COMMISSION REGULATION (EC) No 1732/95

of 14 July 1995

establishing administrative procedures for the 1996 quantitative quotas for certain products originating in the People's Republic of China

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 520/94 of 7 March 1994 establishing a Community procedure for administering quantitative quotas, and in particular Articles 2 (3) and (4) and Articles 13 and 24 thereof [1],

Whereas Council Regulation (EC) No 519/94 of 7 March 1994 on common rules for imports from certain third countries and repealing Regulations (EEC) No 1765/82, (EEC) No 1766/82 and (EEC) No 3420/83 [2], as last amended by Regulation (EC) No 839/95 [3], introduced annual quantitative quotas for certain products originating in the People's Republic of China listed in Annex II to that Regulation; whereas the provisions of Regulation (EC) No 520/94 are applicable to those quotas;

Whereas the Commission accordingly adopted Regulation (EC) No 738/94 [4], as amended by Regulation (EC) No 1150/95 [5] laying down general rules for the implementation of Regulation (EC) No 520/94; whereas these provisions apply to the administration of the above quotas subject to the provisions of this Regulation;

Whereas certain characteristics of China's economy, the seasonal nature of some of the products and the time needed for transport mean that orders for products subject to quota are generally placed before the beginning of the quota year; whereas it is therefore important to ensure that administrative constraints do not impede the realization of the planned imports; whereas in order not to affect the continuity of trade flows, the arrangements for allocating and administering the 1996 quotas should accordingly be adopted before the start of the quota year;

Whereas after examination of the different administrative methods provided for by Regulation (EC) No 520/94, the method based on traditional trade flows should be adopted; whereas under this method the quotas are divided into two portions, one of which is reserved for traditional importers and the other for other applicants;

Whereas this has proved to be the best way of ensuring the continuity of business for the Community importers concerned and avoiding any disturbance of trade flows;

Whereas, however, the introduction of a Community system must ensure progressive access by non-traditional importers; whereas the portion set aside for other applicants must make due allowance for the disparities in the Member States' previous import arrangements, in accordance with Article 6 (4) of Regulation (EC) No 520/94; whereas in the light of all these factors a balance must therefore be sought in determining the portions to be allocated to the two categories of importers;

Whereas the reference period used for allocating the portion of the quota set aside for traditional importers in earlier Regulations on the administration of these quotas should be updated to ensure open access to the quotas; whereas that update should be based on the latest period for which complete data is available; whereas the years 1992 and 1994 therefore appear to be a suitable reference period, given that they are the only recent years representative of the normal trend of trade flows in the products in question; whereas traditional importers must therefore prove that they have imported products originating in China and covered by the quotas in question in the years 1992 and 1994;

Whereas it is necessary to simply the formalities to be fulfilled by traditional importers who already hold import licences issued when the 1994 or 1995 Community quotas were allocated; whereas the competent administrative authorities already possess the requisite evidence of 1992 imports for all traditional importers; whereas, with regard to 1992 imports, the latter need only enclose a copy of their previous licences with their new licence applications; whereas, however, use of simplified formalities should not be authorized in respect of import licence

[1] OJ No L 66, 10. 3. 1994, p. 1.
[2] OJ No L 67, 10. 3. 1994, p. 89.
[3] OJ No L 85, 19. 4. 1995, p. 9.
[4] OJ No L 87, 31. 3. 1994, p. 47.
[5] OJ No L 116, 23. 5. 1995, p. 3.

applications for products falling within CN codes 4203 29 91, 4203 29 99 and 6402 99 in view of the changes to the structure of the initial quota introduced by Council Regulation (EC) No 538/95 (1);

Whereas it has been found in the past that the method provided for in Article 10 of Regulation (EC) No 520/94, which is based on the order in which applications are received, may not be an appropriate way of allocating that portion of the quota reserved for non-traditional importers; whereas, consequently, in accordance with Article 2 (4) of Regulation (EC) No 520/94, an alternative method of apportioning the quota should be determined; whereas, to this end, it is appropriate to provide for allocation in proportion to the quantities requested, on the basis of a simultaneous examination of import licence applications actually lodged, in accordance with Article 13 of Regulation (EC) No 520/94;

Wheres in order to ensure that the quotas can be efficiently allocated and used, any speculative applications should be excluded, and it is furthermore necessary to allocate economically significant quantities; whereas to this end the amount that any non-traditional importer may request should be restricted to a set volume or value;

