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(Acts whose publication is obligatory)

COUNCIL REGULATION (EC) No 1138/98

of 28 May 1998

amending Annexes II and III to Regulation (EC) No 519/94 on common rules for imports from certain third countries

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 113 thereof,

Having regard to the proposal from the Commission,

Whereas Regulation (EC) No 519/94 [1] introduced, in respect of the People's Republic of China, the quotas listed in Annex II to that Regulation and the surveillance measures listed in Annex III thereto;

Whereas the Council's objective in establishing the quotas was to strike a balance between an appropriate level of protection for the Community industries concerned and maintenance of an acceptable level of trade with China, taking into account the various interest in play;

Whereas analysis of the main economic indicators, in particular the volume and market share of Chinese imports, leads to the conclusion that the quota on toys falling within HS/CN codes 9503 41, 9503 49 and 9503 90 should be abolished and that such abolition would be neither inconsistent with the above objective nor liable to disrupt the Community market;

Whereas, in the light of the experience acquired in implementing the quotas, the situation of the Community producers concerned indicates that a 5 % upward adjustment of the quotas would be appropriate and would be neither inconsistent with the above objective nor liable to disrupt the Community market; wheres, however, in the case of footwear the particularly sensitive nature of the industry indicates that for the time being no increase is appropriate;

Whereas the products in respect of which the quota is abolished by this Regulation should, however, be subject to prior Community surveillance, in order to ensure adequate monitoring of the volume and prices of the imports of the products concerned;

Whereas the quantitative quotas and the surveillance measures introduced pursuant to Regulation (EC) No 519/94 should therefore be amended,

HAS ADOPTED THIS REGULATION:

Article 1

Annexes II and III to Regulation (EC) No 519/94 shall be replaced by the Annexes which appear in Annexes I and II to this Regulation respectively.

Article 2

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

It shall apply from 1 January 1998.

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

Done at Brussels, 28 May 1998.

For the Council

The President

M. FISHER

[1] OJ L 67, 10. 3. 1994, p. 89. Regulation as last amended by Regulation (EC) No 847/97 (OJ L 122, 14. 5. 1997, p. 1).

ANNEX I

'ANNEX II

List of quotas for certain products originating in China

Product description	HS/CN code	Quotas (annual basis)
Footwear	ex 6402 99 (1)	39 151 481 pairs
	6403 51 6403 59	2 795 000 pairs
	ex 6403 91 (1) ex 6403 99 (1)	12 120 000 pairs
	ex 6404 11 (2)	18 228 780 pairs
	6404 19 10	31 897 716 pairs
Tableware, kitchenware of porcelain or china	6911 10	48 090 tonnes
Ceramic tableware, kitchenware, other than of porcelain or china	6912 00	36 383 tonnes

(1) Excluding 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 multilayer 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 neutralise impact or materials such as low-density polymers.

(2) Excluding:

(a) footwear which is designed for a sporting activity and has, or has provision for the attachment of, spikes, sprigs, stops, clips, bats 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 multilayer 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 neutralise impact or materials such as low-density polymers.'

ANNEX II

'ANNEX III

List of products originating in the People's Republic of China subject to Community surveillance

Product description	HS/CN code
Ammonium chloride	2827 10
Other polyhydric alcohols	2905 49 90
Citric acid	2918 14
Tetracyclines and their derivatives	ex 2941 30
Chloramphenicol	ex 2941 40
Basic dyes and preparations based thereon	3204 13
Vat dyes and preparations based thereon	3204 15
Fireworks, signalling flares, rain rockets, fog signals and other pyrotechnic articles	3604
Polyvinyl alcohol	3905 30
Gloves	4203 29 91 4203 29 99
Footwear	6402 19 ex 6402 99 (1) 6403 19 ex 6403 91 (1) ex 6403 99 (1) ex 6404 11 (2)
Ornamental ceramic articles of porcelain	6913 10
Glassware	ex 7013 (3)
Bicycles	8712 00
Toys	9503 30 9503 41 9503 49
Puzzles	9503 60
Toys	9503 90
Playing cards	9504 40
Articles falling within HS/CN codes	9603 29 9603 30 9603 40 9603 90

(1) 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 multilayer 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 neutralise impact or materials such as low-density polymers.

(2) Excluding:

(a) footwear which is designed for a sporting activity and has, or has provision for the attachment of, spikes, sprigs, stops, clips, bats 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 multilayer 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 neutralise impact or materials such as low-density polymers.

(3) Excluding glass-fronted clip-frames, consisting of a mechanically-gathered glass sheet with worked edges, a printed paper sheet and a piece of hardboard to support the picture, held together by clips of base metal.'