agreement, including criteria for the allocation of the quantitative limits agreed with Malaysia ;

Whereas, in view of the considerable disparities existing between the conditions currently governing imports of the products concerned into the Member States and in view of the particular sensitivity of the Community's textile industry, standardization of these import conditions can only be achieved progressively ; whereas the criterion to be adopted for the allocation of the Community quantitative limits should therefore be in particular the gradual adjustment of the quantities admitted under current import conditions to market supply requirements ;

Whereas steps should be taken to ensure that there is no evasion of the objectives of the Agreement by indirect imports of products originating in Malaysia ;

Whereas the quantitative limits laid down by the Agreement apply to exports from Malaysia ; whereas the goods imported should therefore be charged against the quantitative limit fixed for the period in which these goods were exported from Malaysia ;

Whereas, for certain textile products, the Agreement provides for a consultation procedure enabling safeguard measures to be adopted where there is real risk of market disruption ; whereas, in accordance with this procedure, Malaysia has undertaken to apply voluntary restraint in respect of exports of certain textile products to certain Member States ; whereas compliance with these quantitative limits will be guaranteed by a system of bilateral checking ;

Whereas, to this end, quantitative limits should be fixed for imports of these products into the Member States in question and detailed rules laid down for their administration by the Member States ;

Whereas the Agreement provides that those products which enter the Community's customs territory under inward processing or other temporary importation arrangements and are re-exported therefrom in their original state or after processing should not be charged against the agreed quantitative limits ;

Whereas, account being taken of Article 12 of the Arrangement regarding international trade in textiles, on which the Agreement is based, the latter does not apply to textile products of silk, of flax or of ramie,

HAS ADOPTED THIS REGULATION :

Article 1

1. Imports into the Community of the textile products listed in Annex A, originating in Malaysia and exported between 1 November 1975 and 31 December 1977, shall be subject to the quantitative limits agreed between the Community and Malaysia and set out in that Annex.

2. The quantitative limits shall be allocated among the Member States in accordance with the procedure laid down in Council Regulation (EEC) No 1023/70 of 25 May 1970 establishing a common procedure for administering quantitative quotas (1), and in particular in Article 11 thereof, in such a way as to ensure the expansion and orderly development of trade in textiles and to permit amounts to be carried over or brought forward from one year to another.

However, the allocation shall be made on the basis of the import volumes admitted under the conditions currently applied in the Member States and shall provide for annual rates of increase which are appreciably higher for those Member States whose import volumes are relatively the lowest, in such a way that this allocation is gradually aligned with market supply requirements.

3. The competent authorities of the Member States concerned shall, within the quantitative limits prescribed, automatically authorize the import of the products referred to in paragraph 1 immediately upon production by the importer of the original of the export licence issued by the competent Malaysian authorities and containing the details set out in Annex C.

4. Authorized imports shall be charged against the quantitative limits valid for the period during which the products were taken aboard in Malaysia for export to the Community.

5. Products which enter the Community's customs territory under inward processing or other temporary importation arrangements and are re-exported therefrom in their original state or after processing shall not be charged against the quantitative limits referred to in paragraph 1.

Article 2

1. Save as otherwise provided in paragraphs 2 and 3, imports into the Community of the textile products listed in Annex B and originating in Malaysia shall not be subject to quantitative restrictions.

2. In the Member States specified in Annex B, imports of the textile products referred to in paragraph 1 and exported from Malaysia during the periods indicated in that Annex shall be subject to the quantitative limits given therein.

(1) OJ No L 124, 8. 6. 1970, p. 1.

These quantitative limits may be modified according to the procedure laid down by Regulation (EEC) No 1023/70, and in particular Article 11 thereof.

3. Paragraphs 3, 4 and 5 of Article 1 shall apply to the quantitative limits referred to in this Article.

Article 3

Imports into the Community of the textile products referred to below, originating in Malaysia and accompanied by a certificate which is issued and endorsed by the competent Malaysian authorities and contains the details set out in Annex D, shall not be subject to quantitative restrictions :

(a) cotton handloom fabrics of the cottage industry, containing not more than 5 % by weight of man-made fibres, being fabrics which are both traditionally of the kind woven on handlooms and actually woven on a loom for which the motive power is provided entirely by the operators (that is, where the three primary movements of weaving, namely shedding, picking and beating, are induced by hand or foot and no other source of power is used) ;

(b) goods made up by the cottage industry from such cotton handloom fabrics ;

(c) traditional Malaysian folklore handicraft textile products, including handicraft batik products (2), cut, sewn or otherwise fabricated by hand in cottages which are units of the cottage industry.

Article 4

This Regulation shall enter into force on the third day following its publication in the *Official Journal of the European Communities.*

(2) Handicraft batik is produced by a traditional batik process by which colours and shades are introduced to a bleached or white fabric. The process is carried out manually in three stages namely :

(a) waxing (application of wax by hand to the fabric) ;

(b) dyeing/painting (application of colour either by the traditional cottage method of dyeing or by hand painting) ;

(c) de-waxing (boiling the fabric to remove the wax).

The three stages of the process are repeated on the fabric for each of the colours or shades in the resulting design.

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

Done at Brussels, 18 January 1977.