Whereas for the purposes of quota allocation, a time limit must be set for the submission of licence applications by traditional and other importers;

Whereas with a view to optimum use of quotas, licence applications for imports of footwear under quotas which refer to several CN codes must specify the quantities required for each code;

Whereas the Member States must inform the Commission of the import licence applications received, in accordance with the procedure laid down in Article 8 of Regulation (EC) No 520/94; whereas the information about traditional importers' previous imports must be broken down by reference year and expressed in the same units as the quota in question; whereas if the quota is set in ecus, the counter-value of the currency in which previous imports are expressed must be calculated in accordance with Article 18 of Council Regulation (EEC) No 2913/92 of 12 October 1992 establishing the Community Customs Code (2);

Whereas in view of the special nature of transactions concerning products subject to quota, and in particular the time needed for transport, the import licences should expire on 30 September 1996; whereas, in the interests of sound administration, the competent national authorities should nevertheless be authorized to extend, at the request of the importers concerned, until 31 December 1996 the validity of licences that have been used up by at least 60 % by the expiry date of 30 September 1996;

Whereas these measures are in accordance with the opinion of the Committee for the administration of quotas set up under Article 22 of Regulation (EC) No 520/94,

HAS ADOPTED THIS REGULATION:

Article 1

This Regulation lays down for 1996 specific provisions for the administration of the quantitative quotas referred to in Annex II to Council Regulation (EC) No 519/94 of 7 March 1994.

Regulation (EC) No 738/94 laying down general rules for the implementation of Regulation (EC) No 520/94 shall apply, subject to the specific provisions of this Regulation.

Article 2

1. The quantitative quotas referred to in Article 1 shall be allocated using the method based on traditional trade flows, referred to in Article 2 (2) (a) of Regulation (EC) No 520/94.

2. The portions of each quantitative quota set aside for traditional importers and other importers are set out in Annex I to this Regulation.

3. The portion set aside for non-traditional importers shall be apportioned using the method based on allocation in proportion to quantities requested; the volume/value requested by a single importer may not exceed that shown in Annex II.

Article 3

Applications for import licences shall be lodged from the day following the day of publication of this Regulation in the *Official Journal of the European Communities* to 11 September 1995 at 3 p.m., Brussels time, with the competent authorities listed in Annex I to Regulation (EC) No 738/94.

Article 4

1. For the purposes of allocating the portion of each-quota set aside for traditional importers, 'traditional' impoters shall mean importers who can show that they have imported goods in the calendar years 1992 and 1994.

2. The evidence referred to in Aricle 7 of Regulation (EC) No 520/94 shall relate to the release for free circulation during calendar years 1992 and 1994 of products originating in the People's Republic of China which are covered by the quota in respect of which the application is made.

(1) OJ No L 55, 11. 3. 1995, p. 1.
(2) OJ No L 302, 19. 10. 1992, p. 1.

3. Instead of the evidence referred to in the first indent of Article 7 of Regulation (EC) No 520/94:

— applicants may enclose with their licence applications documents drawn up and certified by the competent national authorities on the basis of available customs information as evidence of the imports of the product in question during calendar years 1992 and 1994 carried out by themselves or, where applicable, by the operator whose activities they have taken over;

— in the case of imports of the products in question during 1992, except in the case of applications for products falling within CN codes 4203 29 91, 4203 29 99 and 6402 99, applicants already holding import licences issues in 1994 and/or 1995 under Commission Regulation (EC) No 1012/94 [1], (EC) No 2801/94 [2] or (EC) No 1093/95 [3] for products covered by the licence application may enclose a copy of their previous licences with their licence applications. In that case they shall indicate in their licence application the aggregate value of imports of the product in question in 1992.

4. Article 18 of Regulation (EEC) No 2913/92 shall apply where evidence is expressed in foreign currency.

Article 5

Member States shall inform the Commission no later than 25 September 1995 at 10 a.m., Brussels time, of the number and aggregate quantity of import licence applications and, in the case of applications from traditional importers, of the volume of previous imports carried out by traditional importers during each year of the reference period referred to in Article 4 (1) of this Regulation.

Article 6

No later than 30 September 1995 the Commission shall adopt the quantitative criteria to be used by the competent national authorities for the purpose of meeting importers' applications.

