ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 3:4

Agreement Between the EEC and the Philippines

The Textiles Surveillance Body has received from the EEC a notification of an agreement concluded with the Philippines under Article 3:4 of the Arrangement.

The TSB has examined this agreement and is circulating this notification to participating countries for their information.¹

¹For the observations of the TSB see document COM.TEX/SB/251 paragraph 2.
COMMISSION REGULATION (EEC) No 557/77
of 16 March 1977
subjecting to authorization imports into France and into the United Kingdom of certain knitted or crocheted under garments originating in the Republic of the Philippines

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 1439/74 of 4 June 1974 on common rules for imports (1), and in particular Article 12 thereof,

After consultation with the Advisory Committee established by Article 5 of that Regulation,

Whereas imports into the Community of certain knitted or crocheted under garments originating in the Republic of the Philippines have for some months been increasing rapidly and substantially;

Whereas this trend has been most evident in France and the United Kingdom, where imports of the products in question grew from a negligible quantity in 1975 to over two million items and approximately 400,000 items respectively in the first nine months of 1976;

Whereas, according to information available to the Commission, imports of the products in question from all third countries already accounted in 1975 for a market share approaching 42% of national consumption in France and 65% in the United Kingdom; whereas this share has since increased;

Whereas this increase in imports has been to the detriment of the industry in the Community, particularly in France and the United Kingdom, where production of the garments in question has declined appreciably in recent years and as a consequence there has been a substantial drop in employment in the industry in question;

Whereas all these factors have led to a disruption of the market and have caused grave damage to producers within the Community;

Whereas in view of this situation the Commission, at the request of the authorities of the two Member States mainly concerned, began consultations with the Philippine authorities under Article 3 of the Agreement regarding international trade in textiles (2) with a view to bringing about a reduction in imports of the products in question into the two Member States concerned;

Whereas these consultations resulted in an undertaking by the Philippine authorities to introduce voluntary restraint of exports of the products in question to France and to the United Kingdom;

Whereas the effectiveness of the voluntary restraint measures introduced by the Philippine authorities depends on the introduction on the Community's side of controls; whereas for this purpose imports of the products in question into France and into the United Kingdom must be made subject to authorization;

Whereas the above voluntary restraint measures provide for quantitative limits on exports effected during the year 1977;

Whereas the abovementioned import authorization arrangements must be established as soon as possible in order to ensure that they are not circumvented by the bringing forward of shipments or by indirect imports, which could cause damage difficult to repair to producers within the Community;

HAS ADOPTED THIS REGULATION:

Article 1

1. The importation into France and into the United Kingdom of the goods described in Annex A, originating in the Republic of the Philippines and exported from that country in 1977, shall be subject to the presentation of an import authorization issued by the relevant authorities in the Member State concerned.

2. Import authorizations shall be issued for quantities such that the total volume of the imports referred to in paragraph 1 does not exceed the quantitative limits indicated in Annex A.

3. Within the limits indicated in paragraph 2, import authorizations shall be issued automatically and without delay on production of a bill of lading proving that the goods were placed on board in the Philippines for export to France or the United Kingdom before the date of entry into force of this Regulation with a view to exportation, or on production of an export licence granted by the relevant authority in the Philippines containing the information specified in Annex B.

(1) OJ No L 159, 15, 6, 1974, p. 1.
Article 2

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

2. It shall apply until the entry into force of appropriate measures to be taken by the Council pursuant to Articles 12 (6) and 13 of Regulation (EEC) No 1139/74 or until the expiry of a period of six weeks following the entry into force of this Regulation, whichever is the earlier.

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

Done at Brussels, 16 March 1977.

For the Commission
Wilhelm HAVERKAMP
Vice-President
ANNEX A

Quantitative limits referred to in Article 1 (2)

<table>
<thead>
<tr>
<th>CCT heading No</th>
<th>NIMEXF code (1977)</th>
<th>Description of goods</th>
<th>Member State</th>
<th>Quantitative limit (pieces)</th>
</tr>
</thead>
</table>
| ex 60.04       | 60.04-47, 49, 59    | Under garments, knitted or crocheted, not elastic or rubberized:  
|                |                     | - Of synthetic textile fibres:  
|                |                     |   - Men's and boys':  
|                |                     |     - Other than shirts  
|                |                     |   - Women's, girls' and infants':  
|                |                     |     - Other than pyjamas, nightdresses, petticoats and slips and knickers and briefs  
| ex 60.04       | 60.04-13, 41        | Under garments, knitted or crocheted, not elastic or rubberized:  
|                |                     | - Men's and boys' shirts, of cotton or of synthetic textile fibres  

<table>
<thead>
<tr>
<th>Member State</th>
<th>Quantitative limit (pieces)</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>1 600 000</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>650 000</td>
</tr>
</tbody>
</table>

ANNEX B

Information referred to in Article 1 (3)

Export licences issued by the Philippine authorities (') for the products referred to in this Regulation shall indicate or contain the following:

1. destination;
2. serial number;
3. name and address of the importer;
4. name and address of the exporter;
5. the quantity, in number of pieces, of the products covered by the licence;
6. certification that the quantity concerned has been debited against the quantitative limit for exportation to the Member State of destination.

(1) Textile Export Board
Under the terms of Article 3:3 of the Arrangement Regarding International Trade in Textiles, consultations were held in Brussels on 11, 12 and 21 January 1977 between delegations from the Government of the Republic of the Philippines and the European Economic Community.

The consultations were held at the request of the Community with a view to resolving problems related to imports into France and the United Kingdom of knitted shirts and similar articles.

The delegations agreed to the following arrangements:

1. The Government of the Philippines shall establish a quantitative limitation on exports to France of:

   "undergarments, knitted or crocheted, not elastic nor rubberized, of synthetic textile fibres, falling under Nimex Code 1976 60.04-45 and 59"

so as to ensure that these exports will not in the calendar year 1977 exceed a quantity of 1,600,000 pieces.

2. The Government of the Philippines shall establish a quantitative limitation on exports to the United Kingdom of:

   "Men's and boys' shirts, knitted or crocheted, not elastic nor rubberized, of synthetic textile fibres falling under Nimex (1976) Codes 60.04-13 and 41"

so as to ensure that these exports do not in the calendar year 1977 exceed a quantity of 650,000 pieces.

3. These quantitative limits shall be administered by a system of bilateral control under which the competent authorities in France and the United Kingdom will automatically issue import licences as long as the agreed quantitative limits are not exceeded on submission of the importers' application together with an export licence issued by an appropriate authority of the Republic of the Philippines which contains or specifies:

   1. Destination (town and member State)
   2. Serial number
   3. Importer's name and address

   The name of the appropriate authority will be communicated in the notification envisioned in the last paragraph.
4. Exporter's name and address
5. Description of goods
6. Quantity in number of pieces
7. Certification by the Philippines that the quantity has been debited against the agreed quantitative limit for exports to the member State of destination

4. The Government of the Philippines will take all necessary steps to establish the export control measures described above as soon as possible. Pending the entry into effect of this arrangement the Community will accept importation of consignments exported without export licence unless the agreed ceiling is exceeded. All imports of goods shipped from the Philippines after 31 December 1976 and not accompanied by export licence will be debited to the agreed ceiling. The Community shall forward detailed records of all such consignments to the Mission of the Philippines to the European Communities.

The delegation of the Community stated that it would consider the consultation as satisfactorily concluded upon receipt of notification, before 7 February 1977, from the Government of the Philippines of its acceptance of the arrangements set out above.

Brussels, 21 January 1977