

Allocating EEC quotas

The Standing Committee of the Textiles Advisory Board, chaired by Mr Francis Tien, met yesterday afternoon for several hours to consider the detailed systems by which quotas for textiles to be shipped to the EEC under the new HK-EEC agreement will be calculated.

A spokesman for the DC and I said after the meeting that the principles governing such calculations had first to be decided, and that this took time.

He said that whereas some of these principles were more or less standard, others had to be established against a rather different background to anything the department had to consider before.

He pointed that this situation had arisen because the unilaterally-applied quotas in

force since the beginning of 1975 were now being replaced with new quotas valid from July 18 until December 31, 1975, and that these would also form the basis of the 1976 and 1977 quotas.

The Standing Committee agreed on a number of principles designed to protect the interests of manufacturers and exporters engaged in the trade and to ensure equitable procedures for calculation and utilisation of the new quotas, the spokesman said.

He added that the principles and procedures recommended by the Standing Committee had been accepted by the department and would now be used in the assessment work prior to the issue of the EEC quotas.

"We do not expect difficulty

in shipments of most of the goods caught within the quota controls," he said, "but we shall have problems in the short term with two or three categories where the quantities we can make available for shipment during the remainder of this year will probably not be sufficient to meet the full demand.

"This is inevitable given the rapid increase in exports in the categories concerned during the period the negotiations were going on.

"We have done everything possible to make enough quotas available to maintain reasonable exports during the next few months.

"The Textiles Advisory Board has been fully consulted on this and all the other issues involved," he added.