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Agreement between the European Community and the People's Republic of China on trade in textile products not covered by the MFA bilateral Agreement on trade in textile products initialled on 9 December 1988 as extended and modified by the exchange of letters initialled on 8 Decembre 1992 - Protocol A - Protocol B - Protocol of Understanding concerning the implementation of Article 12 of the Agreement - Agreed Minute

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AGREEMENT between the European Community and the People's Republic of China on trade in textile products not covered by the MFA

bilateral Agreement on trade in textile products initialled on 9

December 1988 as extended and modified by the exchange of letters initialled on 8 December 1992

THE COUNCIL OF THE EUROPEAN UNION, of the one part, and

THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA, of the other part,

DESIRING to promote the orderly and equitable development of trade in textile products other than those made of cotton, wool, fine animal hair and man-made fibres, between the European Community

(hereinafter referred to as 'the Community') and the People's

Republic of China (hereinafter referred to as 'China'), with a view to

strengthening cooperation and security for trade,

RESOLVED to take the fullest possible account of the serious economic and social problems at present affecting the textile industry in both importing and exporting countries and, in particular, to eliminate real risks of market disruption on the market of the Community and real risks of disruption to the textile trade of China,

HAVING REGARD to the Trade and Economic Cooperation Agreement between the Community and China,

HAVE DECIDED to conclude this Agreement and to this end have designated as their Plenipotentiaries:

THE COUNCIL OF THE EUROPEAN UNION:

THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA:

WHO HAVE AGREED AS FOLLOWS:

Article 1

1. The present Agreement covers the trade in textile raw materials and textile products, falling within Section XI of the combined nomenclature, that are listed in Annex I originating in the People's

Republic of China.

2. Subject to the provisions of this or any subsequent Agreement, the Community undertakes, in respect of the products listed in Annex

I, to suspend for the duration of this Agreement the application of quantitative import restrictions in force at the time of its initialling and not to introduce new quantitative restrictions, except as specified below.

3. Without prejudice to anti-dumping and countervailing measures, measures having equivalent effect to quantitative restrictions on the importation into the Community of the products listed in Annex I

shall be prohibited for the duration of this Agreement.

Article 2

1. The classification of the products covered by this Agreement is based on the tariff and statistical nomenclature and on the Common

Customs Tariff of the Community (hereinafter called the 'combined nomenclature' or in abbreviated form 'CN').

Any amendment to the combined nomenclature (CN) made in accordance with the procedures in force in the Community, concerning categories of products covered by this Agreement or any decision relating to the classification of goods shall not have the effect of reducing any quantitative limit introduced pursuant to this Agreement.

2. The origin of the products covered by this Agreement shall be determined in accordance with the rules in force in the Community.

Any amendment to these rules of origin shall be communicated to

China and shall not have the effect of reducing any quantitative limit introduced pursuant to this Agreement.

The procedures for control of the origin of the products referred to above are laid down in Protocol A.

Article 3

1. China agrees to establish and maintain for each calendar year quantitative limits on its exports to the Community in accordance with Annex II. Such exports shall be subject to the double checking system specified in Protocol A.

2. In administering the quantitative limits referred to in paragraph 1 China shall ensure that the Community textile industry shall benefit from utilization of the said limits.

More particularly, as regards categories 156, 157, 159 and 161,

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

To facilitate the implementation of these provisions, the Community shall provide the competent Chinese authorities, before the end of each year, with a list of interested manufacturers and processors and, if possible, of the quantity of products requested by each firm. To this end, the firms concerned are invited to make direct contact with the relevant Chinese bodies by 15 February of the following year in order to make their purchasing intentions known.

3. In the event of denunciation of this Agreement as provided for in

Article 17 (3) the quantitative limits established in Annex II shall be reduced on a pro rata basis.

Article 4

1. Imports into the Community of textile products covered by this

Agreement shall not be subject to the quantitative limits established in Annex II provided that they are declared to be for re-export outside the Community in the same state or after processing, within the framework of the administrative system of control which exists within the Community.

