***Changes to legislation:*** *Commission Regulation (EC) No 1084/2005 is up to date with all changes known to be in force on or before 12 March 2022. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

# Commission Regulation (EC) No 1084/2005 of 8 July 2005 amending Annexes II, III and V to Council Regulation (EEC) No 3030/93 on common rules for imports of certain textile products from third countries

## COMMISSION REGULATION (EC) No 1084/2005

## of 8 July 2005

## amending Annexes II, III and V to Council Regulation (EEC) No 3030/93 on common rules for imports of certain textile products from third countries

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)], and in particular Article 19 thereof,

Whereas:

(1) On 1 January 2005, with the expiry of the WTO Agreement on Textile and Clothing, quotas on the imports of textile and clothing product categories were eliminated vis-à-vis WTO Members.

(2) On 13 December 2004, ahead of the liberalisation of the quotas, the Community introduced by Council Regulation (EC) No 2200/2004[(2)] a surveillance system for the 35 textile product categories concerned by the liberalisation.

(3) Paragraph 242 of the Working Party Report of the Accession of the People's Republic of China[(3)] (the PRC) to the WTO (the Textile Specific Safeguard Clause, or TSSC) introduced the possibility of specific safeguard measures on Chinese textile exports. It states that, where a WTO Member believed that imports of Chinese origin of textiles were, due to market disruption, threatening to impede the orderly development of trade in these products the Member could request consultations with the PRC with a view to easing or avoiding such market disruption.

(4) By Regulation (EC) No 138/2003[(4)], the Council inserted Article 10a in Regulation (EEC) No 3030/93 in order to transpose paragraph 242 of the Working Party Report into Community legislation.

(5) On 6 April 2005, the Commission adopted indicative guidelines on the application of Article 10a of Regulation (EEC) No 3030/93 concerning a textiles specific safeguard clause (the Guidelines).

(6) The European Commission requested and held consultations with the PRC in the framework of paragraph 242 of the Working Party Report on the PRC's Accession to the WTO and Article 10a of Regulation (EEC) No 3030/93 for the product categories in which imports originating in the PRC were believed to threaten to impede, due to market disruption, the orderly development of trade. Such consultations were concluded on 10 June 2005 and led to a mutually satisfactory solution for 10 product categories.

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The result of the consultations is reflected in a Memorandum of Understanding on the export of certain Chinese Textile and Clothing Products to the European Union between the European Commission and the Ministry of Commerce of the People's Republic of China of the same date.

(7) The Memorandum of Understanding covers imports from the PRC into the Community of ten product categories: category 2 (cotton fabrics), category 4 (T-shirts), category 5 (pullovers), category 6 (trousers), category 7 (blouses), category 20 (bed linen), category 26 (dresses), category 31 (brassieres), category 39 (table and kitchen linen) and category 115 (flax or ramie yarn). The corresponding customs codes are those listed in Annex I to Regulation (EEC) No 3030/93.

(8) The Commission believes that imports of Chinese origin of those categories, due to the existence or threat of market disruption, threaten to impede the orderly development of trade within the meaning of paragraph 242 of the Working Party Report on the PRC's Accession to the WTO and Article 10a of Regulation (EEC) No 3030/93 for the following reasons.

(9) Imports of category 2 (cotton fabrics) originating in the PRC increased by 71 % in volume in the first four months of 2005, when compared to the same period in 2004. This brings imports of this category to 124 % of the alert level specified by the Guidelines (the alert level). Imports of this category from all countries increased slightly, by 4 %, during the same period. However, the average price of Chinese origin imports has decreased by 21 % (according to import surveillance data), much faster than the average price of other countries (– 2 % based on January-March Eurostat data). This situation is more acute as regards imports of products of sub-category 2A (denim fabrics), as imports from China in the first quarter of 2005 increased by 102 % as compared with the same period of 2004, whilst total imports increased by 15 % and average unit prices dropped by 20 %.

(10) Imports of category 4 (T-shirts) originating in the PRC increased by 199 % in volume in the first four months of 2005, when compared to the same period in 2004. This brings imports of this category to 197 % of the alert level. Imports of this category from all countries increased by 24 %, during the same period. The average price of Chinese origin imports has decreased by 37 %.

(11) Imports of category 5 (pullovers) originating in the PRC increased by 530 % in volume in the first four months of 2005, when compared to the same period in 2004. This brings imports of this category to 194 % of the alert level. Imports of this category from all countries increased by 14 %, during the same period. The average price of Chinese origin imports has decreased by 42 %.

(12) Imports of category 6 (trousers) originating in the PRC increased by 413 % in volume in the first four months of 2005, when compared to the same period in 2004. This brings imports of this category to 312 % of the alert level. Imports of this category from all countries increased by 18 %, during the same period. The average price of Chinese origin imports has decreased by 14 %.