For the Council

The President

Anthony CROSLAND

ANNEX A

Quantitative limits referred to in Article 1

Category No	CCT heading No	NIMEXE code (1976)	Description	Quantitative limits (1 000 items)	
				1. 11. 1975 to 31. 12. 1976	1977
1	ex 61.03	61.03-11 ; 15 ; ex 19	Men's and boys' under garments, including collars, shirts fronts and cuffs : — Shirts, other than of silk or noil or other waste silk or of flax or ramie	4 328	3 932

ANNEX B

Quantitative limits referred to in Article 2

Category No	CCT heading No	NIMEXE code (1976)	Description	Member States	Units	Quantitative limits	
						1. 11. 1975 to 31. 12. 1976	1977
2	55.09	55.09-all codes	Other woven fabrics of cotton	France United Kingdom	1 000 kg	466 1 341 (a)	424 1 219 (b)
	56.07		Woven fabrics of man-made fibres (discontinuous or waste) :				
		56.07-01 to 36	A. Of synthetic textile fibres				
			—including :				
2a	ex 55.09		Other woven fabrics of cotton :	France United Kingdom	1 000 kg	140 263	127 239
		55.09-03 ; 04 ; 05 ; 51 ; 52 ; 53 ; 54 ; 55 ; 56 ; 57 ; 59 ; 61 ; 63 ; 64 ; 65 ; 66 ; 67 ; 69 ; ex 71 ; 81 ; 82 ; 83 ; 84 ; 86 ; 87 ; 92 ; 93 ; 97	— Other than unbleached and bleached				
	56.07		Woven fabrics of man-made fibres (discontinuous or waste) :				
		56.07-ex 01 ; ex 03 ; 05 ; 07 ; 08 ; 13 ; 14 ; 16 ; 18 ; 21 ; 23 ; 26 ; 27 ; 28 ; 33 ; 34 ; 36	ex A. Of synthetic textile fibres : — Other than unbleached and bleached				
3	60.05		Outer garments and other articles, knitted or crocheted, not elastic or rubberized :	Benelux France	Items	233 333 583 333	212 000 530 000
		60.05-01 ; 22 ; 23 ; 24 ; 25 ; ex 29 ; 31 ; 32 ; 33 ; 34 ; ex 39	ex A. Outer garments and clothing accessories : — Jerseys and pullovers, slipovers, twinsets, cardigans, bed-jackets and jumpers, other than of silk or noil or other waste silk or of flax or ramie				
4	ex 61.01		Men's and boys' outer garments :	Benelux France	Items	740 833 583 333	673 100 530 000
		61.01-61 ; 63 ; 65 ; 67 ; ex 69	— Trousers (including jeans), breeches and the like, other than of silk or noil or other waste silk or of flax or ramie				

Category No	CCT heading No	NIMEXE code (1976)	Description	Member States	Units	Quantitative limits	
						1. 11. 1975 to 31. 12. 1976	1977
4 *(cont'd)*	61.02	61.02-ex 91 ; ex 93 ; ex 95 ; ex 96 ; ex 98 ; ex 99	Women's, girls' and infants' outer garments : ex B. Other than babies' garments : — Trousers (including jeans), shorts and the like, other than of silk or noil or other waste silk or of flax or ramie				
5	61.02	61.02-83 ; 85 ; 87 ; 89	Women's, girls' and infants' outer garments : ex B . Other than babies' garments : — Shirts and blouses other than of silk or noil or other waste silk or of flax or ramie	France	Items	(1. 11. 1976 to 31. 12. 1977) 650 000	

(a) With a maximum of 875 tonnes for products falling within one or other of heading No 55.09 and subheading 56.07 A.

(b) With a maximum of 795 tonnes for products falling within one or other of heading No 55.09 and subheading 56.07 A.

ANNEX C

Details referred to in Article 1 (3)

The export licences issued by the competent Malaysian authorities (1) for products covered by this Regulation shall specify or contain :

1. the destination, and in particular the Member State for which the goods are intended ;
2. the serial number ;
3. the name and address of the importer ;
4. the name and address of the exporter ;
5. the net quantity, in the units specified in Annexes A and B to this Regulation, and the value of the products covered by the licence ;
6. the category against which the products have been charged by the competent Malaysian authorities and the description of the products ;
7. a declaration to the effect that the quantity in question has been charged against the Member State of destination's share of the agreed ceiling for exports to the Community, or, where appropriate, that the quantity is intended for immediate re-export from the Community or for re-export from the Community after processing ;
8. the year during which the products were exported, that is when they were taken aboard in Malaysia for export to the Community.

(1) Ministry of Trade and Industry at :
— Kuala Lumpur (head office),
— Penang, Gohorbru, Kota Kenia, Kota Baru, Kinabalu, Kuching (local office).

ANNEX D

Certificate referred to in Article 3

The certificate issued by the competent Malaysian authorities (1) for the products referred to in Article 3 of this Regulation shall contain :

1. the following heading :

   'Certificate in respect of cotton handloom fabrics and products thereof' ;

2. name and address of the manufacturer ;

3. name and address of the exporter ;

4. name and address of the importer within the Community ;

5. description of goods ;

6. quantity (in tonnes or items) ;

7. name of vessel or flight number ;

8. port or airport of destination ;

9. the following declaration (2) :

   'This is to certify that the above shipment consists of :

   — cotton handloom fabrics (as defined in Article 4 (1) (i) of the Agreement) containing not more than 5 % by weight of man-made fibres ;

   — goods made up by the cottage industry from cotton handloom fabrics (as defined in Article 4 (1) (i) of the Agreement) ;

   — traditional Malaysian folklore handicraft textile products cut, sewn or otherwise fabricated by hand in cottages which are units of the cottage industry.

Signed . . . . . .'

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(1) Ministry of Trade and Industry at :

— Kuala Lumpur (head office),
— Penang, Gohorbru, Kota Kenia, Kota Baru, Kinabalu, Kuching (local offices).

(2) The definition referred to in the first two indents is that set out in Article 3 of this Regulation.