However, the release for home use within the Community of products imported under the conditions referred to above shall be subject to the production of an export licence issued by the Chinese authorities, and to proof of origin in accordance with the provisions of Protocol A.

2. Where the Community authorities ascertain that re-exports of textile products have been set off against a quantitative limit established under this Agreement, but that the products have subsequently been re-exported outside the Community, the authorities concerned shall inform the Chinese authorities within four weeks of the quantities involved and authorize imports of identical quantities of the same products which shall not be set off against the quantitative limit established under this Agreement for the current or the following year, as appropriate.

Article 5

1. China shall monitor its exports of products under restraint into the Community. Should a sudden and prejudicial change in traditional trade flows arise, the Community will be entitled to request consultations in order to find a satisfactory solution to those problems. Such consultations must be held within 15 working days of their being requested by the Community.

2. China shall endeavour to ensure that exports of textile products subject to quantitative limits into the Community are spaced out as evenly as possible over the year, due account being taken in particular of seasonal factors.

Article 6

Article 6

1. China shall supply the Community with precise statistical information on all export licences issued for categories of textile products subject to the quantitative limits set out in Annex II, expressed in quantities and in terms of value and broken down by

Member States of the Community.

2. The Community shall likewise transmit to the Chinese authorities precise statistical information on import authorization or documents issued by the Community authorities and import statistics for products covered by the quantitative limits set out in Annex II.

3. The information referred to in paragraphs 1 and 2 above shall, for all categories of products, be forwarded before the end of the month following the month to which the statistics relate.

4. Upon request by the Community, China shall supply import statistics for all products covered by Annex I.

5. Should it be found on analysis of the information exchanged that there are significant discrepancies between the returns for exports and those for imports, consultations may be initiated in accordance with the procedure specified in Article 14 of this Agreement.

6. For the purpose of applying the provisions of Article 7, the Community undertakes to provide the Chinese authorities before 15

April of each year with the preceding year's statistics on imports of all textile products covered by this Agreement, broken down by supplying country and Community Member States.

Article 7

Article 7

1. Exports of textile products not listed in Annex II to this

Agreement may be made subject to quantitative limits on the conditions laid down in the following paragraphs.

2. Where the Community finds, under the system of administrative control set up, that the level of imports of products in a given category not listed in Annex II originating in China, in relation to the preceding years' total imports into the Community from all sources of products in that category, reaches 25 % for categories covering silk products and 10 % for all the other products listed in

Annex I, it may request the opening of consultations in accordance with the procedure described in Article 14 of this Agreement, with a view to reaching agreement on an appropriate restraint level for the products falling within such category.

The Community shall authorize the importation of products of the said category shipped from China before the date on which the request for consultations was submitted.

For the purposes of applying the provisions of this paragraph in the year 1995, the preceding year's total imports from all third countries shall be calculated on the basis of imports into the

Community as constituted on 31 December 1994 and of imports into

Austria, Finland and Sweden. Trade between the Community, Austria,

Finland and Sweden, or between Austria, Finland and Sweden shall be excluded from this total.

3. Pending a mutually satisfactory solution, China undertakes to limit exports of the products in the category concerned to the

Community or to those regions of the Community market specified by the Community for a provisional period of three months from the date on which the request for consultations is made. Such provisional limit shall be established at 25 % of the level of imports reached during the calendar year preceding that in which imports exceeded the level resulting from the application of the formula set out in paragraph 2, and gave rise to the request for consultation, or 25 %

of the level resulting from the application of the formula set out in paragraph 2, whichever is the higher.

4. Should the Parties be unable in the course of consultations to reach a satisfactory solution within the period specified in Article 14 (1), the

Community shall have the right to introduce a definitive quantitative limit at an annual level not lower than the level resulting from the application of the formula set out in paragraph 2, or 106 % of the level of imports reached during the calendar year preceding that in which imports exceeded the level resulting from the application of the formula set out in paragraph 2 and gave rise to the request for consultations, whichever is the higher.

The annual level so fixed shall be revised upwards after consultations in accordance with the procedure referred to in

Article 14 with a view to fulfilling the conditions set out in paragraph 2, should the trend of total imports into the Community of the products in question make this necessary.

