COMMISSION REGULATION (EEC) No 2483/83

of 30 August 1983

revoking the protective measures on certain beach slippers originating in China, instituting a system of import authorizations in France for such products and certain slippers and other indoor footwear originating in that country and terminating the Community investigation in respect of imports of the products falling within Common Customs Tariff heading No ex 64.04

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 1766/82 of 30 June 1982 on common rules for imports from the People's Republic of China (1), and in particular Articles 7, 11 and 14 thereof,

Having regard to Council Regulation (EEC) No 3286/80 of 4 December 1980 on import arrangements in respect of State-trading countries (2), and in particular Article 8 thereof,

After hearing the views expressed within the advisory committees set up by the Regulations referred to above,

Whereas Commission Regulation (EEC) No 625/82 (3), as extended until 31 December 1983 by Regulation (EEC) No 3580/82 (4), introduced regional protective measures in respect of imports into France of beach slippers falling within heading No ex 64.04 of the Common Customs Tariff (NIMEXE code ex 64.04-90), originating in the People's Republic of China ;

Whereas the Commission was subsequently informed by a number of Member States, in particular France, that imports of certain slippers and other indoor footwear (5), originating principally in China had increased and were taking place under conditions which might cause injury to Community industry ; whereas the French authorities requested that measures be taken as soon as possible to limit these imports ;

Whereas the French request was supported by evidence regarding the trend of imports and the conditions under which they were taking place, in particular with regard to prices ; whereas information had also been supplied regarding the repercussions of such imports on the Community industry in question ;

Whereas this evidence was considered sufficient to justify the opening of an investigation ; whereas the Commission therefore announced, in a notice published in the *Official Journal of the European Communities* (6), that a Community investigation procedure would be initiated regarding imports of slippers and other indoor footwear originating in certain third countries ; whereas it has begun its investigation ;

Whereas the Commission has officially informed the importers known to be concerned thereof ;

Whereas the Commission has given all the parties concerned the opportunity to make known their views in writing or to request an oral hearing ;

Whereas many importers took the opportunity to make known their views in writing ; whereas the Fédération Nationale des Négociants en gros en bonneterie, mercerie, chaussures et négoces connexes de France asked for an oral hearing ;

Whereas no argument has been put forward on behalf of Community consumers ;

Whereas, in view of the reactions from the producers and importers concerned, the investigation was restricted to examination of the situation in France and the United Kingdom ;

Whereas, in the course of its investigation, the Commission endeavoured to gather and verify all the information it regarded as necessary and made on-the-spot checks on the premises of the following Community producers and producers' associations : L. Bernard SA, F-Les Aubiers, La Fourmi SA, F-Cholet, Amos SA, F-Wassellone, Rondinaud SA, F-La Rochefoucauld, Lancashire Footwear Manufacturers Association, UK-Bacup ;

Whereas the investigation was undertaken with reference to the period 1 January 1982 to 31 January 1983 ;

Whereas the investigation showed that imports into the Community of the products in question increased from 23 021 000 pairs in 1979 to 49 800 000 pairs in 1982 ; whereas the imports originating in China, the principal exporting country, increased from 17 152 000 pairs in 1979 to 35 879 000 pairs in 1982 ; whereas the rate of increase of imports from China was 109 % during the period in question ;

Whereas, in view of the fact that in 1982 the imports from China accounted for 84 % of the Community's imports from all third countries, the investigation was confined to examining the conditions under which these imports had taken place and the impact they had had on production of the Community industry in question ;

(1) OJ No L 195, 5. 7. 1982, p. 21.
(2) OJ No L 353, 29. 12. 1980, p. 1.
(3) OJ No L 75, 19. 3. 1982, p. 2.
(4) OJ No L 373, 31. 12. 1982, p. 62.
(5) Common Customs Tariff heading No ex 64.04 (NIMEXE code 64.04-10).
(6) OJ No C 44, 15. 2. 1983, p. 4.

Whereas the investigation has shown that the slippers in question originating in China are, in that they have a sole covered with plastic material, similar to and competing with slippers with outer soles of rubber or artificial plastic material falling within NIMEXE code 64.02-60, manufactured by the Community industry ;

Whereas, for that reason, the impact of the imports of Chinese slippers was gauged in relation to Community production of slippers with textile uppers and the other types of slippers in question ;

Whereas the investigation has shown that the impact of imports from China has been minimal in the United Kingdom as these imports, which were nil in 1979, were confined to 924 000 pairs in 1982, accounting for approximately a 2 % share of the United Kingdom market ;

Whereas French imports of the products in question originating in China increased from 9 348 000 pairs in 1979 to 22 016 000 pairs in 1982 ;

