

English edition

Legislation

Contents

I Acts whose publication is obligatory

Commission Regulation (EC) No 216/2003 of 4 February 2003 establishing the standard import values for determining the entry price of certain fruit and vegetables 1

Commission Regulation (EC) No 217/2003 of 4 February 2003 establishing the forecast supply balances for cereal products and dried fodder for the smaller Aegean islands for 2003 and amending Regulation (EC) No 3175/94 laying down detailed rules of application for the specific supply arrangements 3

*** Commission Regulation (EC) No 218/2003 of 4 February 2003 concerning the classification of certain goods in the Combined Nomenclature 5**

Commission Regulation (EC) No 219/2003 of 4 February 2003 on periodical sales by tender of beef held by certain intervention agencies and intended for processing within the Community 7

Commission Regulation (EC) No 220/2003 of 4 February 2003 on periodical sales by tender of beef held by certain intervention agencies 14

Commission Regulation (EC) No 221/2003 of 4 February 2003 authorising transfers between the quantitative limits of textiles and clothing products originating in the Islamic Republic of Pakistan 20

II Acts whose publication is not obligatory

Council

2003/76/EC:

*** Council Decision of 1 February 2003 establishing the measures necessary for the implementation of the Protocol, annexed to the Treaty establishing the European Community, on the financial consequences of the expiry of the ECSC Treaty and on the Research Fund for Coal and Steel 22**

2003/77/EC:

- ★ **Council Decision of 1 February 2003 laying down multiannual financial guidelines for managing the assets of the ECSC in liquidation and, on completion of the liquidation, the Assets of the Research Fund for Coal and Steel** 25

2003/78/EC:

- ★ **Council Decision of 1 February 2003 laying down the multiannual technical guidelines for the research programme of the Research Fund for Coal and Steel** 28

Commission

2003/79/EC:

- ★ **Commission Decision of 25 July 2001 declaring a concentration to be compatible with the common market and the EEA Agreement (Case No COMP/M.2333 — De Beers/LVMH) ⁽¹⁾ (notified under document number C(2001) 2365)** 40

Acts adopted pursuant to Title VI of the Treaty on European Union

- ★ **Council Framework Decision 2003/80/JHA of 27 January 2003 on the protection of the environment through criminal law** 55

Corrigenda

- ★ **Corrigendum to Commission Regulation (EC) No 2344/2002 of 18 December 2002 amending Annexes I, III, V and VII to Council Regulation (EEC) No 3030/93 on common rules for imports of certain textile products from third countries (OJ L 357 of 31.12.2002)** 59

⁽¹⁾ Text with EEA relevance

I

(Acts whose publication is obligatory)

COMMISSION REGULATION (EC) No 216/2003
of 4 February 2003
establishing the standard import values for determining the entry price of certain fruit and vegetables

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Commission Regulation (EC) No 3223/94 of 21 December 1994 on detailed rules for the application of the import arrangements for fruit and vegetables ⁽¹⁾, as last amended by Regulation (EC) No 1947/2002 ⁽²⁾, and in particular Article 4(1) thereof,

Whereas:

- (1) Regulation (EC) No 3223/94 lays down, pursuant to the outcome of the Uruguay Round multilateral trade negotiations, the criteria whereby the Commission fixes the standard values for imports from third countries, in respect of the products and periods stipulated in the Annex thereto.

- (2) In compliance with the above criteria, the standard import values must be fixed at the levels set out in the Annex to this Regulation,

HAS ADOPTED THIS REGULATION:

Article 1

The standard import values referred to in Article 4 of Regulation (EC) No 3223/94 shall be fixed as indicated in the Annex hereto.

Article 2

This Regulation shall enter into force on 5 February 2003.

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

Done at Brussels, 4 February 2003.

For the Commission
J. M. SILVA RODRÍGUEZ
Agriculture Director-General

⁽¹⁾ OJ L 337, 24.12.1994, p. 66.

⁽²⁾ OJ L 299, 1.11.2002, p. 17.

ANNEX

to the Commission Regulation of 4 February 2003 establishing the standard import values for determining the entry price of certain fruit and vegetables

(EUR/100 kg)

CN code	Third country code ⁽¹⁾	Standard import value
0702 00 00	052	74,4
	204	57,0
	212	123,3
	628	109,3
	999	91,0
0707 00 05	052	117,8
	204	114,7
	999	116,3
0709 10 00	220	82,4
	999	82,4
0709 90 70	052	108,8
	204	177,4
	999	143,1
0805 10 10, 0805 10 30, 0805 10 50	052	59,2
	204	50,2
	212	43,5
	220	32,0
	624	84,4
	999	53,9
0805 20 10	204	70,8
	999	70,8
0805 20 30, 0805 20 50, 0805 20 70, 0805 20 90	052	65,1
	204	58,0
	220	74,7
	464	141,0
	600	76,1
	624	77,9
	999	82,1
0805 50 10	052	66,9
	220	69,4
	600	66,0
	999	67,4
0808 10 20, 0808 10 50, 0808 10 90	400	87,8
	404	99,0
	720	103,0
	999	96,6
0808 20 50	388	102,7
	400	120,4
	524	115,5
	528	85,1
	720	41,0
	999	92,9

⁽¹⁾ Country nomenclature as fixed by Commission Regulation (EC) No 2020/2001 (OJ L 273, 16.10.2001, p. 6). Code '999' stands for 'of other origin'.

COMMISSION REGULATION (EC) No 217/2003
of 4 February 2003

establishing the forecast supply balances for cereal products and dried fodder for the smaller Aegean islands for 2003 and amending Regulation (EC) No 3175/94 laying down detailed rules of application for the specific supply arrangements

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 2019/93 of 19 July 1993 introducing specific measures for the smaller Aegean islands concerning certain agricultural products ⁽¹⁾, as last amended by Regulation (EC) No 442/2002 ⁽²⁾, and in particular Article 4 thereof,

Whereas:

- (1) Commission Regulation (EEC) No 2958/93 ⁽³⁾, as last amended by Regulation (EC) No 1820/2002 ⁽⁴⁾, lays down the common detailed rules for implementing Regulation (EEC) No 2019/93 as regards the specific arrangements for the supply of certain agricultural products to smaller Aegean islands, and pursuant to Article 3 of Regulation (EEC) No 2019/93, the amount of aid for this supply.
- (2) For the purposes of applying Article 2 of Regulation (EEC) No 2019/93, Commission Regulation (EC) No 3175/94 ⁽⁵⁾, as last amended by Regulation (EC) No 140/2002 ⁽⁶⁾, establishes for 2002 the forecast supply

balances for cereals and dried fodder. The forecast supply balances should be established for 2003. Regulation (EC) No 3175/94 should therefore be amended.

- (3) The measures provided for in this Regulation are in accordance with the opinion of the Joint Committee of the relevant management committees,

HAS ADOPTED THIS REGULATION:

Article 1

Pursuant to Article 2 of Regulation (EEC) No 2019/93, the forecast supply balance for cereal products and dried fodder for the smaller Aegean islands originating in the rest of the Community in 2003 shall be as set out in the Annex hereto.

Article 2

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

It shall apply from 1 January 2003.

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

Done at Brussels, 4 February 2003.

For the Commission

Franz FISCHLER

Member of the Commission

⁽¹⁾ OJ L 184, 27.7.1993, p. 1.

⁽²⁾ OJ L 68, 12.3.2002, p. 4.

⁽³⁾ OJ L 267, 28.10.1993, p. 4.

⁽⁴⁾ OJ L 276, 12.10.2002, p. 22.

⁽⁵⁾ OJ L 335, 23.12.1994, p. 54.

⁽⁶⁾ OJ L 24, 26.1.2002, p. 9.

ANNEX

Forecast supply balance for cereal products and dried fodder for the smaller Aegean islands for 2003*(tonnes)*

Quantity		2003	
Cereal products and dried fodder originating in the European Community	CN code	Islands belonging to group A	Islands belonging to group B
Grain cereals	1001, 1002, 1003, 1004 and 1005	9 000	70 000
Barley originating on Limnos	1003	3 000	
Wheat flour	1101 and 1102	11 000	40 000
Food industry wastes and residues	2302 to 2308	9 000	55 000
Preparations of a kind used in animal feed	2309 20	2 000	17 000
Lucerne and dehydrated fodder for artificial drying, by heat or other means	1214 10 00 1214 90 91 1214 90 99	2 000	7 000
Group total		33 000	189 000
Total		225 000	

Groups A and B are defined in Annexes I and II to Regulation (EEC) No 2958/93.

COMMISSION REGULATION (EC) No 218/2003
of 4 February 2003
concerning the classification of certain goods in the Combined Nomenclature

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature and on the Common Customs Tariff ⁽¹⁾, as last amended by Commission Regulation (EC) No 2176/2002 ⁽²⁾, and in particular Article 9 thereof,

Whereas:

- (1) In order to ensure uniform application of the Combined Nomenclature annexed to Regulation (EEC) No 2658/87, it is necessary to adopt measures concerning the classification of the goods referred to in the Annex to this Regulation.
- (2) Regulation (EEC) No 2658/87 has laid down the general rules for the interpretation of the Combined Nomenclature. Those rules also apply to any other nomenclature which is wholly or partly based on it or which adds any additional subdivision to it and which is established by specific Community provisions, with a view to the application of tariff and other measures relating to trade in goods.
- (3) Pursuant to the said general rules, the goods described in column 1 of the table set out in the Annex to this Regulation should be classified under the CN code indicated in column 2, by virtue of the reasons set out in column 3.
- (4) It is appropriate that binding tariff information issued by the customs authorities of Member States in respect of the classification of goods in the Combined

Nomenclature and which is not in accordance with the provisions of this Regulation, can continue to be invoked by the holder, under the provisions of Article 12(6) of Council Regulation (EEC) No 2913/92 of 12 October 1992 establishing the Community Customs Code ⁽³⁾, as last amended by Regulation (EC) No 2700/2000 of the European Parliament and of the Council ⁽⁴⁾, for a period of three months.

- (5) The measures provided for in this Regulation are in accordance with the opinion of the Customs Code Committee,

HAS ADOPTED THIS REGULATION:

Article 1

The goods described in column 1 of the table set out in the Annex are classified within the Combined Nomenclature under the CN code indicated in column 2 of that table.

Article 2

Binding tariff information issued by the customs authorities of Member States which is not in accordance with the provisions of this Regulation can continue to be invoked under the provisions of Article 12(6) of Regulation (EEC) No 2913/92 for a period of three months.

Article 3

This Regulation shall enter into force on the 20th day following that of 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, 4 February 2003.

For the Commission

Pascal LAMY

Member of the Commission

⁽¹⁾ OJ L 256, 7.9.1987, p. 1.
⁽²⁾ OJ L 331, 7.12.2002, p. 3.

⁽³⁾ OJ L 302, 19.10.1992, p. 1.
⁽⁴⁾ OJ L 311, 12.12.2000, p. 17.

ANNEX

Description of the goods	Classification CN code	Reasons
1	2	3
<p>Frozen, translucent sheets of dough (e.g., 20 x 20 cm), made from wheat flour, water, vegetable oil and salt and having undergone a heat treatment at 90 °C for 15 seconds. The product contains 52,5 % by weight starch/glucose and less than 4 % by weight sugar.</p> <p>These sheets are used directly, after thawing, for the preparation of spring rolls, which are then further cooked before consumption.</p>	1905 90 90	<p>Classification is determined by the provisions of General Rules 1 and 6 for the interpretation of the Combined Nomenclature and by the wording of CN codes 1905, 1905 90 and 1905 90 90.</p> <p>Because of the heat treatment the starch is predominantly gelatinised. Therefore, the product is considered as partially cooked and, hence, it is excluded from heading 1901 (see the Harmonised System Explanatory Note to heading 1901, Part (II) exclusion (e)).</p>

COMMISSION REGULATION (EC) No 219/2003

of 4 February 2003

on periodical sales by tender of beef held by certain intervention agencies and intended for processing within the Community

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 1254/1999 of 17 May 1999 on the common organisation of the market in beef and veal ⁽¹⁾, as last amended by Commission Regulation (EC) No 2345/2001 ⁽²⁾, and in particular Article 27(4), Article 28(2) and Article 41 thereof,

Whereas:

- (1) The application of intervention measures in respect of beef has created stocks in several Member States. In order to prevent an excessive prolongation of storage, part of these stocks should be sold by tender for processing in the Community.
- (2) The sale should be made subject to the rules laid down by Commission Regulations (EEC) No 2173/79 ⁽³⁾, as last amended by Regulation (EC) No 2417/95 ⁽⁴⁾, (EEC) No 3002/92 ⁽⁵⁾, as last amended by Regulation (EC) No 770/96 ⁽⁶⁾, and (EEC) No 2182/77 ⁽⁷⁾, as last amended by Regulation (EC) No 2417/95, subject to certain special exceptions on account of the particular use to which the products in question are to be put.
- (3) With a view to ensuring a regular and uniform tendering procedure, measures should be taken in addition to those laid down in Article 8(1) of Regulation (EEC) No 2173/79.
- (4) Provision should be made for derogations from Article 8(2)(b) of Regulation (EEC) No 2173/79, in view of the administrative difficulties which application of this point creates in the Member States concerned.
- (5) In order to ensure a proper functioning of the tender arrangements it is necessary to provide for a higher amount of security than the one fixed in Article 15(1) of Regulation (EEC) No 2173/79.
- (6) On the basis of experience gained with regard to the disposal of bone-in intervention beef, it is necessary to reinforce the quality controls of the products before their delivery to the purchasers, in particular to ensure that the products comply with the provisions in Annex III to Commission Regulation (EC) No 562/2000 of 15 March 2000 laying down detailed rules for the application of

Council Regulation (EC) No 1254/1999 as regards the buying-in of beef ⁽⁸⁾, as last amended by Regulation (EC) No 1564/2001 ⁽⁹⁾.

- (7) In order to ensure optimum monitoring of the destination of beef from intervention stocks, control measures should be taken, in addition to the measures provided for in Regulation (EEC) No 3002/92, which are based on physical inspection of quantities and qualities.
- (8) The measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Beef and Veal,

HAS ADOPTED THIS REGULATION:

Article 1

1. The sale shall take place of the following quantities of meat, for processing within the Community:

- approximately 2 500 tonnes of bone-in forequarters held by the German intervention agency,
- approximately 2 500 tonnes of bone-in forequarters held by the French intervention agency,
- approximately 2 500 tonnes of bone-in forequarters held by the Spanish intervention agency,
- approximately 1 492 tonnes of boneless beef held by the German intervention agency,
- approximately 1 244 tonnes of boneless beef held by the Spanish intervention agency,
- approximately 2 101 tonnes of boneless beef held by the French intervention agency,
- approximately 1 224 tonnes of boneless beef held by the Irish intervention agency,
- approximately 201 tonnes of boneless beef held by the Italian intervention agency,

Detailed information concerning quantities is given in Annex I.

2. Subject to the provisions of this Regulation the products referred to in paragraph 1 shall be sold in accordance with Regulations (EEC) No 2173/79, in particular Titles II and III thereof, (EEC) No 2182/77 and (EEC) No 3002/92.

⁽¹⁾ OJ L 160, 26.6.1999, p. 21.

⁽²⁾ OJ L 315, 1.12.2001, p. 29.

⁽³⁾ OJ L 251, 5.10.1979, p. 12.

⁽⁴⁾ OJ L 248, 14.10.1995, p. 39.

⁽⁵⁾ OJ L 301, 17.10.1992, p. 17.

⁽⁶⁾ OJ L 104, 27.4.1996, p. 13.

⁽⁷⁾ OJ L 251, 1.10.1977, p. 60.

⁽⁸⁾ OJ L 68, 16.3.2000, p. 22.

⁽⁹⁾ OJ L 208, 1.8.2001, p. 14.

Article 2

1. Notwithstanding Articles 6 and 7 of Regulation (EEC) No 2173/79, the provisions of and Annexes to this Regulation shall serve as a general notice of invitation to tender.

The intervention agencies concerned shall draw up notices of invitation to tender for each sale which shall include the following:

(a) the quantities of beef offered for sale;

and

(b) the deadline and place for submitting tenders.

2. Interested parties may obtain the details of the quantities available and the places where the products are stored from the addresses listed in Annex II to this Regulation. The intervention agencies shall, in addition, display the notices referred to in paragraph 1 at their head offices and may publish it in other ways.

3. For each product mentioned in Annex I the intervention agencies concerned shall sell first the meat which has been stored the longest. However, Member States may in exceptional cases and after having obtained authorisation from the Commission derogate from that obligation.

4. Tenders shall be submitted for the following closing dates:

(a) 11 February 2003;

(b) 25 February 2003;

(c) 11 March 2003;

(d) 25 March 2003;

until the quantities put up for sale are used up.

5. Notwithstanding Article 8(1) of Regulation (EEC) No 2173/79, a tender must be submitted to the intervention agency concerned in a closed envelope, bearing the reference to the Regulation concerned. The closed envelope must not be opened by the intervention agency before the expiry of the tender deadline referred to in paragraph 4.

6. Notwithstanding Article 8(2)(b) of Regulation (EEC) No 2173/79, tenders shall not indicate in which cold store or stores the products are held.

Article 3

1. Member States shall provide the Commission with information concerning the tenders received not later than on the working day following the deadline set for the submission of tenders.

2. After the tenders received have been examined a minimum selling price shall be set for each product or the sale will not proceed.

Article 4

1. A tender shall be valid only if presented by or on behalf of a natural or legal person who, for the 12 months prior to the entry into force of this Regulation, has been engaged in the processing of products containing beef and who is entered in a national VAT register. In addition, tenders must be presented by or on behalf of a processing establishment approved in accordance with Article 8 of Directive 77/99/EEC⁽¹⁾.

For the purposes of the preceding subparagraph, a retail or catering establishment or an establishment attached to a retail sales outlet where meat is processed and put up for sale to the final consumer shall not be taken into consideration.

2. Notwithstanding Article 3(1) and (2) of Regulation (EEC) No 2182/77, a tender must be accompanied by:

— a written undertaking by the tenderer to process the meat into the products specified in Article 6 within the period referred to in Article 5(1) of Regulation (EEC) No 2182/77,

— precise details of the establishment or establishments where the meat which has been purchased is to be processed.

3. The tenderers referred to in paragraph 1 may instruct an agent in writing to take delivery, on their behalf, of the products which they purchase. In this case the agent shall submit the bids of the tenderers represented together with the written instruction referred to above.

4. Notwithstanding Article 18(1) of Regulation (EEC) No 2173/79 the time limit for taking over meat sold pursuant to this Regulation shall be two months from the day of the notification referred to in Article 11 of the same Regulation.

5. The purchasers and agents referred to in the preceding paragraphs shall maintain and keep up to date an accounting system which permits the destination and use of the products to be ascertained with a view in particular to ensuring that the quantities of products purchased and manufactured tally.

Article 5

1. The Member States shall take all necessary measures to ensure that bone-in intervention products delivered to the purchasers are presented in a state which fully complies with Annex III of Regulation (EC) No 562/2000 and in particular the sixth indent of point 2(a) of that Annex.

2. The costs related to the measures referred to in paragraph 1 shall be borne by the Member States and shall, in particular, not be imposed on the purchaser or any other third party.

⁽¹⁾ OJ L 26, 31.1.1977, p. 85.

3. Member States shall notify the Commission ⁽¹⁾ of all cases where a bone-in intervention quarter has been identified as not complying with Annex III as referred to in paragraph 1, specifying the quality and quantity of the quarter as well as the slaughterhouse where it was produced.

Article 6

1. Meat purchased in accordance with this Regulation shall be processed into products which comply with the definitions for A products and B products set out in paragraphs 2 and 3 below.

2. An A product means a processed product falling within CN code 1602 10, 1602 50 31, 1602 50 39 or 1602 50 80, not containing meat other than that of animals of the bovine species, with a collagen/protein ratio of no more than 0,45 % ⁽²⁾ and containing by weight at least 20 % ⁽³⁾ of lean meat excluding offal ⁽⁴⁾ and fat with meat and jelly accounting for at least 85 % of the total net weight.

The product must be subjected to a heat treatment sufficient to ensure the coagulation of meat proteins in the whole of the product, which may not therefore show any traces of a pinkish liquid on the cut surface when the product is cut along a line passing through its thickest part.

3. A B product means a processed product containing beef, other than:

- one specified in Article 1(1)(a) of Regulation (EEC) No 1254/1999 or
- one referred to in paragraph 2.

However, a processed product falling within CN code 0210 20 90 which has been dried or smoked so that the colour and consistency of the fresh meat has totally disappeared and with a water/protein ratio not exceeding 3,2 shall be considered to be a B product.

Article 7

1. Member States shall set up a system of physical and documentary supervision to ensure that all meat is processed in accordance with Article 6.

The system must include physical checks of quantity and quality at the start of the processing, during the processing and after the processing operation is completed. To this end, processors shall at any time be able to demonstrate the identity and use of the meat through appropriate production records.

Technical verification of the production method by the competent authority may, to the extent necessary, make allowance for drip losses and trimmings.

⁽¹⁾ DG Agriculture, D2: fax number 00-32-2-295 36 13.

⁽²⁾ Determination of collagen content: the collagen content shall be taken to mean the hydroxyproline content multiplied by the factor 8. The hydroxyproline content must be determined according to ISO method 3496-1978.

⁽³⁾ The lean bovine meat content excluding fat is determined in accordance with the procedure described in the Annex to Commission Regulation (EEC) No 2429/86 (OJ L 210, 1. 8. 1986, p. 39).

⁽⁴⁾ Offal includes the following: heads and cuts thereof (including ears), feet, tails, hearts, udders, livers, kidneys, sweetbreads (thymus gland with pancreas), brains, lungs, throats, thick skirts, spleens, tongues, caul, spinal cords, edible skin, reproductive organs (i.e. uteri, ovaries and testes), thyroid glands, pituitary glands.

In order to verify the quality of the finished product and establish its conformity with the processor's recipe Member States shall undertake representative sampling and analysis of the product. The costs of such operations shall be borne by the processor concerned.

2. Member States may, at the request of the processor, authorise the boning of bone-in forequarters in an establishment other than that provided for in respect of processing provided the relevant operations take place in the same Member State under appropriate supervision.

3. Article 1 of Regulation (EEC) No 2182/77 shall not apply.

Article 8

1. Notwithstanding Article 15(1) of Regulation (EEC) No 2173/79, the security shall be EUR 12 per 100 kilograms.

2. The security provided for in Article 4(1) of Regulation (EEC) No 2182/77 shall be:

- for forequarters the difference in EUR between the tender price per tonne and EUR 1 600,
- for boneless beef of intervention codes INT 22 and INT 24 the difference in EUR between the tender price per tonne and EUR 1 800,
- for boneless beef of intervention codes INT 11, INT 18, INT 21 and INT 23 the difference in EUR between the tender price per tonne and EUR 1 400.

3. Notwithstanding Article 5(3) of Regulation (EEC) No 2182/77, the processing of all beef purchased into finished products as referred to in Article 6 shall constitute a principal requirement.

Article 9

Notwithstanding Article 9 of Regulation (EEC) No 2182/77, in addition to the entries provided for in Regulation (EEC) No 3002/92:

Section 104 of T 5 control copies must be completed with one or more of the following:

- Para transformación [Reglamentos (CEE) n° 2182/77 y (CE) n° 219/2003]
- Til forarbejdning (forordning (EØF) nr. 2182/77 og (EF) nr. 219/2003)
- Zur Verarbeitung bestimmt (Verordnungen (EWG) Nr. 2182/77 und (EG) Nr. 219/2003)
- Για μεταποίηση [κανονισμοί (ΕΟΚ) αριθ. 2182/77 και (ΕΚ) αριθ. 219/2003]
- For processing (Regulations (EEC) No 2182/77 and (EC) No 219/2003)
- Destinés à la transformation [règlements (CEE) n° 2182/77 et (CE) n° 219/2003]
- Destinate alla trasformazione [Regolamenti (CEE) n. 2182/77 e (CE) n. 219/2003]

- Bestemd om te worden verwerkt (Verordeningen (EEG) nr. 2182/77 en (EG) nr. 219/2003)
- Para transformação [Regulamentos (CEE) n.º 2182/77 e (CE) n.º 219/2003]
- Jalostettavaksi (Asetukset (ETY) N:o 2182/77 ja (EY) N:o 219/2003)
- För bearbetning (Förordningarna (EEG) nr 2182/77 och (EG) nr 219/2003)

Article 10

This Regulation shall enter into force on 5 February 2003.

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

Done at Brussels, 4 February 2003.

For the Commission
Franz FISCHLER
Member of the Commission

ANEXO I — BILAG I — ANHANG I — ΠΑΡΑΡΤΗΜΑ I — ANNEX I — ANNEXE I — ALLEGATO I —
BIJLAGE I — ANEXO I — LIITE I — BILAGA I

Estado miembro	Productos ⁽¹⁾	Cantidad aproximada (en toneladas)
Medlemsstat	Produkter ⁽¹⁾	Tilnærmet mængde (tons)
Mitgliedstaat	Erzeugnisse ⁽¹⁾	Ungefähre Mengen (Tonnen)
Κράτος μέλος	Προϊόντα ⁽¹⁾	Κατά προσέγγιση ποσότητα (τόνου)
Member State	Products ⁽¹⁾	Approximate quantity (tonnes)
État membre	Produits ⁽¹⁾	Quantité approximative (tonnes)
Stato membro	Prodotti ⁽¹⁾	Quantità approssimativa (tonnellate)
Lidstaat	Producten ⁽¹⁾	Hoeveelheid bij benadering (ton)
Estado-Membro	Produtos ⁽¹⁾	Quantidade aproximada (toneladas)
Jäsenvaltio	Tuotteet ⁽¹⁾	Arvioitu määrä (tonneina)
Medlemsstat	Produkter ⁽¹⁾	Ungefärlig kvantitet (ton)

a) **Carne con hueso — Kød, ikke udbenet — Fleisch mit Knochen — Κρέατα με κόκαλα — Bone-in beef — Viande avec os — Carni non disossate — Vlees met been — Carne com osso — Luullinen naudanliha — Kött med ben**

DEUTSCHLAND	— Vorderviertel	2 500
FRANCE	— Quartiers avant	2 500
ESPAÑA	— Cuartos delanteros	2 500

b) **Carne deshuesada — Udbenet kød — Fleisch ohne Knochen — Κρέατα χωρίς κόκαλα — Boneless beef — Viande désossée — Carni senza osso — Vlees zonder been — Carne desossada — Luuton naudanliha — Benfritt kött**

DEUTSCHLAND	— Vorderhesse (INT 21)	174
	— Schulter (INT 22)	466,7
	— Brust (INT 23)	751,2
	— Vorderviertel (INT 24)	100
ESPAÑA	— Paleta de intervención (INT 22)	495,4
	— Pecho de intervención (INT 23)	221,5
	— Cuarto delantero de intervención (INT 24)	526,9
FRANCE	— Flanchet d'intervention (INT 18)	1 500
	— Jarret avant d'intervention (INT 21)	601
IRELAND	— Intervention shank (INT 11)	3,7
	— Intervention flank (INT 18)	20
	— Intervention shin (INT 21)	100
	— Intervention shoulder (INT 22)	400
	— Intervention brisket (INT 23)	200
	— Intervention forequarter (INT 24)	500
ITALIA	— Petto di manzo d'intervento (INT 23)	200,7

⁽¹⁾ Véanse los anexos III y V del Reglamento (CE) n° 562/2000 de la Comisión (DO L 68 de 16.3.2000, p. 22), cuya última modificación la constituye el Reglamento (CE) n° 1564/2001 (DO L 208 de 1.8.2001, p. 14).

⁽²⁾ Se bilag III og V til Kommissionens forordning (EF) nr. 562/2000 (EFT L 68 af 16.3.2000, s. 22), senest ændret ved forordning (EF) nr. 1564/2001 (EFT L 208 af 1.8.2001, s. 14).

⁽³⁾ Vgl. Anhänge III und V der Verordnung (EG) Nr. 562/2000 der Kommission (ABl. L 68 vom 16.3.2000, S. 22), zuletzt geändert durch die Verordnung (EG) Nr. 1564/2001 (ABl. L 208 vom 1.8.2001, S. 14).

⁽⁴⁾ Βλέπε τα παραρτήματα III και V του κανονισμού (ΕΚ) αριθ. 562/2000 της Επιτροπής (ΕΕ L 68 της 16.3.2000, σ. 22), όπως τροποποιήθηκε τελευταία από τον κανονισμό (ΕΚ) αριθ. 1564/2001 (ΕΕ L 208 της 1.8.2001, σ. 14).

⁽⁵⁾ See Annexes III and V to Commission Regulation (EC) No 562/2000 (OJ L 68, 16.3.2000, p. 22), as last amended by Regulation (EC) No 1564/2001 (OJ L 208, 1.8.2001, p. 14).

⁽⁶⁾ Voir annexes III et V du règlement (CE) n° 562/2000 de la Commission (JO L 68 du 16.3.2000, p. 22), modifié en dernier lieu par le règlement (CE) n° 1564/2001 (JO L 208 du 1.8.2001, p. 14).

-
- (¹) Cfr. allegati III e V del regolamento (CE) n. 562/2000 della Commissione (GU L 68 del 16.3.2000, pag. 22), modificato da ultimo dal regolamento (CE) n. 1564/2001 (GU L 208 dell'1.8.2001, pag. 14).
- (¹) Zie de bijlagen III en V van Verordening (EG) nr. 562/2000 van de Commissie (PB L 68 van 16.3.2000, blz. 22). Verordening laatstelijk gewijzigd bij Verordening (EG) nr. 1564/2001 (PB L 208 van 1.8.2001, blz. 14).
- (¹) Ver anexos III e V do Regulamento (CE) n.º 562/2000 da Comissão (JO L 68 de 16.3.2000, p. 22), com a última redacção que lhe foi dada pelo Regulamento (CE) n.º 1564/2001 (JO L 208 de 1.8.2001, p. 14).
- (¹) Katso komission asetuksen (EY) N:o 562/2000 (EYVL L 68, 16.3.2000, s. 22), sellaisena kuin se on viimeksi muutettuna asetuksella (EY) N:o 1564/2001 (EYVL L 208, 1.8.2001, p. 14) liitteet III ja V.
- (¹) Se bilagorna III och V i kommissionens förordning (EG) nr 562/2000 (EGT L 68, 16.3.2000, s. 22), senast ändrad genom förordning (EG) nr 1564/2001 (EGT L 208, 1.8.2001, s. 14).
-

ANEXO II — BILAG II — ANHANG II — ΠΑΡΑΡΤΗΜΑ II — ANNEX II — ANNEXE II — ALLEGATO II — BIJLAGE II — ANEXO II — LIITE II — BILAGA II

Direcciones de los organismos de intervención — Interventionsorganernes adresser — Anschriften der Interventionsstellen — Διευθύνσεις των οργανισμών παρεμβάσεως — Addresses of the intervention agencies — Adresses des organismes d'intervention — Indirizzi degli organismi d'intervento — Adressen van de interventiebureaus — Endereços dos organismos de intervenção — Interventioelinten osoitteet — Interventionsorganens adresser

BUNDESREPUBLIK DEUTSCHLAND

Bundesanstalt für Landwirtschaft und Ernährung (BLE)
Postfach 1 80203, D-60083 Frankfurt am Main
Adickesallee 40
D-60322 Frankfurt am Main
Tel. (49-69) 1564-704/772
Telex 411727
Telefax (49-69) 1564-790/985

ESPAÑA

FEGA (Fondo Español de Garantía Agraria)
Beneficencia, 8
E-28005 Madrid
Tel. (34) 913 47 65 00, 913 47 63 10
télex FEGA 23427 E, FEGA 41818 E
fax (34) 915 21 98 32, 915 22 43 87

FRANCE

OFIVAL
80, avenue des Terroirs de France
F-75607 Paris Cedex 12
téléphone (33-1) 44 68 50 00
télex 215330
télécopieur (33-1) 44 68 52 33

IRELAND

Department of Agriculture and Food
Johnston Castle Estate
County Wexford
Tel. (353-53) 634 00
fax: (353-53) 428 42

ITALIA

AGEA (Agenzia Erogazioni in Agricoltura)
Via Palestro 81
I-00185 Roma
Tel. (39) 06 449 49 91
telex 61 30 03
telefax (39) 06 445 39 40/444 19 58

COMMISSION REGULATION (EC) No 220/2003
of 4 February 2003
on periodical sales by tender of beef held by certain intervention agencies

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 1254/1999 of 17 May 1999 on the common organisation of the market in beef and veal ⁽¹⁾, as last amended by Commission Regulation (EC) No 2345/2001 ⁽²⁾, and in particular Article 28(2) thereof,

Whereas:

- (1) The application of intervention measures in respect of beef has resulted in a build-up of stocks in several Member States. In order to prevent storage being prolonged excessively, part of those stocks should be put up for sale by periodical tender.
- (2) The sale should be conducted in accordance with Commission Regulation (EEC) No 2173/79 of 4 October 1979 on detailed rules of application for the disposal of beef bought in by intervention agencies ⁽³⁾, as last amended by Regulation (EC) No 2417/95 ⁽⁴⁾, and in particular Titles II and III thereof.
- (3) In the light of the frequency and nature of tenders under this Regulation it is necessary to derogate from Article 6 and 7 of Regulation (EEC) No 2173/79 with regard to the information and deadlines to be provided by the notice of invitation to tender.
- (4) In order to ensure that the sales by tender are conducted properly and uniformly, measures in addition to those provided for in Article 8(1) of Regulation (EEC) No 2173/79 should be adopted.
- (5) Provisions should be made for derogations from Article 8(2)(b) of Regulation (EEC) No 2173/79 in view of the administrative difficulties which the application of that point is creating in the Member States concerned.
- (6) In order to ensure a proper functioning of the tender arrangements it is necessary to provide for a higher amount of security than the one fixed in Article 15(1) of Regulation (EEC) No 2173/79.
- (7) On the basis of experience gained with regard to the disposal of bone-in intervention beef, it is necessary to reinforce the quality controls of the products before their delivery to the purchasers, in particular to ensure that the products comply with the provisions in Annex III of Regulation (EC) No 562/2000 of 15 March 2000 laying

down detailed rules for the application of Council Regulation (EC) No 1254/1999 as regards the buying-in of beef ⁽⁵⁾, as last amended by Regulation (EC) No 1564/2001 ⁽⁶⁾.