5. The limits introduced under paragraph 2 or 4 may in no case be lower than the level of imports of products in that category originating in China in 1993.

6. The provisions of this Article shall not apply where the percentages specified in paragraph 2 have been reached as a result of a fall in total imports into the Community, and not as a result of an increase in exports of products originating in China.

7. In the event of the provisions of paragraph 2, 3 or 4 being applied, China undertakes to issue export licences for products covered by contracts concluded before the introduction of the quantitative limit, up to the volume of the quantitative limit fixed.

8. Up to the date of communication of the statistics referred to in

Article 6 (6), the provisions of paragraph 2 of this Article shall apply on the basis of the annual statistics previously communicated by the Community.

9. The provisions of this Agreement which concern exports of products subject to the quantitative limits established in Annex II

shall also apply to products for which quantitative limits are introduced pursuant to this Article.

Article 8

Article 8

1. In any Agreement year advance use of a portion of the quantitative limit established for the following Agreement year is authorized for each category of products up to 1 % of the quantitative limit for the current Agreement year, with a possibility to reach 5 % after consultations in accordance with

Article 14 (1).

Amounts delivered in advance shall be deducted from the corresponding quantitative limits established for the following

Agreement year.

2. Carryover to the corresponding quantitative limit for the following Agreement year of the amounts not used during any

Agreement year is authorized for each category of products up to 3 %

of the quantitative limit for the current Agreement year, with a possibility to reach 7 % after consultations in accordance with

Article 14.

3. Transfers between categories shall not be made except as follows:

- transfers between categories 156, 157, 159 and 161 may be made up to 1,5 % of the quantitative limits for the category to which the transfer is made,

- transfers between the remaining categories may be made up to 6 %

of the quantitative limit for the category to which the transfer is made.

4. The increase in any category of products resulting from the cumulative application of the provisions of paragraphs 1, 2, and 3 during an Agreement year shall not exceed 14 %.

5. The table of equivalence applicable to the transfers referred to above is given in Annex I to this Agreement.

6. Prior notification shall be given by the Chinese authorities in the event of recourse to the provisions of paragraphs 1, 2 and 3, at least 15 days in advance.

Article 9

Article 9

1. China and the Community agree to cooperate fully in preventing the circumvention of this Agreement by transshipment, rerouting or whatever other means.
2. Where information available to the Community as a result of the investigations carried out in accordance with the procedures set out in Protocol A constitutes evidence that products of Chinese origin subject to quantitative limits established under this Agreement have been transhipped, rerouted or otherwise imported into the Community in circumvention of this Agreement, the Community may request the opening of consultations in accordance with the procedures described in Article 14, with a view to reaching agreement on an equivalent adjustment of the corresponding quantitative limits established under this Agreement.
3. The two parties agree that in dealing with cases of circumvention the provisions of Article 5 of the Uruguay Round Agreement on

Textiles and Clothing will be applied by the two parties, with the understanding that recourse to the TMB will become available as soon as both parties become Members of the WTO.

Article 10

Article 10

The two Contracting Parties undertake to promote the exchange of visits by persons, groups and delegations from business, trade and industry, to facilitate contacts in the industrial, commercial and technical fields connected with trade in products and garments covered by the present Agreement and to assist in the organization of fairs and exhibitions of mutual interest.

The Contracting Parties, recognizing the need for an enhanced industrial cooperation for the products covered by this Agreement, will consult with a view to promoting action to encourage:

- investments that may promote increased integration between silk industries of both Parties and technological exchanges,

- the establishment of an arbitration body recognized by both industries to address possible disputes concerning the fulfilment of conditions and terms set out in contracts regarding in particular issues concerning the quantities and quality of products to be delivered,
- the establishment of a system of grading and standards for silk recognized by both industries and of appropriate common methods of testing.

Article 11

Article 11

China and the Community recognize the special and differential character of reimports of textile products into the Community after processing in China.

Provided that they are effected in accordance with the Community regulations governing economic outward processing these reimports shall not be subject to the quantitative limits set out in Annex II

when they are made in accordance with the specific arrangements laid down in Protocol B.