Article 7

Import licences shall be valid for nine months, starting on 1 January 1996.

At the request of the importers concerned, the validity of licences of which at least 60 % of the amount has been used by 30 September 1996 shall be extended by the competent national authorities to 31 December 1996.

Article 8

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

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

Done at Brussels, 14 July 1995.

For the Commission

Leon BRITTAN

Vice-President

[1] OJ No L 111, 30. 4. 1994, p. 100.
[2] OJ No L 297, 18. 11. 1994, p. 13.
[3] OJ No L 109, 16. 5. 1995, p. 27.

ANNEX I

Allocation of the quotas

Product description	HS/CN code	Portion reserved for traditional importers	Portion reserved for other importers
Gloves falling within HS/CN codes	4203 29 91 4203 29 99	ECU 12 596 942 (83 %)	ECU 2 580 096 (17 %)
Footwear falling within HS/CN codes	ex 6402 99 (1)	32 495 729 pairs (83 %)	6 655 752 pairs (17 %)
	6403 51 6403 59	2 274 296 pairs (83 %)	465 820 pairs (17 %)
	ex 6403 91 (1) ex 6403 99 (1)	9 862 028 pairs (83 %)	2 019 935 pairs (17 %)
	ex 6404 11 (1)	15 129 887 pairs (83 %)	3 098 893 pairs (17 %)
	6404 19 10	26 475 104 pairs (83 %)	5 422 612 pairs (17 %)
Tableware, kitchenware of porcelain or china	6911 10	36 204 tonnes (83 %)	7 415 tonnes (17 %)
Ceramic tableware or kitchenware	6912 00	27 390 tonnes (83 %)	5 610 tonnes (17 %)
Glassware of a kind used for table, etc.	7013	11 794 tonnes (83 %)	2 416 tonnes (17 %)
Car radios falling within HS/CN codes	8527 21 8527 29	1 858 286 units (83 %) 125 832 units (50 %)	380 613 units (17 %) 125 832 units (50 %)
Toys falling within HS/CN codes	9503 41 9503 49 9503 90	ECU 211 568 467 ECU 102 230 726 ECU 500 088 213 (77 %)	ECU 63 195 776 ECU 30 536 451 ECU 149 376 999 (23 %)

(1) Excluding:

(a) footwear which is designed for a sporting activity and has, or has provision for the attachment of spikes, sprigs, stops, clips, bars or the like, with a non-injected sole;

(b) footwear involving special technology: shoes which have a cif price per pair of not less than ECU 9 for use in sporting activities, with a single or multi-layer moulded sole, not injected, manufactured from synthetic materials specially designed to absorb the impact of vertical or lateral movements and with technical features such as hermetic pads containing gas or fluid, mechanical components which absorb or neutralize impact or materials such as low-density polymers.

ANNEX II

Maximum quantity which may be requested by each importer other than traditional

Product description	HS/CN code	Predetermined maximum quantity
Gloves falling within HS/CN codes	4203 29 91 4203 29 99	ECU 30 000
Footwear falling within HS/CN codes	ex 6402 99 (1)	4 000 pairs
	6403 51 6403 59	4 000 pairs
	ex 6403 91 (1) ex 6403 99 (1)	4 000 pairs
	ex 6404 11 (1)	4 000 pairs
	6404 19 10	4 000 pairs
Tableware, kitchenware of porcelain or china	6911 10	4 tonnes
Ceramic tableware or kitchenware	6912 00	4 tonnes
Glassware of a kind used for table, etc.	7013	3 tonnes
Car radios falling within HS/CN codes	8527 21 8527 29	4 000 units 4 000 units
Toys falling within HS/CN codes	9503 41 9503 49 9503 90	ECU 30 000 ECU 30 000 ECU 30 000

(1) Excluding:

(a) footwear which is designed for a sporting activity and has, or has provision for the attachment of spikes, sprigs, stops, clips, bars or the like, with the non-injected sole;

(b) footwear involving special technology: shoes which have a cif price per pair of not less than ECU 9 for use in sporting activities, with a single- or multi-layer moulded sole, not injected, manufactured from synthetic materials specially designed to absorb the impact of vertical or lateral movements and with technical features such as hermetic pads containing gas or fluid, mechanical components which absorb or neutralize impact or materials such as low-density polymers.