- (8) The measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Beef and Veal,

HAS ADOPTED THIS REGULATION:

Article 1

1. The following approximate quantities of intervention beef shall be put up for sale:

- 5 000 tonnes of bone-in hindquarters held by the German intervention agency,
- 5 000 tonnes of bone-in hindquarters held by the French intervention agency,
- 5 000 tonnes of bone-in hindquarters held by the Spanish intervention agency,
- 5 000 tonnes of bone-in forequarters held by the German intervention agency,
- 85 tonnes of bone-in forequarters held by the Austrian intervention agency,
- 5 000 tonnes of bone-in forequarters held by the French intervention agency,
- 5 000 tonnes of bone-in forequarters held by the Spanish intervention agency,
- 406 tonnes of bone-in forequarters held by the Danish intervention agency,
- 67 tonnes of bone-in forequarters held by the Dutch intervention agency,
- 2 125 tonnes of boneless beef held by the German intervention agency,
- 42 tonnes of boneless beef held by the Spanish intervention agency,
- 9 923 tonnes of boneless beef held by the French intervention agency,
- 2 662 tonnes of boneless beef held by the Irish intervention agency,
- 510 tonnes of boneless beef held by the Italian intervention agency,
- 43 tonnes of boneless beef held by the Dutch intervention agency.

⁽¹⁾ OJ L 160, 26.6.1999, p. 21.

⁽²⁾ OJ L 315, 1.12.2001, p. 29.

⁽³⁾ OJ L 251, 5.10.1979, p. 12.

⁽⁴⁾ OJ L 248, 14.10.1995, p. 39.

⁽⁵⁾ OJ L 68, 16.3.2000, p. 22.

⁽⁶⁾ OJ L 208, 1.8.2001, p. 14.

Detailed information concerning quantities is given in Annex I.

2. Subject to the provisions of this Regulation, the sale shall be conducted in accordance with Regulation (EEC) No 2173/79, and in particular Titles II and III thereof.

Article 2

1. Tenders shall be submitted for the following closing dates:

- (a) 10 February 2003;
- (b) 24 February 2003;
- (c) 10 March 2003;
- (d) 24 March 2003;

until the quantities put up for sale are used up.

2. Notwithstanding Articles 6 and 7 of Regulation (EEC) No 2173/79, this Regulation shall serve as a general notice of invitation to tender.

The intervention agencies concerned shall draw up notices of invitation to tender for each sale, setting out in particular:

- the quantities of beef put up for sale, and
- the deadline and place for the submission of tenders.

3. Particulars of the quantities and the places where the products are stored may be obtained by the parties concerned at the addresses set out in the Annex II. The intervention agencies shall, in addition, display the notices referred to in paragraph 2 at their head offices and may also publish them in other ways.

4. The intervention agencies concerned shall sell first meat which has been in storage for the longest time. However, Member States may in exceptional cases and after having obtained authorisation from the Commission derogate from that obligation.

5. Only tenders reaching the intervention agencies concerned by 12 noon on the relevant closing date for each sale by tender shall be considered.

6. Notwithstanding Article 8(1) of Regulation (EEC) No 2173/79, tenders must be submitted to the intervention agency concerned in sealed envelopes bearing a reference to this Regulation and the relevant date. The sealed envelopes must not be opened by the intervention agency before the deadline for submission as referred to in paragraph 5 has expired.

7. Notwithstanding Article 8(2)(b) of Regulation (EEC) No 2173/79, tenders shall not specify the store or stores where the products are held.

8. Notwithstanding Article 15(1) of Regulation (EEC) No 2173/79, the security shall be EUR 12 per 100 kilograms.

Article 3

1. Not later than the day following the closing date for the submission of tenders, the Member States shall send the Commission details of tenders received.

2. Following scrutiny of the tenders, a minimum selling price shall be set or no award shall be made.

Article 4

1. The intervention agency shall send each tenderer the information referred to in Article 11 of Regulation (EEC) No 2173/79 by fax.

2. Notwithstanding Article 18(1) of Regulation (EEC) No 2173/79 the time limit for taking over meat sold pursuant to this Regulation shall be two months from the day of the notification referred to in Article 11 of the same Regulation.

Article 5

1. The Member States shall take all necessary measures to ensure that bone-in intervention products delivered to the purchasers are presented in a state which fully complies with Annex III of Regulation (EC) No 562/2000 and in particular the sixth indent of point 2(a) of that Annex.

2. The costs related to the measures referred to in paragraph 1 shall be borne by the Member States and shall, in particular, not be imposed on the purchaser or any other third party.

3. Member States shall notify the Commission⁽¹⁾ of all cases where a bone-in intervention quarter has been identified as not complying with Annex III as referred to in paragraph 1, specifying the quality and quantity of the quarter as well as the slaughterhouse where it was produced.

Article 6

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

⁽¹⁾ DG Agriculture, D2: fax number 0032-2 295 36 13.

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

Done at Brussels, 4 February 2003.

For the Commission
Franz FISCHLER
Member of the Commission

ANEXO I — BILAG I — ANHANG I — ΠΑΡΑΡΤΗΜΑ I — ANNEX I — ANNEXE I — ALLEGATO I — BIJLAGE I —
ANEXO I — LIITE I — BILAGA I

Estado miembro	Productos (*)	Cantidad aproximada (en toneladas)
Medlemsstat	Produkter (*)	Tilnærmet mængde (tons)
Mitgliedstaat	Erzeugnisse (*)	Ungefähre Mengen (Tonnen)
Κράτος μέλος	Προϊόντα (*)	Κατά προσέγγιση ποσότητα (τόνοι)
Member State	Products (*)	Approximate quantity (tonnes)
État membre	Produits (*)	Quantité approximative (tonnes)
Stato membro	Prodotti (*)	Quantità approssimativa (tonnellate)
Lidstaat	Producten (*)	Hoeveelheid bij benadering (ton)
Estado-Membro	Produtos (*)	Quantidade aproximada (toneladas)
Jäsenvaltio	Tuotteet (*)	Arvioitu määrä (tonneina)
Medlemsstat	Produkter (*)	Ungefärlig kvantitet (ton)

a) **Carne con hueso — Kød, ikke udbenet — Fleisch mit Knochen — Εμπρόσθια τέταρτα με κόκαλα — Bone-in beef — Viande avec os — Carni non disossate — Vlees met been — Carne com osso — Luullinen naudanliha — Kött med ben**

DANMARK	— Forfjerdinger	405,3
DEUTSCHLAND	— Hinterviertel	5 000
	— Vorderviertel	5 000
ESPAÑA	— Cuartos traseros	5 000
	— Cuartos delanteros	5 000
FRANCE	— Quartiers arrière	5 000
	— Quartiers avant	5 000
NEDERLAND	— Voorvoeten	66,8
ÖSTERREICH	— Vorderviertel	85

b) **Carne deshuesada — Udbenet kød — Fleisch ohne Knochen — Κρέατα χωρίς κόκαλα — Boneless beef — Viande désossée — Carni senza osso — Vlees zonder been — Carne desossada — Luuton naudanliha — Benfritt kött**

DEUTSCHLAND	— Kugel (INT 12)	216,4
	— Oberschale (INT 13)	56,7
	— Unterschale (INT 14)	444
	— Filet (INT 15)	157
	— Hüfte (INT 16)	446,9
	— Roastbeef (INT 17)	278,5
	— Lappen (INT 18)	29,9
	— Hochrippe (INT 19)	141,3
	— Schulter (INT 22)	250
	— Vorderviertel (INT 24)	104
ESPAÑA	— Lomo de intervención (INT 17)	41,8
FRANCE	— Tranche grasse d'intervention (INT 12)	750
	— Tranche d'intervention (INT 13)	750
	— Semelle d'intervention (INT 14)	750
	— Filet d'intervention (INT 15)	172,9
	— Rumsteck d'intervention (INT 16)	750
	— Faux-filet d'intervention (INT 17)	750
	— Flanchet d'intervention (INT 18)	1 500
	— Épaule d'intervention (INT 22)	1 500
	— Poitrine d'intervention (INT 23)	1 500
	— Avant d'intervention (INT 24)	1 500

Estado miembro	Productos ⁽¹⁾	Cantidad aproximada (en toneladas)
Medlemsstat	Produkter ⁽¹⁾	Tilnærmet mængde (tons)
Mitgliedstaat	Erzeugnisse ⁽¹⁾	Ungefähre Mengen (Tonnen)
Κράτος μέλος	Προϊόντα ⁽¹⁾	Κατά προσέγγιση ποσότητα (τόνοι)
Member State	Products ⁽¹⁾	Approximate quantity (tonnes)
État membre	Produits ⁽¹⁾	Quantité approximative (tonnes)
Stato membro	Prodotti ⁽¹⁾	Quantità approssimativa (tonnellate)
Lidstaat	Producten ⁽¹⁾	Hoeveelheid bij benadering (ton)
Estado-Membro	Produtos ⁽¹⁾	Quantidade aproximada (toneladas)
Jäsenvaltio	Tuotteet ⁽¹⁾	Arvioitu määrä (tonneina)
Medlemsstat	Produkter ⁽¹⁾	Ungefärlig kvantitet (ton)
IRELAND	— Intervention thick flank (INT 12)	20,3
	— Intervention topside (INT 13)	40,8
	— Intervention silverside (INT 14)	36
	— Intervention fillet (INT 15)	19,4
	— Intervention rump (INT 16)	46,4
	— Intervention striploin (INT 17)	44,4
	— Intervention flank (INT 18)	26,4
	— Intervention fore-rib (INT 19)	38,2
	— Intervention shin (INT 21)	1 32,2
	— Intervention shoulder (INT 22)	800
ITALIA	— Intervention brisket (INT 23)	457,6
	— Intervention forequarter (INT 24)	1 000
	— Girello d'intervento (INT 14)	246,5
	— Filetto d'intervento (INT 15)	65,5
NEDERLAND	— Scamone (INT 16)	85,2
	— Roastbeef d'intervento (INT 17)	111,9
	— Interventieschouder (INT 22)	10,8
	— Interventieborst (INT 23)	31,5

⁽¹⁾ Véanse los anexos III y V del Reglamento (CE) n.º 562/2000.

⁽¹⁾ Se bilag III og V til forordning (EF) nr. 562/2000.

⁽¹⁾ Vgl. Anhänge III und V der Verordnung (EG) Nr. 562/2000.

⁽¹⁾ Βλέπε τα παραρτήματα III και V του κανονισμού (ΕΚ) αριθ. 562/2000.

⁽¹⁾ See Annexes III and V to Regulation (EC) No 562/2000.

⁽¹⁾ Voir annexes III et V du règlement (CE) n.º 562/2000.

⁽¹⁾ Cfr. allegati III e V del regolamento (CE) n. 562/2000.

⁽¹⁾ Zie de bijlagen III en V van Verordening (EG) nr. 562/2000.

⁽¹⁾ Ver anexos III e V do Regulamento (CE) n.º 562/2000.

⁽¹⁾ Katso asetuksen (EY) N:o 562/2000 liitteet III ja V.

⁽¹⁾ Se bilagorna III och V i förordning (EG) nr 562/2000.

ANEXO II — BILAG II — ANHANG II — ΠΑΡΑΡΤΗΜΑ II — ANNEX II — ANNEXE II — ALLEGATO II — BIJLAGE II — ANEXO II — LIITE II — BILAGA II

Direcciones de los organismos de intervención — Interventionsorganernes adresser — Anschriften der Interventionsstellen — Διευθύνσεις των οργανισμών παρεμβάσεως — Addresses of the intervention agencies — Adresses des organismes d'intervention — Indirizzi degli organismi d'intervento — Adressen van de interventiebureaus — Endereços dos organismos de intervenção — Interventioelinten osoitteet — Interventionsorganens adresser

BUNDESREPUBLIK DEUTSCHLAND

Bundesanstalt für Landwirtschaft und Ernährung (BLE)
Postfach 1 80203, D-60083 Frankfurt am Main
Adickesallee 40
D-60322 Frankfurt am Main
Tel. (49-69) 1564-704/772; Telex 411727; Telefax (49-69) 1564-790/985

DANMARK

Ministeriet for Fødevarer, Landbrug og Fiskeri
Direktoratet for Fødevareerhverv
Kampmannsgade 3
DK-1780 København V
Tlf. (45) 33 95 80 00; telex 151317 DK; fax (45) 33 95 80 34

ESPAÑA

FEGA (Fondo Español de Garantía Agraria)
Beneficencia, 8
E-28005 Madrid
Tel. (34) 913 47 65 00, 913 47 63 1; télex FEGA 23427 E, FEGA 41818 E; fax (34) 915 21 98 32, 915 22 43 87

FRANCE

OFIVAL
80, avenue des Terroirs de France
F-75607 Paris Cedex 12
Téléphone (33-1) 44 68 50 00; télex 215330; télécopieur (33-1) 44 68 52 33

IRELAND

Department of Agriculture and Food
Johnston Castle Estate
County Wexford
Tel. (353-53) 634 00; fax: (353-53) 428 42

ITALIA

AGEA (Agenzia Erogazioni in Agricoltura)
Via Palestro 81
I-00185 Roma
Tel. (39) 06 449 49 91; telex 61 30 03; telefax (39) 06 445 39 40/444 19 58

NEDERLAND

Ministerie van Landbouw, Natuurbeheer en Visserij
p/a LASER Roermond
Slachthuisstraat 71
Postbus 965
6040 AZ Roermond
Nederland
Tel. (31-475) 35 54 44; fax (31-475) 31 89 39

ÖSTERREICH

AMA-Agramarkt Austria
Dresdner Straße 70
A-1201 Wien
Tel. (43-1) 33 15 12 20; Telefax (43-1) 33 15 12 97

COMMISSION REGULATION (EC) No 221/2003
of 4 February 2003
authorising transfers between the quantitative limits of textiles and clothing products originating
in the Islamic Republic of Pakistan

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 138/2003 ⁽²⁾, and in particular Article 7 thereof,

Whereas:

- (1) The Memorandum of Understanding between the European Community and the Islamic Republic of Pakistan on arrangements in the area of market access for textiles products, initialled on 15 October 1994 ⁽³⁾ and approved by Council Decision 96/386/EC ⁽⁴⁾, provides that favourable consideration is to be given to certain requests for so-called 'exceptional flexibility' by Pakistan.
- (2) The Islamic Republic of Pakistan submitted requests for transfers between categories on 20 December 2002 and 16 January 2003.
- (3) The transfers requested by the Islamic Republic of Pakistan fall within the limits of the flexibility provisions referred to in Article 7 of Regulation (EEC) No 3030/93 and set out in Annex VIII thereto.

- (4) It is appropriate to grant the requests in the form of an advance use of 2003 quotas for the categories requested.
- (5) It is desirable for this Regulation to enter into force on the day after its publication in order to allow operators to benefit from it as soon as possible.
- (6) 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

Transfers between the quantitative limits for textile goods originating in the Islamic Republic of Pakistan, are authorised for the quota year 2002 in accordance with the Annex to this Regulation.

Article 2

This Regulation shall enter into force on the day following that of 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, 4 February 2003.

For the Commission

Pascal LAMY

Member of the Commission

⁽¹⁾ OJ L 275, 8.11.1993, p. 1.

⁽²⁾ OJ L 23, 28.1.2003, p. 1.

⁽³⁾ OJ L 153, 27.6.1996, p. 48.

⁽⁴⁾ OJ L 153, 27.6.1996, p. 47.

ANNEX

Pakistan				Adjusted working level	Adjustment				
Group	Category	Unit	Limit 2002		Quantity in Units	Quantity (in tonnes)	%	Flexibility	Adjusted working level
IB	6	pieces	44 999 000	50 799 525	2 816 901	1 600	6,3	Advance use from 2003	53 615 525
IIA	9	kg	12 124 000	14 082 950	1 300 000	1 300	10,7	Advance use from 2003	15 382 950
IIB	20	kg	46 804 000	54 889 102	1 000 000	1 000	2,1	Advance use from 2003	55 889 102

II

(Acts whose publication is not obligatory)

COUNCIL

COUNCIL DECISION

of 1 February 2003

establishing the measures necessary for the implementation of the Protocol, annexed to the Treaty establishing the European Community, on the financial consequences of the expiry of the ECSC Treaty and on the Research Fund for Coal and Steel

(2003/76/EC)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to the Protocol, annexed to the Treaty establishing the European Community, on the financial consequences of the expiry of the ECSC Treaty and on the Research Fund for Coal and Steel, and in particular Article 2 thereof,

Having regard to the proposal from the Commission ⁽¹⁾,

Having regard to the opinion of the European Parliament ⁽²⁾,

Whereas:

- (1) Under Article 97 of the Treaty establishing the European Coal and Steel Community (ECSC), the Treaty expired on 23 July 2002.
- (2) The Protocol annexed to the Treaty establishing the European Community, (hereinafter referred to as 'the Protocol') transfers the assets and liabilities of the ECSC to the European Community and allocates the net worth of these assets, as they appear in the balance sheet of the ECSC of 23 July 2002, to research in the sectors related to the coal and steel industry. This use of the assets is consistent with the resolution on growth and employment adopted by the European Council at its meeting in Amsterdam on 16 and 17 June 1997 ⁽³⁾, and with the resolutions of the Council and the Representatives of the Governments of the Member States, meeting within the Council, of 20 July 1998 ⁽⁴⁾ and 21 June 1999 ⁽⁵⁾.
- (3) It is necessary to determine the distribution of the research appropriations between the two sectors concerned.

- (4) It is necessary to establish the rules for implementing the Protocol, and in particular the decision-making procedures for adopting the multiannual financial guidelines for managing the assets of the Research Fund for Coal and Steel and the multiannual technical guidelines for the research programme of the Research Fund for Coal and Steel (hereinafter referred to as 'the programme'), bearing in mind that unless otherwise provided in this Decision, the Commission is responsible for the management of the assets in accordance with the relevant provisions of the Treaty establishing the European Community and secondary legislation adopted on the basis thereof.

- (5) When the ECSC Treaty expires, certain financial operations, involving both revenue and expenditure, will still be outstanding, resulting from the implementation of ECSC operating budgets for earlier years and ECSC borrowing and lending activities.
- (6) It is necessary to designate the institution responsible for winding-up these operations and establishing the procedures needed to do so. It would be appropriate to entrust the Commission with the winding-up and to decide that the procedures to be followed will be those in force at 23 July 2002, in accordance with the ECSC Treaty and secondary legislation.

- (7) At its meeting of 11 September 1996, the Commission concluded that reserves should be kept to cover, after 2002, 100 % of the outstanding loans not covered by a Member State guarantee. The ECSC funds administered totalled approximately EUR 1,6 billion on 23 July 2002. The amount will vary depending on the financial activities still to be carried out before and after the expiry of the ECSC Treaty.

⁽¹⁾ OJ C 180, 26.6.2001, p. 4.

⁽²⁾ OJ C 177, 25.7.2002, p. 28.

⁽³⁾ OJ C 236, 2.8.1997, p. 3.

⁽⁴⁾ OJ C 247, 7.8.1998, p. 5.

⁽⁵⁾ OJ C 190, 7.7.1999, p. 1.

- (8) Where debtors default during the liquidation period after 23 July 2002 and in order to guarantee the annual stability of the coal and steel research Instrument, any default by an ECSC debtor should first be charged to the capital and then to the revenues funding research,

HAS ADOPTED THIS DECISION:

Article 1

1. The Commission shall be entrusted with winding-up the financial operations of the European Coal and Steel Community which are still in progress when the ECSC Treaty expires. Where an ECSC debtor defaults during the liquidation period, the resulting loss shall be charged first to the existing capital and then to the revenue of the current year. The Commission, before writing off any claim against an ECSC debtor in default, will exhaust all remedies including the call on guarantees (mortgages, cautions, bank guaranties or other). The Commission will reserve all possible actions in case that the debtor regains solvency.
2. The liquidation shall be conducted in accordance with the rules and procedures applying to these operations, with the Community institutions enjoying the existing powers and prerogatives provided for by the ECSC Treaty and secondary legislation in force on 23 July 2002.

Article 2

1. The assets shall be managed by the Commission in such a manner as to ensure a long-term return. The investment of the liquid assets should be aimed at the highest possible yield that is compatible with security.
2. The Council, acting by qualified majority on a proposal from the Commission and after consulting the European Parliament, shall adopt multiannual financial guidelines for management of the assets.

Article 3

1. Each year a profit-and-loss account, balance sheet and financial report shall be drawn up to show, separately from the other financial operations of the remaining Communities, the liquidation operations provided for in Article 1 and the investment transactions under Article 2.

These financial statements shall be annexed to the financial statements drawn up by the Commission annually under Article 275 of the EC Treaty and the Financial Regulation applicable to the general budget of the European Communities.

2. The powers of the European Parliament, the Council and the Court of Auditors concerning control and discharge as set out in the Treaty establishing the European Community and in the Financial Regulation applicable to the general budget of the European Communities shall apply to the operations referred to in paragraph 1.

Article 4

1. Net revenue from the investments provided for under Article 2 shall constitute revenue in the general budget of the European Union. This revenue shall be earmarked for a specific purpose, namely financing research projects in the sectors related to the coal and steel industry not covered by the Research Framework Programme. It shall form the Research Fund for Coal and Steel and shall be managed by the Commission.

2. The revenue referred to in paragraph 1 shall be distributed, 27,2 % being allocated to the coal-related research and 72,8 % to the steel-related research. Should it prove necessary, the Council, acting unanimously on a proposal from the Commission, shall modify the breakdown between coal-related research and steel-related research.

3. The multiannual technical guidelines for the programme shall be adopted by the Council acting by qualified majority on a proposal from the Commission and after consulting the European Parliament.

4. Unused revenue and appropriations deriving from this revenue still available on 31 December in any given year shall be carried over automatically to the following year. These appropriations may not be transferred to other budget items.

5. Budgetary appropriations corresponding to cancellations of commitments shall automatically lapse at the end of each financial year. Provisions for commitments released as a result of the cancellations shall be entered in the balance sheet and the profit-and-loss account provided for in Article 3(1) and shall return initially to the assets of the ECSC in liquidation and subsequently, on completion of the liquidation, to the Assets of the Research Fund for Coal and Steel. Amounts recovered shall similarly be entered in the balance sheet and the profit-and-loss account.

Article 5

1. Net revenue available to finance research projects for year $n+2$ shall be recorded in the balance sheet of the ECSC in liquidation of year n and, on completion of the liquidation, in the balance sheet of the Assets of the Research Fund for Coal and Steel.

2. In order to minimise fluctuations in research funding due to movements on the financial markets, a smoothing shall be effected and a provision made for a contingency. Details of the calculations for smoothing and determining the size of the contingency provision are contained in the Annex.

Article 6

Administrative expenditure resulting from liquidation, investment and management operations referred to in this Decision, corresponding to the expenditure laid down in Article 20 of the Treaty establishing a Single Council and a Single Commission of the European Communities of 8 April 1965, the amount of which was adjusted by the Council Decision of 21 November 1977, shall be met by the Commission from the general budget of the European Union.

Article 7

The Commission shall determine the amount of the assets and liabilities of the ECSC in a balance sheet closed at 23 July 2002.

Article 8

This Decision shall take effect on the day following that of its publication in the *Official Journal of the European Union*.

It shall apply from 24 July 2002.

Article 9

This Decision is addressed to the Member States.

Done at Brussels, 1 February 2003.

For the Council
The President
G. PAPANDEOU

 ANNEX

Procedures to be followed to establish the amount of net revenue to be allocated to the Research Fund for Coal and Steel

1. INTRODUCTION

Net revenue which may be used to finance research projects corresponds to the annual net result of the ECSC in liquidation and subsequently, when liquidation has been completed, to the annual net result of the Assets of the Research Fund for Coal and Steel. The method employed consists of establishing the funding for coal and steel research for year n+2 when producing the balance sheet for year n, taking into account half of the increase or decrease in the net result in relation to the last level of funding adopted for coal and steel research.

2. DEFINITION

- n: reference year
 R_n : net result for year n
 P_n : contingency provision for year n
 D_{n+1} : allocation for research for year n+1 (established when the balance sheet for year n - 1 is produced)
 D_{n+2} : allocation for research for year n+2

3. ALGORITHMS USED

The algorithms used to establish the size of the contingency provision and the allocations for research for year n+2, which will appear in the balance sheet for year n, are as follows:

3.1. size of contingency provision:

$$P_n = P_{n-1} + 0,5 * (R_n - D_{n+1})$$

3.2. allocations for research for year n+2 (rounded up or down to the nearest EUR 100 000. If the calculation gives a result exactly halfway, the allocation shall be rounded up to the nearest EUR 100 000):

$$D_{n+2} = D_{n+1} + 0,5 * (R_n - D_{n+1})$$

Where appropriate, the amount needed for rounding up (or the amount left over from rounding down) will be taken from (or returned to) the contingency provision.

COUNCIL DECISION**of 1 February 2003****laying down multiannual financial guidelines for managing the assets of the ECSC in liquidation and, on completion of the liquidation, the Assets of the Research Fund for Coal and Steel**

(2003/77/EC)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to the Protocol annexed to the Treaty establishing the European Community on the financial consequences of the expiry of the ECSC Treaty and on the Research Fund for Coal and Steel,

Having regard to Council Decision 2003/76/EC of 1 February 2003 establishing the measures necessary for the implementation of the Protocol, annexed to the Treaty establishing the European Community, on the financial consequences of the expiry of the ECSC Treaty and on the Research Fund for Coal and Steel ⁽¹⁾, and in particular Article 2(2) thereof,Having regard to the proposal from the Commission ⁽²⁾,Having regard to the opinion of the European Parliament ⁽³⁾,

Whereas:

- (1) For the purposes of the Protocol annexed to the Treaty establishing the European Community on the financial consequences of the expiry of the ECSC Treaty and on the Research Fund for Coal and Steel, the Commission shall manage the assets of the ECSC in liquidation and, on completion of the liquidation, the Assets of the Research Fund for Coal and Steel.
- (2) The management of these assets should be aimed at the highest possible yield that is compatible with security.
- (3) The entire capital of the Assets of the Research Fund for Coal and Steel, yielded by the liquidation, should be preserved intact.
- (4) The management of the transferred assets should take account of the experience gained in conducting the financial operations of the European Coal and Steel Community, and the multiannual financial guidelines for managing the assets of the ECSC in liquidation and, on completion of the liquidation, the Assets of the Research Fund for Coal and Steel should therefore be based on this experience,

HAS ADOPTED THIS DECISION:

Article 1

The multiannual financial guidelines for managing the assets of the ECSC in liquidation and, on completion of the liquidation, the Assets of the Research Fund for Coal and Steel (hereinafter referred to as the 'financial guidelines') are set out in the Annex.

Article 2

The financial guidelines shall be reviewed or supplemented, if appropriate, every five years, first period ending on 31 December 2007. To this end, and at the latest in the first six months of the last year of each five-year period, the Commission shall reassess the operation and effectiveness of the financial guidelines and shall propose any appropriate amendments.

If it sees fit, the Commission may carry out such reassessment and shall submit proposals for any appropriate amendments to the Council before the expiry of the five-year period.

Article 3

This Decision shall take effect on the day following that of its publication in the *Official Journal of the European Union*.

It shall apply from 24 July 2002.

Article 4

This Decision is addressed to the Member States.

Done at Brussels, 1 February 2003.

For the Council
The President
G. PAPANDEOU

⁽¹⁾ See page 22 of this Official Journal.

⁽²⁾ OJ C 180, 26.6.2001, p. 10.

⁽³⁾ OJ C 177, 25.7.2002, p. 28.

ANNEX

FINANCIAL GUIDELINES FOR MANAGING THE ASSETS OF THE ECSC IN LIQUIDATION AND, ON COMPLETION OF THE LIQUIDATION, THE ASSETS OF THE RESEARCH FUND FOR COAL AND STEEL

1. USE OF FUNDS

- (a) The assets of the ECSC in liquidation, including both its loan portfolio and its investments, shall be used as necessary to meet the remaining obligations of the ECSC, in terms of its outstanding borrowings, of its commitments resulting from previous operating budgets, and of any unforeseeable liability.
- (b) To the extent that the assets of the ECSC in liquidation are not needed to meet obligations as described in (a), they shall be invested so as to provide income to be used to fund the continuation of research in the sectors related to the coal and steel industry.
- (c) The Assets of the Research Fund for Coal and Steel shall be invested so as to provide income to be used to fund the continuation of research in the sectors related to the coal and steel industry.

2. ALLOCATION OF ASSETS

Pursuant to point 1, the Commission will allocate the assets between the following three categories:

- (a) reserves needed to provide an assurance to the creditors of the ECSC that all of its outstanding borrowings and the interest thereon will be paid in full on their due date, thus enabling the obligor to maintain its 'AAA' rating or its equivalent;
- (b) funds needed to guarantee the disbursement of all amounts legally engaged under the Operating Budget of the ECSC prior to the end of the ECSC Treaty;
- (c) to the extent that funds are no longer needed for the above purposes (due either to the reimbursement of borrowings or payment of interest without call on the reserves or the eventual cancellation of budgetary obligations) such funds will be allocated to investment categories.

3. INVESTMENT CATEGORIES

The assets referred to in point 2 are to be invested in such a way as to ensure that funds are available as and when needed, while still generating the highest return available, consistent with maintaining a high degree of security and stability over the long-term.

- (a) To obtain these objectives, investment in the following asset categories only shall be permitted:
 - (i) term deposits with authorised banks;
 - (ii) money market instruments, with a final maturity of less than one year, issued by authorised banks or by other categories of authorised issuers;
 - (iii) fixed and floating rate bonds, with a maturity not exceeding 10 years, provided that they are issued by any of the categories of authorised issuers;
 - (iv) equity shareholdings in authorised collective investment funds, provided that such investments are limited to funds whose aim is to respond to the performance of a financial index and only for the investments referred to in point 2(c).
- (b) The Commission may also make use of the following operations in respect of the asset categories set out in (a):
 - (i) repurchase and reverse repurchase agreements, provided the counterparts are authorised for such transactions, and provided that:
 - securities held under such contracts may not be re-sold to parties other than the contracting counterparty prior to the contractual deadline, and
 - the Commission remains in a position to re-purchase securities that it may have sold at the contractual deadline;
 - (ii) bond lending operations, but only under the conditions and procedures laid down by recognised clearing systems such as Clearstream and Euroclear, or by leading financial institutions specialising in this type of operations, subject to prudential rules considered as being equivalent to Community rules.
- (c) 'Authorised' counterparts, as the term is used in these guidelines are those selected by the Commission under its rules and procedures referred to in point 7.

4. INVESTMENT LIMITS

- (a) The investment shall be limited to the following amounts:
- (i) for bonds issued or guaranteed by Member States or institutions of the Union, EUR 250 million per Member State or institution;
 - (ii) for bonds issued or guaranteed by other sovereign or supranational borrowers, with a credit rating of not less than 'AA' or its equivalent, EUR 100 million per issuer or guarantor;
 - (iii) for deposits with and/or debt instruments of an authorised bank, the lower of either EUR 100 million per bank or 5 % of the bank's own funds;
 - (iv) for bonds of corporate issuers with a credit rating of not less than 'AAA' or its equivalent, EUR 50 million per issuer;
 - (v) for bonds of corporate issuers with a credit rating of not less than 'AA' or its equivalent, EUR 25 million per issuer;
 - (vi) for holdings of collective investment funds with a credit rating of not less than 'AA' or its equivalent, EUR 25 million for each such vehicle.
- (b) The investment in any single bond issue, subject to the limits given in (a), shall not be more than 20 % of the total amount of such issue.
- (c) The investment in any single counterparty, subject to the limits given in (a), and cumulated between instruments where necessary, shall not be more than 20 % of the total assets.
- (d) The ratings referred to in these guidelines shall be those applied by at least one of the major international credit rating agencies, as generally understood.

5. TRANSFER TO THE BUDGET OF THE EUROPEAN UNION

The net revenue will be committed to the general budget of the European Union as dedicated revenue and will be transferred from the ECSC in liquidation and, on completion of the liquidation, the Assets of the Research Fund for Coal and Steel when necessary to meet the obligations from the budget line directed to research programmes for sectors related to the coal and steel industry.

6. ACCOUNTING

The management of the funds shall be accounted for in the annual profit-and-loss account and the annual balance sheet prepared for the ECSC in liquidation and, on completion of the liquidation, the Assets of the Research Fund for Coal and Steel. These shall be based upon generally accepted accounting principles similar to those provided for the ECSC, and in particular Fourth Council Directives 78/660/EEC of 25 July 1978 on the annual accounts of certain types of companies ⁽¹⁾ and Council Directive 86/635/EEC of 8 December 1986 on the annual accounts and consolidated accounts of banks and other financial institutions ⁽²⁾. The accounts will be approved by the Commission and examined by the Court of Auditors. The Commission shall engage external firms to carry out an annual audit of its accounts.

7. MANAGEMENT PROCEDURES

The Commission shall carry out, in relation to the ECSC in liquidation and, on completion of the liquidation, the Assets of the Research Fund for Coal and Steel, the abovementioned management operations in accordance with these guidelines and under its internal rules and procedures in force for the ECSC at the time of its dissolution or as modified thereafter.

A detailed report on management operations carried out under these guidelines shall be drawn up every three months and sent to the Member States.

⁽¹⁾ OJ L 222, 14.8.1978, p.11. Directive as last amended by Directive 2001/65/EC (OJ L 283, 27.10.2001, p. 28).

⁽²⁾ OJ L 372, 31.12.1986, p.1. Directive as last amended by Directive 2001/65/EC.

COUNCIL DECISION
of 1 February 2003
laying down the multiannual technical guidelines for the research programme of the Research Fund for Coal and Steel

(2003/78/EC)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to the Protocol annexed to the Treaty establishing the European Community on the financial consequences of the expiry of the ECSC Treaty and on the Research Fund for Coal and Steel,

Having regard to Council Decision 2003/76/EC of 1 February 2003 establishing the measures necessary for the implementation of the Protocol, annexed to the Treaty establishing the European Community, on the financial consequences of the expiry of the ECSC Treaty and on the Research Fund for Coal and Steel ⁽¹⁾, and in particular Article 4(3) thereof,

Having regard to the proposal from the Commission ⁽²⁾,

Having regard to the opinion of the European Parliament ⁽³⁾,

Whereas:

- (1) The revenue from investments of the net worth of the assets of the ECSC in liquidation and, on completion of the liquidation, the Assets of the Research Fund for Coal and Steel, are being assigned to the Research Fund for Coal and Steel, which is intended exclusively to fund research projects outside the Research Framework Programme in the sectors related to the coal and steel industry.
- (2) The Research Fund for Coal and Steel is to be managed by the Commission in accordance with principles similar to those governing the present ECSC coal and steel technical research programmes and on the basis of multi-annual technical guidelines which should constitute an ideal extension of those ECSC programmes, providing a high concentration of research activities and ensuring that they supplement those of the Community framework programme for research and technological development.
- (3) In the framework of these management activities, the Commission will be assisted by a management committee composed of representatives of Member States as well as advisory and technical groups representing a wide range of interests of industries and other stakeholders,

HAS ADOPTED THIS DECISION:

Article 1

The multiannual technical guidelines for the research programme of the Research Fund for Coal and Steel (hereinafter referred to as 'technical guidelines') are set out in the Annex.

