COMMISSION DECISION

of 13 October 1980

authorizing the Italian Republic not to apply Community treatment to woven fabrics of cotton, originating in the People's Republic of China

(Only the Italian text is authentic)

(80/1018/EEC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular the first paragraph of Article 115 thereof;

Having regard to Commission Decision 80/47/EEC of 20 December 1979 on surveillance and protective measures which Member States may be authorized to take in respect of imports of certain products, originating in third countries and put into free circulation in another Member State (¹), and in particular Article 3 thereof;

Whereas on 6 October 1980 a request was made under the first paragraph of Article 115 of the Treaty by the Italian Republic to the Commission of the European Communities for authorization not to apply Community treatment to woven fabrics of cotton, falling within heading No 55.09 of the Common Customs Tariff (category 2), originating in the People's Republic of China and in free circulation in the other Member States,

Whereas the importation into the Community of the products in question, originating in the People's Republic of China is covered by an Agreement negotiated between the Community and that country;

Whereas, under that Agreement, the People's Republic of China has undertaken to take all necessary steps to limit its exports of the products in question to the Community within certain ceilings;

Whereas in order to implement that Agreement and take account of its characteristics the Council adopted Regulation (EEC) No 3061/79 (²), introducing specific common rules for imports of certain textile products;

Whereas the differences in market conditions within the Community and the particular sensitivity of this branch of Community industry have been taken into account in allocating the abovementioned Community ceilings between the Member States; Whereas for this reason disparities still exist between the conditions governing the importation of the products in question into the different Member States; whereas uniformity can only be brought about gradually;

Whereas these disparities in the commercial policy measures applied by the Member States have resulted in deflections of trade, in that since 1 January 1980 Italy has admitted the products in question in free circulation, of which 431 tonnes originated in the said third country;

Whereas the quota share thus allocated to Italy has been taken up for 82%;

Whereas total imports of the products in question, originating in third countries have increased from 37 250 tonnes in 1978 to 61 197 tonnes in 1979; and to 32 861 tonnes in the first six months of 1980; whereas the market share taken by those imports has risen from $32 \cdot 1\%$ in 1978 to $39 \cdot 8\%$ in 1979;

Whereas the prices of the products in question originating in the People's Repbulic of China are approximately 36 % below the prices of like products manufactured in Italy;

Whereas output of like products in Italy has increased from 80 070 tonnes in 1978 to 91 716 tonnes in 1979; whereas the domestic industry's share of the home market has fallen from 50.19 % in 1978 to 43 % in 1979;

Whereas further indirect imports, in addition to those already admitted, would be likely to aggravate these difficulties and jeopardize the aims of the abovementioned commercial policy measures;

Whereas it is not possible to set in motion rapidly the machinery for bringing about the necessary cooperation from the other Member States;

^{(&}lt;sup>1</sup>) OJ No L 16, 22. 1. 1980, p. 14.

^{(&}lt;sup>2</sup>) OJ No L 345, 31. 12. 1979, p. 1.

Whereas authorization should accordingly be given for the application of protective measures under the first paragraph of Article 115, subject to the conditions laid down in Decision 80/47/EEC, and in particular Article 3 thereof;

Whereas applications for import documents covering 300 tonnes are duly pending with the authorities of the Member State having made the request; these applications do not need, to be covered by such authorization; HAS ADOPTED THIS DECISION :

Article 1

The Italian Republic is authorized not to apply Community treatment to the products indicated below, originating in the People's Republic of China and in free circulation in the other Member States, in respect of which applications for import licences were lodged after the date of the adoption of this Decision :

CCT heading No	Description
55.09 (NIMEXE codes 55.09-01, 02, 03, 04, 05, 11, 12, 13, 14, 15, 16, 17, 19, 21, 29, 31, 33, 35, 37, 38, 39, 41, 49, 51, 52, 53, 54, 55, 56, 57, 59, 61, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 76, 77, 78, 81, 82, 83, 84, 86, 87, 92, 93, 97) (category 2)	Woven fabrics of cotton, other than gauze terry fabrics, narrow woven fabrics, pile fabrics, chenille fabrics, tulle and other net fabrics

Article 2

This Decision shall apply until new opportunities arise in Italy for the importation of the products in question, originating in the People's Republic of China or until 31 December 1980, whichever is the earlier.

Article 3

This Decision is addressed to the Italian Republic.

Done at Brussels, 13 October 1980.

For the Commission Wilhelm HAFERKAMP Vice-President