Article 12

Article 12

China will ensure that the supply to the Community industry of raw materials shall be made at conditions not less favourable than to

Chinese domestic users.

Article 13

Article 13

China will ensure the respect of intellectual property rights on marks, designs and models belonging to Community operators. The two

Parties, at the request of either of them, shall hold consultations in accordance with the procedure laid down in Article 14 for the purpose of finding an equitable solution to any dispute relating to the protection of intellectual property rights on products covered by this Agreement.

Article 14

Article 14

1. Save where it is otherwise provided for in this Agreement, the consultation procedures referred to in this Agreement shall be governed by the following rules:

- any request for consultations shall be notified in writing to the other Party,
- the request for consultations shall be followed within a reasonable period (and in any case not later than 15 days following the notification) by a statement setting out the reasons and circumstances which, in the opinion of the requesting Party, justify the submission of such a request,
- the Parties shall enter into consultations within one month at the latest of notification of the request, with a view to reaching agreement on a mutually acceptable conclusion within one further month at the latest.

2. The Community may request consultations in accordance with paragraph 1 when it ascertains that during a particular year of application of the Agreement difficulties arise in the Community or one of its regions from a sharp and substantial increase in imports, by comparison to the preceding year.

Article 15

Article 15

This Agreement shall be drawn up in two copies in the Danish, Dutch,

English, Finnish, French, German, Greek, Italian, Portuguese,

Spanish, Swedish and Chinese languages, each of these texts being equally authentic.

Article 16

Article 16

As regards the Community, this Agreement shall apply to the territories in which the Treaty establishing the European Community is applied under the conditions laid down in that Treaty.

Article 17

Article 17

1. This Agreement shall enter into force on the first day of the month following the date of its signature. It shall apply with effect from 1 January 1995 and be applicable for a duration of two years. Thereafter, its application shall be automatically extended for successive periods of one year unless either Party notifies the other at least six months in advance that it does not agree with the extension.

2. Should China become a Member of the World Trade Organization the restrictions in force shall be phased out in the framework of the

Agreement on Textiles and Clothing of the Uruguay Round and notably the provisions of its Articles 2 (8), (13) and (14), 3 (2) (b) and 9.

3. Either Party may at any time propose modifications to this

Agreement or denounce it, provided that at least six months' notice is given. In that event, the Agreement shall come to an end at the expiry of the period of notice.

4. The Annexes and Protocols to this Agreement and the Agreed

Minutes joined thereto shall form an integral part thereof.

For the Government of the People's Republic of China

For the Council of the European Union

ANNEX I

(Referred to in Article 1 of the Agreement)

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, 125 A, 125 B, 126, 127 A and 127 B.

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 recognizable 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.

>TABLE POSITION>

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ANNEX II

Annual Community quantitative limits referred to in Article 3 (1)

(The product descriptions of the categories listed in this Annex are to be found in Annex I to this Agreement)

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PROTOCOL A

TITLE I CLASSIFICATION

Article 1

1. The competent authorities of the Community undertake to inform

China of any changes in the combined nomenclature (CN) before the date of their entry into force in the Community.

2. The competent authorities of the Community undertake to inform the competent authorities of China of any decisions relating to the classification of products subject to the Agreement, within one month of their adoption at the latest. Such communication shall include:

- (a) a description of the products concerned;
- (b) the relevant category and the related CN codes;
- (c) the reasons which have led to the decision.

3. Where a decision on classification results in a change of classification practice or a change of category of any products subject to the Agreement, the competent authorities of the Community shall provide 30 days' notice, from the date of the Community's communication, before the decision is put into effect. Products shipped before the date of entry into effect of the decision shall remain subject to the earlier classification practice, provided that the goods in question are presented for importation into the

Community within 60 days of that date.

4. Where a Community decision on classification resulting in a change of classification practice or a change of categorization of any product subject to the Agreement affects a category subject to quantitative limits, the Contracting Parties agree to enter into consultation in accordance with the procedures described in Article 14 of the Agreement with a view to honouring the obligation under the second subparagraph of Article 2 (1) of the Agreement.

