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Proposal for a

COUNCIL REGULATION (EEC)

establishing ceilings and Community surveillance in respect of imports of certain products originating in Portugal (1981)

(submitted by the Commission to the Council)

COM(80) 551 final



# EXPLANATORY MEMORANDUM

1. The Supplementary Protocol between the European Economic Community and the Portuguese Republic, annexed to the Agreement between the Community and Portugal completed by the Protocol of adaptation to take account of the accession of Greece to the Community provides for the exemption from duty for certain types of paper and paperboard (subheadings ex 48.01 C II and 48.01 F of the CCT), originating in Portugal imported into the Community with the exception of the United Kingdom and Denmark. Nevertheless, these imports are limited to annual ceilings.

When a ceiling is reached, the residual customs duties applicable to Portugal may be reimposed by the Community until the end of the calendar year.

2. The implementation of the system of ceilings and the option of reintroducing customs duties require the adoption of precise common rules to be applied uniformly by the Member States concerned. These requirements may be met by setting up a Community system of surveillance of actual imports from the partner concerned. To that end the Member States must take appropriate measures to permit the rapid collection of satistical returns for the whole Community

In this connection imports of the products in question should be recorded only as and when they are entered for free 'circulation accompanied by a movement certificate conforming to the rules of the Agreement referred to in 1 above. The returns will be drawn up by the Member States at the end of each month and forwarded before the fifteenth day of the following month to the Commission in order to enable the latter to send to the Member States a comprehensive productby-product statement of the imports in question effected during the preceding month. The surveillance system will require quick action and close cooperation between the relevant departments of the Member States and the Commission. Since the products in question belong to the sensitive products category and duty-free imports in excess of the ceilings may disturb the Community market, it is absolutely essential that the Member States observe strictly the above-mentioned time limit of fifteen days.

The following procedure will be used for setting in train the machinery for reintroducing duties: as soon as one of the comprehensive monthly statements compiled by the Commission showns that 75 % of the ceiling fixed for a given product has been reached, the Commission will inform the Member States and consultations may take place, in particular within the Economic Tariff Problems Group, either at the request of a Member States or on the Commission's own initiative. The purpose of these consultations will be to examine in each individual case whether the customs duties applicable to Portugal should be reimposed when the ceiling is actually reached.

Imports of the product in question will continue to be the subject of monthly returns or, if the Commission so requests, of a telex message covering each period of ten days. This message must reach the Commission within five days.

The commission can thus take within the shortest possible time the measures required for the adoption of a regulation reintroducing customs duties in respect of the partner country until the end of the calendar year. In that event, the customs duties on the product

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in-question would naturally be reimposed within the time limit laid down by the regulation ending exemption from duties.

3. The attached proposal provides for the delegation by the Council to the Commission of the power to apply the rule on ceilings and the reintroduction of duties.

The proposal for a regulation merely outlines how these powers are to be exercised so that the machinery to be used may be adjusted flexibly and rapidly in consultation with the Member States. Again with a view to maximum efficiency and rapidity, the proposal lays down that the Commission will be responsible for reintroducing, in respect of the partner country, the duties applicable.

ANNEX :

Proposal for a Council Regulation

# Proposal for a COUNCIL REGULATION (EEC)

establishing ceilings and Community surveillance of imports of certain products originating in Portugal (1981)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

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

Having regard to the proposal from the Commission,

Whereas the Supplementary Protocol annexed to the Agreement between the European Economic Community and the Portuguese Republic (1)

as supplemented by the Protocol of Adaptation to take account of the accession of the Hellenic

Republic to the Community (2),

provides for the exemption from duties for kraft liner and for other paper and paperboard falling within subheadings ex 48.01 C II and 48.01 F of the Common Customs Tariff, originating in Portugal, when imported into the Community

with the exception of the United Kingdom

### and Denmark; whereas,

nevertheless, the benefit of duty exemption is limited to annual ceilings of 62,000 tonnes and 2,000 tonnes respectively, above which the residual customs duties for each product may be reintroduced until the end of the calendar year; whereas the application of ceilings requires that the Community be regularly informed on imports of the products in question originating in Portugal; whereas it is, therefore, desirable that imports of these products be subjected to a system of surveillance;

Whereas this objective may be achieved by means of an administrative procedure based on charging imports of the products in question against the ceilings at Community level as and when the products are entered for free circulation; whereas this administrative procedure must provide for the possible reintroduction of residual customs tariff duties once the ceilings are reached.

Whereas this administrative procedure requires close and particularly prompt cooperation between the Member States and the Commission; whereas the latter must, in particular, be able to follow the progress of quantities charged against the ceilings and keep the Member States informed; whereas this cooperation has to be particularly close since the Commission must be able to take the appropriate measures to reintroduce customs tariff duties if one of the ceilings is reached;

(1) OJ NoL 348, 31.12.19+9, p.44.

#### HAS ADOPTED THIS REGULATION:

#### Article 1

1. From 1 January to 31 December 1981, imports into the Community with the exception of the United Kingdom and Denmark of the products listed in the Annex hereto and originating in Portugal shall be subject to annual ceilings and Community surveillance.

The description of the products referred to in the first subparagraph, their tariff headings and statistical numbers and the ceilings shall be set out in the Annex hereto.

2. Quantities shall be charged against the ceilings as and when products are entered for free circulation, accompanied by a movement certificate which shall comply with the rules set out in Protocol 3 to the Agreement.

Goods may be charged against the ceiling only if the movement certificate is submitted before the date on which customs duties are reintroduced.

The extent to which a ceiling is used up shall be determined at Community level on the basis of the imports charged against it in the manner defined in the preceding subparagraphs.

The Member States concerned shall, at the intervals and within the time limits specified in paragraph 4, inform the Commission of imports effected in accordance with the above procedures.

3. As soon as the ceilings have been reached, the Commission may adopt a Regulation reintroducing residual customs duties until the end of the calendar year.

In the case of such a reintroduction, Greece shall introduce the customs duties which it applies to third countries at the date in question.

4. Member States concerned shall, not later than the 15th day of each month, forward to the Commission statements of the quantities charged during the preceding month. If the Commission so requests, they shall provide such statements for periods of 10 days and forward them within five clear days of the end of each 10-day period.

# Article 2

# Article 3

The Commission shall, in close cooperation with the Member States, take all appropriate steps to apply this Regulation.

This Regulation shall enter into force on 1 January 1981.

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

Done at Brussels,

For the Council 'The President

ANNEX

# List of products subject to import ceilings in 1981

48.01	3	4	5
49.01		i	
48.01	Paper and paperboard (including cellulose wadding), machine-made, in rolls or sheets:  C. Kraft paper and kraft board: ex II. Other:  —, Kraft liner (a)	48.01-14, 15, 21, 27, 31	6 <b>2</b> .000
	F. Other	48.01-41 to 97	2 000
		C. Kraft paper and kraft board: ex II. Other: — Kraft liner (a)	C. Kraft paper and kraft board: ex II. Other:  — Kraft liner (a)  48.01-14, 15, 21, 27, 31

<sup>(</sup>a) 'Kraft liner' means machine-finished or machine-glazed paper or paperboard, in rolls, containing not less than 80% of chemical sulphate softwood pulp calculated on total fibre content, weighing more than 115 g/m² and having a Mullen burst ratio of not less than 35.