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(13) Imports of category 7 (blouses) originating in the PRC increased by 256 % in volume in the first four months of 2005, when compared to the same period in 2004. This brings imports of this category to 207 % of the alert level. Imports of this category from all countries increased by 4 %, during the same period. The average price of Chinese origin imports has decreased by 30 %.

(14) Imports of category 20 (bed linen) originating in the PRC increased by 158 % in volume in the first four months of 2005, when compared to the same period in 2004. This brings imports of this category to 107 % of the alert level. Imports of this category from all countries increased by 6 %, during the same period. The average price of Chinese origin imports has decreased by 34 %.

(15) Imports of category 26 (dresses) originating in the PRC increased by 219 % in volume in the first four months of 2005, when compared to the same period in 2004. This brings imports of this category to 212 % of the alert level. Imports of this category from all countries increased by 1 %, during the same period. The average price of Chinese origin imports has increased by 2 % as reported by the surveillance system. However, actual Eurostat figures for the first quarter show a large price drop of 42 %.

(16) Imports of category 31 (brassieres) originating in the PRC increased by 110 % in volume in the first four months of 2005, when compared to the same period in 2004. This brings imports of this category to 145 % of the alert level. Imports of this category from all countries increased by 6 %, during the same period. The average price of Chinese origin imports has decreased by 37 %.

(17) Imports of category 39 (table and kitchen linen) originating in the PRC increased by 64 % in volume in the first four months of 2005, when compared to the same period in 2004. This brings imports of this category to 110 % of the alert level. Imports of this category from all countries increased by 10 %, during the same period. The average price of Chinese origin imports has decreased by 39 %.

(18) Imports of category 115 (flax or ramie yarn) originating in the PRC increased by 55 % in volume in the first four months of 2005, when compared to the same period in 2004. This brings imports of this category to 150 % of the alert level. Imports of this category from all countries increased by 40 %, during the same period. The average price of Chinese origin imports has remained stable (it has increased by 3 % according to import surveillance figures or remained unchanged according to Eurostat). However, it should be noticed that the average unit price of Chinese origin imports is less than half the average rice practiced by the Community producers.

(19) The import levels for textile and clothing products from the PRC and other implementation arrangements set out in the Memorandum of Understanding should be transposed in Regulation (EEC) No 3030/93.

(20) Article 27 of Annex III of Regulation (EEC) No 3030/93 should be amended to further detail the provisions for data transmission by Member States in the framework of the system of the a posteriori statistical surveillance for certain textiles products.

(21) Regulation (EEC) No 3030/93 should therefore be amended accordingly.

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(22) The Regulation shall enter into force on the third day after its publication in order to provide for a rapid implementation of the Memorandum of Understanding.

(23) The measures provided for in this Regulation are in accordance with the opinion of the Textile Committee set up by Article 17 of Regulation (EEC) No 3030/93,

HAS ADOPTED THIS REGULATION:

*Article 1*

Annexes II, III and V to Regulation (EEC) No 3030/93 are amended as set out in the Annex to this Regulation.

*Article 2*

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

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

Done at Brussels, 8 July 2005.

*For the Commission*

Peter MANDELSON

*Member of the Commission*

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ANNEX

1. Annex II is replaced by the following:

ANNEX II

**EXPORTING COUNTRIES REFERRED TO IN ARTICLE 1**

Belarus
China
Russia
Serbia
Ukraine
Uzbekistan
Vietnam

2. Annex III is amended as follows:

(a) Article 27 is replaced by the following:

*Article 27*

Textile products listed in tables C and D shall be subject to a system of a posteriori statistical surveillance. That surveillance should be administered in accordance with the scheme laid down in Article 308d of Commission Regulation (EEC) No 2454/93[(5)]. After release for free circulation of the products, the competent authorities of the Member States shall notify the Commission, if possible on a weekly basis but not less frequently than by the 12th of each month for the preceding month, of the total quantities imported and their value, indicating the date of release into free circulation of the products, origin of the products and order number. Such information shall indicate the combined nomenclature code and where appropriate the TARIC subdivisions, the category of products to which they belong, and where applicable the supplementary units required for that nomenclature code. The information has to be in a format compatible with the Surveillance system managed by Directorate-General for Taxation and Customs Union.

(b) Article 28(6) is replaced by the following:

6. This number shall be composed of the following elements:

— two letters identifying the exporting country as follows:
  — Belarus = BY
  — China = CN
  — Serbia = XS
  — Uzbekistan = UZ
  — Vietnam = VN
— two letters identifying the intended Member State of destination, or group of such Member States, as follows:
  — AT = Austria
  — BL = Benelux
  — CY = Cyprus
  — CZ = Czech Republic
  — DE = Federal Republic of Germany