Whereas the market share held by imports from China in France doubled between 1979 and 1982 from 18 to 37 % ;

Whereas production in France of the products in question and of slippers and indoor footwear falling within NIMEXE code 64.02-60 fell from 40 924 000 pairs in 1979 to 33 910 000 pairs in 1982 ; whereas consumption of these products in France increased from 53 284 000 pairs in 1979 to 60 000 000 pairs in 1982 ; whereas despite that increase in consumption, the share of the French market held by French producers declined from 75 % in 1979 to 59 % in 1982 ;

Whereas the Commission made a comparison between the prices applied by French producers at the ex-works stage and the resale price of the imports from China during the period of investigation in question ;

Whereas, in so doing, the Commission took account of the variety of the articles marketed and of the factors affecting the comparability of the prices, and in particular the differences existing regarding the technical quality characteristics of these articles ;

Whereas the evidence possessed by the Commission shows that the resale prices for these imports were 20 to 100 % below the prices applied by Community producers of like products ;

Whereas in France slippers and other indoor footwear are currently produced by 89 firms ; whereas, however, 50 % of the production is accounted for by 75 small firms situated in less-favoured regions ; whereas employment in the industry has declined from 15 177 persons in 1979 to 11 750 persons in 1982 ; whereas it is difficult for such workers to be re-employed elsewhere ;

Whereas, on the basis of the results of its investigation, the Commission considered that the injury caused in the United Kingdom by imports of slippers originating in China cannot yet be regarded as substantial and that it is therefore not necessary to take protective measures against such imports ;

Whereas the results of the investigation concerning French imports of the slippers in question have shown that the injury sustained by French producers was substantial and so justified the adoption of protective measures ;

Whereas, in view of this situation and in accordance with Article 5 of the Trade Agreement concluded between the Community and the People's Republic of China, consultations have taken place between the Commission departments and the Chinese authorities in order to find a solution to the problems created by the imports in question ;

Whereas it appeared necessary to extend these consultations to the problems caused by the increase in imports of beach slippers falling within heading No ex 64.04 and those falling within subheading ex 64.02 B in order to find an overall solution to the difficulties created in France by imports of indoor slippers originating in China and in order to avoid imports being transferred to these products ;

Whereas, following these consultations, the Chinese authorities notified the Commission of the steps taken by their Government in order to make exports into France of slippers and other indoor footwear subject to export certificates and to issue such certificates in such a way as to respect the following quantitative limits for exports of the products in question into France :

(pairs)

Description	CCT heading No	NIMEXE code	1983	1984
Slippers and other indoor footwear	ex 64.04	64.04-10	18 000 000	19 000 000
Beach slippers	ex 64.02 B ex 64.04	64.02-69 ex 64.04-90	2 700 000	2 800 000

Whereas the measures taken by the Chinese Government no longer make it necessary to maintain the protective measures in respect of imports of beach slippers originating in China instituted by Regulation (EEC) No 625/82, as extended by Regulation (EEC) No 3580/82; whereas it is, however, desirable to provide for the appropriate measures for verification that the machinery set up by the authorities of the People's Republic of China is operating properly in respect of imports into France; whereas it is therefore necessary to institute a system for the automatic authorization of imports in France in respect of the products in question originating in the People's Republic of China,

HAS ADOPTED THIS REGULATION:

Article 1

1. Imports into France of the products referred to below originating in the People's Republic of China shall be subject to an import authorization issued by the French authorities. That import authorization shall be valid only in France.

CCT heading No	NIMEXE code	Description
ex 64.04	64.04-10	Slippers and other indoor footwear
ex 64.04	ex 64.04-90	Beach slippers
ex 64.02 B	64.02-69	Beach slippers with rubber soles

2. The import authorization referred to in paragraph 1 shall be delivered automatically, free of charge, within a maximum of five working days from the date of presentation by the importer of the top copy of the export certificate corresponding to the quantities requested, issued by the authorities of China subject to annual quantitative limits for the Member State in question.

3. For products sent from the People's Republic of China before 7 September 1983, the import authorization shall be issued by the French authorities upon presentation by the importer of the top copy of a certificate from Chinese authorities to the effect that the quantities of the products in question have been set off against the corresponding quantitative limit.

Article 2

Regulation (EEC) No 625/82, as extended by Regulation (EEC) No 3580/82, is hereby repealed.

Article 3

The Community investigation procedure regarding imports of slippers and other indoor footwear falling within heading ex 64.04 of the Common Customs Tariff (NIMEXE code 64.04-10) is hereby terminated.

Article 4

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

It shall be applicable as from 7 September 1983 until 31 December 1984.

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

Done at Brussels, 30 August 1983.

For the Commission

Étienne DAVIGNON

Vice-President