Article 2

The technical guidelines shall be reviewed or supplemented, if appropriate, every five years, first period ending on 31 December 2007. To this end, and at the latest in the first six months of the last year of each five-year period, the Commission shall reassess the operation and the effectiveness of the technical guidelines and shall propose any appropriate amendments.

If it sees fit, the Commission may carry out such reassessment and shall submit proposals for any appropriate amendments to the Council before the expiry of the five-year period.

Article 3

This Decision shall take effect on the day following that of its publication in the *Official Journal of the European Union*.

It shall apply from 24 July 2002.

Article 4

This Decision is addressed to the Member States.

Done at Brussels, 1 February 2003.

For the Council
The President
G. PAPANDEROU

⁽¹⁾ See page 22 of this Official Journal.

⁽²⁾ OJ C 29, 30.1.2001, p. 254.

⁽³⁾ OJ C 87, 11.4.2002, p. 19.

ANNEX

TECHNICAL GUIDELINES FOR THE RESEARCH PROGRAMME OF THE RESEARCH FUND FOR COAL AND STEEL**1. THE PROGRAMME****1.1. Objectives**

As a continuation of the European Coal and Steel Community Coal and Steel Research and Technical Development Programmes (ECSC RTD programmes) and within the framework of sustainable development, a Research Programme of the Research Fund for Coal and Steel (hereinafter referred to as the programme) shall be established. The objective of the programme is to support the competitiveness of the Community sectors related to the coal and steel industry. The programme shall be consistent with the scientific, technological and political objectives of the European Union, and shall complement the activities carried out in the Member States and within the existing Community research programmes, such as the framework programme of the European Community for research, technological development and demonstration activities (hereinafter referred to as the Research Framework Programme). Coordination, complementarity and synergy between these programmes shall be encouraged, as shall the exchange of information between projects financed under this programme and those that are financed under the Research Framework Programme.

1.2. Main principles

The programme shall provide financial assistance for allowable projects, accompanying measures and other actions as defined in point 1.5 by promoting cooperation between undertakings, research centres and universities. The programme shall cover production processes, utilisation, conservation of resources, environmental improvements and safety at work in sectors related to the coal and steel industry.

The terms 'coal' and 'steel' are defined in Appendix A.

1.3. Scope

These guidelines describe the structure, management and implementation of the programme, its scientific and technical content and priorities as a complement to other existing research programmes and the participation rules.

These guidelines include the call for proposals for the programme described in point 3.1 and the scientific/technical and socioeconomic priorities described in Appendices B and C, which may be amended by the Commission in accordance with the procedure described in point 2.1.

1.4. Participation**1.4.1. Member States**

Undertakings, research institutes or natural persons established within the territory of a Member State may participate in the programme and apply for financial assistance, provided that they intend to carry out an RTD activity or can substantially contribute to such an activity.

1.4.2. Applicant States

Undertakings, research institutes or natural persons in applicant States shall be entitled to participate without receiving any financial contribution under the programme, unless otherwise provided under the relevant European Agreements and their additional Protocols, and in the decisions of the various Association Councils.

1.4.3. Third countries

Undertakings, research institutes or natural persons from third countries shall be entitled to participate on the basis of individual projects without receiving any financial contribution under the programme, provided that such participation is in the interest of the Community.

1.5. Allowable projects, accompanying measures and other actions

Research, pilot and demonstration projects, accompanying measures and support and preparatory actions may all be financed under the programme.

A research project is intended to cover investigative or experimental work with the aim of acquiring further knowledge to facilitate the attainment of specific practical objectives such as the creation or development of products, production processes or services.

A pilot project is characterised by the construction, operation and development of an installation or a significant part of an installation on an appropriate scale and using suitably large components with a view to examining the potential for putting theoretical or laboratory results into practice and/or increasing the reliability of the technical and economic data needed to progress to the demonstration stage, and in certain cases to the industrial and/or commercial stage.

A demonstration project is characterised by the construction and/or operation of an industrial-scale installation or a significant part of an industrial-scale installation with the aim of bringing together all the technical and economic data in order to proceed with the industrial and/or commercial exploitation of the technology at minimum risk.

Accompanying measures relate to the promotion of the use of knowledge gained, the clustering of projects, the dissemination of results and support for the training and mobility of researchers in connection with projects funded under the programme.

Support and preparatory actions are those appropriate to the sound and effective management of the programme, such as the periodic monitoring and assessment referred to in point 4, studies or the networking of related projects funded under the programme.

2. MANAGEMENT OF THE PROGRAMME

The programme shall be managed by the Commission. The following committee and groups shall be established to assist the Commission:

- (a) the Coal and Steel Committee described in point 2.1;
- (b) the Coal and Steel Advisory Groups described in point 2.2;
- (c) the Coal and Steel Technical Groups described in point 2.3.

2.1. The Coal and Steel Committee

- 2.1.1. The Commission shall be assisted by the Coal and Steel Committee (hereinafter referred to as the Committee). Articles 4 and 7 of Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission⁽¹⁾ shall apply by analogy. The period laid down in Article 4(3) of that Decision shall be set at three months.
- 2.1.2. The Committee may examine any question raised by its Chairman, either on the latter's initiative or at the request of the representative of a Member State.
- 2.1.3. The Committee shall adopt its rules of procedure.
- 2.1.4. The following matters shall be adopted in accordance with the procedure referred to in point 2.1.1:
 - (a) the allocation of funds to individual projects, in accordance with point 3.3(3);
 - (b) the drawing-up of terms of reference for the monitoring and assessment of the programme referred to in point 4;
 - (c) any amendment of Appendices B and C to these guidelines;
 - (d) any other issue relating to the programme.
- 2.1.5. The Commission shall provide the Committee with information on the programme as a whole and on the progress and actual or anticipated impact of all funded RTD actions.

2.2. The Coal and Steel Advisory Groups

The Coal and Steel Advisory Groups (hereinafter referred to as 'the Advisory Groups') shall be independent technical advisory groups established to assist the Commission. For the coal and steel-related RTD aspects respectively, each Advisory Group shall advise on:

- (a) the overall development of the programme, priorities listed in appendices B and C, including any amendments, the information package as referred to in point 3.1 and future guidelines;
- (b) the consistency and the possible duplication with other RTD programmes at Community and national level;
- (c) the setting out of the guiding principles for monitoring RTD projects;
- (d) the work being undertaken on specific projects;
- (e) the definition of the short term priorities of the programme, in accordance with Appendices B and C;
- (f) the preparation of a manual for evaluating and selecting RTD actions, as referred to in point 3.3;

⁽¹⁾ OJ L 184, 17.7.1999, p. 23.

- (g) the evaluation of proposals for RTD actions and the priority to be given to those proposals, having regard to the funds available;
- (h) the number, competence and composition of the Technical Groups referred to in point 2.3;
- (i) other measures when requested to do so by the Commission.

Each Advisory Group shall be composed of members, as referred to in point 2.2.1 and point 2.2.2, appointed by the Commission to serve in a personal capacity for a period of five years. Appointments may be withdrawn. The Commission shall consider proposals for appointments received in the following ways: on a proposal by the Member States; on a proposal by the entities referred to in point 2.2.1 and point 2.2.2; in response to a call for applications for inclusion on a reserve list.

There should be at least one member from each Member State which is interested, and within each Advisory Group a balanced range of expertise and the broadest possible geographical representation must be ensured. Members must be active in the field concerned and be aware of the industrial priorities.

The meetings of the Advisory Groups shall be chaired by the Commission, which shall also provide the secretariat. If necessary, the Chairman may request members to vote; every member has the right to one vote. The Chairman may invite visiting experts to take part in meetings where appropriate.

If necessary (e.g. to provide advice on matters of relevance for both sectors), the two Advisory Groups shall convene in joint meetings.

2.2.1. *The Coal Advisory Group*

The composition of the Coal Advisory Group shall be as follows:

Members	Maximum total
a) From coal producers/national federations or related research centres	8
b) From organisations representing coal producers at European level	2
c) From coal users or related research centres	8
d) From organisations representing coal users at European level	2
e) From organisations representing workers	2
f) From organisations representing equipment suppliers	2
	24

Members must have a wide background knowledge and individual expertise in one or more of the following areas: coal mining and utilisation, environment and social issues, including safety aspects.

2.2.2. *The Steel Advisory Group*

The composition of the Steel Advisory Group shall be as follows:

Members	Maximum total
a) From steel industries/national federations or related research centres	21
b) From organisations representing producers at European level	2
c) From organisations representing workers	2
d) From organisations representing downstream processing industries or steel users	5
	30

Members must have a wide background knowledge and individual expertise in one or more of the following areas: raw materials; ironmaking; steelmaking; continuous casting; hot and/or cold rolling; steel finishing and/or surface treatment; development of steel grades and/or products; steel applications and properties; environmental and social issues, including safety aspects.

2.3. The Coal and Steel Technical Groups

The role of the Coal and Steel Technical Groups consists of assisting the Commission in the monitoring of research and pilot/demonstration projects. Members shall be appointed by the Commission and shall come from the sectors related to the coal and steel industry, research organisations or user industries where they should have responsibility for research strategy, management or production.

3. IMPLEMENTATION OF THE PROGRAMME

3.1. Call for proposals

An open and continuous call for proposals is launched by this Decision, with 15 September of each year being the cut-off date for the submission of proposals for evaluation, starting with the year 2002.

The Commission shall establish and make public, including on the Community Research and Development Information Service (CORDIS) or corresponding website an information package providing proposers and interested parties with practical information on the programme, participation rules, methods of managing proposals and projects, application forms, rules for the submission of proposals, model contracts, allowable costs, the maximum financial contribution allowable and methods of payment.

Applications must be submitted to the Commission in accordance with the rules laid down in the information package, of which a paper copy can be obtained from the Commission on request.

3.2. Content of proposals

The proposals must relate to the scientific/technical and socioeconomic priorities laid down in Appendices B and C.

Each proposal must include a detailed description of the proposed project and contain full information on objectives, partnerships (including the precise role of each partner), management structure, anticipated results, expected applications and an assessment of anticipated industrial, economic, social and environmental benefits.

The proposed total cost and its breakdown must be realistic and effective, and the project must be expected to produce a favourable cost/benefit ratio.

3.3. Evaluation and selection of proposals and monitoring of projects.

The Commission shall ensure a confidential, fair and equitable evaluation of proposals. The Commission shall establish and publish a manual for the evaluation and selection of RTD actions as specified in point 2.2(f).

The evaluation and selection of proposals shall be carried out under the responsibility of the Commission as follows:

1. After receiving and recording the proposals and verifying their eligibility, the Commission shall evaluate them with the assistance of the relevant Advisory Group referred to in point 2.2(g), and, if necessary, independent experts;
2. The Commission shall draw up a list of the proposals adopted in order of merit;
3. The Commission shall decide on the choice of projects and the allocation of funds, assisted by the Committee, in accordance with the procedure referred to in point 2.1.1.

The Commission shall, assisted by the technical groups referred to in point 2.3, monitor research projects and activities.

3.4. Contracts

Projects based on selected proposals and measures and actions as specified under point 1.5 shall form the subject of a contract. Contracts shall be based on relevant model contracts drawn up by the Commission, taking account, as appropriate, of the nature of the activities concerned.

Contracts shall define the financial contribution allocated under the programme on the basis of the allowable costs, as well as the rules concerning cost reporting, the closure of accounts and audits.

3.5. Financial contribution

The programme shall be based on cost-sharing RTD contracts. The total financial contribution including any other additional public funding shall conform to the applicable rules on State aid.

Without prejudice to the previous paragraph, the maximum total financial contribution, expressed as a percentage of the allowable costs defined in point 3.6, shall be:

a) for research projects:	up to 60%
b) for pilot and demonstration projects:	up to 40%
c) for accompanying measures, support and preparatory actions:	up to 100%

3.6. Allowable costs

The allowable costs shall cover only actual costs incurred for the work carried out under the contract. Contractors, associated contractors and subcontractors cannot claim any budgeted or commercial rates. The allowable costs shall be broken down into the following four categories:

3.6.1. Equipment costs

The costs of purchasing or hiring equipment directly related to the execution of the project shall be chargeable as direct costs. The allowable costs for the leasing of equipment shall not exceed any allowable costs for its purchase.

3.6.2. Staff costs

The costs of actual hours devoted exclusively to the project by scientific, postgraduate or technical staff and the staff costs of manual workers directly employed by the contractor shall be chargeable. Any additional staff costs (e.g. scholarships) shall require the Commission's prior written approval. All working hours charged must be recorded and certified.

3.6.3. Operating costs

Operating costs directly related to the execution of the project shall be limited solely to the cost of:

- (a) raw materials;
- (b) minor items of regular consumption;
- (c) the use of consumable items;
- (d) energy;
- (e) the maintenance or repair of equipment;
- (f) the transportation of equipment or products;
- (g) the alteration and transformation of existing equipment;
- (h) IT services;
- (i) the rental of equipment;
- (j) miscellaneous analyses;
- (k) special examinations and tests;
- (l) assistance from third parties;
- (m) travel and subsistence costs.

3.6.4. Indirect costs

All other expenses (overhead costs or overheads) which may arise in connection with the project and which are not specifically identified in the preceding categories shall be covered by a lump sum amounting to 30 % of the allowable staff costs as referred to in point 3.6.2.

3.7. Technical reports

For research, pilot and demonstration projects, as described under point 1.5, a report must be drawn up every six months by the contractor(s). Such reports shall be used to describe the technical progress made. On completion of the work, a final report comprising an assessment of exploitation and impact shall be provided. This report shall be published by the Commission in full or in summarised form depending on the strategic relevance of the project. The decision shall be taken by the Commission after consultation, if necessary, of the relevant Advisory Group. Where appropriate, final reports on accompanying measures as well as support and preparatory actions shall be required and published.

4. ANNUAL REVIEWS, MONITORING AND ASSESSMENT OF THE PROGRAMME

The Commission shall conduct an annual review of activities under the programme and the progress of the RTD work. The report containing that review shall be forwarded to the Committee.

The programme shall be the subject of a monitoring exercise, including an assessment of the expected benefits. A report on that exercise shall be issued by the end of 2006, and thereafter every five years. These reports shall be forwarded to the European Parliament, the Council, the Committee and the Advisory Groups.

An assessment of the programme shall be carried out on completion of the projects financed during every period of five years, with the first period ending in 2008. The benefits of the RTD to society and to the relevant sectors shall also be assessed. The assessment report shall be published.

The Commission shall draw up the terms of reference for the monitoring exercise and the assessment; the Commission shall be assisted by the Committee. Both the monitoring and assessment shall be carried out by panels of highly qualified experts appointed by the Commission.

5. TRANSITIONAL CLAUSE

The Commission shall take the appropriate steps to ensure a smooth transition from the ECSC RTD programmes to the programme. ECSC contracts which are still running on expiry of the ECSC Treaty shall be managed by the Commission in accordance with their contractual obligations, with a view to harmonising the management of the ECSC contracts and the contracts under the programme.

*Appendix A***RESEARCH PROGRAMME OF THE RESEARCH FUND FOR COAL AND STEEL**

DEFINITION OF THE TERMS 'COAL' AND 'STEEL'

1. COAL

- (a) Hard coal;
- (b) Hard coal briquette;
- (c) Coke and semi-coke derived from hard coal;
- (d) Lignite;
- (e) Lignite briquettes;
- (f) Coke and semi-coke derived from lignite.

The term 'hard coal' includes the high and medium-ranking 'A' coals (sub-bituminous coals) as defined in the 'International codification system of coal' of the UN Economic Commission for Europe. The term 'lignite' includes the low-ranking 'C' coals (or ortho-lignites) and the low-ranking 'B' coals (or meta-lignites) of the same classification. With regard to lignite, the programme shall apply solely to lignite used for electricity production or for combined heat/electricity production and not intended for the manufacture of briquettes or semi-coke.

2. IRON AND STEEL

- (a) Raw materials for iron and steel production, such as iron ore, sponge iron and ferrous scrap;
 - (b) Pig iron (including hot metal) and ferro-alloys;
 - (c) Crude and semi-finished products of iron, ordinary steel or special steel (including products for re-use and re-rolling), such as liquid steel cast by continuous casting or otherwise, and semi-finished products such as blooms, billets, bars, slabs and strips;
 - (d) Hot finished products of iron, ordinary steel or special steel (coated or uncoated products, excluding steel castings, forgings and powder metallurgy products), such as rails, sheet piling, structural shapes, bars, wire rods, plates and universal plates, strips and sheets, and tube rounds and squares;
 - (e) End products of iron, ordinary steel or special steel (coated or uncoated), such as cold-rolled strips and sheets and electrical sheets;
 - (f) Products of the first-stage processing of steel that can enhance the competitive position of the above iron and steel products, such as tubular products, drawn and polished products, cold-rolled and cold-formed products.
-

Appendix B

RESEARCH PROGRAMME OF THE RESEARCH FUND FOR COAL AND STEEL

SCIENTIFIC/TECHNICAL AND SOCIO-ECONOMIC PRIORITIES

COAL RTD

Research and technical development constitute a very important means of supporting Community energy objectives with regard to the supply of Community coal and its competitive and environmentally-friendly conversion and utilisation. Moreover, the growing international dimension of the coal market and the global scale of the problems confronting it means that the European Union has to take a leading role in meeting challenges relating to modern techniques, mine safety and environmental protection at worldwide level by ensuring the transfer of know-how required for further technological progress, improved working conditions (health and safety) and enhanced environmental protection. The priority areas are set out in points 1 to 4 below, the order of which does not represent priority as between these points.

1. IMPROVING THE COMPETITIVE POSITION OF COMMUNITY COAL

The objective is to reduce the total costs of mining production, improve the quality of the products and reduce the costs of using coal. Research projects encompass the entire coal production chain:

- modern techniques for surveying deposits,
- integrated mine planning,
- highly efficient, largely automated excavation and mining technologies corresponding to the geological characteristics of European hard coal deposits,
- appropriate support technologies,
- transport systems,
- power supply services, communication and information, transmission, monitoring and process control systems,
- coal preparation techniques, oriented to the needs of the consumer markets,
- coal conversion,
- coal combustion.

Research projects shall also aim to achieve scientific and technological progress with a view to gaining a better understanding of the behaviour and control of deposits in relation to rock pressure, gas emissions, the risk of explosion, ventilation and all other factors affecting mining operations. Research projects with these objectives must present the prospect of results applicable in the short or medium term to a substantial part of Community production.

Preference is given to projects that promote at least one of the following:

- (a) integration of individual techniques in systems and methods and the development of integrated mining methods;
- (b) substantial reduction of production costs;
- (c) benefits in terms of mine safety and the environment.

2. HEALTH AND SAFETY IN MINES

The required developments just mentioned must be accompanied by appropriate efforts in the field of mine safety, as well as in gas control, ventilation and air-conditioning. Furthermore, underground working conditions raise the need for specific improvements with regard to occupational health and safety.

3. EFFICIENT PROTECTION OF THE ENVIRONMENT AND IMPROVEMENT OF THE USE OF COAL AS A CLEAN ENERGY SOURCE

Research projects with this objective seek to minimise the impact of mining operations and the use of coal in the Community on the atmosphere, water and the surface within the framework of an integrated management strategy with respect to pollution. As the Community coal industry is undergoing constant restructuring, the research is also geared towards minimising the environmental impact of underground mines destined for closure.

Preference is given to projects that envisage:

- (a) a reduction in greenhouse gas emissions, in particular methane, from coal deposits;
- (b) the return to the mine of mining waste, fly ash and desulphurisation products, accompanied, where relevant, by other forms of waste;

- (c) the refurbishment of waste heaps and the industrial use of residues from coal production and consumption;
- (d) the protection of water tables and the purification of mine drainage water;
- (e) a reduction in the environmental impact of installations which mainly use Community coal and lignite;
- (f) the protection of surface installations against the effects of subsidence in the short and long term;
- (g) a reduction in emissions from coal utilisation.

4. MANAGEMENT OF EXTERNAL DEPENDENCE ON ENERGY SUPPLY

Research projects with this objective relate to the prospects for long-term energy supply and concern the upgrading — in economic, energy-related and environmental terms — of coal deposits which cannot be extracted economically by conventional mining techniques. Projects may include studies, the definition of strategies, fundamental and applied research and the testing of innovative techniques which offer prospects for the upgrading of Community coal resources.

Preference is given to projects integrating complementary techniques such as the adsorption of methane or carbon dioxide, coal bed methane extraction and underground coal gasification, etc.

*Appendix C***RESEARCH PROGRAMME OF THE RESEARCH FUND FOR COAL AND STEEL**

SCIENTIFIC/TECHNICAL AND SOCIO-ECONOMIC PRIORITIES

STEEL RTD

With the general aim of increasing competitiveness and contributing to sustainable development, the main emphasis of RTD is on the development of new or improved technologies to guarantee the economic, clean and safe production of steel and steel products characterised by steadily increasing performance, suitability to use, customer satisfaction, prolonged service life, easy recovery and recycling. The priority areas are set out in points 1 to 3 below, the order of which does not represent priority as between these points.

1. NEW AND IMPROVED STEELMAKING AND FINISHING TECHNIQUES

RTD must aim to improve steel production processes with a view to enhancing product quality and increasing productivity. Reducing emissions, energy consumption and the environmental impact as well as enhancing the use of raw materials and the conservation of resources should form an integral part of the improvements sought. Research projects should address the following areas:

- new and improved iron-ore reduction processes,
- ironmaking processes and operations,
- electric arc furnace processes,
- steelmaking processes,
- secondary metallurgy techniques,
- continuous casting and near net shape casting techniques with and without direct rolling,
- rolling, finishing and coating techniques,
- hot and cold-rolling techniques, pickling and finishing processes,
- process instrumentation, control and automation,
- maintenance and reliability of production lines.

2. RTD AND THE UTILISATION OF STEEL

RTD on the utilisation of steel is essential for meeting the future requirements of steel users and creating new market opportunities. Research projects should address the following areas:

- new steel grades for demanding applications,
- steel properties addressing mechanical properties at low and high temperatures such as strength and toughness, fatigue, wear, creep, corrosion and resistance against fracture,
- prolonging service life, in particular by improving the resistance of steels and steel structures to heat and corrosion,
- steel-containing composites and sandwich structures,
- predictive simulation models on microstructures and mechanical properties,
- structural safety and design methods, in particular with regard to resistance to fire and earthquakes,
- technologies relating to the forming, welding and joining of steel and other materials,
- standardisation of testing and evaluation methods.

3. CONSERVATION OF RESOURCES AND IMPROVEMENT OF WORKING CONDITIONS

In both steel production and steel utilisation, the conservation of resources, the preservation of the ecosystem and safety issues should form an integral part of the RTD work. Research projects should address the following areas:

- techniques for recycling obsolete steel from various sources and classification of steel scrap,
- steel grades and design of assembled structures to facilitate the easy recovery of steel scrap and its reconversion into usable steels,
- control and protection of the environment in and around the workplace,
- restoration of steelworks sites,

-
- improvement of working conditions and quality of life in the workplace,
 - ergonomic methods,
 - occupational health and safety,
 - reduction of exposure to occupational emissions.
-

COMMISSION

COMMISSION DECISION

of 25 July 2001

declaring a concentration to be compatible with the common market and the EEA Agreement

(Case No COMP/M.2333 — De Beers/LVMH)

(notified under document number C(2001) 2365)

(Only the English text is authentic)

(Text with EEA relevance)

(2003/79/EC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

joint control of a newly-formed company, Rapids World Limited (Rapids World), by way of purchase of shares (constituting a joint venture) (*).

Having regard to the Treaty establishing the European Community,

- (2) On 18 April 2001, the Commission decided, in accordance with Article 6(1)(c) of the Merger Regulation and Article 57 of the EEA Agreement, to initiate proceedings in this case.

Having regard to the Agreement on the European Economic Area, and in particular Article 57(2)(a) thereof,

Having regard to Council Regulation (EEC) No 4064/89 of 21 December 1989 on the control of concentrations between undertakings ⁽¹⁾, as last amended by Regulation (EC) No 1310/97 ⁽²⁾, and in particular Article 8(2) thereof,

- (3) The Advisory Committee discussed the draft of this Decision on 16 July 2001.

Having regard to the Commission Decision of 18 April 2001 to initiate proceedings in this case,

I. THE PARTIES

Having regard to the opinion of the Advisory Committee on Concentrations ⁽³⁾,

- (4) De Beers has extensive operations throughout the world. Its principal activities are in the upstream markets of the diamonds pipeline, in particular, the exploration, mining, recovery, valuation and marketing of rough diamonds. It has relatively small activities in relation to polished diamonds and is not active in the market for the retail of jewellery.

Whereas:

- (1) On 9 March 2001, the Commission received a notification of a proposed concentration pursuant to Article 4 of Regulation (EEC) No 4064/89 (the Merger Regulation) by which the undertaking Riverbank Investments Limited (Riverbank), controlled by the De Beers Group (De Beers), and Sofidiv UK Limited (Sofidiv), controlled by LVMH Moët Hennessy Louis Vuitton (LVMH) acquire

- (5) LVMH is principally engaged in the production and sale of luxury goods and owns various famous brands internally organised in the following sectors: wines and spirits, fashion and leather goods, fragrances and cosmetics, watches and jewellery, selective distribution, media, art and auctions.

⁽¹⁾ OJ L 395, 30.12.1989, p. 1 (Corrigenda: OJ L 257, 21.9.1990, p. 13).

⁽²⁾ OJ L 180, 9.7.1997, p. 1.

⁽³⁾ OJ C 27, 5.2.2003, p. 8.

(*) Parts of this text have been edited to ensure that confidential information is not disclosed; those parts are enclosed in square brackets and marked with an asterisk.

- (6) Rapids World's principal activity will be in the retail of diamond jewellery. The primary focus of Rapids World will be retail of diamond jewellery with possible extension of its activities to the retail of associated luxury products.

II. THE OPERATION

- (7) On 16 January 2001, Riverbank and Sofidiv entered into a Shareholders Agreement relating to the creation of a newly-formed company, Rapids World.

III. CONCENTRATION

- (8) The proposed operation involves the establishment of a newly created company, Rapids World.
- (9) De Beers and LVMH will be the parent companies of Rapids World, with [description of voting rights](*) and the ability to exercise veto rights over matters which affect Rapids World's commercial policy, [description of commercial policy](*). Therefore, De Beers and LVMH will have joint control.
- (10) The new joint venture will source polished diamonds and other raw materials from third parties. It will control jewellery design in house, will outsource manufacturing activities and will distribute its products through its own distribution system to outlets including Rapids World-owned shops. To enable Rapids World to conduct these activities, both parents have committed significant resources to it at start-up in terms of finance, staff and assets.
- (11) The proposed joint venture will perform, on a lasting basis, all the functions of an autonomous economic entity. The proposed operation is therefore a concentration within the meaning of Article 3(1)(b) of the Merger Regulation.

IV. COMMUNITY DIMENSION

- (12) The undertakings concerned have a combined aggregate worldwide turnover of more than EUR 5 billion⁽⁴⁾ (De Beers EUR 5 171 million; LVMH EUR 8 547 million). They each have a Community-wide turnover in excess of EUR 250 million, (De Beers EUR [...])(* million; LVMH EUR 2 960,9 million) but they do not both achieve more than two-thirds of their aggregate Community-wide turnover within one and the same Member State. The notified operation therefore has a Community dimension within the meaning of Article 1(2) of the Merger Regulation.

⁽⁴⁾ Turnover calculated in accordance with Article 5(1) of the Merger Regulation and the Commission Notice on the calculation of turnover (OJ C 66, 2.3.1998, p. 25). To the extent that figures include turnover for the period before 1 January 1999, they are calculated on the basis of average ECU exchange rates and translated into EUR on a one-for-one basis.

V. RELEVANT MARKETS

A. Relevant product market

- (13) The economic sector concerned is the diamond industry. The diamond pipeline consists of several stages of production as follows:
1. exploration and prospecting;
 2. mining and recovery of rough diamonds;
 3. sorting, valuation and supply of rough diamonds;
 4. dealing;
 5. manufacturing (i.e. cutting and polishing);
 6. jewellery manufacturing;
 7. jewellery wholesaling; and
 8. jewellery retailing.
- (14) This pipeline can be split into three broad levels: (a) the exploration, mining and supply of rough diamonds; (b) the production and sale of polished diamonds and (c) the production and sale of diamond jewellery. Each of these levels require entirely different expertise and core competencies, as well as totally different investment requirements.

The exploration, mining and supply of rough diamonds

- (15) Diamond is the hardest substance occurring in natural form. Diamonds are sometimes found in kimberlite (the dominant primary host rock in South Africa) and lamproites (the main host rock in Australia). Kimberlite is intruded into the earth's crust as 'pipes' (diatremes) or in fissures and sills. There are thousands of kimberlite pipes around the world but few contain diamonds and fewer than one in 200 kimberlite deposits will become a major mine. Of the 6 500 kimberlites which have been found around the world so far, only 50 have become sustainable diamond mines. Some diamonds, eroded from kimberlite pipes, have been transported by rivers and are concentrated in alluvial deposits. Alluvial diamond-bearing gravels commonly yield diamonds that are of a predominantly high gem quality. The mining of alluvial gravel deposits initially involves the mechanised removal of overburden (usually sand and boulders) to expose the layer of diamond-bearing gravel, which is then excavated for processing. Diamonds are recovered from the sea bed by means of specially modified sea vessels or 'floating mines'. World production of natural diamonds has grown to about 120 million carats annually.

- (16) Following extraction, rough diamonds can be brought to the market in a number of ways. The majority of rough diamonds that are produced are fed through De Beers' single channel operated by De Beers' wholly owned subsidiary, the Diamond Trading Company (DTC) ⁽⁵⁾. The DTC markets rough diamonds produced from De Beers' wholly-owned mines, those produced from those mines in which De Beers is a joint venture partner as well as diamonds that are sold to De Beers under contract by other producers (notably Alrosa and BHP). Until recently De Beers also purchased rough diamonds on the open market which were subsequently fed through the DTC channel ⁽⁶⁾. Producers other than De Beers can market their rough diamonds through other means. For example, rough diamonds can be sold to dealers who specialise in rough diamonds, or they can be sold directly to players downstream in the diamond pipeline, whether they be manufacturers of polished diamonds or even retailers ⁽⁷⁾. In the last decade, an increasing proportion of the world's production of rough diamonds has been sold through alternative supply channels. Despite this reduction, the DTC still sells nearly two-thirds of the world's supply of rough diamonds. The Commission does not take a position on the question whether a market exists for the exploration and production of rough diamonds, separate and upstream to that for the supply of rough diamonds, as it is not necessary to do so for the purposes of this Decision.
- (17) As the demand for diamonds at the polishing level is derived from consumers' demand for jewellery it is also necessary to examine the competitive conditions at the retail level before reaching conclusions about the relevant market upstream. As is shown in recitals 25 to 32, the retail markets are at their widest for the retailing of diamond jewellery. This confirms a preliminary conclusion that the relevant upstream market is no wider than a market for the supply of rough diamonds. It comprises the mining and marketing of rough diamonds.
- (18) The Commission has also explored whether there is a single relevant market for rough diamonds, or whether there are narrower relevant markets within this. In their notification the parties argued that as a result of the highly differentiated nature of the product, there is a continuum from the lowest quality to the highest quality stones, that it is not possible to break the continuum at any point and therefore that it is not possible to define separate relevant markets. In the market investigation,
- support for this position has not been universal. Respondents to the Commissions questionnaires, both competitors and customers, have indicated that rough diamonds can be divided into a number of different sub-groups.
- (19) In general, the criteria upon which rough diamonds can be categorised relate to the quality of polished diamonds that the rough can produce. For example, rough diamonds can be divided into those used in jewellery and those used for industrial purposes. A respondent also indicated that there are standard industry references based on the following categories: (i) rough that produces polished diamonds of 0,50 carats and above, white, slightly included and designated as gem material; (ii) rough that produces diamonds of between 10 points ⁽⁸⁾ and 50 points that are in the top end of colour and quality; (iii) rough that produces diamonds of less than 10 points that are in the top end of colour and quality; and (iv) rough that produces what is referred to as near gem because of the high level of labour required to remove waste material.
- (20) While these may represent standard industry references, the Commission does not have sufficient evidence to conclude that these represent separate relevant markets. Moreover, for the purposes of this analysis, it is not necessary to decide whether there exist narrower markets since the conclusion that De Beers is dominant remains valid, regardless of how the rough diamond market is classified.
- (21) In the light of the above arguments, it is concluded that the relevant upstream market is the supply of rough diamonds.
- (22) Before being incorporated into jewellery, rough diamonds are transformed into polished diamonds by manufacturers of polished diamonds. Due to the nature of diamonds and in particular their hardness, there are a number of highly specific skills and facilities required in order to polish the rough diamonds. For example, diamond polishers must be able to critically appraise rough diamonds before deciding how to maximise the value of the resulting polished diamonds that they can produce. It is extremely unlikely that companies which have invested in the highly specific requirements of diamond processing and polishing will switch their production facilities to polishing other gem stones.

The production and sale of polished diamonds

⁽⁵⁾ Formerly known as the Central Selling Organisation.

⁽⁶⁾ De Beers has since stopped making these open market purchases in order to minimise the risk that the diamonds it sells are sourced from so-called 'conflict regions'.

⁽⁷⁾ For example, the diamond jewellery retailer Tiffany has recently established a joint venture with a mining company the terms of which allow Tiffany to be supplied directly a proportion of the mine's output of rough diamonds. Tiffany will contract in diamond polishers to process the rough diamonds.

⁽⁸⁾ 1 point = 0,01 carats.

(23) Most of the world's largest diamond polishers are also De Beers' customers, the so-called 'sightholders' and they are mostly based in the traditional cutting centres of Antwerp, New York, Tel Aviv and Mumbai. This stage of the diamond pipeline remains highly fragmented, with De Beers' sales, which account for nearly two-thirds of the world's supply, being sold to around 120 sightholders. De Beers also operates at this stage of the diamond pipeline through its Diamdel companies and The Polished Division ⁽⁹⁾.

(24) For the purposes of this Decision it is not necessary to determine whether or not diamond polishing represents a separate relevant market as this activity is not directly affected by the operation and the assessment of the operation would remain the same, irrespective of the definition chosen.