5. In case of divergent opinions between China and the competent

Community authorities at the point of entry into the Community on the classification of products covered by the Agreement, classification shall

provisionally be based on indications provided by the Community, pending consultations in accordance with Article 14 of the Agreement with a view to reaching agreement on definitive classification of the product concerned.

TITLE II ORIGIN

Article 2

1. Products originating in China for export to the Community in accordance with the arrangements established by the Agreement shall be accompanied by a certificate of Chinese origin conforming to the model annexed to this Protocol.

2. The certificate of origin shall be certified by the competent

Chinese authorities if the products in question can be considered to be products originating in that country within the meaning of the relevant rules in force in the Community.

Article 3

The certificate of origin shall be issued only on application having been made in writing by the exporter or, under the exporter's responsibility, by his authorized representative. The competent

Chinese authorities shall ensure that the certificate of origin is properly completed and for this purpose they shall call for any necessary documentary evidence or carry out any check which they consider appropriate.

Article 4

Where different criteria for determining origin are laid down for products falling within the same category the certificates or declarations of origin must contain a sufficiently detailed description of the goods so as to enable the Chinese criterion to be determined, on the basis of which the certificate was issued or the declaration drawn up.

Article 5

The discovery of slight discrepancies between the statements made in the certificate of origin and those made in the documents produced to the customs office for the purpose of carrying out the formalities for importing the products shall not ipso facto cast doubt upon the statements in the certificate.

TITLE III DOUBLE-CHECKING SYSTEM FOR THE CATEGORIES OF PRODUCTS

SUBJECT TO COMMUNITY QUANTITATIVE LIMITS

Section I Exportation Article 6

Section I Exportation Article 6
Article 6

The competent authorities of China shall issue an export licence in respect of all consignments from China of textile products referred to in Annex II, up to the relevant quantitative limits as may be modified by Article 3 (3), and Articles 8 and 9 of the Agreement, as well as of textile products subject to any definitive or provisional quantitative limits established as a result of the application of

Article 7 of the Agreement.

Article 7 of the Agreement.
Article 7

1. The export licence shall conform to the model annexed to this

Protocol and it shall be valid for exports throughout the customs territory to which the Treaty establishing the European Community applies.

2. Each export licence must certify inter alia that the quantity of the product in question has been set off against the quantitative limit established for the category of the products concerned and shall only cover one of the categories of products subject to quantitative limits. It may be used for one or more consignments of the products in question.

Article 8

The competent authorities of the Community must be informed immediately of the withdrawal or modification of any export licence already issued.

Article 9

1. Exports shall be set off against the quantitative limits established for the year in which the shipment of the goods has been effected even if the export licence is issued after such shipment.
2. For the purpose of applying paragraph 1, shipment of the goods is considered to have taken place on the date of their loading onto the exporting aircraft, vehicle or vessel.

Article 10

The presentation of an export licence, in application of Article 12 hereafter, shall be effected not later than 31 March of the year following that in which the goods covered by the licence have been shipped.

Section II Importation Article 11

Section II Importation Article 11

Article 11

Importation into the Community of textile products subject to quantitative limits shall be subject to the presentation of an import authorization.

Article 12

1. The competent authorities of the Community shall issue the import authorization referred to in Article 11 within five working days of the presentation by the importer of the original of the corresponding export licence.
2. The import authorizations shall be valid for six months from the date of their issue for imports throughout the customs territory to which the Treaty establishing the European Community is applied.
3. The competent authorities of the Community shall cancel the import authorization already issued whenever the corresponding export licence has been withdrawn.

However, if the competent authorities of the Community are notified of the withdrawal or the cancellation of the export licence only after the importation of the products into the Community, the relevant quantities shall be set off

against the quantitative limits established for the category and the quota year concerned.

