COMMISSION REGULATION (EC) No 93/96

of 23 January 1996

deducting from the quantitative limits on imports of certain categories of textile products originating in the People's Republic of China amounts corresponding to those imported into the European Community in circumvention of the Agreement between the European Community and the People's Republic of China on trade in textile products

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 3030/93, of 12 October 1993 on common rules for imports of certain textile products from third countries [1], as last amended by Commission Regulation (EC) No 1616/95 [2], and in particular Article 15 thereof in conjunction with Article 17 thereof,

Whereas enquiries carried out in accordance with the procedures established in Annex IV of Council Regulation (EEC) No 3030/93 have led the Commission to conclude that certain textile products falling under categories 4, 6, 7, 8 and 78 have been imported into the European Community in circumvention of the provisions of Regulation (EEC) No 3030/93 ;

Whereas, on the basis of further verifications, carried out with the assistance of third countries' authorities, it has appeared that these products physically emanated from the territory of the People's Republic of China before having been imported into the European Community without Chinese origin being declared or under false declarations of origin ;

Whereas consultations with the People's Republic of China have been requested and held on several occasions to clarify the situation in order to determine, on the basis in particular of the documentary evidence submitted by the European Commission, the true origin of the products concerned and to reach an agreement on an equivalent adjustment of the quantitative limits applicable to exports to the European Community of products originating in the People's Republic of China ;

Whereas during the course of the consultations, the authorities of the People's Republic of China have not challenged the fact that the products in question emanated from the territory of the People's Republic of China, nor the conclusion drawn by the European Community that they were therefore of Chinese origin ;

Whereas, under the Agreement between the European Community and the People's Republic of China on trade in textile products initialled on 9 December 1988, as last amended by the Agreement initialled on 14 December 1995, and in particular Article 7 thereof, exports to the European Community of products originating in the People's Republic of China must be set off against the quantitative limits established for the year in which the shipment of the goods is effected and must be accompanied by an export licence issued by the competent authorities of the People's Republic of China which, upon presentation to the competent authorities of the European Community, will automatically entitle the bearer to an import authorization into the European Community for the amount of products covered by the export licence if, after verification, it appears that the agreed quantitative limit has not been exhausted ;

Whereas, on the basis of all the elements mentioned above, there are sufficient grounds to conclude that the products concerned imported without Chinese origin being declared or under false declarations of origin have as their origin the People's Republic of China, that they have been placed on the Community market without having been set off against the quantitative limits established under the bilateral Agreement and that they have, therefore, been imported into the European Community in circumvention of the Agreement ;

Whereas under the bilateral Agreement and Regulation (EEC) No 3030/93, in such circumstances, where clear evidence of circumvention has been provided, the European Community is entitled to deduct from the established quantitative limits amounts equivalent to the products imported in circumvention of the Agreement, if within a specific time limit no satisfactory solution is reached ;

Whereas on 3 November 1995 the Commission has formally requested the People's Republic of China, pursuant to Article 7 (3) of the Agreement, to make the necessary arrangements in order to ensure that adjustments of the quantitative limits could be carried out for the quota year 1995, in which the request to open consultations had been made by the European Community ;

Whereas the European Community and the People's Republic of China have reached an agreement on the method by which adjustments of the quantitative limits should be made which is deemed to constitute a satisfactory solution within the meaning of Article 15 of Regulation (EEC) No 3030/93 ;

Whereas it is appropriate to implement the solution agreed and to this end to deduct from the quantitative limits concerned the agreed quantities ;

[1] OJ No L 275, 8. 11. 1993, p. 1.
[2] OJ No L 154, 5. 7. 1995, p. 3.

Whereas the adjustments made to the quantitative limits of categories 4, 6, 7, 8 and 78 should not prevent the importation into the European Community of products shipped from the People's Republic of China before the entry into force of the present Regulation;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Textile Committee established by Regulation (EC) No 3030/93,

HAS ADOPTED THIS REGULATION:

Article 1

The amounts specified in the Annex to the present Regulation are deducted from the corresponding quantitative limits for imports of products of categories 4, 6, 7, 8 and 78 originating in the People's Republic of China as laid down for the year 1995 in Annex V of Regulation (EEC) No 3030/93.

Article 2

The adjustment referred to in Article 1 to the quantitative limits applicable to products of categories 4, 6, 7, 8 and 78 originating in the People's Republic of China shall not prevent the importation of products of the same categories provided they have been shipped from the People's Republic of China to the European Community before the date of entry into force of the present Regulation.

Article 3

This Regulation shall enter into force on the day following 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, 23 January 1996.

For the Commission

Leon BRITTAN

Vice-President

ANNEX

Adjustments to the Community quantitative limits applicable for the year 1995 to imports of textile products falling into categories 4, 6, 7, 8 and 78 and originating in the People's Republic of China

Category	Amount to be deducted from the 1995 quantitative limits (1)
4	13 077 778 pieces
6	121 904 pieces
7	20 016 pieces
8	15 438 pieces
78	2 tonnes

(1) Should this amount not be available within the quantitative limits established for the year 1995, the difference will be deducted from the quantitative limits established for the year 1996.