Retail of diamond jewellery

(25) In their notification, the parties argued that the relevant product market is the retail of luxury goods, including the retail of diamond jewellery and of other jewellery. Among the arguments presented by the parties in this regard are the following ⁽¹⁰⁾. Creativity and imagination are the hallmarks of luxury products and designers and stylists play a fundamental role in creating distinctive products. Luxury products are highly appreciated both as product and art. Luxury products possess both tangible characteristics, such as design, quality and high price, and intangible characteristics, such as their aura of exclusivity and prestige. Luxury goods are desirable for their own sake rather than for any function they may have.

(26) Furthermore, the parties argue that the purchasing decisions of luxury goods consumers are not primarily based on price but on other factors, and that 'the Commission's approach to demand side substitutability insofar as it assesses functionality and price is, therefore, inappropriate in defining the luxury goods market ⁽¹¹⁾'.

(27) The market tests carried out by the Commission in both the initial phase of investigation and in the subsequent stage have in general shown that the degree of heterogeneity in luxury products means that it would be inappropriate to consider diamond jewellery as part of a wider market for luxury products.

(28) Moreover, during the market investigation, a minority of respondents have stated that the precise market definition could be a market for 'fine jewellery' which would include jewels with precious gem set (diamond, ruby, emerald, sapphire in platinum or gold setting) differ from semi-precious jewels (such as amethyst, aquamarine, tourmaline in gold or silver setting) and costume jewellery (imitation stones in base metals, gold-plated settings). The difference is in the distribution and sales channels since fine jewellery or diamond jewellery is most exclusively sold through high-end independent sellers or exclusive jewellery chain stores.

(29) The purchase of diamond jewellery is not a frequent event. For a large part due to the marketing efforts undertaken over the years by De Beers, a very significant proportion of demand for diamond jewellery relates to specific occasions in people's lives, in particular the diamond engagement ring. De Beers marketing — in particular the 'A Diamond is Forever' campaign — increased the emotional imagery that is now attached to diamonds. Due to this emotional imagery of diamonds, jewellery centred on other gem-stones would be an imperfect substitute for diamond jewellery.

(30) Furthermore, as Rapids World will focus on diamond jewellery manufactured using polished diamonds of higher quality, and in particular those of the best colours, it has been necessary to consider whether jewellery comprising such diamonds represents a separate relevant market within a wider market for diamond jewellery. However, the Commission does not have sufficient evidence to be able to conclude that these represent separate relevant markets.

(31) Again due to the focus of the new joint venture on branded products, it has also been necessary to consider whether there exists a separate relevant market for branded diamond jewellery. Evidence provided by the parties in relation to pilot sales of branded jewellery showed that these pilots had succeeded in driving incremental demand for diamond jewellery. This provides indirect support for the existence of a separate market for branded diamond jewellery since the branded sales were additional to — and did not substitute for — sales of unbranded jewellery. By itself, this is not sufficient to conclude that there exists a separate market for branded diamond jewellery, although it is an indication that such a market may exist. The Commission has also received evidence that the geographical scope of competition for branded diamond jewellery is wider than that for unbranded jewellery (see recitals 35 to 39). Nevertheless, for the purposes of this case, it is not necessary to reach a decision on this point since the competition assessment would remain the same irrespective of the definition chosen.

(32) In conclusion, the relevant product market is the retail of diamond jewellery.

B. Relevant geographic markets

The supply of rough diamonds

(33) Rough diamonds are presently mined in some 25 countries around the world from underground, open-cast and offshore sites. They are processed in manufacturing operations in as many as 30 countries. The market test has shown that because of the limited number of sellers of rough diamonds, the products high value-to-weight ratio and the fungibility of rough diamonds expected to cut to a particular polished grade, rough diamonds trade on a worldwide basis.

⁽⁹⁾ Rapids World will be expressly forbidden from purchasing polished diamonds from any De Beers owned company.

⁽¹⁰⁾ Form CO, Section 6.B.1.

⁽¹¹⁾ Form CO, Section 6.E.3.1.

The production and sale of polished diamonds

- (34) Concerning the production and sale of polished diamonds, there are thought to be diamond manufacturing facilities in 26 countries with four traditional diamond polishing centres (India, Israel, Belgium and the United States of America). The individual cutting centres have become increasingly specialised in terms of the types of goods that they will process. Nevertheless there is no need for the purpose of the present Decision to decide if the geographic market is worldwide or regional since the competitive assessment would remain identical irrespective of the definition chosen.

Retail of diamond jewellery

- (35) The parties submit that the geographic market for the retail of jewellery is global. They consider that the prevalence of international travel and tourism means that tourists represent a target for jewellers and that the existence of relatively inexpensive and easy travel may spur consumers into 'shopping sprees' in fashionable cities. They also consider that a number of retailers, such as Cartier, Tiffany & Co (Tiffany), Bulgari and Van Cleef & Arpels, tend to operate or have outlets in a broad spread of countries and carry out marketing on an international basis, with little or no tailoring to national characteristics. They add that the health of the world economy, the performance of the financial markets and exchange-rate fluctuations have a significant impact on the jewellery market and that transportation costs are relatively low in comparison to the high price of jewellery.
- (36) In relation to the narrow market segment of branded diamond jewellery, the parties' arguments have been supported by respondents to the Commission's questionnaires. Branded diamond jewellery is sold with the same contents and quality in diamonds for all territories around the world. The consumer is sold a specific product made by a designer with immediate brand recognition because of its design and its look. Branded jewellery sales occur on a global basis because the brand is sold the same way in the Community as in the United States of America or Japan.
- (37) However, other than for branded diamond jewellery, the Commission's investigation has not supported a conclusion that the relevant geographic market for the retail of diamond jewellery is global. Competition amongst sellers of diamond jewellery occurs primarily on a local basis and secondly on a national basis. The purchase of a diamond requires trust in the seller and proximity to the customer is important. Therefore, even small established local jewellers have the means to compete successfully if they have the merchandise to sell.
- (38) Price differences also exist between regional markets. For example, prices in Japan are generally higher than those in the United States of America and the Community. Due to the importance of price points in consumers' purchases, prices are set on a national basis and do not

adjust to changes in relative prices as a result of, for example, changes in the exchange rates between two countries.

- (39) While the argument that the relevant geographic market for the retail of diamond jewellery is global can be rejected, for the purposes of this Decision, it is not necessary to decide whether the relevant retail markets are European (that is, EEA-wide), national or local in scope. It is therefore concluded that the geographic retail market for diamond jewellery is, at the most, EEA-wide while it appears that for the narrower product segment of the retail of branded diamond jewellery the market could be global.

VI. COMPATIBILITY WITH THE COMMON MARKET**THE DIAMOND PIPELINE — DE BEERS' NEW STRATEGY**

- (40) The current operation is part of De Beers' new strategy in which it is seeking to replace its traditional monopolistic approach based on the control of supply with a strategy based on demand driven actions and the creation of a multi-brand environment. De Beers now focuses on adding value — through both marketing and branding initiatives and a strengthening of the control of the supply chain — to the diamonds it supplies.
- (41) For most of the 20th century, De Beers sold 85 % to 90 % of the diamonds mined worldwide. With this leverage, it could artificially keep diamond prices stable by matching its supply to world demand. De Beers is not abandoning its hegemony, but it is reacting to two main difficulties it has been facing for some time. The sudden emergence of several diamond producers in the 1990s meant that De Beers, in an effort to keep prices high, was forced both to hold back a large portion of its diamonds and to purchase much of the excess supply of its new competitors — often at inflated prices. The company's market share fell from [80 to 85] %(*) to [60 to 65] %(*) and its stockpile soared from USD 2,5 billion to USD 5 billion — tying up cash reserves and upsetting investors, with the result that its stock price fell significantly.
- (42) De Beers is no longer seeking to buy every diamond in the world. Instead, it is planning to add value to the [60 to 65] %(*) of the supply which it does control and to increase consumer demand for diamonds. To achieve this goal, De Beers has developed a dual-branded strategy. The new company formed with LVMH is aimed at developing a retail strategy for the De Beers brand based on the De Beers name which has a very strong consumer awareness and credibility. The DTC, the sales and marketing arm of De Beers, will [use the Forevermark icon and 'A Diamond is Forever' in its generic advertising campaign](*). The Forevermark is a proprietary [device identifying selected diamonds originating from the DTC in a way which indicates their conflict free origins](*).

- (43) As it seeks to leverage those brands, De Beers is taking more interest in managing its diamond pipeline — the network of sightholders, wholesalers and retailers that disseminates its diamonds. The 'Supplier of Choice' programme, announced by De Beers in July 2000, is designed to encourage De Beers' sightholders to work more closely with downstream partners to stimulate demand through the creation of a multi-brand environment. De Beers intends to make sure that the diamonds it sells are put into the strongest, most effective hands. In return, the parties argue that the sightholders will get [improved](*) supply and they will be entitled to use De Beers' Forevermark — together with [additional benefits associated with it](*).
- (44) Until recently, De Beers let everyone in the industry benefit from its advertising campaigns but from now on all that marketing will be just for De Beers' customers. In order to allow the De Beers brand to be used exclusively by the joint venture, the company is changing its [generic advertising campaign to incorporate the Forevermark icon to signify](*) its fully owned selling and marketing subsidiary DTC.
- (45) In summary, faced with the increasingly intractable logistical and financial realities of controlling the fate of every diamond, De Beers has set in motion a demand-based strategy which is intended to drive demand for DTC.

1. *Dominant position of De Beers in the market for the production and sale of rough diamonds*

1.1. De Beers has a market share of 60 to 65 % whilst the rest of the market is fragmented

- (46) De Beers is the self-confessed 'custodian' of the diamond industry. For much of the 20th century, De Beers has controlled 85 to 90 % of the supply of rough diamonds. This share has recently been reduced by the decision taken by some competitors, namely Argyle (AESO) to leave De Beers' single channel, and because the new entrant, BHP Diamonds Inc (BHP), also decided to bring at least some its diamonds to market independently. It should be noted that BHP supplies 35 % of its output via De Beers' sales channel. Regardless of these recent reductions in share of supply (see Table 1), De Beers remains the largest supplier of rough diamonds, with only two other suppliers having achieved market shares of over 10 % between 1995 and 2000. Such disparity in market share provides in itself a clear indication that De Beers is dominant in the supply of rough diamonds.

TABLE 1

Estimated shares of rough Diamond supply by value, 1995 to 2000

	1995	1996	1997	1998	1999	2000 est'd
De Beers	75-80 %	65-70 %	60-65 %	55-60 %	60-65 %	60-65 %
Alrosa	[1-5] % *	[10-15] % *	[10-15] % *	[10-15] % *	[10-15] % *	[5-10] % *
Angola	[1-5] % *	[5-10] % *	[5-10] % *	[5-10] % *	[1-5] % *	[5-10] % *
AESO (Argyle)	[1-5] % *	[1-5] % *	[1-5] % *	[5-10] % *	[1-5] % *	[1-5] % *
Congo	[1-5] % *	[1-5] % *	[1-5] % *	[1-5] % *	[1-5] % *	[1-5] % *
BHP				[1-5] % *	[1-5] % *	[1-5] % *
Miba			< 1] % *	< 1] % *	[1-5] % *	[1-5] % *
SDM						[1-5] % *
Otros	[5-10] % *	[5-10] % *	[1-5] % *	[5-10] % *	[5-10] % *	[5-10] % *
Total (USD million)	> 5 000	> 7 000	> 7 000	> 5 000	> 8 000	> 8 000

- (47) Furthermore, De Beers is able to control the rate of production of rough diamonds from those mines that it controls by means of production quotas in order to ensure that the market is not over-supplied and that downward pressures on price are limited. This explains that De Beers responds to improvements downstream by raising its prices of rough diamonds, and that it responds to a worsening situation downstream by means of a combination of production quotas and price reductions.

1.2. De Beers operates the most efficient mines and has a leading position in the exploitation of future mines

- (48) Table 2 shows the mines which are wholly owned by De Beers.

TABLE 2

Mines	Average value (EUR)/carat in 2000	Expected mine life
Finsch	> 50	2028
Kimberly	> 50	2018
Kaffiefontain	> 200	2013
Namaqualand	> 100	2010
Venetia	> 50	2018
The Oaks	> 100	2009

- (49) Table 3 shows De Beers' joint venture mines.

TABLE 3

Joint venture	Partner	Stake of De Beers	Average value (EUR)/carat in 2000	Expected mine life
Marsfontein	Local partners (29,4 %), Southern Era (40 %)	31 %	> 50	2002
Debswana	Botswana Government (50 %)	50 %	> 50	2030
Namdeb Diamond Corporation	Namibian Government (50 %)	50 %	> 300	2021
Williamson	Tanzania State Mining (25 %)	75 %	> 100	2006

- (50) De Beers' largest source of rough diamonds is from the Debswana mines. Debswana is a joint venture between the De Beers Group and the Botswana government. Under the terms of this joint venture De Beers operates the Botswanan Orapa, Letlhakane and Jwaneng mines.
- (51) According to information provided to the Commission by De Beers ⁽¹²⁾, the Jwaneng is the most productive diamond mine in the world in terms of the volume of carats produced. In addition, it is also De Beers most profitable mine and this is determined by the value per tonne of ore mined and the efficiency of production. On an annual basis, between 1995 and 2000 this mine by itself accounted for no less than 18 % of the world's total production. According to profit/revenue data produced by De Beers for 2000, 55 % of the world's diamond mining revenue is from eight mines where it costs less than USD 0,25 to generate USD 1,00 of revenue. Of this 55 %, the majority (approximately 37 %) is generated by mines controlled by De Beers, and the remaining 18 % is generated by three mines controlled by other producers ⁽¹³⁾. Even in the unlikely scenario that all of this remaining production to be marketed independently of the DTC's single channel, De Beers would still be better placed than any other producer to withstand a price war were one to take place.
- (52) The commercial advantages provided by control over these highly profitable Botswanan mines will continue for the foreseeable future. Indeed, the expected mine life of the two largest Botswanan mines (Jwaneng and Orapa) is 2030.

⁽¹²⁾ Form CO, Annex 7.3/1, Table 4 — Estimated Share of Production by Mine, 1995 to 2000.

⁽¹³⁾ The data did not identify which the non-De Beers mines were.

- (53) Furthermore, De Beers has kept pace with increases in the level of global diamond production. The level of production of rough diamonds increased from USD 5 894 million in 1995 to USD 7 519 million in 2000. De Beers' share of this production has remained between 41 % and 47 % throughout that period. Indeed, given the breadth of experience in diamond exploration, and the wealth of data it has collected in relation to its exploration activities, De Beers should be able to predict with greater accuracy the likelihood that a sampled site will lead to a productive mine. This virtuous circle should enable De Beers to retain its strong position in relation to the production of rough diamonds.
- 1.3. In addition to its own production, De Beers holds significant levels of stocks from which it can release rough diamonds onto the market whenever it decides appropriate
- (54) De Beers has maintained a level of stocks significantly over its working level. That the levels of stock have been considerably above those needed for De Beers to operate is recognised in the Form CO. The notification states that a strategic decision has been taken by De Beers as a result of which it will reduce its stockpile to no more than a working level.
- (55) The control of stockpiles has been done not only to enable De Beers to ensure that the market has not been oversupplied, but also to ensure that De Beers has, at any time, been able to release diamonds of any type and quality onto the market and potentially to (temporarily) flood the market.
- (56) Although De Beers has stated that for strategic reasons it has decided to reduce its levels of stocks, this is not an irreversible strategy and there is no reason to believe that De Beers would be unable to rebuild its stocks as quickly as it has reduced them.
- 1.4. De Beers maintains close economic links with many of its competitors
- (57) DTC is the marketing and selling arm of De Beers, formerly known as the Central Selling Organisation (CSO). A number of De Beers' competitors also sell a significant proportion of their output via DTC channel under contract to the DTC.
- (58) For example, Russia accounts for 20 % of world diamond production, approximately EUR 1,5 billion). But the Russian producer Alrosa only supplies half of this output on its own account (see recital 46). The other half is sold under a sales contract via De Beers and the DTC channel.
- (59) BHP is a new entrant in the diamond producing sector, making its first sales in 1998. BHP also decided to operate to a certain extent outside of the DTC channel. In 1999 it had a market share of [1 to 5] %(*), largely produced from the Ekati mine in Canada. Yet BHP also supplies a very significant proportion of its production (35 %) via the DTC channel.
- (60) These sales agreements significantly reduce incentives for these companies to compete actively with De Beers. This is because active competition would not only lead to lower prices for the goods that they sell directly, but would also lower the value of the sales they make to the DTC. This creates incentives for these companies to behave as price followers, with De Beers as the price leader.
- 1.5. De Beers customers depend on the supply by De Beers and can only switch to a very limited extent to other suppliers.
- (61) Some mines yield a higher percentage of larger and/or higher quality stones; other mines yield a higher percentage of smaller, coloured, and/or otherwise lower quality stones. Moreover, the footprint of a particular mine may change in time depending on variations within the ore being mined at a particular moment. The aggregation of the outputs of the numerous mines by the De Beers Group helps De Beers smooth fluctuations in the composition of its production over time. In turn, this enables De Beers to provide a more consistent product than available from other producers.
- (62) The significance of De Beers position in the market is reflected in the responses the Commission has received during its market investigation. In response to questions about the ease or otherwise of switching their purchases away from the DTC, many respondents highlighted that while they are able to purchase rough diamonds from other suppliers, De Beers is the only producer able to guarantee any form of consistency of supply. The fact that the other suppliers produce their rough diamonds from a limited number of mines means that they are unable to provide a consistent source of supply and they will therefore only turn to supply from other providers on an ad hoc basis. De Beers has confirmed this factor in stressing that the aggregation of the outputs of numerous mines by the De Beers Group helps smooth fluctuations in the composition of its production over time.
- 1.6. De Beers organises the market
- (63) DTC sells its rough diamonds supplies to a carefully selected number of companies called 'sightholders'. Sightholders are entitled to make applications, through their brokers, to purchase rough diamonds at the 10 annual 'sights' organised by the DTC.
- (64) To be selected as a sightholder by De Beers/DTC is considered to be the highest honour in the diamond industry and can generate confidence down the diamond pipeline to the levels of the jewellery manufacturers and retailers. Companies work at becoming accepted as a sightholder by the DTC for years doing their utmost to convince the DTC that their financial situation is strong enough and their reputation and clientele irreproachable.

Sightholders, once selected, have to submit detailed confidential financial data to the DTC on a regular basis, as well as reports on the rough and polished diamonds they sell, their levels of stocks and so forth. The DTC will check this data unannounced at the premises of the sightholders or their manufacturing facilities or will request a discussion with their bankers.

- (65) There are currently about 120 sightholders appointed by the DTC. Their purchases of rough diamonds in 2000 are estimated to represent [65 to 75] %(*) of the total world market for rough diamonds. Sightholders can be traders of diamonds, cutters or polishers (manufacturers), 'preparers' (preparing the stones to be cut and polished by others) or any combination of these. They are located in the traditional diamond cutting centres, New York, Antwerp, Tel Aviv, Mumbai/Surat, and to some extent in South Africa and the Far East countries.
- (66) The Commission's investigation has shown that the DTC has complete discretion over the quantity, quality and value of diamonds it allocates to a particular sightholder at each of the ten annual sights. De Beers' detailed knowledge of economic conditions downstream in the diamond pipeline enables it to determine not only the volume and quality of diamonds that are released onto the market, but also the price at which these diamonds are sold.
- (67) For each year the DTC produces an annual sales target based on data on its share of supply available of rough diamonds and the anticipated global demand. It then uses six broad categories of rough diamonds to determine how that sales target can be realised across the range of goods it has made available. Once the DTC has determined the amount of each category it plans to sell during that year and in what proportion these categories should be allocated to what particular region or cutting centre, it then forecasts the number of boxes it plans to sell to each individual sightholder during that year.
- (68) When producing the annual sales target, DTC is assisted by De Beers' 'Market controllers' who have responsibility for preparing periodic reports on prevailing market conditions in the traditional cutting centres and are also responsible for the proposed allocation of particular categories of goods in adequate availability to these regions/cutting centres and for balancing against customers' needs. The market segmentation enforced by De Beers, in its role of custodian of the market, contributes to keeping the market stable by ensuring that no particular cutting centre becomes too prominent by having too large an allocation to sightholders based in that particular centre. Statistically however, over 90 % of rough diamonds are cut in India.
- (69) The presence of De Beers downstream of its core activity through its Diamdel companies⁽¹⁴⁾ and through its polished division⁽¹⁵⁾, which are effectively competitors of its own clients, also contribute to the detail and depth of its market assessment. The Diamdel companies purchase rough from the DTC and sell on to the secondary market (one level down from the sightholders) in the cutting centres. De Beers' polished division also buys rough from the DTC and sells polished to wholesalers and jewellery manufacturers and, through its activities, enables the DTC to understand the polished market better. Feedback and market reports from the brokers and numerous surveys of consumer taste and demand on the market for diamond jewellery add on to this vast and detailed knowledge De Beers has of the entire diamond pipeline all over the world, 'from the mine to the consumer'.
- (70) For internal valuation purposes, De Beers/DTC sorts the rough diamonds by size, shape, quality and colour into 16 000 classifications, each of which refers to a price point. De Beers/DTC determines the prices of each of these classifications on the basis of its pricing model which seeks to determine the value of the polished stones it would expect a polished rough stone to produce. De Beers/DTC will use different sources to estimate the value of the polished stones such as its polished division price book, pricing information in recognised trade magazines, information it obtains from the market and so forth. By calculating the current value of the polished diamond, the DTC then calculates a price point for the rough. The DTC will change prices to reflect market conditions. Price changes need not apply equally to all categories. Changes will be made to categories to reflect movements in the value of the polished derived from that rough.
- (71) Once the diamonds have been sorted and graded, they are blended into a 'selling mixture' and divided into specific ranges of goods which are known as 'boxes'. De Beers/DTC maps out the sightholders' yearly allocation taking the following into account: the indicative requirements of the sightholders, the sight cycle (some periods generating more demand because of special events such as Christmas.), whether demand is strong in the consumer markets and how 'full' the pipeline is. The 'fullness' of the diamond pipeline is assessed by De Beers on a regular basis and relates to the stocks of rough and polished diamonds carried by entities that are active in the dealing and manufacturing of rough diamonds or at any other level further down the diamond pipeline. De Beers therefore assesses demand at these different stages and estimates whether further sales would be assimilated and how.

⁽¹⁴⁾ Based in Antwerp, Israel, India, Hong Kong and South Africa.

⁽¹⁵⁾ The polished division has sales offices in London, Antwerp, Israel, Hong Kong and Russia.

1.7. De Beers is able to control the sightholders because of their dependency on De Beers

- (72) The DTC allocates boxes to sightholders in response to the applications it has received. The DTC has a 'menu' of 83 categories of boxes for which it regularly specifies the minimum quantity sightholders may apply for (for example 'Indian fancies: USD 350 000'). Each category is said to have undergone statistical analysis to determine the minimum number of stones that a box must contain to guarantee a consistent assortment of rough. This minimum number of stones multiplied by the average price per carat of the component parts of the box determines the minimum value. Sightholders apply for boxes specifying the value they require by category (for example 'spotted box 2-4 cts': USD 700 000). Sightholders are informed in advance how much they will be allocated at a particular sight so they can make financial arrangements to that effect. Cash payments are made to De Beers before the goods are sent out.
- (73) Sightholders have no ability to negotiate on price. They are not even informed of the individual price points since they are purchasing a box of a selected range of goods containing a number of price points. They have to take it or leave it at the set price. Feeding in their comments for the next sight is all they can do.
- (74) Sightholders often do not get the quantities they have asked for and some get proportionally more or less than others, because they are allocated particular categories of diamonds they have not requested or have been suspended from getting particular categories at the discretion of the DTC from sight to sight.
- (75) For the year 2000, sightholders refused [a small proportion]⁽¹⁶⁾ of the boxes allocated to them by the DTC. In part this might be due to the buoyant market that particular year but also to the fact that, being short of supply, they do not want to jeopardise their sights by risking to lose it.
- (76) Furthermore, De Beers has full knowledge and control over the margins sightholders can obtain on their sales of diamonds. In a presentation made by Gary Ralfe, Managing Director of De Beers, in 1999, he emphasised that an important factor was the decision De Beers took to ensure that there was going to be a proper margin in the boxes when they were sold to the sightholders.

1.8. The envisaged 'Supplier of Choice' arrangement is likely to further increase De Beers control over its customers.

- (77) The so-called 'Supplier of Choice' arrangements⁽¹⁶⁾, which are encompassed in the strategic review De Beers started in 1999, are aimed at strengthening De Beers'

control over its sightholders in order ultimately to boost demand for polished diamonds and to increase prices of rough diamonds.

- (78) The 'Supplier of Choice' arrangements will formalise the relationship between the DTC and its sightholders in a number of ways, ultimately making sure that De Beers is selling its rough diamonds to the strongest and most dynamic players in the market. In order to achieve this De Beers set out to select the sightholders to be part of the 'Supplier of Choice' effort by asking extremely detailed and confidential information from all its existing and a few potential sightholders. The collected information amounts to a financial audit of each sightholder combined with an assessment of its business plan. Details were requested among others on each sightholder's manufacturing ability, its sales strategy, its distribution ability, its presence and strength on particular markets, its plans to invest in promotion and marketing and its plans to become active downstream.
- (79) After evaluation, [description of model for assessing sightholders' relative performance]^(*). On the basis of [the results of the model]^(*), the DTC will be able to select a limited number of sightholders which it henceforth wants to do business with and determine the level of allocation each sightholder will receive. In order to keep track of the best performing sightholders at any one time, De Beers intends to update the detailed information on its sightholders [description of the frequency of updating]^(*), giving it *de facto* a permanent transparent view of the largest part of the market.
- (80) In determining eligibility to be a sightholder and in determining whether or not to meet application for boxes, in addition to the criteria described in recital 78, the DTC will take into account whether the sightholder complies with the DTC's Best Practice Principles. These involve a commitment not to engage in unacceptable practices such as child labour or trading in diamonds from areas in conflict or ensuring that all treatments to natural diamonds are disclosed.
- (81) It is understood that the mainstay of the De Beers' pricing and allocation policy will remain unchanged. De Beers, by [description of size of reduction]^(*) reducing the number of sightholders and requesting full transparency on their activities which are not only related to the purchase of rough diamonds, but also to the sightholders' sales to their customers, will therefore strengthen its control over sightholders and its knowledge of the market even further.

⁽¹⁶⁾ Which have been notified separately to the Commission (Case COMP/E-2/38139).

- (82) De Beers intention could be to [description of size of reduction](*) reduce the number of sightholders, keeping the same geographic distribution, but to supply them fully, instead of supplying directly about [a large proportion](*) of their requirements, thereby ensuring regularity and trust through the pipeline but also creating total dependency and thereby exclusivity. By tightening the DTC supply channel by only supplying the best sightholders, De Beers would reduce inter-client competition. By supplying fully a restricted number of sightholders, De Beers would also ensure that the selected sightholders would be able to make long term downstream supply commitments⁽¹⁷⁾ without incurring financial risks linked to uncertain or irregular supply. This in turn could boost demand at the end of the pipeline.
- (83) This move has to be looked at in parallel with the development of the Forevermark and the resulting regained confidence in the DTC single supply channel with its renewed attractiveness to new rough diamond producers because of the increased confidence generated from upstream and the premium achieved downstream.
2. *No significant strengthening of De Beers' dominant position in the market for rough diamonds through the creation of the joint venture with LVMH*
- 2.1. The joint venture will be able to develop and exploit the brand potential of the De Beers name as a synonym for high quality diamonds
- (84) The proposed creation of the joint venture with LVMH is the result of a strategic review covering all aspects of the De Beers' business which was started in 1999. From this process, De Beers' management identified a number of initiatives including measures to increase demand for rough diamonds and opportunities to utilise the De Beers name as a diamond jewellery brand⁽¹⁸⁾. One main pillar of the 'New De Beers' aims at realising the significant untapped potential in the De Beers brand through the creation of Rapids World.
- (85) NM Rothschild & Sons, adviser to De Beers, stated in the Confidential Information Memorandum in respect of the Project Rapids Joint Venture under section 4, The De Beers Brand: [description of De Beers assessment of its brand's potential and the reasons for this]⁽¹⁹⁾.
- (86) The De Beers brand heritage is based on the company's 112 years history as the diamond industry leader⁽²⁰⁾. De Beers first began to build a relationship with consumers in 1939 when De Beers initiated marketing in the United States of America originally focussed on the diamond engagement ring (diamond engagement rings are now purchased by approximately 74 % of engaged couples in the United States of America)⁽²¹⁾. Since the beginning of the consumer marketing activities in 1939, De Beers' consumer market division has successfully worked to develop the 'diamond dream' based on physical attributes — such as beauty and rarity — and emotional values — such as love and romance, prestige and status, mystique and history — supplementing these core attributes with that of eternity ('A Diamond is Forever')⁽²²⁾.
- (87) De Beers' strong relationships with consumers are a result of De Beers' communications and history which have successfully positioned the company as a 'mentor' to consumers in their choice of diamond jewellery⁽²³⁾. De Beers invented and globally promoted the four Cs (carat, colour, clarity, cut) to enable consumers to make more informed decisions as well as a diamond engagement ring salary guideline advertising ('How can you make two month's salary last forever? The Diamond Engagement Ring') which led to significant increase in prices for diamond engagement rings⁽²⁴⁾.
- (88) De Beers' brand awareness and image is a result of the diamond marketing campaigns carried out by De Beers, between 1995 and 1999 cumulative marketing expenditure amounted to approximately USD[...](* million)⁽²⁵⁾. The De Beers brand commands high prompted awareness (proportion of target consumers that correctly identify De Beers as a diamond company when the name is mentioned) worldwide, in particular in the United States of America ([...] %(*)), Europe (Italy [...] %(*)), Germany ([...] %(*)), United Kingdom ([...] %(*)) and Japan ([...] %(*))⁽²⁶⁾. Consumers in both the United States of America and Japan associate the De Beers brand with [description of type of diamonds]⁽²⁷⁾(*). [Description of the results of De Beers' research into brand awareness showing the De Beers brand to be well known amongst consumers](*)⁽²⁸⁾.
- (89) The joint venture will develop the global consumer brand potential of the De Beers name. It will have the exclusive worldwide rights to use the De Beers brand for luxury goods in consumer markets. The joint venture's immediate focus will be on premium diamond jewellery.
- ⁽¹⁷⁾ Thereby effectively eliminating dealers and reducing the pipeline somewhat.
- ⁽¹⁸⁾ De Beers Confidential Information Memorandum in respect of Project Rapids Joint Venture, Rothschild July 2000, page 7.
- ⁽¹⁹⁾ De Beers Confidential Information Memorandum in respect of Project Rapids Joint Venture, Rothschild July 2000, page 31.
- ⁽²⁰⁾ Op. cit., The De Beers Brand, page 31 to 51.
- ⁽²¹⁾ Op. cit., page 33.
- ⁽²²⁾ Op. cit., page 33 and 34.
- ⁽²³⁾ Op. cit., page 36.
- ⁽²⁴⁾ Op. cit., page 37 and 38.
- ⁽²⁵⁾ Op. cit., page 41.
- ⁽²⁶⁾ Op. cit., page 44.
- ⁽²⁷⁾ Op. cit., page 45.
- ⁽²⁸⁾ Project Rapids Business Plan, 15 December 2000, Executive Summary I.

2.2. The joint venture will be based on De Beers unique expertise in selecting and offering diamonds

- (90) Besides the De Beers name, De Beers significant accumulated diamond expertise will be the basis for the joint venture's distinctive consumer offering. De Beers through its central rough diamond trading and marketing division sells two thirds of the world's gem quality diamonds to its sightholders in cutting centres around the world. These diamonds are valued and sorted by [a number of](*) experts, [description of the experts' experience](*)⁽²⁹⁾.
- (91) Due to their technical skills and aesthetic sensitivities, De Beers' experts are able to assess the technical characteristics of each diamond, and analyse the nuances to form an ultimately subjective judgment about which diamonds produce the best balance and optimal level of fire and brilliance⁽³⁰⁾. The joint venture will use De Beers expertise in selecting the most beautiful diamonds, alongside and yet beyond the formulaic grading of the traditional 4Cs⁽³¹⁾ and it will develop a distinctive diamond jewellery consumer offering.
- (92) Under the Technical Services Agreement De Beers will transfer to the joint venture De Beers personnel and technology [description of purpose of these transfers](*)⁽³²⁾. [Description of the diamond selection process, the related selection criteria and the manner in which the selected diamonds will be branded](*)⁽³³⁾.
- (93) [Description of the objectives of the De Beers' Institute and the connection that it will have with Rapids World](*)⁽³³⁾.

2.3. De Beers' dominant position in the market for rough diamonds and its control over its sightholders will ensure the joint venture's access to diamonds of the best quality

- (94) Polished diamond supply is the most important operational issue for the joint venture since the De Beers brand will rely on delivery of the highest quality. The joint venture will enter into [description of Rapids World's expected arrangements for the supply of polished diamonds](*)⁽³⁴⁾.
- (95) The suppliers of polished diamonds to the joint venture will be probably sightholders of De Beers since De Beers is the world's main supplier of the more expensive and

better qualities of diamonds. De Beers has enormous rough diamond allocating power through the sight system. Due to the take-it-or-leave-it box allocation system, sightholders depend on De Beers providing them with grades of diamonds appropriate to their business. Since the sightholders have to provide De Beers on a regular basis with detailed information on their operations, their production, their financial performances, their polished and rough stocks and their polished customers, De Beers will know which sightholders will supply polished diamonds to the joint venture. De Beers' rough diamond allocating power enables it to direct high quality diamonds to those sightholders which supply the joint venture thus ensuring that the joint venture will consistently receive the highest quality.

2.4. LVMH's know how and expertise in developing luxury goods brands and managing retail networks will ensure the joint venture's success as a retailer

- (96) De Beers has the brand name, the diamond expertise and dominates production and marketing of rough diamonds. However, De Beers has no retail brand management skills and retailing and merchandising expertise. Therefore, it did not consider starting jewellery retailing activities on its own, but chose a partner that would contribute know how and expertise in developing luxury goods brands and managing retail networks. LVMH, as the world's leading luxury product group, is the ideal partner for developing the consumer potential of the De Beers brand since LVMH brings extensive experience in both developing luxury brands and rolling out premium retail concepts⁽³⁵⁾.
- (97) LVMH has a unique portfolio of powerfully evocative brands and great names. Its activities in luxury products comprise wine and champagne (brands such as Moët & Chandon, Dom Pérignon, Veuve Clicquot, Krug, Pommery, Chateau d'Yquem, Hennessy), fashion and leather goods (brands such as Louis Vuitton, Loewe, Céline, Berlutti, Kenzo, Givenchy, Christian Lacroix, Fendi, Pucci), fragrances and cosmetics (brands such as Givenchy, Guerlain, Christian Dior, Kenzo) and watches and jewellery (brands such as TAG Heuer, Ebel, Chaumet, Zenith, Fred Joallier). In 1999, consolidated net sales of LVMH rose by 23 % to EUR 8,5 billion⁽³⁶⁾. In cognac and champagne, LVMH is the Number 1 worldwide with a share of 34 % for cognac and a share

⁽²⁹⁾ De Beers Confidential Information Memorandum in respect of Project Rapids Joint Venture, Rothschild July 2000, page 32.

