



COMMISSION OF THE EUROPEAN COMMUNITIES

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COM(96) 438 final

96/0222 (ACC)

Proposal for a

COUNCIL REGULATION (EC)

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

(presented by the Commission)

Explanatory Memorandum

Under Council Regulation (EC) No 519/94 of 7 March 1994,¹ as last amended by Regulation (EC) No 752/96,² certain products originating in the People's Republic of China are subject to quantitative restrictions. They include glass tableware and certain types of footwear.

A number of classification problems affecting the working of these quotas have come to the notice of the Tariff and Statistical Nomenclature Section of the Customs Code Committee, which was set up under Regulation (EEC) No 2658/87, as amended by Regulation (EC) No 2913/92, to ensure uniform application of the Combined Nomenclature.

One concerns glass-fronted clip-frames, consisting of a mechanically-gathered glass sheet with worked edges, a printed paper sheet and a piece of hardboard to support the picture, held together by clips of base metal. Regulation (EC) No xxxx/96 classifies these frames in CN code 7013 99 90, which means that those originating in China are now subject to a quantitative quota throughout the Community.

The effects of this classification would, however, appear to go beyond what is necessary for the protection of the sectors of Community industry concerned and do not reflect the Council's intentions when it introduced the quota system. The clip-frames defined in the above classification Regulation should therefore be excluded from the quota arrangements laid down in Regulation (EC) No 519/94.

¹ OJ No L 67, 10.3.1994, p.89.

² OJ No L 103, 26.4.1996, p.1.

Another difficulty concerns the exclusion of certain sports footwear. Council Regulation (EC) No 538/95³ extended the exclusion applied to sports footwear involving special technology to cover the sports footwear described in subheading note 1(a) to Chapter 64 of the Combined Nomenclature. The implementation of this exclusion by the customs authorities has shown it to be irrelevant and even a source of confusion in respect of the quotas applicable to footwear of HS/CN codes 6402 99, 6403 91 and 6403 99. It has become clear that no item of footwear covered by the HS/CN codes in question could answer the description in subheading note 1(a).

The technical amendments described above should therefore be made to Annexes II and III to Regulation (EC) No 519/94.

A proposal for a Regulation to that effect is enclosed for approval.

³ OJ No L 55, 11.3.1995, p.1.

**Proposal for a
Council Regulation (EC) No/96
of ... 1996
amending Annexes II and III to Regulation (EC) No 519/94 on common rules for
imports from certain third countries**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to the proposal from the Commission,

Whereas Council Regulation (EC) No 519/94 of 7 March 1994 on common rules for imports from certain third countries¹, as last amended by Regulation (EC) No 752/96², introduced certain quantitative quotas, listed in Annex II to that Regulation, applicable to the People's Republic of China; whereas one such quota applies to glassware falling within HS/CN heading 7013;

Whereas Commission Regulation (EC) No xxxx/96 of 22 August 1996³ classifies glass-fronted clip-frames, consisting of a mechanically-gathered glass sheet with worked edges, a printed paper sheet and a piece of hardboard to support the picture, held together by clips of base metal, within CN code 7013 99 90;

Whereas, as a result, such clip-frames originating in the People's Republic of China are now subject to a quantitative quota throughout the Community;

Whereas the effects of this classification go beyond what is necessary for the protection of the sectors of Community industry concerned; whereas these clip-frames should therefore be excluded from the quota arrangements introduced by Regulation (EC) No 519/94;

¹ OJ No L 67 of 10.03.1994, p. 89.

² OJ No L 103 of 26.4.1996, p. 1.

³ OJ No L ...

Whereas Regulation (EC) No 519/94 excludes certain sports footwear and footwear involving special technology from the quotas applicable to footwear of HS/CN codes 6402 99, 6403 91, 6403 99 and 6404 11;

Whereas the application of the above exclusion by the customs authorities has been discussed in the Customs Code Committee; whereas the present wording of the exclusion has been found to pose a number of practical problems in the field; whereas HS/CN codes 6402 99, 6403 91 and 6403 99 do not cover footwear which is designed for a sporting activity and has, or has provision for the attachment of, spikes, sprigs, stops, clips, bars or the like, with a non-injected sole; whereas the wording of the exclusion in Annex II to Regulation (EC) No 519/94 must therefore be corrected in the interests of the proper and uniform application of Community legislation;

Whereas Annex II to Regulation (EC) No 519/94 and the corresponding provisions of Annex III thereto should be amended accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

Annex II to Regulation (EC) No 519/94 shall be replaced by the Annex to this Regulation.

Article 2

In Annex III to Regulation (EC) No 519/94, the text concerning footwear shall be replaced by the following:

"Footwear falling within HS/CN codes:	6402 19
ex	6402 99 ¹
	6403 19
ex	6403 91 ¹
ex	6403 99 ¹
ex	6404 11 ²

¹ Footwear involving special technology: shoes which have a cif price per pair of not less than ECU 9 for use in sporting activities, with a single- or multi-layer moulded sole, not injected, manufactured from synthetic materials specially designed to absorb the impact of vertical or lateral movements and with technical features such as hermetic pads containing gas or fluid, mechanical components which absorb or neutralize impact or materials such as low-density polymers.

- ² (a) Footwear which is designed for a sporting activity and has, or has provision for the attachment of, spikes, sprigs, stops, clips, bats or the like, with a non-injected sole;
- (b) Footwear involving special technology: shoes which have a cif price per pair of not less than ECU 9 for use in sporting activities, with a single- or multi-layer moulded sole, not injected, manufactured from synthetic materials specially designed to absorb the impact of vertical or lateral movements and with technical features such as hermetic pads containing gas or fluid, mechanical components which absorb or neutralize impact or materials such as low-density polymers."

Article 3

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

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

Annex

"Annex II

List of quotas for certain products originating in China

Description of products	HS/CN Code	Quotas (annual basis)	
Footwear falling within HS/CN codes	ex 6402 99 ¹	39.151.481	pairs
	6403 51 6403 59	2.795.000	pairs
	ex 6403 91 ¹ ex 6403 99 ¹	12.120.000	pairs
	ex 6404 11 ²	18.228.780	pairs
	6404 19 10	31.897.716	pairs
Tableware, kitchenware of porcelain or china falling within HS/CN code	6911 10	45.800	tonnes
Ceramic tableware, kitchenware, other than of porcelain or china falling within HS/CN code	6912 00	34.650	tonnes
Glassware of a kind used for table, kitchen, toilet, etc. falling within HS/CN code	7013 ³	15.600	tonnes
Toys falling within HS/CN codes	9503 41 9503 49 9503 90	1.056.996.632	ECU

1 Excluding footwear involving special technology: shoes which have a cif price per pair of not less than ECU 9 for use in sporting activities, with a single- or multi-layer moulded sole, not injected, manufactured from synthetic materials specially designed to absorb the impact of vertical or lateral movements and with technical features such as hermetic pads containing gas or fluid, mechanical components which absorb or neutralize impact or materials such as low-density polymers.

2 Excluding:

(a) footwear which is designed for a sporting activity and has, or has provision for the attachment of, spikes, sprigs, stops, clips, bats or the like, with a non-injected sole;

(b) footwear involving special technology: shoes which have a cif price per pair of not less than ECU 9 for use in sporting activities, with a single- or multi-layer moulded sole, not injected, manufactured from synthetic materials specially designed to absorb the impact of vertical or lateral movements and with technical features such as hermetic pads containing gas or fluid, mechanical components which absorb or neutralize impact or materials such as low-density polymers.

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

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