Article 13

1. If the competent authorities of the Community find that the total quantities covered by export licences issued by the competent authorities of China for a particular category in any year exceed the quantitative limit established in accordance with Articles 3 and 7 of the Agreement for that category, as may be modified by Article 3 (3), and Articles 8 and 9 of the Agreement, the said authorities may suspend the further issue of import authorizations. In this event, the competent authorities of the Community shall immediately inform the authorities of China and the special consultation procedure set out in Article 14 of the Agreement shall be initiated forthwith.

2. Exports of products of Chinese origin subject to quantitative limits and not covered by Chinese export licences issued in accordance with the provisions of this Protocol may be refused an import authorization by the competent Community authorities.

However, without prejudice to Article 9 of the Agreement, if the import of such products is allowed into the Community by the competent authorities of the Community, the quantities involved shall not be set off against the appropriate quantitative limits established in Annex II or by virtue of Article 7, without the express agreement of the competent authorities of China.

TITLE IV FORM AND PRODUCTION OF EXPORT CERTIFICATES AND CERTIFICATES OF ORIGIN, AND COMMON PROVISIONS CONCERNING EXPORTS TO THE COMMUNITY

Article 14

1. The export licence and the certificate of origin may comprise additional copies duly indicated as such. They shall be made out in

English or French. If they are completed by hand, entries must be in ink and in printed script.

The documents shall measure 210 × 297 mm. The paper used shall be white writing paper, sized, not containing mechanical pulp, and weighing not less than 25 g/m. If the documents have several copies only the top copy, which is the original, shall be printed with the guilloche pattern background. This copy shall be clearly marked as

'original' and the other copies as 'copies'. Only the original shall be accepted by the competent authorities of the Community as being valid for the purpose of export to the Community in accordance with the provisions of the Agreement.

2. Each document shall bear a standardized serial number, whether or not printed, by which it can be identified.

This number shall be composed of the following elements:

- two letters identifying the exporting country as follows: CN,
- two letters identifying the intended Member State of customs clearance as follows:

AT = Austria

BL = Benelux

DE = Germany

DK = Denmark

EL = Greece

ES = Spain

FI = Finland

FR = France

GB = United Kingdom

IE = Ireland

IT = Italy

PT = Portugal

SE = Sweden

- a one-digit number identifying quota year, as follows:

1 for 1995; 2 for 1996; 3 for 1997 and so on,

- a two-digit number from 01 to 99, identifying the particular issuing office concerned in the exporting country,
- a five-digit number running consecutively from 00001 to 99999 allocated to the intended Member State of customs clearance.

Article 15

The export licence and the certificate of origin may be issued after the shipment of the products to which they relate. In such cases they must bear the endorsement 'd'livr a posteriori' or 'issued retrospectively'.

Article 16

1. In the event of a theft, loss or destruction of an export licence or a certificate of origin the exporter may apply to the competent

Chinese authorities which issued the document for a duplicate to be made out on the basis of the export documents in his possession. The duplicate of any such certificate or licence so issued shall bear the endorsement 'duplicata' or 'duplicate'.

2. The duplicate shall bear the date of the original export licence or certificate of origin.

TITLE V ADMINISTRATIVE COOPERATION

Article 17

The Community and China shall cooperate closely in the implementation of the provisions of this Protocol. To this end, contacts and exchanges of views, including on technical matters, shall be facilitated by both Parties.

Article 18

Article 18

In order to ensure the correct application of this Protocol, the

Community and China offer mutual assistance for the checking of the authenticity and the accuracy of export licences and certificates of origin issued or of any declarations made within the terms of this

Protocol.

Article 19

Article 19

China shall transmit to the Commission of the European Community the names and addresses of the authorities competent to issue and verify the export licences and the certificates of origin, together with specimens of the stamps used by these authorities and specimens of signatures of officials responsible for signing the export licences.

China shall also notify the Community of any change in this information.

Article 20

Article 20

1. Subsequent verification of certificates of origin or export licences shall be carried out at random, or whenever the competent

Community authorities have reasonable doubt as to the authenticity of the certificate or licence or as to the accuracy of the information regarding the true origin of the products in question.