⁽³⁰⁾ Project Rapids Business Plan, 15 December 2000, Executive Summary 5.

⁽³¹⁾ Idem.

⁽³²⁾ Project Rapids Business Plan, 15 December 2000, Appendix 15.3.

⁽³³⁾ Op. cit., De Beers Institute, 8.1, 8.2.

⁽³⁴⁾ De Beers Confidential Information Memorandum in respect of Project Rapids Joint Venture, Rothschild July 2000, page 61.

⁽³⁵⁾ Joint Press Release, 16 January 2001.

⁽³⁶⁾ LVMH Annual Report 1999, page 8.

of 19 % for champagne ⁽³⁷⁾. Louis Vuitton is the world's leading luxury goods brand ⁽³⁸⁾. In selective fragrances and cosmetics, LVMH is the Number three worldwide and the Number one in Europe ⁽³⁹⁾. In luxury watch-making LVMH is Number three worldwide ⁽⁴⁰⁾.

(98) LVMH operates and owns over 1 000 retail outlets ⁽⁴¹⁾. LVMH considers control over retail distribution to be the key to the success of luxury brands since it enables them to capture retail distribution margins, and to ensure that their brand image and the environment in which their products are sold are of the highest quality ⁽⁴²⁾. LVMH has a separate Selective Retailing business group and is the world leader in selective retailing of luxury goods ⁽⁴³⁾. The LVMH network encompasses the exclusive boutiques and global stores of the fashion and leather goods houses, the Duty Free Shoppers (DFS) luxury goods stores, the Sephora perfumes and cosmetics stores, as well as Le Bon Marché which is positioned as the most exclusive department store in Paris ⁽⁴⁴⁾. DFS is the number one worldwide in international travel retail ⁽⁴⁵⁾. In 2000, LVMH acquired Miami Cruiseline Services, a US-based company, which is the world leader in duty-free luxury goods on cruise ships and which will complement the activities of DFS ⁽⁴⁶⁾.

(99) The joint venture is based in LVMH's extensive experience in both developing luxury brands and rolling out premium retail concepts. It will become a key part of the LVMH luxury goods portfolio ⁽⁴⁷⁾.

2.5. The complementary strengths of De Beers and LVMH may enable the joint venture to achieve a leading position in retailing of higher-end (branded) diamond jewellery

(100) Diamond jewellery (all fine jewellery pieces containing diamonds) is estimated by De Beers to be approximately USD 56 billion in retail sales in 1999 on a global basis and almost USD [...] ^(*) of those sales were accounted for by diamond jewellery pieces priced at over USD 1 000 per piece at retail sales level (high-end diamond pieces) ⁽⁴⁸⁾, [description of Rapids World's product focus] ^(*) ⁽⁴⁹⁾. The diamond jewellery industry is still highly fragmented and the majority of sales are made by small scale independent jewellers, typically operating in traditional store format ⁽⁵⁰⁾. Specialists and stand-alone retailers account for 84 % of total retailing

of luxury jewellery in France, for 86 % in Germany, for 95 % in Italy, for 74 % in Spain and for 63 % in the United Kingdom ⁽⁵¹⁾. Specialists and stand-alone are also the most important distribution channel for luxury jewellery in the United States of America with a share of 86 % ⁽⁵²⁾, whereas in Japan department stores account for the majority of luxury jewellery retailing with a share of 83 % ⁽⁵³⁾. Department stores are the second important distribution channel in France (12 %), Germany (9 %), Spain (7 %) and the United Kingdom (22 %) ⁽⁵⁴⁾. Duty free is the third important distribution channel. Larger players in this industry are branded high-end jewellery retailers such as Tiffany, Cartier, Bulgari and Van Cleef & Arpels.

(101) Retail brands in the diamond jewellery sector are not yet substantially developed. The luxury branded jewellery segment is estimated to be USD 4,5 billion in retail value. The leading players in luxury branded jewellery are Cartier (1998 turnover USD 1 580 million), Tiffany (1998 turnover USD 970 million) and Bulgari (1998 turnover USD 370 million). If watches are excluded, Tiffany is the number one (1998 turnover USD 860 million) and Cartier (1998 turnover USD 500 million) the number two worldwide. Tiffany is the leading jewellery goods brand in the United States of America ⁽⁵⁵⁾. Tiffany accounts for 2 % of all high-end pieces on a global scale and for 19 % of branded high-end jewellery. Cartier is the leading jewellery brand in France, Germany and the United Kingdom and it is the leading Western jewellery brand in Japan ⁽⁵⁶⁾. Cartier accounts for 1 % of all high-end pieces on a global scale and for 11 % of branded high-end jewellery. Cartier and Bulgari are the leading brands in luxury jewellery in Italy and Spain ⁽⁵⁷⁾.

(102) The proposed creation of the joint venture is based on De Beers' heritage as the world's foremost diamond company, efficiencies and cost reductions in diamond production, and broad-based brand equity and on LVMH's experience and support in international retail sales, operations and marketing ⁽⁵⁸⁾. The joint venture will sell diamond jewellery through [description of possible types of retail outlet] ^(*). It will focus on higher-end diamond jewellery. [Details of Rapids World's focus on premium diamond jewellery] ^(*) ⁽⁵⁹⁾.

(103) [Description of the expected structure of Rapids World] ^(*) ⁽⁶⁰⁾.

⁽³⁷⁾ Op. cit., page 7.

⁽³⁸⁾ Idem.

⁽³⁹⁾ Idem.

⁽⁴⁰⁾ Idem.

⁽⁴¹⁾ Op. cit., page 9.

⁽⁴²⁾ Op. cit., page 21.

⁽⁴³⁾ Op. cit., page 6.

⁽⁴⁴⁾ Op. cit., page 21.

⁽⁴⁵⁾ Op. cit., page 6.

⁽⁴⁶⁾ Op. cit. pages 4 to 6.

⁽⁴⁷⁾ Joint Press Release, 16 January 2001.

⁽⁴⁸⁾ De Beers Confidential Information Memorandum in respect of Project Rapids Joint Venture, Rothschild July 2000, page 8.

⁽⁴⁹⁾ Project Rapids Business Plan, 15 December 2000, Executive Summary 3.

⁽⁵⁰⁾ Op. cit. page 4.

⁽⁵¹⁾ Datamonitor Luxury Goods 1998, Jewellery, pages 66, 68, 69, 73, 75 percentage based on value.

⁽⁵²⁾ Op. cit., page 64 percentage based on value.

⁽⁵³⁾ Op. cit., page 78 percentage based on value.

⁽⁵⁴⁾ Op. cit., pages 66, 68, 73, 75 percentage based on value.

⁽⁵⁵⁾ Datamonitor Luxury Goods 1998, Jewellery, page 64.

⁽⁵⁶⁾ Op. cit., pages 66, 69, 76, 79.

⁽⁵⁷⁾ Op. cit. pages 71, 73.

⁽⁵⁸⁾ Project Rapids Business Plan, 15 December 2000, Executive Summary 2, op. cit. page 2.

⁽⁵⁹⁾ Idem.

⁽⁶⁰⁾ Op. cit. page 13.

(104) From 2001 to 2002 the joint venture will open [a number of](*) stores in [Details of location of store openings](*). From 2003 to 2005, [a number of](*) stores will be opened and by 2010, [a number of](*) stores will be opened and [a number of](*) boutiques will be established in [certain](*) locations. The geographical breakdown of the [...](*) global network will comprise [a number of](*) stores in [country name](*), [a number of](*) stores in [country name](*), [a number of](*) stores in key countries in the rest of the world, and [a number of other](*) boutiques ⁽⁶¹⁾.

(105) The combination of the De Beers brand name and its diamond expertise with LVMH's design skills, its brand management expertise and its global distribution network and know-how may enable the joint venture to become a leading player in branded high-end jewellery retailing. The joint venture's net sales are projected to be USD [...](*) by 2005 and USD [...](*) by 2010 ⁽⁶²⁾. On the basis of these projections, [description of anticipated success of Rapids World and performance relative to other jewellery retailers](*) (projected operating results of USD [...](*) by 2010) ⁽⁶³⁾. As a consequence of the joint venture's market position, the De Beers brand will be established as a leading brand in branded diamond jewellery.

2.6. However, the joint venture will not significantly strengthen De Beers' proprietary supply channel in the framework of the Forevermark

(106) Within its strategic review, De Beers has set out to separate the De Beers name, to be used exclusively as a brand by the Rapids joint venture, from the DTC trademark now to be associated with the Forevermark ('a diamond is forever'). The new DTC Forevermark identity has three main components: the company name (DTC), the world-famous slogan 'A diamond is forever' and a visual icon (DTC logo) which is called Forevermark.

(107) The Forevermark is intended to become a [proposed use of the Forevermark](*) for diamonds based on DTCs Diamond Best Practice Principles. Forevermark diamonds are natural, untreated, not from areas of conflict, consistent with the best environment practices and social behaviour and are thus ethically sound. The Forevermark stands for the integrity of the diamond. It is not linked to the quality and value of the diamond measured by the traditional four Cs and thus [description of potential scope of application of the Forevermark](*). In fact, the Forevermark will represent the fifth C: Confidence.

(108) By establishing the DTC 'Forevermark' as a [device identifying selected diamonds originating from the DTC](*),

De Beers aims at significantly increasing the demand for diamonds originating from DTC. The Forevermark is intended to become the synonym for conflict-free and legitimate diamonds. The DTC and its sightholders will be [details of proposed use of Forevermark by DTC and sightholders in showing the diamonds conflict-free origins](*) ⁽⁶⁴⁾. As the result the source of each diamond would become a greater issue for consumers who would increasingly demand conflict-free diamonds originating from the DTC.

(109) De Beers' Forevermark is intended to be a proprietary product assurance which will make DTC diamonds intrinsically more valuable to clients than open market rough, thus supporting a premium price for DTC rough. De Beers aims at creating a consumer pull at the end of the pipeline towards Forevermark diamonds and thus concentrating demand on diamonds originating from DTC. As a result independent producers may, over time, decide to sell their diamonds to an even more significant extent through the DTC channel.

(110) In the past, De Beers was able to convince independent producers, such as Alrosa or BHP, to devote a portion of their production to De Beers because of De Beers' role in price maintenance. In the future De Beers may be able to effect the same arrangements because of the power of the Forevermark if it has been successfully established as a synonym for conflict-free diamonds. The added value with which DTC could back its rough sales would raise the cost of competition for non DTC-producers, on the one hand. On the other hand, DTC would be able to establish a premium price for DTC rough which in turn would enable the DTC to pay to the independent producers. Therefore, competitors may over time decide to sell through the DTC single supply channel with its renewed attractiveness instead of receiving an inferior price on the open market for their production.

(111) The joint venture will adopt and implement policies and practices for sourcing of diamonds that adhere to the DTC Best Practice Principles ⁽⁶⁵⁾. [Description of terms on which Forevermark may be used](*).

(112) However, the Commission's investigation has not confirmed that the creation of the joint venture is necessary for the establishment of the Forevermark or that the joint venture will lead to a significant structural change on the rough diamond market. The structural change will in essence be brought about by De Beers' branding strategy itself.

⁽⁶¹⁾ Op. cit. page 11.

⁽⁶²⁾ Project Rapids Business Plan, 15 December 2000, Financial Projections, Financial Summary.

⁽⁶³⁾ Op. cit, Summary Financial Statements.

⁽⁶⁴⁾ The DTC will increase expenditure on its global generic marketing campaigns to drive overall consumer demand for diamonds. It will invest approximately USD 180 million in consumer marketing campaigns in 2001 using the world famous strapline 'A Diamond is Forever'. Joint Press Release, 16 January 2001.

⁽⁶⁵⁾ Shareholders' Agreement, page 83.

- (113) [Description of terms on which Forevermark may be used](^(*)). The jewellery industry is rather fragmented (see recital 100). The joint venture is based on De Beers diamond industry leadership and is intended to become an authority in diamond jewellery retail which, as the industrial leader, will set standards on the retail level (see recital 93). [Description of terms on which Forevermark may be used](^(*)). However, such contribution would remain very limited. The joint venture is not yet operational and will have to build up its market position as a high-end diamond jewellery brand within the next 10 years. De Beers has publicly announced that the DTC will increase expenditure on its global generic marketing campaigns to drive overall consumer demand for diamonds and that it will invest approximately USD 180 million in consumer marketing campaigns in 2001 using the world famous strapline 'A Diamond is Forever' (⁽⁶⁶⁾). In view of De Beers dominant position in rough diamonds it appears very likely that the DTC and its sightholders would be able to successfully establish the Forevermark without the proposed joint venture.
- (114) It is therefore concluded that the proposed joint venture would not lead to a significant strengthening of De Beers' already existing dominant position in the global market for rough diamonds.

VII. SUMMARY

- (115) It can be concluded from the above that the proposed concentration would not lead to the strengthening of dominant positions, as a result of which effective competition would be impeded in a substantial part of the common market. The operation is therefore to be declared compatible with the common market and with

the functioning of the EEA, pursuant to Article 8(2) of the Merger Regulation (and Article 57 of the EEA Agreement,

HAS ADOPTED THIS DECISION:

Article 1

The notified operation whereby Riverbank Investments Limited, controlled by the De Beers Group, and Sofidiv UK Limited, controlled by LVMH Moët Hennessy Louis Vuitton, would acquire joint control of the newly-formed undertaking, Rapids World Limited is declared compatible with the common market and the EEA Agreement.

Article 2

This Decision is addressed to:

Riverbank (De Beers)
17 Charterhouse Street
London EC1N 6RA
United Kingdom,

Sofidiv (LVMH)
15 St George Street
London W1R 9DE
United Kingdom.

Done at Brussels, 25 July 2001.

For the Commission

Mario MONTI

Member of the Commission

⁽⁶⁶⁾ Joint Press Release, 16 January 2001.

(Acts adopted pursuant to Title VI of the Treaty on European Union)

COUNCIL FRAMEWORK DECISION 2003/80/JHA
of 27 January 2003
on the protection of the environment through criminal law

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on European Union, and in particular Article 29, Article 31(e) and Article 34(2)(b) thereof,

Having regard to the initiative of the Kingdom of Denmark ⁽¹⁾,

Having regard to the opinions of the European Parliament ⁽²⁾,

Whereas:

- (1) The Union is concerned at the rise in environmental offences and their effects, which are increasingly extending beyond the borders of the States in which the offences are committed.
- (2) Such offences pose a threat to the environment and therefore call for a tough response.
- (3) Environmental offences are a problem jointly faced by Member States, which should therefore take concerted action to protect the environment under criminal law ⁽³⁾.
- (4) The European Commission has submitted in March 2001 a proposal for a Directive of the European Parliament and the Council concerning the protection of the environment by criminal law ⁽⁴⁾, based on Article 175(1) of the Treaty establishing the European Community.
- (5) The Council considered it appropriate to incorporate into the present Framework decision a number of substantive provisions contained in the proposed Directive, in particular those defining the conduct which Member States have to establish as criminal offences under their domestic law.
- (6) The European Parliament delivered its opinion on the proposed Directive on 9 April 2002. The European Commission submitted in October 2002 an amended proposal for a Directive pursuant to Article 250(2) of the Treaty establishing the European Community. The Council did not consider it appropriate to modify the present Framework Decision on that basis.

- (7) The Council has considered this proposal but has come to the conclusion that the majority required for its adoption by the Council can not be obtained. The said majority considered that the proposal went beyond the powers attributed to the Community by the Treaty establishing the European Community and that the objectives could be reached by adopting a Framework-Decision on the basis of Title VI of the Treaty on European Union. The Council also considered that the present Framework Decision, based on Article 34 of the Treaty on European Union, is a correct instrument to impose on the member States the obligation to provide for criminal sanctions. The amended proposal submitted by the Commission was not of a nature to allow the Council to change its position in this respect.
- (8) Not only physical persons but also legal persons should be held liable for environmental offences.
- (9) Member States should establish wide-ranging jurisdiction with respect to the said offences in such a way as to avoid that physical or legal persons would escape prosecution by the simple fact that the offence was not committed in their territory.
- (10) On 4 November 1998 the Council of Europe adopted a Convention on the protection of the environment through criminal law, which has been taken account of in the provisions of the present instrument,

HAS ADOPTED THIS FRAMEWORK DECISION:

Article 1

Definitions

For the purposes of this Framework Decision

- (a) 'unlawful' means infringing a law, an administrative regulation or a decision taken by a competent authority, including those giving effect to binding provisions of Community law aiming at the protection of the environment;

⁽¹⁾ OJ C 39, 11.2.2000, p. 4.

⁽²⁾ Opinions delivered on 7 July 2000 (OJ C 121, 24.4.2001, p. 494) and on 9 April 2002 (not yet published in the Official Journal).

⁽³⁾ See also the Annex.

⁽⁴⁾ OJ C 180 E, 26.6.2001, p. 238.

- (b) 'water' means all kinds of groundwater and surface water including the water of lakes, rivers, oceans and seas;
- (c) 'legal person' means any legal entity having such status under the applicable national law, except for States or other public bodies acting in the exercise of their sovereign rights and for public international organisations.

Article 2

Intentional offences

Each Member State shall take the necessary measures to establish as criminal offences under its domestic law:

- (a) the discharge, emission or introduction of a quantity of substances or ionising radiation into air, soil or water which causes death or serious injury to any person;
- (b) the unlawful discharge, emission or introduction of a quantity of substances or ionising radiation into air, soil or water which causes or is likely to cause their lasting or substantial deterioration or death or serious injury to any person or substantial damage to protected monuments, other protected objects, property, animals or plants;
- (c) the unlawful disposal, treatment, storage, transport, export or import of waste, including hazardous waste, which causes or is likely to cause death or serious injury to any person or substantial damage to the quality of air, soil, water, animals or plants;
- (d) the unlawful operation of a plant in which a dangerous activity is carried out and which, outside the plant, causes or is likely to cause death or serious injury to any person or substantial damage to the quality of air, soil, water, animals or plants;
- (e) the unlawful manufacture, treatment, storage, use, transport, export or import of nuclear materials or other hazardous radioactive substances which causes or is likely to cause death or serious injury to any person or substantial damage to the quality of air, soil, water, animals or plants;
- (f) the unlawful possession, taking, damaging, killing or trading of or in protected wild fauna and flora species or parts thereof, at least where they are threatened with extinction as defined under national law;
- (g) the unlawful trade in ozone-depleting substances;

when committed intentionally.

Article 3

Negligent offences

Each Member State shall take the necessary measures to establish as criminal offences under its domestic law, when committed with negligence, or at least serious negligence, the offences enumerated in Article 2.

Article 4

Participation and instigation

Each Member State shall take the necessary measures to ensure that participating in or instigating the conduct referred to in Article 2 is punishable.

Article 5

Penalties

1. Each Member State shall take the necessary measures to ensure that the conduct referred to in Articles 2 and 3 is punishable by effective, proportionate and dissuasive penalties including, at least in serious cases, penalties involving deprivation of liberty which can give rise to extradition.

2. The criminal penalties provided for in paragraph 1 may be accompanied by other penalties or measures, in particular the disqualification for a natural person from engaging in an activity requiring official authorisation or approval, or founding, managing or directing a company or a foundation, where the facts having led to his or her conviction show an obvious risk that the same kind of criminal activity may be pursued.

Article 6

Liability of legal persons

1. Each Member State shall take the necessary measures to ensure that legal persons can be held liable for conduct referred to in Articles 2 and 3 committed for their benefit by any person, acting either individually or as part of an organ of the legal person, who has a leading position within the legal person, based on

- (a) a power of representation of the legal person, or
- (b) an authority to take decisions on behalf of the legal person, or
- (c) an authority to exercise control within the legal person,

as well as for the involvement as accessories or instigators in the commission of conduct referred to in Article 2.

2. Apart from the cases already provided for in paragraph 1, each Member State shall take the necessary measures to ensure that a legal person can be held liable where the lack of supervision or control by a person referred to in paragraph 1 has made possible the commission referred to in Articles 2 and 3 for the benefit of that legal person by a person under its authority.

Liability of a legal person under paragraphs 1 and 2 shall not exclude criminal proceedings against natural persons who are perpetrators, instigators or accessories in the conduct referred to in Articles 2 and 3.

Article 7

Sanctions for legal persons

Each Member State shall take the necessary measures to ensure that a legal person held liable pursuant to Article 6 is punishable by effective, proportionate and dissuasive sanctions, which shall include criminal or non-criminal fines and may include other sanctions such as:

- (a) exclusion from entitlement to public benefits or aid;
- (b) temporary or permanent disqualification from the practice of industrial or commercial activities;
- (c) placing under judicial supervision;
- (d) a judicial winding-up order;
- (e) the obligation to adopt specific measures in order to avoid the consequences of conduct such as that on which the criminal liability was founded.

Article 8

Jurisdiction

1. Each Member State shall take the necessary measures to establish its jurisdiction with regard to the offences referred to in Articles 2 and 3 where the offence has been committed:

- (a) fully or in part in its territory, even if the effects of the offence occur entirely elsewhere;
- (b) on board a ship or an aircraft registered in it or flying its flag;
- (c) for the benefit of legal persons with a registered office in its territory;
- (d) by one of its nationals if the offence is punishable under criminal law where it was committed or if the place where it was committed does not fall under any territorial jurisdiction.

2. Subject to the provisions of Article 9, any Member State may decide that it will not apply, or that it will apply only in specific cases or circumstances, the jurisdiction rule set out in:

- (a) paragraph 1(c);
- (b) paragraph 1(d).

Article 9

Extradition and prosecution

1. (a) Any Member State which, under its law, does not yet extradite its own nationals shall take the necessary measures to establish its jurisdiction over the offences provided for in Articles 2 and 3 when committed by its own nationals outside its territory.

- (b) Each Member State shall, when one of its nationals is alleged to have committed in another Member State an offence involving the conduct described in Articles 2 and 3, and it does not yet extradite that person to that other Member State solely on the ground of his nationality, submit the case to its competent authorities for the purpose of prosecution if appropriate. In order to enable prosecution to take place, the files, information and exhibits relating to the offence shall be transmitted in accordance with the procedures laid down in Article 6(2) of the European Convention on Extradition. The requesting Member State shall be informed of the prosecution initiated and of its outcome.

2. For the purpose of this Article, a national of a Member State shall be construed in accordance with any declaration made by that State under Article 6(1)(b) and (c) of the European Convention on Extradition of 13 December 1957.

Article 10

Implementation

1. Member States shall adopt the measures necessary to comply with the provisions of this Framework Decision before 27 January 2005.

2. Before 27 April 2005, Member States shall communicate to the General Secretariat of the Council and to the Commission the texts of the provisions transposing into their national law the obligations imposed on them by this Framework Decision. On the basis of that information and a written report by the Commission, the Council shall, no later than 27 January 2006, check the extent to which Member States have taken the measures necessary to comply with this Framework Decision.

Article 11

Territorial application

This Framework Decision shall apply to Gibraltar.

Article 12

Effective date

This Framework Decision shall take effect on the day of its publication in the *Official Journal of the European Union*.

Done at Brussels, 27 January 2003.

For the Council
The President
G. PAPANDREOU

ANNEX

The Council takes note that Austria intends to comply with Article 2(f) and (g) as far as minor cases are concerned and Article 3 by providing for effective, proportionate and dissuasive sanctions under administrative criminal law.

CORRIGENDA

Corrigendum to Commission Regulation (EC) No 2344/2002 of 18 December 2002 amending Annexes I, III, V and VII to Council Regulation (EEC) No 3030/93 on common rules for imports of certain textile products from third countries

(Official Journal of the European Communities L 357 of 31 December 2002)

On page 93, the Annex is replaced by the following Annex:

‘ANNEX

1. Annex I is replaced by the following:

“ANNEX I

TEXTILE PRODUCTS REFERRED TO IN ARTICLE 1 (1)

1. Without prejudice to the rules for the interpretation of the Combined Nomenclature, the wording of the description of goods is considered to be of indicative value only, since the products covered by each category are determined, within this Annex, by CN codes. Where there is an “ex” symbol in front of a CN code, the products covered in each category are determined by the scope of the CN code and by that of the corresponding description.
2. When the constitutive material of the products of categories 1 to 114 is not specifically mentioned, these products are to be taken to be made exclusively of wool or of fine animal hair, of cotton or of man-made fibres. This applies to the following countries: Argentina, Bangladesh, Bosnia and Herzegovina, Brazil, Cambodia, China (MFA Agreement), Croatia, Egypt, former Yugoslav Republic of Macedonia, Hong Kong, India, Indonesia, Laos, Macao, Malaysia, Nepal, Pakistan, Peru, Philippines, Russian Federation, Singapore, South Korea, Sri Lanka, Taiwan, Thailand and Vietnam.
3. Garments which are not recognisable as being garments for men or boys or as being garments for women or girls are classified with the latter.
4. Where the expression “babies' garments” is used, this is meant to cover garments up to and including commercial size 86.

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
GROUP IA			
1	Cotton yarn, not put up for retail sale 5204 11 00, 5204 19 00, 5205 11 00, 5205 12 00, 5205 13 00, 5205 14 00, 5205 15 10, 5205 15 90, 5205 21 00, 5205 22 00, 5205 23 00, 5205 24 00, 5205 26 00, 5205 27 00, 5205 28 00, 5205 31 00, 5205 32 00, 5205 33 00, 5205 34 00, 5205 35 00, 5205 41 00, 5205 42 00, 5205 43 00, 5205 44 00, 5205 46 00, 5205 47 00, 5205 48 00, 5206 11 00, 5206 12 00, 5206 13 00, 5206 14 00, 5206 15 10, 5206 15 90, 5206 21 00, 5206 22 00, 5206 23 00, 5206 24 00, 5206 25 10, 5206 25 90, 5206 31 00, 5206 32 00, 5206 33 00, 5206 34 00, 5206 35 00, 5206 41 00, 5206 42 00, 5206 43 00, 5206 44 00, 5206 45 00, ex 5604 90 00		
2	Woven fabrics of cotton, other than gauze, terry fabrics, pile fabrics, chenille fabrics, tulle and other net fabrics 5208 11 10, 5208 11 90, 5208 12 16, 5208 12 19, 5208 12 96, 5208 12 99, 5208 13 00, 5208 19 00, 5208 21 10, 5208 21 90, 5208 22 16, 5208 22 19, 5208 22 96, 5208 22 99, 5208 23 00, 5208 29 00, 5208 31 00, 5208 32 16, 5208 32 19, 5208 32 96, 5208 32 99, 5208 33 00, 5208 39 00, 5208 41 00, 5208 42 00, 5208 43 00, 5208 49 00, 5208 51 00, 5208 52 10, 5208 52 90, 5208 53 00, 5208 59 00, 5209 11 00, 5209 12 00, 5209 19 00, 5209 21 00, 5209 22 00, 5209 29 00, 5209 31 00, 5209 32 00, 5209 39 00, 5209 41 00, 5209 42 00, 5209 43 00, 5209 49 10, 5209 49 90, 5209 51 00, 5209 52 00, 5209 59 00, 5210 11 10, 5210 11 90, 5210 12 00, 5210 19 00, 5210 21 10, 5210 21 90, 5210 22 00, 5210 29 00, 5210 31 10, 5210 31 90, 5210 32 00, 5210 39 00, 5210 41 00, 5210 42 00, 5210 49 00, 5210 51 00, 5210 52 00, 5210 59 00, 5211 11 00, 5211 12 00, 5211 19 00, 5211 21 00, 5211 22 00, 5211 29 00, 5211 31 00, 5211 32 00, 5211 39 00, 5211 41 00, 5211 42 00, 5211 43 00, 5211 49 10, 5211 49 90, 5211 51 00, 5211 52 00, 5211 59 00, 5212 11 10, 5212 11 90, 5212 12 10, 5212 12 90, 5212 13 10, 5212 13 90, 5212 14 10, 5212 14 90, 5212 15 10, 5212 15 90, 5212 21 10, 5212 21 90, 5212 22 10, 5212 22 90, 5212 23 10, 5212 23 90, 5212 24 10, 5212 24 90, 5212 25 10, 5212 25 90, ex 5811 00 00, ex 6308 00 00		

(1) NB: Covers only categories 1 to 114, with the exception of Armenia, Azerbaijan, Belarus, Cambodia, China (non-MFA Agreement), Georgia, Kazakhstan, Kyrgyzstan, Laos, Moldova, Mongolia, Nepal, Russian Federation, Tajikistan, Turkmenistan, Ukraine, United Arab Emirates, Uzbekistan and Vietnam, for which categories 1 to 161 are covered and of Bosnia and Herzegovina, Croatia, former Yugoslav Republic of Macedonia and Taiwan for which categories 1 to 123 are covered. In the case of Taiwan categories 115 to 123 are included in group IIIB.

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
2(a)	Of which: Other than unbleached or bleached 5208 31 00, 5208 32 16, 5208 32 19, 5208 32 96, 5208 32 99, 5208 33 00, 5208 39 00, 5208 41 00, 5208 42 00, 5208 43 00, 5208 49 00, 5208 51 00, 5208 52 10, 5208 52 90, 5208 53 00, 5208 59 00, 5209 31 00, 5209 32 00, 5209 39 00, 5209 41 00, 5209 42 00, 5209 43 00, 5209 49 10, 5209 49 90, 5209 51 00, 5209 52 00, 5209 59 00, 5210 31 10, 5210 31 90, 5210 32 00, 5210 39 00, 5210 41 00, 5210 42 00, 5210 49 00, 5210 51 00, 5210 52 00, 5210 59 00, 5211 31 00, 5211 32 00, 5211 39 00, 5211 41 00, 5211 42 00, 5211 43 00, 5211 49 10, 5211 49 90, 5211 51 00, 5211 52 00, 5211 59 00, 5212 13 10, 5212 13 90, 5212 14 10, 5212 14 90, 5212 15 10, 5212 15 90, 5212 23 10, 5212 23 90, 5212 24 10, 5212 24 90, 5212 25 10, 5212 25 90, ex 5811 00 00, ex 6308 00 00		
3	Woven fabrics of synthetic fibres (discontinuous or waste) other than narrow woven fabrics, pile fabrics (including terry fabrics) and chenille fabrics 5512 11 00, 5512 19 10, 5512 19 90, 5512 21 00, 5512 29 10, 5512 29 90, 5512 91 00, 5512 99 10, 5512 99 90, 5513 11 20, 5513 11 90, 5513 12 00, 5513 13 00, 5513 19 00, 5513 21 10, 5513 21 30, 5513 21 90, 5513 22 00, 5513 23 00, 5513 29 00, 5513 31 00, 5513 32 00, 5513 33 00, 5513 39 00, 5513 41 00, 5513 42 00, 5513 43 00, 5513 49 00, 5514 11 00, 5514 12 00, 5514 13 00, 5514 19 00, 5514 21 00, 5514 22 00, 5514 23 00, 5514 29 00, 5514 31 00, 5514 32 00, 5514 33 00, 5514 39 00, 5514 41 00, 5514 42 00, 5514 43 00, 5514 49 00, 5515 11 10, 5515 11 30, 5515 11 90, 5515 12 10, 5515 12 30, 5515 12 90, 5515 13 11, 5515 13 19, 5515 13 91, 5515 13 99, 5515 19 10, 5515 19 30, 5515 19 90, 5515 21 10, 5515 21 30, 5515 21 90, 5515 22 11, 5515 22 19, 5515 22 91, 5515 22 99, 5515 29 10, 5515 29 30, 5515 29 90, 5515 91 90, 5515 91 30, 5515 91 90, 5515 92 11, 5515 92 19, 5515 92 91, 5515 92 99, 5515 99 10, 5515 99 30, 5515 99 90, 5803 90 30, ex 5905 00 70, ex 6308 00 00		
3(a)	Of which: Other than unbleached or bleached 5512 19 10, 5512 19 90, 5512 29 10, 5512 29 90, 5512 99 10, 5512 99 90, 5513 21 10, 5513 21 30, 5513 21 90, 5513 22 00, 5513 23 00, 5513 29 00, 5513 31 00, 5513 32 00, 5513 33 00, 5513 39 00, 5513 41 00, 5513 42 00, 5513 43 00, 5513 49 00, 5514 21 00, 5514 22 00, 5514 23 00, 5514 29 00, 5514 31 00, 5514 32 00, 5514 33 00, 5514 39 00, 5514 41 00, 5514 42 00, 5514 43 00, 5514 49 00, 5515 11 30, 5515 11 90, 5515 12 30, 5515 12 90, 5515 13 19, 5515 13 99, 5515 19 30, 5515 19 90, 5515 21 30, 5515 21 90, 5515 22 19, 5515 22 99, 5515 29 30, 5515 29 90, 5515 91 30, 5515 91 90, 5515 92 19, 5515 92 99, 5515 99 30, 5515 99 90, ex 5803 90 30, ex 5905 00 70, ex 6308 00 00		

GROUP IB

4	Shirts, T-shirts, lightweight fine knit roll, polo or turtle necked jumpers and pullovers (other than of wool or fine animal hair), undervests and the like, knitted or crocheted 6105 10 00, 6105 20 10, 6105 20 90, 6105 90 10, 6109 10 00, 6109 90 10, 6109 90 30, 6110 20 10, 6110 30 10	6,48	154
---	--	------	-----

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
5	Jerseys, pullovers, slipovers, waistcoats, twinsets, cardigans, bedjackets and jumpers (others than jackets and blazers), anoraks, windcheaters, waister jackets and the like, knitted or crocheted 6101 10 90, 6101 20 90, 6101 30 90, 6102 10 90, 6102 20 90, 6102 30 90, 6110 11 10, 6110 11 30, 6110 11 90, 6110 12 10, 6110 12 90, 6110 19 10, 6110 19 90, 6110 20 91, 6110 20 99, 6110 30 91, 6110 30 99	4,53	221
6	Men's or boys' woven breeches, shorts other than swimwear and trousers (including slacks); women's or girls' woven trousers and slacks, of wool, of cotton or of man made fibres; lower parts of track suits with lining, others than category 16 or 29, of cotton or of man-made fibres 6203 41 10, 6203 41 90, 6203 42 31, 6203 42 33, 6203 42 35, 6203 42 90, 6203 43 19, 6203 43 90, 6203 49 19, 6203 49 50, 6204 61 10, 6204 62 31, 6204 62 33, 6204 62 39, 6204 63 18, 6204 69 18, 6211 32 42, 6211 33 42, 6211 42 42, 6211 43 42	1,76	568
7	Women's or girls' blouses, shirts and shirt-blouses, whether or not knitted or crocheted, of wool, of cotton or man-made fibres 6106 10 00, 6106 20 00, 6106 90 10, 6206 20 00, 6206 30 00, 6206 40 00	5,55	180
8	Men's or boys' shirts, other than knitted or crocheted, of wool, cotton or man-made fibres 6205 10 00, 6205 20 00, 6205 30 00	4,60	217

