COMMISSION REGULATION (EEC) No 561/77

of 16 March 1977

concerning import arrangements in the Community for shirts and blouses originating in the Republic of India

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 1439/74 of 4 June 1974 on common rules for imports (1), and in particular Article 12 thereof,

Having regard to Council Regulation (EEC) No 1023/70 of 25 May 1970 establishing a common procedure for administering quantitative quotas (2), and in particular Articles 2 and 8 thereof,

After consultation within the Advisory Committee established by Article 5 of that Regulation;

Whereas in the context of the Arrangement regarding international trade in textiles, the European Economic Community and the Republic of India have concluded an Agreement on trade in textile products (3);

Whereas the said Agreement makes provision, subject to certain conditions, for the admission into the Community without quantitative limit of textiles products made up by the cottage industry from cotton handloom fabrics;

Whereas imports into the Community of cotton shirts and blouses originating in the Republic of India and certified by the Indian authorities as being made up by the cottage industry from cotton handloom fabrics, have increased sharply and substantially since the conclusion of the said Agreement;

Whereas the products concerned are generally offered for sale on the Community markets at prices considerably below those prevailing for similar goods produced by Community producers;

Whereas since the conclusion of the said Agreement imports of the products in question from India have increased in such a proportion that they now account for 28 % of Community imports and 14 % share of the Community market;

Whereas these developments, in conjunction with the pressure of imports from other third countries, have taken place to the detriment of the Community industry where production has declined considerably over the past few years and where a substantial proportion of workers have become unemployed;

Whereas all these factors have caused market disruption and substantial injury to Community producers;

Whereas a further sharp and substantial increase in imports of these products may be considered to be imminent; whereas, in the absence of immediate protective measures, such an increase would aggravate the injury already caused to Community producers, creating a situation of damage difficult to remedy;

Whereas, taking into account that developments in the manufacture and production of shirts and blouses in the handloom sector of the Indian textile industry have been such as to make it difficult or impossible for Community authorities to distinguish between shirts and blouses made up by the cottage industry of cotton handloom fabrics from similar products made otherwise and consequently to verify the conformity of the said products with the requirements of the said Agreement;

Whereas, in the view of the Community, the operation of the said Agreement, so far as the matters described above are concerned, is unsatisfactory;

Whereas during consultations the Community has repeatedly drawn the attention of the Indian authorities to the seriousness of the situation within the shirt-making sector of the Community and to the urgent need to find a means of arresting the deterioration of the situation, taking due account of the importance of this sector of the textiles industry to the Indian economy, nevertheless no mutually acceptable solution has been found in consultations;

Whereas, in these highly unusual and critical circumstances, the Community has no alternative but to take, pending a mutually acceptable solution to the problem, immediate action to safeguard its interests;

(1) OJ No L 159, 15. 6. 1974, p. 1.
(2) OJ No L 124, 8. 6. 1970, p. 1.
(3) OJ No L 297, 17. 11. 1975, p. 8.

Whereas, therefore, quantitative limits should be established for the products in question and these should be allocated among Member States taking into account the disparities existing in Member States' markets and the particular sensibility of the Community textile industry,

HAS ADOPTED THIS REGULATION :

Article 1

1. The putting into free circulation into the Community of the products set out in the Annex hereto and originating in the Republic of India is hereby made subject to the production of an import authorization issued by the competent authorities of the Member State concerned.

2. Without prejudice to the quantitative limits established in Commission Regulation (EEC) No 3364/75 of 23 December 1975 [1] for women's cotton shirts and blouses (heading No ex 61.02) and men's cotton shirts (heading No ex 61.03) which remain applicable, the total quantity of the products for which import authorizations may be issued during the period commencing on the date of entry into force of this Regulation and ending on 31 December 1977 shall not exceed the following amounts :

NIMEXE code	Description of goods	Quantity in '000 pieces (1977)
61.02-82 ex 61.04 ex 95	Women's, girls' and infants' outer garments : — Blouses and shirt blouses of cotton Women's, girls' and infants' outer garments : — Shirts and the like of cotton	23 637
61.03-15	Men's and boys' under garments, including collars, shirt fronts and cuffs : — Shirts of cotton	18 862

However, the volume of the quotas fixed for 1977 shall be reduced by the amount of imports effected in that year before the entry into force of this Regulation.

3. The quotas are allocated, in accordance with the procedure laid down in Article 11 of Regulation (EEC) No 1023/70, in such a way as to ensure the orderly development of trade in the textiles products concerned. Details of the said allocation are set out in the Annex hereto.

Article 2

The application by the importer for the import authorization referred to in Article 1 above shall indicate clearly whether the product in question is :

(a) made up by the cottage industry from cotton handloom fabric, as defined in Article 4 of the Agreement, or

(b) made up otherwise than by the cottage industry from cotton handloom fabric as defined in Article 4 of the Agreement.

Article 3

Each Member State shall communicate to the Commission, not later than the 20th day each month, the following information in respect of import authorizations issued in accordance with this Regulation during the preceding calendar month :

— total quantity authorized, expressed in pieces,

— total price of products authorized.

This information shall be broken down into the two categories laid down in Article 2 (a) and (b).

Article 4

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

2. It shall be applicable until the entry into force of appropriate measures to be taken by the Council pursuant to Articles 12 (6) and 13 of Regulation (EEC) No 1439/74 or until the expiry of a period of six weeks following the entry into force of this Regulation, whichever is the earlier.

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[1] OJ No L 333, 30. 12. 1975, p. 5.

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

Done at Brussels, 16 March 1977.

For the Commission

Wilhelm HAFERKAMP

Vice-President

ANNEX

Quantitative limits established under Article 1 for cotton shirts and blouses originating in India

Category No	CCT heading No	NIMEXE code	Description of goods	Member States of destination	Quantity in '000 units (1977)
1	61.02	61.02-ex 82	Women's, girls' and infants' outer garments : — Blouses and shirt blouses of cotton	D F I BNL UK IRL DK EEC	8 218 2 501 1 005 3 699 7 436 412 366 23 637
	61.04	ex 61.04-ex 95	Women's, girls' and infants' under garments : — Shirts and the like of cotton		
2	61.03	61.03-15	Men's and boys' under garments, including collars, shirt fronts and cuffs : — Shirts of cotton	D F I BNL UK IRL DK EEC	7 465 795 2 389 2 307 5 450 108 348 18 862

The quantitative limits set out above shall apply to imports of cotton shirts and blouses without distinction as to the process by which they have been manufactured. Within these limits, the quantitative limits presently applied (1), in respect of products other than those which are certified by the Indian authorities as conforming to the description set out in Article 4 of the bilateral Agreement, shall remain in force.

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(1) These limits are set out in Articles 3 and 4 of Council Regulation (EEC) No 2992/75 of 10 November 1975, OJ No L 297, 17. 11. 1975, and Annex A to Commission Regulation (EEC) No 3364/75 of 23 December 1975, OJ No L 333, 30. 12. 1975.