2. In such cases, the competent authorities in the Community shall return the certificate of origin or the export licence or a copy thereof to the competent Chinese authorities, giving, where appropriate, the reasons of form or substance which justify an enquiry. If the invoice has been submitted, such invoice or a copy thereof shall be attached to the certificate or to the licence or their copies. The authorities shall also forward any information that has been obtained suggesting that the particulars given on the said certificate or licence are inaccurate.

3. The results of the subsequent verifications carried out in accordance with paragraphs 1 and 2 shall be communicated to the competent authorities of the

Community within three months at the latest. The information communicated shall indicate whether the disputed certificate, licence or declaration, applies to the goods actually exported and whether these goods are eligible for export under the arrangements established by the Agreement. The information shall also include, at the request of the Community, copies of all the documentation necessary to fully determine the facts, and in particular the true origin of the goods.

4. For the purpose of subsequent verification of certificates of origin, copies of the certificates as well as any export documents referring to them shall be kept for at least two years by the competent Chinese authorities.

5. Recourse to the random verification procedure specified in this

Article must not constitute an obstacle to the release for home use

Article must not constitute an obstacle to the release for home use of the products in question.

Article 21

Article 21

1. Where the verification procedure referred to in Article 20 or where information available to the competent authorities of the

Community or of China indicates or appears to indicate that the provisions of this Agreement are being circumvented or infringed, the two contracting Parties shall cooperate closely and with the appropriate urgency in order to prevent or remedy any such circumvention or infringement.

2. To this end, the competent authorities of China shall, on their own initiative or at the request of the Community, carry out appropriate inquiries, or arrange for such inquiries to be carried out, concerning operations which are, or appear to the Community to be, in circumvention or infringement of the Agreement. China shall communicate the results of these inquiries to the Community, including any other pertinent information enabling the cause of the circumvention or infringement, including the true origin of the goods, to be

determined.

3. By agreement between the Community and China, officials designated by the Community may be present at the inquiries referred to in paragraph 2.

4. In pursuance of the cooperation referred to in paragraph 1, the competent authorities of the Community and China shall exchange any information considered by either contracting Party to be of use in preventing or remedying circumvention or infringement of the provisions of the Agreement. These exchanges may include information on the production of textile products in China and on the trade in the type of products covered by this Agreement between China and third countries, particularly where the Community has reasonable grounds to consider that the products in question may be in transit across the territory of China prior to their importation into the Community. This information may include at the request of the Community copies of all available relevant documentation.

5. Where sufficient evidence shows that the provisions of the Agreement have been circumvented or infringed, the competent authorities of China and the Community may agree to take the measures set out in Article 9 (4) of the Agreement, and any other measures as are necessary to prevent a recurrence of such circumvention or infringement.

Annex to Protocol A, Article 2 (1)

>REFERENCE TO A FILM<

Annex to Protocol A, Article 7 (1): Model 1

>REFERENCE TO A FILM<

PROTOCOL B

Outward processing traffic (OPT) (Referred to in Article 11 of the Agreement)

1. Without prejudice to paragraph 2, only re-imports into the

Community of products affected by the specific quantitative limits laid down in the Annex to this Protocol shall be considered re-imports within the meaning of Article 11 of the Agreement.

2. Re-imports not covered by the Annex to this Protocol may be made subject to specific quantitative limits following consultations in accordance with the procedures set out in Article 14 of the

Agreement, provided the products concerned are subject to quantitative limits pursuant to the Agreement.

3. Having regard to the interests of both Parties, the Community may at its discretion, or in response to a request under Article 14 of the Agreement:

(a) examine the possibility of transferring from one category to another, using in advance or carrying over from one year to the next, portions of specific quantitative limits;

(b) consider the possibility of increasing specific quantitative limits.

4. However, the Community may apply automatically the flexibility rules set out in paragraph 3 within the following limits:

(a) transfers between categories may not exceed 20 % of the quantity for the category to which the transfer is made;

(b) carry-over of a specific quantitative limit from one year to the next may not exceed 10,5 % of the quantity set for the year of actual utilization;

(c) advance use of specific quantitative limits from one year to another may not exceed 7,5 % of the quantity set for the year of actual utilization.