GROUP IIA

9	Terry towelling and similar woven terry fabrics of cotton; toilet linen and kitchen linen, other than knitted or crocheted, of terry towelling and woven terry fabrics, of cotton 5802 11 00, 5802 19 00, ex 6302 60 00		
20	Bedlinen, other than knitted or crocheted 6302 21 00, 6302 22 90, 6302 29 90, 6302 31 10, 6302 31 90, 6302 32 90, 6302 39 90		
22	Yarn of staple or waste synthetic fibres, not put up for retail sale 5508 10 11, 5508 10 19, 5509 11 00, 5509 12 00, 5509 21 10, 5509 21 90, 5509 22 10, 5509 22 90, 5509 31 10, 5509 31 90, 5509 32 10, 5509 32 90, 5509 41 10, 5509 41 90, 5509 42 10, 5509 42 90, 5509 51 00, 5509 52 10, 5509 52 90, 5509 53 00, 5509 59 00, 5509 61 10, 5509 61 90, 5509 62 00, 5509 69 00, 5509 91 10, 5509 91 90, 5509 92 00, 5509 99 00		
22(a)	Of which: Acrylic ex 5508 10 19, 5509 31 10, 5509 31 90, 5509 32 10, 5509 32 90, 5509 61 10, 5509 61 90, 5509 62 00, 5509 69 00		
23	Yarn of staple or waste artificial fibres, not put up for retail sale 5508 20 10, 5510 11 00, 5510 12 00, 5510 20 00, 5510 30 00, 5510 90 00		

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
32	Woven pile fabrics and chenille fabrics (other than terry towelling or terry fabrics of cotton and narrow woven fabrics) and tufted textile surfaces, of wool, of cotton or of man-made textile fibres 5801 10 00, 5801 21 00, 5801 22 00, 5801 23 00, 5801 24 00, 5801 25 00, 5801 26 00, 5801 31 00, 5801 32 00, 5801 33 00, 5801 34 00, 5801 35 00, 5801 36 00, 5802 20 00, 5802 30 00		
32(a)	Of which: Cotton corduroy 5801 22 00		
39	Table linen, toilet linen and kitchen linen, other than knitted or crocheted, other than of terry towelling or a similar terry fabrics of cotton 6302 51 10, 6302 51 90, 6302 53 90, ex 6302 59 00, 6302 91 10, 6302 91 90, 6302 93 90, ex 6302 99 00		
GROUP IIB			
12	Pantyhose and tights, stockings, understockings, socks, anklesocks, sockettes and the like, knitted or crocheted, other than for babies, including stockings for varicose veins, other than products of category 70 6115 12 00, 6115 19 00, 6115 20 11, 6115 20 90, 6115 91 00, 6115 92 00, 6115 93 10, 6115 93 30, 6115 93 99, 6115 99 00	24,3 pairs	41
13	Men's or boys' underpants and briefs, women's or girls' knickers and briefs, knitted or crocheted, of wool, of cotton or of man-made fibres 6107 11 00, 6107 12 00, 6107 19 00, 6108 21 00, 6108 22 00, 6108 29 00, ex 6212 10 10	17	59
14	Men's or boys' woven overcoats, raincoats and other coats, cloaks and capes, of wool, of cotton or of man-made textile fibres (other than parkas) (of category 21) 6201 11 00, ex 6201 12 10, ex 6201 12 90, ex 6201 13 10, ex 6201 13 90, 6210 20 00	0,72	1 389
15	Women's or girls' woven overcoats, raincoats and other coats, cloaks and capes; jackets and blazers, of wool, of cotton or of man-made textile fibres (other than parkas) (of category 21) 6202 11 00, ex 6202 12 10, ex 6202 12 90, ex 6202 13 10, ex 6202 13 90, 6204 31 00, 6204 32 90, 6204 33 90, 6204 39 19, 6210 30 00	0,84	1 190
16	Men's or boys' suits and ensembles, other than knitted or crocheted, of wool, of cotton or of man-made fibres, excluding ski suits; men's or boys' track suits with lining, with an outer shell of a single identical fabric, of cotton or of man-made fibres 6203 11 00, 6203 12 00, 6203 19 10, 6203 19 30, 6203 21 00, 6203 22 80, 6203 23 80, 6203 29 18, 6211 32 31, 6211 33 31	0,80	1 250
17	Men's or boys' jackets or blazers, other than knitted or crocheted, of wool, of cotton or of man-made fibres 6203 31 00, 6203 32 90, 6203 33 90, 6203 39 19	1,43	700

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
18	Men's or boys' singlets and other vests, underpants, briefs, nightshirts, pyjamas, bathrobes, dressing gowns and similar articles, other than knitted or crocheted 6207 11 00, 6207 19 00, 6207 21 00, 6207 22 00, 6207 29 00, 6207 91 10, 6207 91 90, 6207 92 00, 6207 99 00 Women's or girls' singlets and other vests, slips, petticoats, briefs, panties, nightdresses, pyjamas, negligees, bathrobes, dressing gowns and similar articles, other than knitted or crocheted 6208 11 00, 6208 19 10, 6208 19 90, 6208 21 00, 6208 22 00, 6208 29 00, 6208 91 11, 6208 91 19, 6208 91 90, 6208 92 00, 6208 99 00, ex 6212 10 10		
19	Handkerchiefs, other than knitted or crocheted 6213 20 00, 6213 90 00	59	17
21	Parkas; anoraks, windcheaters, waister jackets and the like, other than knitted or crocheted, of wool, of cotton or of man-made fibres; upper parts of tracksuits with lining, other than category 16 or 29, of cotton or of man-made fibres ex 6201 12 10, ex 6201 12 90, ex 6201 13 10, ex 6201 13 90, 6201 91 00, 6201 92 00, 6201 93 00, ex 6202 12 10, ex 6202 12 90, ex 6202 13 10, ex 6202 13 90, 6202 91 00, 6202 92 00, 6202 93 00, 6211 32 41, 6211 33 41, 6211 42 41, 6211 43 41	2,3	435
24	Men's or boys' nightshirts, pyjamas, bathrobes, dressing gowns and similar articles, knitted or crocheted 6107 21 00, 6107 22 00, 6107 29 00, 6107 91 10, 6107 91 90, 6107 92 00, ex 6107 99 00 Women's or girls' nightdresses, pyjamas, negligees, bathrobes, dressing gowns and similar articles, knitted or crocheted 6108 31 10, 6108 31 90, 6108 32 11, 6108 32 19, 6108 32 90, 6108 39 00, 6108 91 10, 6108 91 90, 6108 92 00, 6108 99 10	3,9	257
26	Women's or girls' dresses, of wool, of cotton or of man-made fibres 6104 41 00, 6104 42 00, 6104 43 00, 6104 44 00, 6204 41 00, 6204 42 00, 6204 43 00, 6204 44 00	3,1	323
27	Women's or girls' skirts, including divided skirts 6104 51 00, 6104 52 00, 6104 53 00, 6104 59 00, 6204 51 00, 6204 52 00, 6204 53 00, 6204 59 10	2,6	385
28	Trousers, bib and brace overalls, breeches and shorts (other than swimwear), knitted or crocheted, of wool, of cotton or of man-made fibres 6103 41 10, 6103 41 90, 6103 42 10, 6103 42 90, 6103 43 10, 6103 43 90, 6103 49 10, 6103 49 91, 6104 61 10, 6104 61 90, 6104 62 10, 6104 62 90, 6104 63 10, 6104 63 90, 6104 69 10, 6104 69 91	1,61	620
29	Women's or girls' suits and ensembles, other than knitted or crocheted, of wool, of cotton or of man-made fibres, excluding ski suits; women's or girls' track suits with lining, with an outer shell of an identical fabric, of cotton or of man-made fibres 6204 11 00, 6204 12 00, 6204 13 00, 6204 19 10, 6204 21 00, 6204 22 80, 6204 23 80, 6204 29 18, 6211 42 31, 6211 43 31	1,37	730
31	Brassieres, woven, knitted or crocheted ex 6212 10 10, 6212 10 90	18,2	55

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
68	Babies' garments and clothing accessories, excluding babies' gloves, mittens and mitts of categories 10 and 87, and babies' stockings, socks and sockettes, other than knitted or crocheted, of category 88 6111 10 90, 6111 20 90, 6111 30 90, ex 6111 90 00, ex 6209 10 00, ex 6209 20 00, ex 6209 30 00, ex 6209 90 00		
73	Track suits of knitted or crocheted fabric, of wool, of cotton or of man-made textile fibres 6112 11 00, 6112 12 00, 6112 19 00	1,67	600
76	Men's or boys' industrial or occupational clothing, other than knitted or crocheted 6203 22 10, 6203 23 10, 6203 29 11, 6203 32 10, 6203 33 10, 6203 39 11, 6203 42 11, 6203 42 51, 6203 43 11, 6203 43 31, 6203 49 11, 6203 49 31, 6211 32 10, 6211 33 10 Women's or girls' aprons, smock overalls and other industrial or occupational clothing, other than knitted or crocheted 6204 22 10, 6204 23 10, 6204 29 11, 6204 32 10, 6204 33 10, 6204 39 11, 6204 62 11, 6204 62 51, 6204 63 11, 6204 63 31, 6204 69 11, 6204 69 31, 6211 42 10, 6211 43 10		
77	Ski suits, other than knitted or crocheted ex 6211 20 00		
78	Garments, other than knitted or crocheted, excluding garments of categories 6, 7, 8, 14, 15, 16, 17, 18, 21, 26, 27, 29, 68, 72, 76 and 77 6203 41 30, 6203 42 59, 6203 43 39, 6203 49 39, 6204 61 80, 6204 61 90, 6204 62 59, 6204 62 90, 6204 63 39, 6204 63 90, 6204 69 39, 6204 69 50, 6210 40 00, 6210 50 00, 6211 31 00, 6211 32 90, 6211 33 90, 6211 41 00, 6211 42 90, 6211 43 90		
83	Overcoats, jackets, blazers and other garments, including ski suits, knitted or crocheted, excluding garments of categories 4, 5, 7, 13, 24, 26, 27, 28, 68, 69, 72, 73, 74, 75 6101 10 10, 6101 20 10, 6101 30 10, 6102 10 10, 6102 20 10, 6102 30 10, 6103 31 00, 6103 32 00, 6103 33 00, ex 6103 39 00, 6104 31 00, 6104 32 00, 6104 33 00, ex 6104 39 00, 6112 20 00, 6113 00 90, 6114 10 00, 6114 20 00, 6114 30 00		
GROUP IIIA			
33	Woven fabrics of synthetic filament yarn obtained from strip or the like of polyethylene or polypropylene, less than 3 m wide 5407 20 11 Sacks and bags, of a kind used for the packing of goods, not knitted or crocheted, obtained from strip or the like 6305 32 81, 6305 32 89, 6305 33 91, 6305 33 99		
34	Woven fabrics of synthetic filament yarn obtained from strip or the like of polyethylene or polypropylene, 3 m or more wide 5407 20 19		
35	Woven fabrics of synthetic fibres (continuous), other than those for tyres of category 114 5407 10 00, 5407 20 90, 5407 30 00, 5407 41 00, 5407 42 00, 5407 43 00, 5407 44 00, 5407 51 00, 5407 52 00, 5407 53 00, 5407 54 00, 5407 61 10, 5407 61 30, 5407 61 50, 5407 61 90, 5407 69 10, 5407 69 90, 5407 71 00, 5407 72 00, 5407 73 00, 5407 74 00, 5407 81 00, 5407 82 00, 5407 83 00, 5407 84 00, 5407 91 00, 5407 92 00, 5407 93 00, 5407 94 00, ex 5811 00 00, ex 5905 00 70		

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
35(a)	Of which: Other than unbleached or bleached ex 5407 10 00, ex 5407 20 90, ex 5407 30 00, 5407 42 00, 5407 43 00, 5407 44 00, 5407 52 00, 5407 53 00, 5407 54 00, 5407 61 30, 5407 61 50, 5407 61 90, 5407 69 90, 5407 72 00, 5407 73 00, 5407 74 00, 5407 82 00, 5407 83 00, 5407 84 00, 5407 92 00, 5407 93 00, 5407 94 00, ex 5811 00 00, ex 5905 00 70		
36	Woven fabrics of continuous artificial fibres, other than those for tyres of category 114 5408 10 00, 5408 21 00, 5408 22 10, 5408 22 90, 5408 23 10, 5408 23 90, 5408 24 00, 5408 31 00, 5408 32 00, 5408 33 00, 5408 34 00, ex 5811 00 00, ex 5905 00 70		
36(a)	Of which: Other than unbleached or bleached ex 5408 10 00, 5408 22 10, 5408 22 90, 5408 23 10, 5408 23 90, 5408 24 00, 5408 32 00, 5408 33 00, 5408 34 00, ex 5811 00 00, ex 5905 00 70		
37	Woven fabrics of artificial staple fibres 5516 11 00, 5516 12 00, 5516 13 00, 5516 14 00, 5516 21 00, 5516 22 00, 5516 23 10, 5516 23 90, 5516 24 00, 5516 31 00, 5516 32 00, 5516 33 00, 5516 34 00, 5516 41 00, 5516 42 00, 5516 43 00, 5516 44 00, 5516 91 00, 5516 92 00, 5516 93 00, 5516 94 00, 5803 90 50, ex 5905 00 70		
37(a)	Of which: Other than unbleached or bleached 5516 12 00, 5516 13 00, 5516 14 00, 5516 22 00, 5516 23 10, 5516 23 90, 5516 24 00, 5516 32 00, 5516 33 00, 5516 34 00, 5516 42 00, 5516 43 00, 5516 44 00, 5516 92 00, 5516 93 00, 5516 94 00, ex 5803 90 50, ex 5905 00 70		
38A	Knitted or crocheted synthetic curtain fabric including net curtain fabric 6005 31 10, 6005 32 10, 6005 33 10, 6005 34 10, 6006 31 10, 6006 32 10, 6006 33 10, 6006 34 10		
38B	Net curtains, other than knitted or crocheted ex 6303 91 00, ex 6303 92 90, ex 6303 99 90		
40	Woven curtains (including drapes, interior blinds, curtain and bed valances and other furnishing articles), other than knitted or crocheted, of wool, of cotton or of man-made fibres ex 6303 91 00, ex 6303 92 90, ex 6303 99 90, 6304 19 10, ex 6304 19 90, 6304 92 00, ex 6304 93 00, ex 6304 99 00		
41	Yarn of synthetic filament (continuous), not put up for retail sale, other than non-textured single yarn untwisted or with a twist of not more than 50 turns/m 5401 10 11, 5401 10 19, 5402 10 10, 5402 10 90, 5402 20 00, 5402 31 00, 5402 32 00, 5402 33 00, 5402 39 10, 5402 39 90, 5402 49 10, 5402 49 91, 5402 49 99, 5402 51 00, 5402 52 00, 5402 59 10, 5402 59 90, 5402 61 00, 5402 62 00, 5402 69 10, 5402 69 90, ex 5604 20 00, ex 5604 90 00		
42	Yarn of continuous man-made fibres, not put up for retail sale 5401 20 10 Yarn of artificial fibres; yarn of artificial filaments, not put up for retail sale, other than single yarn of viscose rayon untwisted or with a twist of not more than 250 turns/m and single non-textured yarn of cellulose acetate 5403 10 00, 5403 20 00, ex 5403 32 00, ex 5403 33 00, 5403 39 00, 5403 41 00, 5403 42 00, 5403 49 00, ex 5604 20 00		

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
43	Yarn of man-made filament, yarn of artificial staple fibres, cotton yarn, put up for retail sale 5204 20 00, 5207 10 00, 5207 90 00, 5401 10 90, 5401 20 90, 5406 10 00, 5406 20 00, 5508 20 90, 5511 30 00		
46	Carded or combed sheep's or lambs' wool or other fine animal hair 5105 10 00, 5105 21 00, 5105 29 00, 5105 31 00, 5105 39 10, 5105 39 90		
47	Yarn of carded sheep's or lambs' wool (woollen yarn) or of carded fine animal hair, not put up for retail sale 5106 10 10, 5106 10 90, 5106 20 10, 5106 20 91, 5106 20 99, 5108 10 10, 5108 10 90		
48	Yarn of combed sheep's or lambs' wool (worsted yarn) or of combed fine animal hair, not put up for retail sale 5107 10 10, 5107 10 90, 5107 20 10, 5107 20 30, 5107 20 51, 5107 20 59, 5107 20 91, 5107 20 99, 5108 20 10, 5108 20 90		
49	Yarn of sheep's or lambs' wool or of combed fine animal hair, put up for retail sale 5109 10 10, 5109 10 90, 5109 90 10, 5109 90 90		
50	Woven fabrics of sheep's or lambs' wool or of fine animal hair 5111 11 11, 5111 11 19, 5111 11 91, 5111 11 99, 5111 19 11, 5111 19 19, 5111 19 31, 5111 19 39, 5111 19 91, 5111 19 99, 5111 20 00, 5111 30 10, 5111 30 30, 5111 30 90, 5111 90 10, 5111 90 91, 5111 90 93, 5111 90 99, 5112 11 10, 5112 11 90, 5112 19 11, 5112 19 19, 5112 19 91, 5112 19 99, 5112 20 00, 5112 30 10, 5112 30 30, 5112 30 90, 5112 90 10, 5112 90 91, 5112 90 93, 5112 90 99		
51	Cotton, carded or combed 5203 00 00		
53	Cotton gauze 5803 10 00		
54	Artificial staple fibres, including waste, carded, combed or otherwise processed for spinning 5507 00 00		
55	Synthetic staple fibres, including waste, carded, combed or otherwise processed for spinning 5506 10 00, 5506 20 00, 5506 30 00, 5506 90 10, 5506 90 90		
56	Yarn of synthetic staple fibres (including waste), put up for retail sale 5508 10 90, 5511 10 00, 5511 20 00		
58	Carpets, carpentines and rugs, knotted (made up or not) 5701 10 10, 5701 10 91, 5701 10 93, 5701 10 99, 5701 90 10, 5701 90 90		

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
59	Carpets and other textile floor coverings, other than the carpets of category 58 5702 10 00, 5702 31 00, 5702 32 00, 5702 39 10, 5702 41 00, 5702 42 00, 5702 49 10, 5702 51 00, 5702 52 00, ex 5702 59 00, 5702 91 00, 5702 92 00, ex 5702 99 00, 5703 10 00, 5703 20 11, 5703 20 19, 5703 20 91, 5703 20 99, 5703 30 11, 5703 30 19, 5703 30 51, 5703 30 59, 5703 30 91, 5703 30 99, 5703 90 00, 5704 10 00, 5704 90 00, 5705 00 10, 5705 00 30, ex 5705 00 90		
60	Tapestries, hand-made, of the type Gobelins, Flanders, Aubusson, Beauvais and the like, and needlework tapestries (e.g. petit point and cross stitch) made in panels and the like by hand 5805 00 00		
61	Narrow woven fabrics, and narrow fabrics (bolduc) consisting of warp without weft, assembled by means of an adhesive, other than labels and similar articles of category 62 Elastic fabrics and trimmings (not knitted or crocheted), made from textile materials assembled from rubber thread ex 5806 10 00, 5806 20 00, 5806 31 00, 5806 32 10, 5806 32 90, 5806 39 00, 5806 40 00		
62	Chenille yarn (including flock chenille yarn), gimped yarn (other than metalised yarn and gimped horsehair yarn) 5606 00 91, 5606 00 99 Tulle and other net fabrics but not including woven, knitted or crocheted fabrics, hand or mechanically made lace, in the piece, in strips or in motifs 5804 10 11, 5804 10 19, 5804 10 90, 5804 21 10, 5804 21 90, 5804 29 10, 5804 29 90, 5804 30 00 Labels, badges and the like of textile materials, not embroidered, in the piece, in strips or cut to shape or size, woven 5807 10 10, 5807 10 90 Braids and ornamental trimmings in the piece; tassels, pompons and the like 5808 10 00, 5808 90 00 Embroidery, in the piece, in strips or in motifs 5810 10 10, 5810 10 90, 5810 91 10, 5810 91 90, 5810 92 10, 5810 92 90, 5810 99 10, 5810 99 90		
63	Knitted or crocheted fabric of synthetic fibres containing by weight 5 % or more elastomeric yarn and knitted or crocheted fabrics containing by weight 5 % or more of rubber thread 5906 91 00, ex 6002 40 00, 6002 90 00, ex 6004 10 00, 6004 90 00 Raschel lace and long-pile fabric of synthetic fibres ex 6001 10 00, 6003 30 10, 6005 31 50, 6005 32 50, 6005 33 50, 6005 34 50		
65	Knitted or crocheted fabric, other than those of categories 38A and 63, of wool, of cotton or of man-made fibres 5606 00 10, ex 6001 10 00, 6001 21 00, 6001 22 00, 6001 29 10, 6001 91 10, 6001 91 30, 6001 91 50, 6001 91 90, 6001 92 10, 6001 92 30, 6001 92 50, 6001 92 90, 6001 99 10, ex 6002 40 00, 6003 10 00, 6003 20 00, 6003 30 90, 6003 40 00, ex 6004 10 00, 6005 10 00, 6005 21 00, 6005 22 00, 6005 23 00, 6005 24 00, 6005 31 90, 6005 32 90, 6005 33 90, 6005 34 90, 6005 41 00, 6005 42 00, 6005 43 00, 6005 44 00, 6006 10 00, 6006 21 00, 6006 22 00, 6006 23 00, 6006 24 00, 6006 31 90, 6006 32 90, 6006 33 90, 6006 34 90, 6006 41 00, 6006 42 00, 6006 43 00, 6006 44 00		

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
66	Travelling rugs and blankets, other than knitted or crocheted, of wool, of cotton or of man-made fibres 6301 10 00, 6301 20 91, 6301 20 99, 6301 30 90, ex 6301 40 90, ex 6301 90 90		
GROUP IIIB			
10	Gloves, mittens and mitts, knitted or crocheted 6111 10 10, 6111 20 10, 6111 30 10, ex 6111 90 00, 6116 10 20, 6116 10 80, 6116 91 00, 6116 92 00, 6116 93 00, 6116 99 00	17 pairs	59
67	Knitted or crocheted clothing accessories other than for babies; household linen of all kinds, knitted or crocheted; curtains (including drapes) and interior blinds, curtain or bed valances and other furnishing articles knitted or crocheted; knitted or crocheted blankets and travelling rugs, other knitted or crocheted articles including parts of garments or of clothing accessories 5807 90 90, 6113 00 10, 6117 10 00, 6117 20 00, 6117 80 10, 6117 80 90, 6117 90 00, 6301 20 10, 6301 30 10, 6301 40 10, 6301 90 10, 6302 10 10, 6302 10 90, 6302 40 00, ex 6302 60 00, 6303 11 00, 6303 12 00, 6303 19 00, 6304 11 00, 6304 91 00, ex 6305 20 00, 6305 32 11, ex 6305 32 90, 6305 33 10, ex 6305 39 00, ex 6305 90 00, 6307 10 10, 6307 90 10		
67 (a)	Of which: Sacks and bags of a kind used for the packing of goods, made from polyethylene or polypropylene strip 6305 32 11, 6305 33 10		
69	Women's and girls' slips and petticoats, knitted or crocheted 6108 11 00, 6108 19 00	7,8	128
70	Pantyhose and tights of synthetic fibres, measuring per single yarn less than 67 decitex (6,7 tex) 6115 11 00, 6115 20 19 Women's full length hosiery of synthetic fibres 6115 93 91	30,4 pairs	33
72	Swimwear, of wool, of cotton or of man-made fibres 6112 31 10, 6112 31 90, 6112 39 10, 6112 39 90, 6112 41 10, 6112 41 90, 6112 49 10, 6112 49 90, 6211 11 00, 6211 12 00	9,7	103
74	Women's or girls' knitted or crocheted suits and ensembles, of wool, of cotton or of man-made fibres, excluding ski suits 6104 11 00, 6104 12 00, 6104 13 00, ex 6104 19 00, 6104 21 00, 6104 22 00, 6104 23 00, ex 6104 29 00	1,54	650
75	Men's or boys' knitted or crocheted suits and ensembles, of wool, of cotton or of man-made fibres, excluding ski suits 6103 11 00, 6103 12 00, 6103 19 00, 6103 21 00, 6103 22 00, 6103 23 00, 6103 29 00	0,80	1 250
84	Shawls, scarves, mufflers, mantillas, veils and the like other than knitted or crocheted, of wool, of cotton or of man-made fibres 6214 20 00, 6214 30 00, 6214 40 00, 6214 90 10		
85	Ties, bow ties and cravats other than knitted or crocheted, of wool, of cotton or of man-made fibres 6215 20 00, 6215 90 00	17,9	56

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
86	Corsets, corset-belts, suspender belts, braces, suspenders, garters and the like, and parts thereof, whether or not knitted or crocheted 6212 20 00, 6212 30 00, 6212 90 00	8,8	114
87	Gloves, mittens and mitts, not knitted or crocheted ex 6209 10 00, ex 6209 20 00, ex 6209 30 00, ex 6209 90 00, 6216 00 00		
88	Stockings, socks and sockettes, not knitted or crocheted; other clothing accessories, parts of garments or of clothing accessories other than for babies, other than knitted or crocheted ex 6209 10 00, ex 6209 20 00, ex 6209 30 00, ex 6209 90 00, 6217 10 00, 6217 90 00		
90	Twine, cordage, ropes and cables of synthetic fibres, plaited or not 5607 41 00, 5607 49 11, 5607 49 19, 5607 49 90, 5607 50 11, 5607 50 19, 5607 50 30, 5607 50 90		
91	Tents 6306 21 00, 6306 22 00, 6306 29 00		
93	Sacks and bags, of a kind used for the packing of goods of woven fabrics, other than made from polyethylene or polypropylene strip ex 6305 20 00, ex 6305 32 90, ex 6305 39 00		
94	Wadding of textile materials and articles thereof; textile fibres, not exceeding 5 mm in length (flock), textile dust and mill neps 5601 10 10, 5601 10 90, 5601 21 10, 5601 21 90, 5601 22 10, 5601 22 91, 5601 22 99, 5601 29 00, 5601 30 00		
95	Felt and articles thereof, whether or not impregnated or coated, other than floor coverings 5602 10 19, 5602 10 31, 5602 10 39, 5602 10 90, 5602 21 00, 5602 29 90, 5602 90 00, ex 5807 90 10, ex 5905 00 70, 6210 10 10, 6307 90 91		
96	Non-woven fabrics and articles of such fabrics, whether or not impregnated, coated, covered or laminated 5603 11 10, 5603 11 90, 5603 12 10, 5603 12 90, 5603 13 10, 5603 13 90, 5603 14 10, 5603 14 90, 5603 91 10, 5603 91 90, 5603 92 10, 5603 92 90, 5603 93 10, 5603 93 90, 5603 94 10, 5603 94 90, ex 5807 90 10, ex 5905 00 70, 6210 10 91, 6210 10 99, ex 6301 40 90, ex 6301 90 90, 6302 22 10, 6302 32 10, 6302 53 10, 6302 93 10, 6303 92 10, 6303 99 10, ex 6304 19 90, ex 6304 93 00, ex 6304 99 00, ex 6305 32 90, ex 6305 39 00, 6307 10 30, ex 6307 90 99		
97	Nets and netting made of twine, cordage or rope and made up fishing nets of yarn, twine, cordage or rope 5608 11 11, 5608 11 19, 5608 11 91, 5608 11 99, 5608 19 11, 5608 19 19, 5608 19 30, 5608 19 90, 5608 90 00		
98	Other articles made from yarn, twine, cordage, cables or rope, other than textile fabrics, articles made from such fabrics and articles of category 97 5609 00 00, 5905 00 10		

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
99	Textile fabrics coated with gum or amylaceous substances, of a kind used for the outer covers of books and the like; tracing cloth; prepared painting canvas; buckram and similar stiffened textile fabrics of a kind used for hat foundations 5901 10 00, 5901 90 00 Linoleum, whether or not cut to shape; floor coverings consisting of a coating or covering applied on a textile backing, whether or not cut to shape 5904 10 00, 5904 90 00 Rubberised textile fabric, not knitted or crocheted, excluding those for tyres 5906 10 00, 5906 99 10, 5906 99 90 Textile fabrics otherwise impregnated or coated; painted canvas being theatrical scenery, studio backcloths, other than of category 100 5907 00 10, 5907 00 90		
100	Textile fabrics impregnated, coated, covered or laminated with preparations of cellulose derivatives or of other artificial plastic materials 5903 10 10, 5903 10 90, 5903 20 10, 5903 20 90, 5903 90 10, 5903 90 91, 5903 90 99		
101	Twine, cordage, ropes and cables, plaited or not, other than of synthetic fibres ex 5607 90 90		
109	Tarpaulins, sails, awnings and sunblinds 6306 11 00, 6306 12 00, 6306 19 00, 6306 31 00, 6306 39 00		
110	Woven pneumatic mattresses 6306 41 00, 6306 49 00		
111	Camping goods, woven, other than pneumatic mattresses and tents 6306 91 00, 6306 99 00		
112	Other made up textile articles, woven, excluding those of categories 113 and 114 6307 20 00, ex 6307 90 99		
113	Floor cloth, dish cloth and dusters, other than knitted or crocheted 6307 10 90		
114	Woven fabrics and articles for technical uses 5902 10 10, 5902 10 90, 5902 20 10, 5902 20 90, 5902 90 10, 5902 90 90, 5908 00 00, 5909 00 10, 5909 00 90, 5910 00 00, 5911 10 00, ex 5911 20 00, 5911 31 11, 5911 31 19, 5911 31 90, 5911 32 10, 5911 32 90, 5911 40 00, 5911 90 10, 5911 90 90		
GROUP IV			
115	Flax or ramie yarn 5306 10 10, 5306 10 30, 5306 10 50, 5306 10 90, 5306 20 10, 5306 20 90, 5308 90 12, 5308 90 19		
117	Woven fabrics of flax or of ramie 5309 11 10, 5309 11 90, 5309 19 00, 5309 21 10, 5309 21 90, 5309 29 00, 5311 00 10, 5803 90 90, 5905 00 30		

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
118	Table linen, toilet linen and kitchen linen of flax or ramie, other knitted or crocheted 6302 29 10, 6302 39 10, 6302 39 30, 6302 52 00, ex 6302 59 00, 6302 92 00, ex 6302 99 00		
120	Curtains (including drapes), interior blinds, curtain and bed valances and other furnishing articles, not knitted or crocheted, of flax or ramie ex 6303 99 90, 6304 19 30, ex 6304 99 00		
121	Twine, cordage, ropes and cables, plaited or not, of flax or ramie ex 5607 90 90		
122	Sacks and bags, of a kind used for the packing of goods, used, of flax, other than knitted or crocheted ex 6305 90 00		
123	Woven pile fabrics and chenille fabrics of flax or ramie, other than narrow woven fabrics 5801 90 10, ex 5801 90 90 Shawls, scarves, mufflers, mantillas, veils and the like, of flax or ramie, other than knitted or crocheted 6214 90 90		
GROUP V			
124	Synthetic staple fibres 5501 10 00, 5501 20 00, 5501 30 00, 5501 90 10, 5501 90 90, 5503 10 10, 5503 10 90, 5503 20 00, 5503 30 00, 5503 40 00, 5503 90 10, 5503 90 90, 5505 10 10, 5505 10 30, 5505 10 50, 5505 10 70, 5505 10 90		
125A	Synthetic filament yarn (continuous) not put up for retail sale, other than yarn of category 41 5402 41 00, 5402 42 00, 5402 43 00		
125B	Monofilament, strip (artificial straw and the like) and imitation catgut of synthetic materials 5404 10 10, 5404 10 90, 5404 90 11, 5404 90 19, 5404 90 90, ex 5604 20 00, ex 5604 90 00		
126	Artificial staple fibres 5502 00 10, 5502 00 40, 5502 00 80, 5504 10 00, 5504 90 00, 5505 20 00		
127A	Yarn of artificial filaments (continuous) not put up for retail sale, other than yarn of category 42 5403 31 00, ex 5403 32 00, ex 5403 33 00		
127B	Monofilament, strip (artificial straw and the like) and imitation catgut of artificial textile materials 5405 00 00, ex 5604 90 00		
128	Coarse animal hair, carded or combed 5105 40 00		
129	Yarn of coarse animal hair or of horsehair 5110 00 00		
130A	Silk yarn other than yarn spun from silk waste 5004 00 10, 5004 00 90, 5006 00 10		

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
130B	Silk yarn other than of category 130A; silkworm gut 5005 00 10, 5005 00 90, 5006 00 90, ex 5604 90 00		
131	Yarn of other vegetable textile fibres 5308 90 90		
132	Paper yarn 5308 90 50		
133	Yarn of true hemp 5308 20 10, 5308 20 90		
134	Metallised yarn 5605 00 00		
135	Woven fabrics of coarse animal hair or of horse hair 5113 00 00		
136	Woven fabrics of silk or of silk waste 5007 10 00, 5007 20 11, 5007 20 19, 5007 20 21, 5007 20 31, 5007 20 39, 5007 20 41, 5007 20 51, 5007 20 59, 5007 20 61, 5007 20 69, 5007 20 71, 5007 90 10, 5007 90 30, 5007 90 50, 5007 90 90, 5803 90 10, ex 5905 00 90, ex 5911 20 00		
137	Woven pile fabric and chenille fabrics and narrow woven fabrics of silk, or of silk waste ex 5801 90 90, ex 5806 10 00		
138	Woven fabrics of paper yarn and other textile fibres other than of ramie 5311 00 90, ex 5905 00 90		
139	Woven fabrics of metal threads or of metallised yarn 5809 00 00		
140	Knitted or crocheted fabric of textile material other than wool or fine animal hair, cotton or man-made fibres ex 6001 10 00, 6001 29 90, 6001 99 90, 6003 90 00, 6005 90 00, 6006 90 00		
141	Travelling rugs and blankets of textile material other than wool or fine animal hair, cotton or man-made fibres ex 6301 90 90		
142	Carpets and other textile floor coverings of sisal, of other fibres of the agave family or the Manila hemp ex 5702 39 90, ex 5702 49 90, ex 5702 59 00, ex 5702 99 00, ex 5705 00 90		
144	Felt of coarse animal hair 5602 10 35, 5602 29 10		
145	Twine, cordage, ropes and cables plaited or not abaca (Manila hemp) or of true hemp 5607 90 10, ex 5607 90 90		

