COMMISSION REGULATION (EEC) No 387/80

of 15 February 1980

instituting protective measures on polyester filament yarn originating in certain third countries and imported into the United Kingdom

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 925/79 on common rules for imports from State-trading countries (1), and in particular Article 7 (1) thereof,

Having regard to Council Regulation (EEC) No 926/79 on common rules for imports (2), and in particular Article 12 (1) thereof,

Having consulted the Advisory Committees estabished under the said Regulations,

Whereas on 8 February 1980 the United Kingdom Government informed the Commission of a danger resulting from the trends in imports of polyester filament yarn and requested immediate intervention by the Commission ;

Whereas the information supplied by the United Kingdom Government shows that total imports from third countries of polyester filament yarn, other than those which enter under an Agreement providing for a free-trade regime on entry into the Community or under an Agreement between the Community and any third country on trade in textiles, increased from approximately 3 300 tonnes in 1976 to 13 063 tonnes in 1979 which resulted in the market share held by those imports increasing from 4·9 % in 1976 to 18·3 % in 1979 ; whereas more recently there has been a particularly sharp and substantial increase in imports from the USA which from 1978 to 1979 increased from 5 114 to 12 391 tonnes, thus increasing their market share from 7·1 % in 1978 to 17·7 % in 1979 and to 25·5 % in the last quarter of 1979 ;

Whereas the imports from the USA are effected at particularly low prices, the average being £ 1·12 per kilogram compared with an average import price of £ 1·53 per kilogram for all imports of polyester filament yarn into the United Kingdom from all sources including other Member States ;

Whereas the consequent impact on United Kingdom producers has been serious as is shown by the following trends :

- production has fallen from 48 115 tonnes in 1976 to 39 164 tonnes in 1979,
- home market sales have decreased from 32 377 tonnes in 1976 to 21 962 tonnes in 1979,
- the market share of the United Kingdom industry has decreased from 48·2 % in 1976 to 31·5 % in 1979,
- prices of United Kingdom producers have fallen from £ 1·27 per kilogram in January 1979 to £ 1·20 per kilogram in December 1979, despite an increase in break-even prices from £ 1·27 per kilogram in January 1979 to £ 1·50 in December 1979,
- sales are thus being made at substantial losses,
- employment has fallen from 35 000 in 1976 to 29 500 in 1979 in the synthetic fibres industry and 1 600 redundancies are foreseen ;

Whereas it follows, from the facts given above, that polyester filament yarn is being imported into the United Kingdom in such greatly increased quantities and under such conditons as to cause substantial injury to United Kingdom producers of like products, and that a critical situation exists in which any delay would cause injury which would be difficult to remedy and which calls for immediate intervention in the interests of the Community ;

Whereas, at the present time, the imports in question are not causing the same injury to other regions of the Community ; whereas it is consequently justifiable to limit the safeguard measures to imports into the United Kingdom ;

Whereas discussions with the main supplier country for the purpose of avoiding a deterioration of the situation in the United Kingdom market have not changed the trend of imports ;

Whereas it is therefore necessary as regards the importation of those products into the United Kingdom to institute protective measures consistent with the relevant international rules ; whereas these measures must be aimed at restricting those imports to a ceiling which would limit the injury and eliminate the threat of further injury ; whereas, therefore, this limit should be set at the average volume of imports over the past two years,

(1) OJ No L 131, 29. 5. 1979.
(2) OJ No L 131, 29. 5. 1979.

HAS ADOPTED THIS REGULATION :

Article 1

1. Imports into the United Kingdom of polyester yarn (excluding high tenacity yarn for tyres, machinery or plant) corresponding to NIMEXE codes 51.01-23, 25, 26 and 28 are hereby made subject to the production of an import authorization to be granted by the United Kingdom authorities. Such authorization shall be granted up to a total of 9 053 tonnes in 1980. This total shall be reduced by the amount already imported since 1 January 1980.

2. Paragraph 1 shall not apply to imports from third countries which enter under an Agreement providing for a free-trade regime on entry into the Community or under an Agreement between the Community and any third country on trade in textile products.

Article 2

This Regulation shall enter into force on the day following its publication in the *Official Journal of the European Communities* and shall expire on 31 December 1980.

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

Done at Brussels, 15 February 1980.

For the Commission

Henk VREDELING

Vice-President