5. The Community shall inform China of any measures taken pursuant to the preceding paragraphs.

6. The competent authorities in the Community shall debit the specific quantitative limits referred to in paragraph 1 at the time of issue of the prior authorization required by Council Regulation

(EC) No 3036/94 which governs economic outward processing arrangements. A specific quantitative limit shall be debited for the year in which a prior authorization is issued.

7. A certificate of origin made out by the organizations authorized to do so under Chinese law shall be issued, in accordance with

Protocol A to the Agreement, for all products covered by this

Protocol. This certificate shall bear a reference to the prior authorization mentioned in paragraph 6 as evidence that the processing operation it describes has been carried out in China.

8. The Community shall provide China with the names and addresses of, and specimens of the stamps used by, the competent authorities of the Community which issue the prior authorizations referred to in paragraph 6.

9. Without prejudice to the provisions of paragraphs 1 to 8, China and the Community shall continue consultations with a view to seeking a mutually acceptable solution enabling both Contracting

Parties to benefit from the Agreement's provisions on outward processing traffic and so ensure the effective development of trade in textile products between China and the Community.

Annex to Protocol B (The product descriptions of the categories listed in this Annex are to be found in Annex I to the Agreement)

OPT QUOTAS

>TABLE POSITION>

PROTOCOL OF UNDERSTANDING CONCERNING THE IMPLEMENTATION OF ARTICLE

12 OF THE AGREEMENT

For the purpose of implementing Article 12 of the Agreement it is understood by both Parties that if exports of raw materials

(products listed in the Annex to this Protocol) are made subject to specific measures, practices or policies (such as licences, guidances, fiscal, customs or others) such measures, practices or policies must not have for consequence that the conditions applying to the Community users become less favorable than those applied to users in China notably in terms of actual access and prices.

Consequently China shall abstain from any such measures, practices or policies that may result in double pricing.

The actual implementation of Article 12 of the Agreement as well as of the provisions of Article 11 of the bilateral Agreement on trade in textile products, shall be subject to periodic reviews. Should difficulties appear consultations will be held without delay with a view to solving the problems by appropriate action.

Annex to the Protocol of Understanding

>TABLE POSITION>

Agreed Minute

In the context of the Agreement between the European Community and the People's Republic of China the two Parties have agreed as follows:

1. In order to ensure the continuity of trade flows, and by derogation from Article 3 (1) of the Agreement, products listed in

Annex II shipped from China after 31 December 1994 and subject, pursuant to Council Regulation (EC) No 517/94, to quantitative restrictions may be imported into the Community in 1995, without having to be accompanied by an export licence issued by the Chinese authorities, upon presentation of an import authorization issued after 31 December 1994 by the competent authorities of the Community pursuant to the provisions of the relevant Community regulation in force before the date of initialling of the present Agreement.

Quantities thus imported in 1995 into the Community shall be set off against the quantitative limits established in Annex II to the

Agreement and the levels for which export licences may be issued by the Chinese authorities for the year 1995 shall be reduced by equivalent quantities provided that the quantities for which import authorizations issued by the competent authorities of the Community are notified to China as soon as possible and not later than 28

February 1995.

2. Products listed in Annex II, not subject to quantitative restrictions in the Republic of Austria, the Republic of Finland and the Kingdom of Sweden before 1 January 1995, shall not be subject to the quantitative limits referred to in Article 3 (1) of the

Agreement and to the double checking system specified in Protocol A

provided that they have been shipped from the People's Republic of

China to the Community before 1 January 1995, are presented for importation in one of these Member States before 31 March 1995 and are exclusively destined for internal consumption in the concerned acceding country.

3. Taking into account the portion of 1995 quotas already allocated to importers by the competent authorities within the EC at the beginning of the year, and the consequences of such allocation for the export management of the Agreement in 1995, the parties agree to hold consultations, notably on reconciliation of figures, when necessary to deal with any difficulty and to ensure a cooperative implementation of the Agreement.

For the Delegation of the People's Republic of China

For the Delegation of the European Community



全球法律法规

Global Laws & Regulations



全球法律法规

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