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
146A	Binder or baler twine for agricultural machines, of sisal or other fibres of the agave family ex 5607 21 00		
146B	Twine, cordage, ropes and cables of sisal or other fibres of the agave family, other than the products of category 146A ex 5607 21 00, 5607 29 10, 5607 29 90		
146C	Twine, cordage, ropes and cables, whether or not plaited or braided, of jute or of other textile bast fibres of heading No 5303 5607 10 00		
147	Silk waste (including cocoons unsuitable for reeling), yarn waste and garnetted stock, other than not carded or combed 5003 90 00		
148A	Yarn of jute or of other textile bast fibres of heading No 5303 5307 10 10, 5307 10 90, 5307 20 00		
148B	Coir yarn 5308 10 00		
149	Woven fabrics of jute or of other textile bast fibres of a width of more than 150 cm 5310 10 90, ex 5310 90 00		
150	Woven fabrics of jute or of other textile bast fibres of a width of not more than 150 cm Sacks and bags, of a kind used for the packing of goods, of jute or of other textile bast fibres, other than used 5310 10 10, ex 5310 90 00, 5905 00 50, 6305 10 90		
151A	Floor coverings of coconut fibres (coir) 5702 20 00		
151B	Carpets and other textile floor coverings, of jute or of other textile bast fibres, other than tufted or flopped ex 5702 39 90, ex 5702 49 90, ex 5702 59 00, ex 5702 99 00		
152	Needle loom felt of jute or of other textile bast fibres not impregnated or coated, other than floor coverings 5602 10 11		
153	Used sacks and bags, of a kind used for the packing of goods, of jute or of other textile bast fibres of heading No 5303 6305 10 10		
154	Silkworm cocoons suitable for reeling 5001 00 00 Raw silk (not thrown) 5002 00 00 Silk waste (including cocoons unsuitable for reeling), yarn waste and garnetted stock, not carded or combed 5003 10 00		

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
	<p>Wool not carded or combed 5101 11 00, 5101 19 00, 5101 21 00, 5101 29 00, 5101 30 00</p> <p>Fine or coarse animal hair, not carded or combed 5102 11 00, 5102 19 10, 5102 19 30, 5102 19 40, 5102 19 90, 5102 20 00</p> <p>Waste of wool or of fine or coarse animal hair, including yarn waste but excluding garnetted stock 5103 10 10, 5103 10 90, 5103 20 10, 5103 20 91, 5103 20 99, 5103 30 00</p> <p>Garnetted stock of wool or of fine or coarse animal hair 5104 00 00</p> <p>Flax, raw or processed but not spun: flax tow and waste (including yarn waste and garnetted stock) 5301 10 00, 5301 21 00, 5301 29 00, 5301 30 10, 5301 30 90</p> <p>Ramie and other vegetable textile fibres, raw or processed but not spun: tow, noils and waste, other than coir and abaca of heading No 5304 5305 90 00</p> <p>Cotton, not carded nor combed 5201 00 10, 5201 00 90</p> <p>Cotton waste (including yarn waste and garnetted stock) 5202 10 00, 5202 91 00, 5202 99 00</p> <p>True hemp (<i>Cannabis sativa</i> L.), raw or processed but not spun: tow and waste of true hemp (including yarn waste and garnetted stock) 5302 10 00, 5302 90 00</p> <p>Abaca (<i>Manila hemp</i> or <i>Musa Textilis</i> Nee), raw or processed but not spun: tow and waste of abaca (including yarn waste and garnetted stock) 5305 21 00, 5305 29 00</p> <p>Jute or other textile bast fibres (excluding flax, true hemp and ramie), raw or processed but not spun: tow and waste of jute or other textile bast fibres (including yarn waste and garnetted stock) 5303 10 00, 5303 90 00</p> <p>Other vegetable textile fibres, raw or processed but not spun: tow and waste of such fibres (including yarn waste and garnetted stock) 5304 10 00, 5304 90 00, 5305 11 00, 5305 19 00, 5305 90 00</p>		
156	<p>Blouses and pullovers knitted or crocheted of silk or silk waste for women and girls 6106 90 30, ex 6110 90 90</p>		

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
157	Garments, knitted or crocheted, other than those of categories 1 to 123 and 156 6101 90 10, 6101 90 90, 6102 90 10, 6102 90 90, ex 6103 39 00, 6103 49 99, ex 6104 19 00, ex 6104 29 00, ex 6104 39 00, 6104 49 00, 6104 69 99, 6105 90 90, 6106 90 50, 6106 90 90, ex 6107 99 00, 6108 99 90, 6109 90 90, 6110 90 10, ex 6110 90 90, ex 6111 90 00, 6114 90 00		
159	Dresses, blouses and shirt-blouses, not knitted or crocheted, of silk or silk waste 6204 49 10, 6206 10 00 Shawls, scarves, mufflers, mantillas, veils and the like, not knitted or crocheted, of silk or silk waste 6214 10 00 Ties, bow ties and cravats of silk or silk waste 6215 10 00		
160	Handkerchiefs of silk or silk waste 6213 10 00		
161	Garments, not knitted or crocheted, other than those of categories 1 to 123 and category 159 6201 19 00, 6201 99 00, 6202 19 00, 6202 99 00, 6203 19 90, 6203 29 90, 6203 39 90, 6203 49 90, 6204 19 90, 6204 29 90, 6204 39 90, 6204 49 90, 6204 59 90, 6204 69 90, 6205 90 10, 6205 90 90, 6206 90 10, 6206 90 90, ex 6211 20 00, 6211 39 00, 6211 49 00		

ANNEX IA

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
163 ⁽¹⁾	Gauze and articles of gauze put up in forms or packings for retail sale 3005 90 31		

⁽¹⁾ Only applies to imports from China.

ANNEX IB

1. This Annex covers textile raw materials (categories 128 and 154), textile products other than those of wool and fine animal hair, cotton and man-made fibres, as well as man-made fibres and filaments and yarns of categories 124, 125A, 125B, 126, 127A and 127B.
2. Without prejudice to the rules for the interpretation of the Combined Nomenclature, the wording of the description of goods is considered to be of indicative value only, since the products covered by each category are determined, within this Annex, by CN codes. Where there is an "ex" symbol in front of a CN code, the products covered in each category are determined by the scope of the CN code and by that of the corresponding description.
3. Garments which are not recognisable as being garments for men or boys or as being garments for women or girls are classified with the latter.
4. Where the expression "babies' garments" is used, this is meant to cover garments up to and including commercial size 86.

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
GROUP I			
ex 20	Bedlinen, other than knitted or crocheted ex 6302 29 90, ex 6302 39 90		
ex 32	Woven pile fabrics and chenille fabrics and tufted textile surfaces ex 5802 20 00, ex 5802 30 00		
ex 39	Table linen, toilet and kitchen linen, other than knitted or crocheted and other than those of category 118 ex 6302 59 00, ex 6302 99 00		
GROUP II			
ex 12	Pantyhose and tights, stockings, understockings, socks, ankle socks, sockettes and the like, knitted or crocheted, other than for babies ex 6115 19 00, ex 6115 20 90, ex 6115 99 00	24,3	41
ex 13	Men's or boys' underpants and briefs, women's or girls' knickers and briefs, knitted or crocheted ex 6107 19 00, ex 6108 29 00, ex 6212 10 10	17	59
ex 14	Men's or boys' woven overcoats, raincoats and other coats, cloaks and capes ex 6210 20 00	0,72	1 389
ex 15	Women's or girls' woven overcoats, raincoats and other coats, cloaks and capes, jackets and blazers, other than parkas ex 6210 30 00	0,84	1 190
ex 18	Men's or boys' singlets and other vests, underpants, briefs, nightshirts, pyjamas, bathrobes, dressing gowns and similar articles, other than knitted or crocheted ex 6207 19 00, ex 6207 29 00, ex 6207 99 00 Women's or girls' singlets and other vests, slips, petticoats, briefs, panties, nightdresses, pyjamas, negligees, bathrobes, dressing gowns and similar articles, other than knitted or crocheted ex 6208 19 90, ex 6208 29 00, ex 6208 99 00, ex 6212 10 10		
ex 19	Handkerchiefs, other than those of silk and silk waste ex 6213 90 00	59	17

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
ex 24	Men's or boys' nightshirts, pyjamas, bathrobes, dressing gowns and similar articles, knitted or crocheted ex 6107 29 00 Women's or girls' nightdresses, pyjamas, negligees, bathrobes, dressing gowns and similar articles, knitted or crocheted ex 6108 39 00	3,9	257
ex 27	Women's or girls' skirts, including divided skirts ex 6104 59 00	2,6	385
ex 28	Trousers, bib and brace overalls, breeches and shorts (other than swimwear), knitted or crocheted ex 6103 49 10, ex 6104 69 10	1,61	620
ex 31	Brassieres, woven, knitted or crocheted ex 6212 10 10, ex 6212 10 90	18,2	55
ex 68	Babies' garments and clothing accessories, excluding babies' gloves, mittens and mitts of categories ex 10 and ex 87, and babies' stockings, socks and sockettes, other than knitted or crocheted, of category ex 88 ex 6209 90 00		
ex 73	Track suits of knitted or crocheted fabric ex 6112 19 00	1,67	600
ex 78	Woven garments of fabrics of heading Nos 5903, 5906 and 5907, excluding garments of categories ex 14 and ex 15 ex 6210 40 00, ex 6210 50 00		
ex 83	Garments of knitted or crocheted fabrics of heading Nos 5903 and 5907 and ski suits, knitted or crocheted, ex 6112 20 00, ex 6113 00 90		
GROUP IIIA			
ex 38B	Net curtains, other than knitted or crocheted ex 6303 99 90		
ex 40	Woven curtains (including drapes, interior blinds, curtain and bed valances and other furnishing articles), other than knitted or crocheted ex 6303 99 90, ex 6304 19 90, ex 6304 99 00		
ex 58	Carpets, carportines and rugs, knotted (made up or not) ex 5701 90 10, ex 5701 90 90		
ex 59	Carpets and other textile floor coverings, other than the carpets of categories ex 58, 142 and 151B ex 5702 10 00, ex 5702 59 00, ex 5702 99 00, ex 5703 90 00, ex 5704 10 00, ex 5704 90 00, ex 5705 00 90		

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
ex 60	Tapestries, hand-made, of the type Gobelins, Flanders, Aubusson, Beauvais and the like, and needlework tapestries (e.g. petit point and cross stitch) made in panels and the like by hand ex 5805 00 00		
ex 61	Narrow woven fabrics, and narrow fabrics (bolduc) consisting of warp without weft, assembled by means of an adhesive, other than labels and similar articles of category ex 62 and of category 137 Elastic fabrics and trimmings (not knitted or crocheted), made from textile materials assembled from rubber thread ex 5806 10 00, ex 5806 20 00, ex 5806 39 00, ex 5806 40 00		
ex 62	Chenille yarn (including flock chenille yarn), gimped yarn (other than metallised yarn and gimped horsehair yarn) ex 5606 00 91, ex 5606 00 99 Tulle and other net fabrics but not including woven, knitted or crocheted fabrics, hand or mechanically-made lace, in the piece, in strips or in motifs ex 5804 10 11, ex 5804 10 19, ex 5804 10 90, ex 5804 29 10, ex 5804 29 90, ex 5804 30 00 Labels, badges and the like of textile materials, not embroidered, in the piece, in strips or cut to shape or size, woven ex 5807 10 10, ex 5807 10 90 Braids and ornamental trimmings in the piece; tassels, pompons and the like ex 5808 10 00, ex 5808 90 00 Embroidery, in the piece, in strips or in motifs ex 5810 10 10, ex 5810 10 90, ex 5810 99 10, ex 5810 99 90		
ex 63	Knitted or crocheted fabric of synthetic fibres containing by weight 5 % or more elastomeric yarn and knitted or crocheted fabrics containing by weight 5 % or more of rubber thread ex 5906 91 00, ex 6002 40 00, ex 6002 90 00, ex 6004 10 00, ex 6004 90 00		
ex 65	Knitted or crocheted fabric, other than those of category ex 63 ex 5606 00 10, ex 6002 40 00, ex 6004 10 00		
ex 66	Travelling rugs and blankets, other than knitted or crocheted ex 6301 10 00, ex 6301 90 90		
GROUP IIIB			
ex 10	Gloves, mittens and mitts, knitted or crocheted ex 6116 10 20, ex 6116 10 80, ex 6116 99 00	17 pairs	59
ex 67	Knitted or crocheted clothing accessories other than for babies; household linen of all kinds, knitted or crocheted; curtains (including drapes) and interior blinds, curtain or bed valances and other furnishing articles knitted or crocheted; knitted or crocheted blankets and travelling rugs, other knitted or crocheted articles including parts of garments or of clothing accessories ex 5807 90 90, ex 6113 00 10, ex 6117 10 00, ex 6117 20 00, ex 6117 80 10, ex 6117 80 90, ex 6117 90 00, ex 6301 90 10, ex 6302 10 90, ex 6302 40 00, ex 6303 19 00, ex 6304 11 00, ex 6304 91 00, ex 6307 10 10, ex 6307 90 10		

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
ex 69	Women's and girls' slips and petticoats, knitted or crocheted ex 6108 19 00	7,8	128
ex 72	Swimwear ex 6112 39 10, ex 6112 39 90, ex 6112 49 10, ex 6112 49 90, ex 6211 11 00, ex 6211 12 00	9,7	103
ex 75	Men's or boys' knitted or crocheted suits and ensembles ex 6103 19 00, ex 6103 29 00	0,80	1 250
ex 85	Ties, bow ties and cravats other than knitted or crocheted, other than those of category 159 ex 6215 90 00	17,9	56
ex 86	Corsets, corset-belts, suspender belts, braces, suspenders, garters and the like, and parts thereof, whether or not knitted or crocheted ex 6212 20 00, ex 6212 30 00, ex 6212 90 00	8,8	114
ex 87	Gloves, mittens and mitts, not knitted or crocheted ex 6209 90 00, ex 6216 00 00		
ex 88	Stockings, socks and sockettes, not knitted or crocheted; other clothing accessories, parts of garments or of clothing accessories, other than for babies, other than knitted or crocheted ex 6209 90 00, ex 6217 10 00, ex 6217 90 00		
ex 91	Tents ex 6306 29 00		
ex 94	Wadding of textile materials and articles thereof; textile fibres, not exceeding 5 mm in length (flock), textile dust and mill neps ex 5601 10 90, ex 5601 29 00, ex 5601 30 00		
ex 95	Felt and articles thereof, whether or not impregnated or coated, other than floor coverings ex 5602 10 19, ex 5602 10 39, ex 5602 10 90, ex 5602 29 90, ex 5602 90 00, ex 5807 90 10, ex 6210 10 10, ex 6307 90 91		
ex 97	Nets and netting made of twine, cordage or rope and made up fishing nets of yarn, twine, cordage or rope ex 5608 90 00		
ex 98	Other articles made from yarn, twine, cordage, cables or rope, other than textile fabrics, articles made from such fabrics and articles of category 97 ex 5609 00 00, ex 5905 00 10		

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
ex 99	Textile fabrics coated with gum or amylaceous substances, of a kind used for the outer covers of books and the like; tracing cloth; prepared painting canvas; buckram and similar stiffened textile fabrics of a kind used for hat foundations ex 5901 10 00, ex 5901 90 00 Linoleum, whether or not cut to shape; floor coverings consisting of a coating or covering applied on a textile backing, whether or not cut to shape ex 5904 10 00, ex 5904 90 00 Rubberised textile fabric, not knitted or crocheted, excluding those for tyres ex 5906 10 00, ex 5906 99 10, ex 5906 99 90 Textile fabrics otherwise impregnated or coated; painted canvas being theatrical scenery, studio backcloths, other than of category ex 100 ex 5907 00 10, ex 5907 00 90		
ex 100	Textile fabrics impregnated, coated, covered or laminated with preparations of cellulose derivatives or of other artificial plastic materials ex 5903 10 10, ex 5903 10 90, ex 5903 20 10, ex 5903 20 90, ex 5903 90 10, ex 5903 90 91, ex 5903 90 99		
ex 109	Tarpaulins, sails, awnings and sunblinds ex 6306 19 00, ex 6306 39 00		
ex 110	Woven pneumatic mattresses ex 6306 49 00		
ex 111	Camping goods, woven, other than pneumatic mattresses and tents ex 6306 99 00		
ex 112	Other made up textiles articles, woven, excluding those of categories ex 113 and ex 114 ex 6307 20 00, ex 6307 90 99		
ex 113	Floor cloth, dish cloth and dusters, other than knitted or crocheted ex 6307 10 90		
ex 114	Woven fabrics and articles for technical uses, other than those of category 136 ex 5908 00 00, ex 5909 00 90, ex 5910 00 00, ex 5911 10 00, ex 5911 31 19, ex 5911 31 90, ex 5911 32 10, ex 5911 32 90, ex 5911 40 00, ex 5911 90 10, ex 5911 90 90		
GROUP IV			
115	Flax or ramie yarn 5306 10 10, 5306 10 30, 5306 10 50, 5306 10 90, 5306 20 10, 5306 20 90, 5308 90 12, 5308 90 19		
117	Woven fabrics of flax or of ramie 5309 11 10, 5309 11 90, 5309 19 00, 5309 21 10, 5309 21 90, 5309 29 00, 5311 00 10, 5803 90 90, 5905 00 30		

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
118	Table linen, toilet linen and kitchen linen of flax or ramie, other knitted or crocheted 6302 29 10, 6302 39 10, 6302 39 30, 6302 52 00, ex 6302 59 00, 6302 92 00, ex 6302 99 00		
120	Curtains (including drapes), interior blinds, curtain and bed valances and other furnishing articles, not knitted or crocheted, of flax or ramie ex 6303 99 90, 6304 19 30, ex 6304 99 00		
121	Twine, cordage, ropes and cables, plaited or not, of flax or ramie ex 5607 90 90		
122	Sacks and bags, of a kind used for the packing of goods, used, of flax, other than knitted or crocheted ex 6305 90 00		
123	Woven pile fabrics and chenille fabrics of flax or ramie, other than narrow woven fabrics 5801 90 10, ex 5801 90 90 Shawls, scarves, mufflers, mantillas, veils and the like, of flax or ramie, other than knitted or crocheted 6214 90 90		
GROUP V			
124	Synthetic staple fibres 5501 10 00, 5501 20 00, 5501 30 00, 5501 90 10, 5501 90 90, 5503 10 10, 5503 10 90, 5503 20 00, 5503 30 00, 5503 40 00, 5503 90 10, 5503 90 90, 5505 10 10, 5505 10 30, 5505 10 50, 5505 10 70, 5505 10 90		
125A	Synthetic filament yarn (continuous) not put up for retail sale 5402 41 00, 5402 42 00, 5402 43 00		
125B	Monofilament, strip (artificial straw and the like) and imitation catgut of synthetic materials 5404 10 10, 5404 10 90, 5404 90 11, 5404 90 19, 5404 90 90, ex 5604 20 00, ex 5604 90 00		
126	Artificial staple fibres 5502 00 10, 5502 00 40, 5502 00 80, 5504 10 00, 5504 90 00, 5505 20 00		
127A	Yarn of artificial filaments (continuous) not put up for retail sale, single yarn or viscose rayon untwisted or with a twist of not more than 250 turns per metre and single non-textured yarn of cellulose acetate 5403 31 00, ex 5403 32 00, ex 5403 33 00		
127B	Monofilament, strip (artificial straw and the like) and imitation catgut of artificial textile materials 5405 00 00, ex 5604 90 00		

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
128	Coarse animal hair, carded or combed 5105 40 00		
129	Yarn of coarse animal hair or of horsehair 5110 00 00		
130A	Silk yarn other than yarn spun from silk waste 5004 00 10, 5004 00 90, 5006 00 10		
130B	Silk yarn other than of category 130A; silkworm gut 5005 00 10, 5005 00 90, 5006 00 90, ex 5604 90 00		
131	Yarn of other vegetable textile fibres 5308 90 90		
132	Paper yarn 5308 90 50		
133	Yarn of true hemp 5308 20 10, 5308 20 90		
134	Metallised yarn 5605 00 00		
135	Woven fabrics of coarse animal hair or of horse hair 5113 00 00		
136A	Woven fabrics of silk or of silk waste other than unbleached, scoured or bleached 5007 20 19, ex 5007 20 31, ex 5007 20 39, ex 5007 20 41, 5007 20 59, 5007 20 61, 5007 20 69, 5007 20 71, 5007 90 30, 5007 90 50, 5007 90 90		
136B	Woven fabrics of silk or of silk waste other than those of category 136A ex 5007 10 00, 5007 20 11, 5007 20 21, ex 5007 20 31, ex 5007 20 39, 5007 20 41, 5007 20 51, 5007 90 10, ex 5803 90 10, ex 5905 00 90, ex 5911 20 00		
137	Woven pile fabric and chenille fabrics and narrow woven fabrics of silk, or of silk waste ex 5801 90 90, ex 5806 10 00		
138	Woven fabrics of paper yarn and other textile fibres other than of ramie 5311 00 90, ex 5905 00 90		
139	Woven fabrics of metal threads or of metallised yarn 5809 00 00		

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
140	Knitted or crocheted fabric of textile material other than wool or fine animal hair, cotton or man-made fibres ex 6001 10 00, 6001 29 90, 6001 99 90, 6003 90 00, 6005 90 00, 6006 90 00		
141	Travelling rugs and blankets of textile material other than wool or fine animal hair, cotton or man-made fibres ex 6301 90 90		
142	Carpets and other textile floor coverings of sisal, of other fibres of the agave family or the Manila hemp ex 5702 39 90, ex 5702 49 90, ex 5702 59 00, ex 5702 99 00, ex 5705 00 90		
144	Felt of coarse animal hair 5602 10 35, 5602 29 10		
145	Twine, cordage, ropes and cables plaited or not abaca (Manila hemp) or of true hemp 5607 90 10, ex 5607 90 90		
146A	Binder or baler twine for agricultural machines, of sisal or other fibres of the agave family ex 5607 21 00		
146B	Twine, cordage, ropes and cables of sisal or other fibres of the agave family, other than the products of category 146A ex 5607 21 00, 5607 29 10, 5607 29 90		
146C	Twine, cordage, ropes and cables, whether or not plaited or braided, of jute or of other textile bast fibres of heading No 5303 5607 10 00		
147	Silk waste (including cocoons unsuitable for reeling), yarn waste and garnetted stock, other than not carded or combed 5003 90 00		
148A	Yarn of jute or of other textile bast fibres of heading No 5303 5307 10 10, 5307 10 90, 5307 20 00		
148B	Coir yarn 5308 10 00		
149	Woven fabrics of jute or of other textile bast fibres of a width of more than 150 cm 5310 10 90, ex 5310 90 00		
150	Woven fabrics of jute or of other textile bast fibres of a width of not more than 150 cm Sacks and bags, of a kind used for the packing of goods, of jute or of other textile bast fibres, other than used 5310 10 10, ex 5310 90 00, 5905 00 50, 6305 10 90		

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
151A	Floor coverings of coconut fibres (coir) 5702 20 00		
151B	Carpets and other textile floor coverings, of jute or of other textile bast fibres, other than tufted or flocked ex 5702 39 90, ex 5702 49 90, ex 5702 59 00, ex 5702 99 00		
152	Needle loom felt of jute or of other textile bast fibres not impregnated or coated, other than floor coverings 5602 10 11		
153	Used sacks and bags, of a kind used for the packing of goods, of jute or of other textile bast fibres of heading No 5303 6305 10 10		
154	<p>Silkworm cocoons suitable for reeling 5001 00 00</p> <p>Raw silk (not thrown) 5002 00 00</p> <p>Silk waste (including cocoons unsuitable for reeling), yarn waste and garnetted stock, not carded or combed 5003 10 00</p> <p>Wool not carded or combed 5101 11 00, 5101 19 00, 5101 21 00, 5101 29 00, 5101 30 00</p> <p>Fine or coarse animal hair, not carded or combed 5102 11 00, 5102 19 10, 5102 19 30, 5102 19 40, 5102 19 90, 5102 20 00</p> <p>Waste of wool or of fine or coarse animal hair, including yarn waste but excluding garnetted stock 5103 10 10, 5103 10 90, 5103 20 10, 5103 20 91, 5103 20 99, 5103 30 00</p> <p>Garnetted stock of wool or of fine or coarse animal hair 5104 00 00</p> <p>Flax, raw or processed but not spun: flax tow and waste (including yarn waste and garnetted stock) 5301 10 00, 5301 21 00, 5301 29 00, 5301 30 10, 5301 30 90</p> <p>Ramie and other vegetable textile fibres, raw or processed but not spun: tow, noils and waste, other than coir and abaca of heading No 5304 5305 90 00</p> <p>Cotton, not carded nor combed 5201 00 10, 5201 00 90</p> <p>Cotton waste (including yarn waste and garnetted stock) 5202 10 00, 5202 91 00, 5202 99 00</p> <p>True hemp (<i>Cannabis sativa</i> L.), raw or processed but not spun: tow and waste of true hemp (including yarn waste and garnetted stock) 5302 10 00, 5302 90 00</p>		

Category	Description CN-code 2002	Table of equivalence	
		pieces/kg	g/piece
(1)	(2)	(3)	(4)
	<p>Abaca (<i>Manila hemp</i> or <i>Musa Textilis</i> Nee), raw or processed but not spun: tow and waste of abaca (including yarn waste and garnetted stock) 5305 21 00, 5305 29 00</p> <p>Jute or other textile bast fibres (excluding flax, true hemp and ramie), raw or processed but not spun: tow and waste of jute or other textile bast fibres (including yarn waste and garnetted stock) 5303 10 00, 5303 90 00</p> <p>Other vegetable textile fibres, raw or processed but not spun: tow and waste of such fibres (including yarn waste and garnetted stock) 5304 10 00, 5304 90 00, 5305 11 00, 5305 19 00, 5305 90 00</p>		
156	<p>Blouses and pullovers knitted or crocheted of silk or silk waste for women and girls 6106 90 30, ex 6110 90 90</p>		
157	<p>Garments, knitted or crocheted, excluding garments of categories ex 10, ex 12, ex 13, ex 24, ex 27, ex 28, ex 67, ex 69, ex 72, ex 73, ex 75, ex 83 and 156 6101 90 10, 6101 90 90, 6102 90 10, 6102 90 90, ex 6103 39 00, 6103 49 99, ex 6104 19 00, ex 6104 29 00, ex 6104 39 00, 6104 49 00, 6104 69 99, 6105 90 90, 6106 90 50, 6106 90 90, ex 6107 99 00, 6108 99 90, 6109 90 90, 6110 90 10, ex 6110 90 90, ex 6111 90 00, 6114 90 00</p>		
159	<p>Dresses, blouses and shirt-blouses, not knitted or crocheted, of silk or silk waste 6204 49 10, 6206 10 00</p> <p>Shawls, scarves, mufflers, mantillas, veils and the like, not knitted or crocheted, of silk or silk waste 6214 10 00</p> <p>Ties, bow ties and cravats of silk or silk waste 6215 10 00</p>		
160	<p>Handkerchiefs of silk or silk waste 6213 10 00</p>		
161	<p>Garments, not knitted or crocheted, excluding garments of categories ex 14, ex 15, ex 18, ex 31, ex 68, ex 72, ex 78, ex 86, ex 87, ex 88 and 159 6201 19 00, 6201 99 00, 6202 19 00, 6202 99 00, 6203 19 90, 6203 29 90, 6203 39 90, 6203 49 90, 6204 19 90, 6204 29 90, 6204 39 90, 6204 49 90, 6204 59 90, 6204 69 90, 6205 90 10, 6205 90 90, 6206 90 10, 6206 90 90, ex 6211 20 00, 6211 39 00, 6211 49 00"</p>		

2. Annex III is amended as follows:

(a) in Article 28, paragraph 6 is replaced by the following:

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

— two letters identifying the exporting country as follows:

- Argentina = AR
- Armenia = AM
- Azerbaijan = AZ
- Bangladesh = BD
- Belarus = BY
- Bosnia and Herzegovina = BA
- Brazil = BR
- Cambodia = KH
- China = CN
- Croatia = HR
- Egypt = EG
- former Yugoslav Republic of Macedonia = 96 ⁽¹⁾
- Georgia = GE
- Hong Kong = HK
- India = IN
- Indonesia = ID
- Kazakhstan = KZ
- Kyrgyzstan = KG
- Laos = LA
- Macao = MO
- Malaysia = MY
- Moldova = MD
- Mongolia = MN
- Nepal = NP
- Pakistan = PK
- Peru = PE
- Philippines = PH
- Russian Federation = RU
- Singapore = SG
- South Korea = KR
- Sri Lanka = LK
- Taiwan = TW
- Tajikistan = TJ
- Thailand = TH
- Turkmenistan = TM
- Ukraine = UA
- United Arab Emirates = AE
- Uzbekistan = UZ
- Vietnam = VN,

— two letters identifying the intended Member State of destination as follows:

- AT = Austria
- BL = Benelux
- DE = Federal Republic of Germany
- DK = Denmark
- EL = Greece
- ES = Spain
- FI = Finland
- FR = France

⁽¹⁾ Two digits in the case of the former Yugoslav Republic of Macedonia.

- GB = United Kingdom
- IE = Ireland
- IT = Italy
- PT = Portugal
- SE = Sweden,
- a one-digit number identifying the quota year or the year under which exports were recorded, in the case of products listed in table A of this Annex, corresponding to the last figure in the year in question, e.g. "3" for 2003 and "4" for 2004. In the case of products originating in the People's Republic of China listed in Appendix C to Annex V this number should be "9" for the year 2003 and "0" for the year 2004,
- a two-digit number identifying the issuing office in the exporting country,
- a five-digit number running consecutively from 00001 to 99999 allocated to the specific Member State of destination."

(b) table A is replaced by the following:

"TABLE A

Countries and categories subject to the system of double-checking surveillance

(The complete description of the categories is shown in Annex I)

Third country	Group	Category	Unit
Bangladesh	IB	4 (*)	1 000 pieces
		6 (*)	1 000 pieces
		8 (*)	1 000 pieces
Bosnia and Herzegovina	IA	1	Tonne
		2	Tonne
		2A	Tonne
		3	Tonne
	IB	5	1 000 pieces
		6	1 000 pieces
		7	1 000 pieces
		8	1 000 pieces
	IIA	9	Tonne
	IIB	15	1 000 pieces
		16	1 000 pieces
	IIIB	67	Tonne
Brazil	IA	1	Tonne
		2	Tonne
		2A	Tonne
		3	Tonne
	IB	4	1 000 pieces
		6 (l)	1 000 pieces
	IIA	9	Tonne
		20	Tonne
		22	Tonne
		39	Tonne

Third country	Group	Category	Unit
Cambodia	IB	4	1 000 pieces
		5	1 000 pieces
		6	1 000 pieces
		7	1 000 pieces
		8	1 000 pieces
	IIB	15	1 000 pieces
		21	1 000 pieces
		28	1 000 pieces
73		1 000 pieces	
Croatia	IA	1	Tonne
		2	Tonne
		2A	Tonne
		3	Tonne
	IB	5	1 000 pieces
		6	1 000 pieces
		7	1 000 pieces
		8	1 000 pieces
	IIA	9	Tonne
	IIB	15	1 000 pieces
		16	1 000 pieces
	IIIB	67	Tonne
Egypt	IA	1	Tonne
		2	Tonne
	IB	4 (*)	1 000 pieces
IIA	20 (*)	Tonne	
Former Yugoslav Republic of Macedonia	IA	1	Tonne
		2	Tonne
	IB	4	1 000 pieces
		5	1 000 pieces
		8	1 000 pieces
Kazakhstan	IA	2	Tonne
Kyrgyzstan	IA	1	Tonne
		2	Tonne
		3	Tonne
	IB	4	1 000 pieces
		5	1 000 pieces
		6	1 000 pieces
		7	1 000 pieces
		8	1 000 pieces

Third country	Group	Category	Unit
Laos	IB	4	1 000 pieces
		5	1 000 pieces
		6	1 000 pieces
		7	1 000 pieces
		8	1 000 pieces
	IIB	21	1 000 pieces
		28	1 000 pieces
		78	Tonne
Moldova	IA	2	Tonne
		3	Tonne
	IB	4	1 000 pieces
		5	1 000 pieces
		6	1 000 pieces
		7	1 000 pieces
		8	1 000 pieces
	IIA	20	Tonne
		39	Tonne
	IIB	15	1 000 pieces
Mongolia	IB	5	1 000 pieces
		5A (?)	1 000 pieces
Nepal	IB	4	1 000 pieces
		5	1 000 pieces
		6	1 000 pieces
		7	1 000 pieces
	IIB	26	1 000 pieces
Russian Federation	IA	1	Tonne
		2	Tonne
		2A	Tonne
		3	Tonne
	IB	4	1 000 pieces
		5	1 000 pieces
		6	1 000 pieces
		7	1 000 pieces
		8	1 000 pieces
	IIA	9	Tonne
		20	Tonne
		22	Tonne
		39	Tonne

Third country	Group	Category	Unit
	IIB	12	1 000 pairs
		13	1 000 pieces
		15	1 000 pieces
		16	1 000 pieces
		21	1 000 pieces
		24	1 000 pieces
		29	1 000 pieces
		83	Tonne
	IIIA	33	Tonne
		37	Tonne
		50	Tonne
	IIIB	74	1 000 pieces
		90	Tonne
IV	115	Tonne	
	117	Tonne	
	118	Tonne	
Sri Lanka	IB	4	1 000 pieces
		5	1 000 pieces
		6	1 000 pieces
		7	1 000 pieces
	IIB	26	1 000 pieces
Tajikistan	IA	1	Tonne
		2	Tonne
	IB	6	1 000 pieces
		8	1 000 pieces
Turkmenistan	IA	1	Tonne
Ukraine	IA	2	Tonne
	IB	4	1 000 pieces
		5	1 000 pieces
		6	1 000 pieces
		7	1 000 pieces
		8	1 000 pieces
	IIB	12	1 000 pairs
		13	1 000 pieces
		15	1 000 pieces
		16	1 000 pieces
26/27		1 000 pieces	
29		1 000 pieces	
83	Tonne		
IV	117	Tonne	

Third country	Group	Category	Unit	
United Arab Emirates	IA	2	Tonne	
		IB	4	1 000 pieces
	5		1 000 pieces	
	6		1 000 pieces	
	7		1 000 pieces	
	8		1 000 pieces	
	IIA	9	Tonne	
		20	Tonne	
	IIB	26	1 000 pieces	
	V	157	Tonne	
Uzbekistan	IA	1	Tonne	
		3	Tonne	
	IB	4	1 000 pieces	
		5	1 000 pieces	
		6	1 000 pieces	
		7	1 000 pieces	
		8	1 000 pieces	
	IIB	26	1 000 pieces	
	Vietnam	IA	1	Tonne
			2	Tonne
3			Tonne	
IIA		22	Tonne	
		23	Tonne	
		32	Tonne	
IIB		16	1 000 pieces	
		17	1 000 pieces	
		19	1 000 pieces	
		24	1 000 pieces	
		27	1 000 pieces	
IIIA		33	Tonne	
		36	Tonne	
		37	Tonne	
IIIB		90	Tonne	
IV		115	Tonne	
	117	Tonne		
V	136	Tonne		
	156	Tonne		
	157	Tonne		
	159	Tonne		
	160	Tonne		

(*) For these categories the provisions of Article 9 do not apply.

