

**GENERAL AGREEMENT ON
TARIFFS AND TRADE**

RESTRICTED

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Limited Distribution

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ARTICLE XIX - ACTION BY THE EUROPEAN COMMUNITIES

Certain Electronic Piezo-Electric Quartz Watches
with Digital Display

The following communication dated 26 April 1984, has been received from the delegation of the European Communities.

The Commission of the European Communities has decided, by Regulation (EEC) No. 1087 of 18 April 1984, to take emergency action under Article XIX of the General Agreement on imports of: pocket-watches, wrist-watches and other watches, electronic, with cases of other than of precious metals, piezo-electric quartz crystal regulating device and display other than with hands, falling within CCT heading No. ex 91.01, corresponding to NIMEXE code 91.01-25.

By virtue of this Regulation (O.J. No. L/106 of 19 April 1984), imports into France of watches of these types are subject to production of an import authorization issued by the French authorities. The measures are applicable to imports originating in third countries covered by Regulation (EEC) No. 288/82 (O.J. L/35 of 9 February 1982) with the exception of imports covered by an agreement establishing a system of free trade with the EEC.

The above authorization is granted for total annual quotas of: 6,793,000 units in 1984, 7,133,000 in 1985 and 7,489,000 in 1986. The action is thus degressive, since the quota is increased annually by 5 per cent. The global quota has been distributed among the principal suppliers on the basis of the imports into France from the countries concerned during the last three years, with due regard in the case of Hong Kong for special circumstances affecting such imports.

<u>Origin</u>	<u>Annual quotas</u> ('000 units)		
	<u>1984</u>	<u>1985</u>	<u>1986</u>
Hong Kong	4,400	4,620	4,851
Japan	815	856	899
South Korea	497	522	548
Macao	496	521	547
Taiwan	425	446	469
Other	160	168	175

This action has been motivated by the fact that such digital quartz electronic watches are being imported into the EEC and specifically into France in such increased quantities and on such conditions as to cause serious injury to the industry concerned producing like or directly competitive products. In the course of the investigation, the main suppliers of the EEC have had the opportunity to make their views known.

The measures enter into force on 20 April 1984 and expire on 31 December 1986, subject to possible review in the course of their application.

In keeping with the provisions of Article XIX of the General Agreement, the European Communities declare that they are prepared to enter into consultations with contracting parties having a substantial interest as exporters of the products concerned.