(¹) See appendix A.

(²) Products of category 5 (other than anoraks, windcheaters, waister jackets and the like) of fine animal hair falling within CN codes: 6110 12 10, 6110 12 90, 6110 19 10 and 6110 19 90."

3. Annex V is replaced by the following:

“ANNEX V

COMMUNITY QUANTITATIVE LIMITS

Applicable for the years 2003 and 2004

(The complete description of the goods is shown in Annex I)

Third country	Category	Unit	Community quantitative limits	Community quantitative limits
			2003	2004
Argentina	GROUP IA			
	1	Tonne	5 785	5 998
	2	Tonne	8 218	8 476
	2(a)	Tonne	7 320	7 549
Belarus	GROUP IA			
	1	Tonne	1 430	
	2	Tonne	3 638	
	3	Tonne	211	
	GROUP IB			
	4	1 000 pieces	1 027	
	5	1 000 pieces	913	
	6	1 000 pieces	801	
	7	1 000 pieces	795	
	8	1 000 pieces	912	
	GROUP IIA			
	9	Tonne	331	
	20	Tonne	295	
	22	Tonne	368	
	23	Tonne	230	
	39	Tonne	208	
	GROUP IIB			
	12	1 000 pairs	5 344	
	13	1 000 pieces	2 459	
	15	1 000 pieces	917	
	16	1 000 pieces	166	
	21	1 000 pieces	802	
	24	1 000 pieces	696	
	26/27	1 000 pieces	969	
	29	1 000 pieces	337	
	73	1 000 pieces	284	
	83	Tonne	165	
	GROUP IIIA			
	33	Tonne	350	
	36	Tonne	1 114	
37	Tonne	419		
50	Tonne	134		

Third country	Category	Unit	Community quantitative limits	Community quantitative limits
			2003	2004
	GROUP IIIB			
	67	Tonne	307	
	74	1 000 pieces	328	
	90	Tonne	179	
	GROUP IV			
	115	Tonne	79	
117	Tonne	926		
118	Tonne	406		
Brazil ⁽⁵⁾	GROUP IA			
	1	Tonne		
	2	Tonne		
	2a	Tonne		
	3	Tonne		
	GROUP IB			
	4	1 000 pieces		
	6 ^(l)	1 000 pieces		
	GROUP IIA			
	9	Tonne		
	20	Tonne		
	22	Tonne		
39	Tonne			
China ⁽²⁾ ⁽³⁾	GROUP IA			
	1	Tonne	4 491	4 746
	2 ^(*)	Tonne ^(l)	29 132	29 235
	Of which 2(a)	Tonne	3 765	3 779
	3	Tonne	5 938	5 946
	Of which 3(a)	Tonne	770	782
	GROUP IB			
	4 ^(l)	1 000 pieces	82 818	84 733
	5 ^(l)	1 000 pieces	26 341	27 043
	6 ^(l)	1 000 pieces	28 199	29 079
	7 ^(l)	1 000 pieces	13 277	13 631
	8 ^(l)	1 000 pieces	18 657	19 154
	GROUP IIA			
	9	Tonne	6 079	6 182
	20/39	Tonne	9 633	9 824
	22	Tonne	17 975	18 770
	23	Tonne	11 558	11 804
	GROUP IIB			
	12	1 000 pairs	32 721	34 458
	13	1 000 pieces	516 216	530 864
	14	1 000 pieces	14 608	16 059
15	1 000 pieces ^(l)	17 404	18 327	

Third country	Category	Unit	Community quantitative limits	Community quantitative limits	
			2003	2004	
	16	1 000 pieces	16 196	16 426	
	17	1 000 pieces	12 187	12 878	
	26	1 000 pieces (1)	5 523	5 671	
	28	1 000 pieces	81 202	88 115	
	29	1 000 pieces	13 757	14 928	
	31	1 000 pieces	83 851	90 988	
	78	Tonne	32 932	35 736	
	83	Tonne	9 673	10 497	
	GROUP IIIB				
	97	Tonne	2 514	2 763	
	GROUP V				
	163	Tonne	6 449	7 364	
	Hong Kong	GROUP IA			
2		Tonne	14 075	14 127	
2(a)		Tonne	12 080	12 124	
3		Tonne	11 584	11 627	
3(a)		Tonne	7 776	7 804	
GROUP IB					
4 (1)		1 000 pieces	49 315	49 950	
5		1 000 pieces	38 074	38 495	
6 (1)		1 000 pieces	66 445	67 057	
6(a)		1 000 pieces	55 778	56 292	
7		1 000 pieces	40 116	40 707	
8		1 000 pieces	57 295	57 928	
GROUP IIA					
39		Tonne	2 010	2 084	
GROUP IIB					
12		1 000 pairs	19 383	20 454	
13 (1)		1 000 pieces	112 970	115 051	
16		1 000 sets	3 119	3 205	
26		1 000 pieces	11 915	12 134	
29		1 000 sets	4 011	4 196	
31		1 000 pieces	32 894	34 711	
78	Tonne	13 865	14 503		
83	Tonne	694	726		
India	GROUP IA				
	1	Tonne	45 333	47 003	
	2	Tonne	63 867	65 925	
	2(a)	Tonne	26 355	29 267	
	3	Tonne	35 804	38 441	
	3(a)	Tonne	7 181	7 709	

Third country	Category	Unit	Community quantitative limits	Community quantitative limits
			2003	2004
	GROUP IB			
	4 (l)	1 000 pieces	87 733	95 003
	5	1 000 pieces	48 416	52 873
	6 (l)	1 000 pieces	12 259	13 388
	7	1 000 pieces	74 350	77 773
	8	1 000 pieces	54 671	57 440
	GROUP IIA			
	9	Tonne	13 926	15 210
	20	Tonne	25 869	28 251
	23	Tonne	27 733	30 797
	39	Tonne	8 113	9 009
	GROUP IIB			
	15	1 000 pieces	9 198	10 214
	26	1 000 pieces	22 531	24 191
	29	1 000 pieces	13 373	14 604
Indonesia	GROUP IA			
	1	Tonne	21 015	22 176
	2	Tonne	31 555	33 880
	2(a)	Tonne	11 733	12 597
	3	Tonne	27 934	30 506
	3(a)	Tonne	14 853	16 220
	GROUP IB			
	4	1 000 pieces	54 911	58 956
	5	1 000 pieces	52 553	58 359
	6 (l)	1 000 pieces	19 062	21 168
	7	1 000 pieces	14 039	15 591
	8	1 000 pieces	22 089	24 530
	GROUP IIA			
	23	Tonne	28 441	31 583
	GROUP IIIA			
35	Tonne	28 425	31 304	
Macao	GROUP IB			
	4 (l)	1 000 pieces	14 734	15 005
	5	1 000 pieces	13 763	14 016
	6 (l)	1 000 pieces	14 842	15 115
	7	1 000 pieces	5 783	5 890
	8	1 000 pieces	8 100	8 249
	GROUP IIA			
	20	Tonne	231	244
	39	Tonne	291	307
	GROUP IIB			
	13	1 000 pieces	9 092	9 427
	15	1 000 pieces	614	648
	16	1 000 pieces	493	507
	26	1 000 pieces	1 281	1 317

Third country	Category	Unit	Community quantitative limits	Community quantitative limits
			2003	2004
	31	1 000 pieces	10 210	10 774
	78	Tonne	2 037	2 112
	83	Tonne	489	516
Malaysia	GROUP IA			
	2	Tonne	8 349	8 811
	2(a)	Tonne	3 182	3 358
	3 (l)	Tonne	17 201	18 151
	3(a) (l)	Tonne	6 916	7 298
	GROUP IB			
	4 (l)	1 000 pieces	19 885	21 716
	5	1 000 pieces	9 232	10 082
	6 (l)	1 000 pieces	11 697	12 773
	7	1 000 pieces	41 498	43 791
	8	1 000 pieces	9 940	10 489
	GROUP IIA			
	22	Tonne	16 624	18 461
Pakistan	GROUP IA			
	1 (l)	Tonne	24 328	25 448
	2	Tonne	47 300	49 477
	2(a)	Tonne	16 605	18 440
	3	Tonne	77 337	83 033
	GROUP IB			
	4 (l)	1 000 pieces	45 612	49 812
	5	1 000 pieces	13 301	14 771
	6	1 000 pieces	49 142	53 667
	7	1 000 pieces	32 591	36 192
	8	1 000 pieces	7 899	8 336
	GROUP IIA			
	9	Tonne	13 464	14 951
	20	Tonne	52 407	58 680
	39	Tonne	18 358	20 048
	GROUP IIB			
	26	1 000 pieces	31 895	35 419
28	1 000 pieces	115 272	128 009	
Peru	GROUP IA			
	1 (l)	Tonne	22 032	24 061
	2	Tonne	16 014	18 078
Philippines	GROUP IB			
	4 (l)	1 000 pieces	30 256	32 763
	5	1 000 pieces	15 215	16 616
	6 (l)	1 000 pieces	13 916	15 325
	7	1 000 pieces	7 621	8 182
	8	1 000 pieces	8 711	9 272

Third country	Category	Unit	Community quantitative limits	Community quantitative limits
			2003	2004
	GROUP IIB			
	13	1 000 pieces	38 292	42 523
	15	1 000 pieces	4 694	5 212
	26	1 000 pieces	6 265	6 958
	31	1 000 pieces	23 735	26 357
Singapore	GROUP IA			
	2	Tonne	5 586	5 894
	2(a)	Tonne	2 696	2 845
	3	Tonne	1 824	1 992
	GROUP IB			
	4 (l)	1 000 pieces	32 654	35 060
	5	1 000 pieces	18 550	19 916
	6 (l)	1 000 pieces	19 800	21 441
	7	1 000 pieces	15 995	17 173
	8	1 000 pieces	9 801	10 342
South Korea	GROUP IA			
	1	Tonne	909	910
	2	Tonne	6 153	6 165
	2(a)	Tonne	1 047	1 049
	3	Tonne	5 078	5 124
	3(a)	Tonne	892	908
	GROUP IB			
	4 (l)	1 000 pieces	16 533	16 867
	5	1 000 pieces	36 091	36 490
	6 (l)	1 000 pieces	6 535	6 686
	7	1 000 pieces	10 435	10 579
	8	1 000 pieces	34 436	34 911
	GROUP IIA			
	9	Tonne	1 645	1 721
	22	Tonne	21 437	22 819
	GROUP IIB			
	12	1 000 pairs	220 639	230 796
	13	1 000 pieces	17 203	17 678
	14	1 000 pieces	8 559	8 953
	15	1 000 pieces	12 049	12 715
	16	1 000 pieces	1 238	1 284
	17	1 000 pieces	3 428	3 522
	26	1 000 pieces	3 178	3 236
	28	1 000 pieces	1 264	1 334
	29 (l)	1 000 pieces	803	848
	31	1 000 pieces	7 948	8 314
	78	Tonne	8 784	9 350
	83	Tonne	461	482

Third country	Category	Unit	Community quantitative limits	Community quantitative limits
			2003	2004
	GROUP IIIA			
	35	Tonne	10 525	11 494
	50	Tonne	1 279	1 392
	GROUP IIIB			
	97	Tonne	2 501	2 777
	97(a) ⁽¹⁾	Tonne	801	889
Sri Lanka ⁽⁴⁾	GROUP IB			
	6	1 000 pieces		
	7	1 000 pieces		
	8	1 000 pieces		
Taiwan	GROUP IB			
	2	Tonne	5 869	5 869
	2(a)	Tonne	500	500
	3	Tonne	8 378	8 378
	3(a)	Tonne	850	850
	GROUP IB			
	4 ⁽¹⁾	1 000 pieces	11 795	11 990
	5	1 000 pieces	21 839	22 005
	6 ⁽¹⁾	1 000 pieces	5 985	6 080
	7	1 000 pieces	3 574	3 613
	8	1 000 pieces	9 570	9 692
	GROUP IIA			
	20	Tonne	315	325
	22	Tonne	9 770	10 019
	23	Tonne	6 284	6 523
	GROUP IIB			
	12	1 000 pairs	41 845	42 908
	13	1 000 pieces	3 239	3 322
	14	1 000 pieces	4 842	5 058
	15	1 000 pieces	3 030	3 145
	16	1 000 pieces	498	510
	17	1 000 pieces	987	1 012
	26	1 000 pieces	3 385	3 428
	28 ⁽¹⁾	1 000 pieces	2 355	2 430
	78	Tonne	5 580	5 793
	83	Tonne	1 247	1 294
	GROUP IIIA			
35	Tonne	9 360	9 836	
GROUP IIIB				
97	Tonne	1 657	1 762	
97(a) ⁽¹⁾	Tonne	754	802	

Third country	Category	Unit	Community quantitative limits	Community quantitative limits
			2003	2004
Thailand	GROUP IA			
	1	Tonne	23 809	25 124
	2	Tonne	17 528	18 497
	2(a)	Tonne	4 575	4 828
	3 (1)	Tonne	31 706	33 458
	3(a) (1)	Tonne	8 591	9 065
	GROUP IB			
	4	1 000 pieces	50 011	54 616
	5	1 000 pieces	35 280	38 529
	6	1 000 pieces	12 715	13 886
	7	1 000 pieces	11 902	12 998
	8	1 000 pieces	6 319	6 726
	GROUP IIA			
	20	Tonne	13 890	15 424
	22	Tonne	6 600	7 330
	GROUP IIB			
	12	1 000 pairs	43 961	48 819
	26	1 000 pieces	10 247	11 379
	GROUP IIIB			
	97	Tonne	3 061	3 399
97(a) (1)	Tonne	2 598	2 885	
Uzbekistan	GROUP IA			
	2	Tonne	16 500	
	Of which 2(a)	Tonne	1 650	
Vietnam (1)	GROUP IB			
	4	1 000 pieces	10 709	
	5	1 000 pieces	3 551	
	6	1 000 pieces	5 465	
	7	1 000 pieces	3 003	
	8	1 000 pieces	14 206	
	GROUP IIA			
	9	Tonne	982	
	20	Tonne	255	
	39	Tonne	244	
	GROUP IIB			
	12	1 000 pairs	3 096	
	13	1 000 pieces	9 253	
	14	1 000 pieces	493	
	15	1 000 pieces	550	
	18	Tonne	968	
	21	1 000 pieces	20 837	

Third country	Category	Unit	Community quantitative limits	Community quantitative limits
			2003	2004
	26	1 000 pieces	1 256	
	28	1 000 pieces	3 881	
	29	1 000 pieces	381	
	31	1 000 pieces	4 372	
	68	Tonne	473	
	73	1 000 pieces	1 159	
	76	Tonne	1 259	
	78	Tonne	1 311	
	83	Tonne	436	
	GROUP IIIA			
	35	Tonne	671	
	41	Tonne	809	
	GROUP IIIB			
	10	1 000 pairs	6 160	
	97	Tonne	224	
	GROUP IV			
	118	Tonne	277	
	GROUP V			
	161	Tonne	248	

(*) Possibility of transferring to and from category 3 up to 40 % of the category to which the transfer is made.

(1) See appendix A.

(2) See appendix B.

(3) See appendix C.

(4) The application of quantitative restrictions for Sri Lanka is not in application pursuant to the EC/Sri Lanka Memorandum of Understanding on market access in the textile sector, under which the European Community retains the right to reapply them under certain circumstances.

(5) The application of quantitative restrictions for Brazil is not in application pursuant to the EC/Brazil Memorandum of Understanding on market access in the textile sector, under which the European Community retains the right to reapply them under certain circumstances.

Appendix A to Annex V

Category	Third country	Remarks
1	Pakistan	The following additional quantities may be added to the relevant annual quantitative limit (tonnes): — 2003: 487 — 2004: 509 These quantities may, subject to notification, be transferred to the relevant quantitative limits for category 2. Part of the quantity so transferred may be used on a pro rata basis for category 2(a)
	Peru	In addition to the quantitative limits shown in Annex V, an additional annual quantity of 900 tonnes of products falling within category 1 is reserved for imports into the Community for processing by the Community industry

Category	Third country	Remarks
2	China	<p>For fabrics, below 115 cm in width (CN codes: 5208 11 90, ex 5208 12 16, ex 5208 12 96, 5208 13 00, 5208 19 00, 5208 21 90, ex 5208 22 16, ex 5208 22 96, 5208 23 00, 5208 29 00, 5208 31 00, ex 5208 32 16, ex 5208 32 96, 5208 33 00, 5208 39 00, 5208 41 00, 5208 42 00, 5208 43 00, 5208 49 00, 5208 51 00, 5208 52 10, 5208 53 00, 5208 59 00, 5209 11 00, 5209 12 00, 5209 19 00, 5209 21 00, 5209 22 00, 5209 29 00, 5209 31 00, 5209 32 00, 5209 39 00, 5209 41 00, 5209 42 00, 5209 43 00, 5209 49 90, 5209 51 00, 5209 52 00, 5209 59 00, 5210 11 10, 5210 12 00, 5210 19 00, 5210 31 10, 5210 32 00, 5210 39 00, 5210 41 00, 5210 42 00, 5210 49 00, 5211 11 00, 5211 12 00, 5211 19 00, 5211 31 00, 5211 32 00, 5211 39 00, 5211 41 00, 5211 42 00, 5211 43 00, ex 5211 49 10, 5211 49 90, 5212 11 10, 5212 11 90, 5212 13 90, 5212 14 10, 5212 14 90, 5212 21 10, 5212 21 90, 5212 23 10, 5212 23 90, 5212 24 10, 5212 24 90, ex 5811 00 00 and ex 6308 00 00),</p> <p>the following additional quantities may be exported to the Community by China (tonnes):</p> <ul style="list-style-type: none"> — 2003: 1 407 — 2004: 1 412 <p>For fabrics of category 2 for medical gauze (CN codes: 5208 11 10 and 5208 21 10), the following additional quantities may be exported to the Community by China (tonnes):</p> <ul style="list-style-type: none"> — 2003: 1 943 — 2004: 1 950 <p>Possibility of transfer to and from category 3 of up to 40 % of the category to which the transfer is made</p>
3	Malaysia Thailand	The quantitative limits shown in Annex V include cotton fabric falling within category 2
3(a)	Malaysia Thailand	The quantitative limits shown in Annex V include cotton fabric other than unbleached or bleached falling within category 2(a)
4	China Hong Kong India Macao Malaysia Pakistan Philippines Singapore South Korea Taiwan	<p>For the purpose of setting off exports against the agreed quantitative limits a conversion rate of five garments (other than babies' garments) of a maximum commercial size of 130 cm for three garments whose commercial size exceeds 130 cm may be applied for up to 5 % of the quantitative limits</p> <p>For Hong Kong, Macao and South Korea, this figure shall be 3 %, and for Taiwan 4 %</p> <p>The export licence concerning these products must bear, in box 9, the words "The conversion rate for garments of a commercial size of not more than 130 cm must be applied"</p>

Category	Third country	Remarks
5	China	<p>These figures include the following quantities reserved for European industry for a period of 180 days each year (1 000 pieces):</p> <ul style="list-style-type: none"> — 2003: 682 — 2004: 700 <p>For products of category 5 (other than anoraks, windcheaters, waister jackets and the like) of fine animal hair falling within CN codes: 6110 12 10, 6110 12 90, 6110 19 10 and 6110 19 90, the following sublimits apply within the quantitative limits established for category 5 (1 000 pieces):</p> <ul style="list-style-type: none"> — 2003: 244 — 2004: 250
6	China	<p>The figures include the following quantities reserved for European industry for a period of 180 days each year (1 000 pieces):</p> <ul style="list-style-type: none"> — 2003: 1 235 — 2004: 1 274 <p>The following additional quantities of shorts (CN codes 6203 41 90, 6203 42 90, 6203 43 90 and 6203 49 50) may be exported by China to the Community (1 000 pieces):</p> <ul style="list-style-type: none"> — 2003: 1 228 — 2004: 1 266
	Brazil ⁽¹⁾ Hong Kong India Indonesia Macao Malaysia Philippines Singapore South Korea Sri Lanka ⁽²⁾ Taiwan	<p>For the purpose of setting off exports against the agreed quantitative limits a conversion rate of five garments (other than babies' garments) of a maximum commercial size of 130 cm for three garments whose commercial size exceeds 130 cm may be applied for up to 5 % of the quantitative limits</p> <p>For Macao this figure shall be 3 % and for Hong Kong it shall be 1 %</p> <p>Utilisation of the conversion rate for Hong Kong is limited in respect of long trousers to the subceiling shown below</p> <p>The export licence concerning these products must bear, in box 9, the words: "The conversion rate for garments of a commercial size of not more than 130 cm must be applied"</p>
	Hong Kong	<p>Within the quantitative limits laid down in Annex V there are the following subceilings for long trousers falling within CN codes:</p> <p>6203 41 10, 6203 42 31, 6203 42 33, 6203 42 35, 6203 43 19, 6203 49 19, 6204 61 10, 6204 62 31, 6204 62 33, 6204 62 39, 6204 63 18, 6204 69 18, 6211 32 42, 6211 33 42, 6211 42 42 and 6211 43 42 (1 000 pieces):</p> <ul style="list-style-type: none"> — 2003: 55 778 — 2004: 56 292 <p>The export licence covering these products should be endorsed "category 6 A"</p>
7	China	<p>These figures include the following quantities reserved for European industry for a period of 180 days each year (1 000 pieces):</p> <ul style="list-style-type: none"> — 2003: 735 — 2004: 755

Category	Third country	Remarks
8	China	These figures include the following quantities reserved for European industry for a period of 180 days each year (1 000 pieces): — 2003: 1 188 — 2004: 1 220
13	Hong Kong	The quantitative limits shown in Annex V cover only products of cotton or synthetic fibres falling within CN codes: 6107 11 00, ex 6107 12 00, 6108 21 00, ex 6108 22 00 and ex 6212 10 10 In addition to the quantitative limits shown in Annex V, the following specific quantities were agreed for exports of products (of wool or regenerated fibres) falling within CN codes: ex 6107 12 00, ex 6107 19 00, ex 6108 22 00, ex 6108 29 00 and ex 6212 10 10 (tonnes): — 2003: 2 796 — 2004: 3 002 The export licence covering these products should be endorsed "category 13 S"
15	China	These figures include the following quantities reserved for European industry for a period of 180 days each year (1 000 pieces): — 2003: 352 — 2004: 371
26	China	These figures include the following quantities reserved for European industry for a period of 180 days each year (1 000 pieces): — 2003: 361 — 2004: 370
28	Taiwan	In addition to the quantitative limits laid down in Annex V, specific quantities were agreed for exports of bib and brace overalls, breeches and shorts falling within CN codes: 6103 41 90, 6103 42 90, 6103 43 90, 6103 49 91, 6104 61 90, 6104 62 90, 6104 63 90 and 6104 69 91: — 2003: 1 188 629 pieces — 2004: 1 226 368 pieces
29	South Korea	In addition to the quantitative limits laid down in Annex V, additional quantities are reserved for martial arts (judo, karate, kung fu, tae kwon do or the like) clothing (1 000 pieces): — 2003: 427 — 2004: 454
97(a)	South Korea Taiwan Thailand	Fine nets (CN codes: 5608 11 19 and 5608 11 99)

Category	Third country	Remarks
All categories subject to quantitative limits	Vietnam	Vietnam shall reserve 30 % of its quantitative limits for firms belonging to the Community textile industry for a period of four months beginning on 1 January of each year, on the basis of lists provided by the Community before 30 October of the preceding year

(¹) The application of quantitative restrictions for Brazil is not in application pursuant to the EC/Brazil Memorandum of Understanding on market access in the textile sector, under which the European Community retains the right to reapply them under certain circumstances.

(²) The application of quantitative restrictions for Sri Lanka is not in application pursuant to the EC/Sri Lanka Memorandum of Understanding on market access in the textile sector, under which the European Community retains the right to reapply them under certain circumstances.

Appendix B to Annex V

The following quantities made available for the year 2003, may be used exclusively at European fairs

Third country	Category	Unit	2003
China	1	Tonne	317
	2	Tonne	1 338
	2(a)	Tonne	159
	3	Tonne	196
	3(a)	Tonne	27
	4	1 000 pieces	2 061
	5	1 000 pieces	705
	6	1 000 pieces	1 689
	7	1 000 pieces	302
	8	1 000 pieces	992
	9	Tonne	294
	12	1 000 pairs	843
	13	1 000 pieces	3 192
20/39	Tonne	372	
22	Tonne	332	

Flexibilities provided for in Article 7 of and Annex VIII to Council Regulation (EEC) No 3030/93 for China are applicable to the above categories and amounts.

Appendix C to Annex V

COMMUNITY QUANTITATIVE LIMITS

(The complete description of the goods is shown in Annex IB)

Third country	Category	Unit	2003	2004
China	GROUP I ex 20 (¹)	Tonne	50	53
	GROUP IV			
	115	Tonne	1 239	1 276
	117	Tonne	589	606
	118	Tonne	1 394	1 450
	122	Tonne	194	203

Third country	Category	Unit	2003	2004
	GROUP V			
	136A	Tonne	436	453
	156 ^(?)	Tonne	3 406	3 525
	157 ^(?)	Tonne	12 489	12 801
	159 ^(?)	Tonne	4 279	4 322

(1) Categories marked by "ex" cover products other than those of wool or fine animal hairs, cotton or synthetic or artificial textile materials.

(2) For these categories, China undertakes to reserve, as a priority 23 % of the quantitative limits concerned for users belonging to the textile Community industry during 90 days beginning on 1 January of each year."

4. Annex VII is replaced by the following:

"ANNEX VII

referred to in Article 5

Outward-processing traffic

Article 1

Re-imports into the Community of textile products listed in column 2 of the table attached to this Annex, effected in accordance with the Regulations on economic outward processing in force in the Community, shall not be subject to the quantitative limits referred to in Article 2 of the Regulation where they are subject to specific quantitative limits given in column 4 of the table and have been re-imported after processing in the corresponding third country listed in column 1 for each of the quantitative limits specified.

Article 2

Re-imports not covered by this Annex may be subject to specific quantitative limits in accordance with the procedure laid down in Article 17 of the Regulation, provided that the products concerned are subject to the quantitative limits laid down in Article 2 of this Regulation.

Article 3

1. Transfers between categories and advance use or carryover of portions of specific quantitative limits from one year to another may be carried out in accordance with the procedure laid down in Article 17 of the Regulation.
2. However, automatic transfers in accordance with paragraph 1 may be carried out within the following limits:
 - transfer between categories for up to 20 % of the quantitative limit established for the category to which the transfer is made,
 - carryover of a specific quantitative limit from one year to another for up to 10,5 % of the quantitative limit established for the actual year of utilisation,
 - advance use of a specific quantitative limit for up to 7,5 % of the quantitative limit established for the actual year of utilisation.
3. Where there is a need for additional imports the specific quantitative limits may be adjusted in accordance with the procedure laid down in Article 17 of the Regulation.
4. The Commission shall inform the third country or countries concerned of any measures taken pursuant to the preceding paragraphs.

Article 4

1. For the purpose of applying Article 1, the competent authorities of the Member States, before issuing prior authorisations in accordance with the relevant Community Regulations on economic outward processing, shall notify the Commission of the amounts of the requests for authorisations which they have received. The Commission shall notify its confirmation that the requested amount(s) are available for re-importation within the respective Community limits in accordance with the relevant Community Regulations on economic outward processing.
2. The requests included in the notifications to the Commission shall be valid if they establish clearly in each case:
 - (a) the third country in which the goods are to be processed;
 - (b) the category of textile products concerned;
 - (c) the amount to be re-imported;
 - (d) the Member State in which the re-imported products are to be put into free circulation;
 - (e) an indication as to whether the requests relate to:
 - (i) a past beneficiary applying for the quantities set aside under Article 3(4) or in accordance with the fifth subparagraph of Article 3(5) of Council Regulation (EC) No 3036/94 ⁽¹⁾, or to
 - (ii) an applicant under the third subparagraph of Article 3(4) or under Article 3(5) of that Regulation.
3. Normally the notifications referred to in the previous paragraphs of this Article shall be communicated electronically within the integrated network set up for this purpose, unless for imperative technical reasons it is necessary to use other means of communication temporarily.
4. As far as possible, the Commission shall confirm to the authorities the full amount indicated in the requests notified for each category of products and each third country concerned. Notifications presented by Member States for which no confirmation can be given because the amounts requested are no longer available within the Community quantitative limits, will be stored by the Commission in the chronological order in which they have been received and confirmed in the same order as soon as further amounts become available through the application of flexibilities foreseen in Article 3.
5. The competent authorities shall notify the Commission immediately after being informed of any quantity that is not used during the duration of validity of the import authorisation. Such unused quantities shall automatically be recredited to the quantities within the Community quantitative limits not set aside pursuant to the first subparagraph of Article 3(4) or to the fifth subparagraph of Article 3(5) of Council Regulation (EC) No 3036/94.

The quantities for which a renunciation has been made pursuant to the third subparagraph of Article 3(4) of Council Regulation (EC) No 3036/94, shall automatically be added to the quantities within the Community quota that are not set aside pursuant to the first subparagraph of Article 3(4) or to the fifth sub-paragraph of Article 3(5) of the said Regulation.

All such quantities as outlined in the preceding subparagraphs shall be notified to the Commission in accordance with paragraph 3 above.

Article 5

The certificate of origin shall be issued by the competent governmental authorities in the supplier country concerned, in accordance with the Community legislation in force and the provisions of Annex III for all products covered by this Annex.

Article 6

The competent authorities of the Member States shall supply the Commission with the names and addresses of the authorities competent to issue the prior authorisations referred to in Article 4 together with specimens of the stamp impressions used by them.

⁽¹⁾ OJ L 322, 15.2.1994, p. 1.

TABLE

COMMUNITY QUANTITATIVE LIMITS FOR GOODS RE-IMPORTED UNDER OPT

applicable for the years 2003 and 2004

(The complete description of the goods is shown in Annex I)

Third country	Category	Unit	Community quantitative limits	Community quantitative limits
			2003	2004
Belarus	GROUP IB			
	4	1 000 pieces	4 139	
	5	1 000 pieces	5 774	
	6	1 000 pieces	7 045	
	7	1 000 pieces	5 226	
	8	1 000 pieces	1 739	
	GROUP IIB			
	12	1 000 pairs	3 924	
	13	1 000 pieces	376	
	15	1 000 pieces	3 020	
	16	1 000 pieces	684	
	21	1 000 pieces	2 249	
	24	1 000 pieces	476	
	26/27	1 000 pieces	2 433	
	29	1 000 pieces	1 135	
	73	1 000 pieces	4 381	
	83	Tonne	569	
	GROUP IIIB			
	74	1 000 pieces	759	
China	GROUP IB			
	4	1 000 pieces	323	336
	5	1 000 pieces	717	745
	6	1 000 pieces	2 581	2 706
	7	1 000 pieces	694	723
	8	1 000 pieces	1 581	1 643
	GROUP IIB			
	13	1 000 pieces	870	887
	14	1 000 pieces	640	660
	15	1 000 pieces	628	678
	16	1 000 pieces	1 012	1 032
	17	1 000 pieces	842	868
	26	1 000 pieces	1 232	1 281

Third country	Category	Unit	Community quantitative limits	Community quantitative limits
			2003	2004
	29	1 000 pieces	125	129
	31	1 000 pieces	9 045	10 199
	78	Tonne	92	105
	83	Tonne	92	105
	GROUP V			
	159	Tonne	8,4	8,5
India	GROUP IB			
	7	1 000 pieces	4 533	4 987
	8	1 000 pieces	3 396	3 770
	GROUP IIB			
	15	1 000 pieces	306	380
	26	1 000 pieces	3 064	3 555
Indonesia	GROUP IB			
	6	1 000 pieces	1 980	2 456
	7	1 000 pieces	1 317	1 633
	8	1 000 pieces	1 648	2 045
Macao	GROUP IB			
	6	1 000 pieces	316	335
	GROUP IIB			
	16	1 000 pieces	849	906
Malaysia	GROUP IB			
	4	1 000 pieces	495	594
	5	1 000 pieces	495	594
	6	1 000 pieces	495	594
	7	1 000 pieces	342	383
	8	1 000 pieces	275	308
Pakistan	GROUP IB			
	4	1 000 pieces	6 890	8 270
	5	1 000 pieces	3 344	4 148
	6	1 000 pieces	5 979	7 096
	7	1 000 pieces	2 841	3 372
	8	1 000 pieces	3 963	4 704
	GROUP IIB			
	26	1 000 pieces	3 879	4 604
Philippines	GROUP IB			
	6	1 000 pieces	738	738
	8	1 000 pieces	202	221
Singapore	GROUP IB			
	7	1 000 pieces	1 106	1 283

Third country	Category	Unit	Community quantitative limits	Community quantitative limits
			2003	2004
Sri Lanka ⁽¹⁾	GROUP IB			
	6	1 000 pieces		
	7	1 000 pieces		
	8	1 000 pieces		
Thailand	GROUP IB			
	5	1 000 pieces	343	416
	6	1 000 pieces	343	416
	7	1 000 pieces	550	653
	8	1 000 pieces	343	416
	GROUP IIB			
	26	1 000 pieces	522	633
Vietnam	GROUP IB			
	4	1 000 pieces	1 003	
	5	1 000 pieces	764	
	6	1 000 pieces	714	
	7	1 000 pieces	1 337	
	8	1 000 pieces	3 101	
	GROUP IIB			
	12	1 000 pairs	3 158	
	13	1 000 pieces	965	
	15	1 000 pieces	311	
	18	Tonne	362	
	21	1 000 pieces	2 108	
	26	1 000 pieces	197	
	31	1 000 pieces	1 764	
	68	Tonne	147	
76	Tonne	502		
78	Tonne	349		

⁽¹⁾ The application of quantitative restrictions for Sri Lanka is not in application pursuant to the EC/Sri Lanka Memorandum of Understanding on market access in the textile sector, under which the European Community retains the right to reapply them under certain circumstances.”