COMMISSION OF THE EUROPEAN COMMUNITIES

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Brussels, 2 October 1987

Proposal for a

COUNCIL REGULATION (EEC)

amending Regulation (EEC) No 60/85 on the restriction on exports of steel pipes and tubes to the United States of America

(presented by the Commission)

Com 455

Explanatory Memorandum

In 1985 the Council approved the conclusion of an Arrangement with the United States of America designed to restrict Community exports of steel pipes and tubes to that country. The texts relating to this Arrangement were published in the Official Journal No L 9 of 10 January 1985.

When the system for allocating the Community quota for tubes and pipes that could be exported to the USA was set up, account was taken of the economic links established between Community undertakings and their subsidiaries in the USA where the latter are supplied with semi-finished tubes for tube production by the Community undertakings.

It is necessary that the criteria for allocating licences laid down in Article 5 of Regulation No 60/85 (OJ No L 9, 10 January 1985) also take account of these economic links.

This is the object of the proposal for supplementing Regulation No 60/85.

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amending Regulation (EEC) No 60/85 on the restriction on exports of steel pipes and tubes to the United States of America

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 Council Regulation (EEC) No 60/85¹, as last amended by Regulation (EEC) No 3711/85², established restrictions on exports to the United States of America of certain steel pipes and tubes originating in the Community;

Whereas economic links have been established between Community undertakings and their subsidiaries in the United States, the latter being supplied by Community undertakings with semi-finished tubes for tube production; whereas the allocation of the Community quota among Member States, as set out in Annex III to Regulation (EEC) No 60/85, takes account of the special situation of these undertakings with a subsidiary in the United States;

Whereas the criteria for the allocation of licences should take account of this special situation; whereas it is therefore necessary to add to the list of criteria laid down for the issue of licences by the Member States the situation of Community undertakings which have a subsidiary in the United States when their subsidiaries are supplied by their parent company with semi-finished tubes for the production of finished tubes,

¹ OJ No L 9, 10.01.1985, p. 13

² OJ No L 355, 31.12.1985, p. 100

HAS ADOPTED THIS REGULATION:

Article 1

In Article 5 of Regulation (EEC) No 60/85, the second indent of paragraph 2 is hereby replaced by the following:

"- compliance with the traditional export patterns of undertakings taking account of the reduction principles established by this Regulation and possibly the situation of new producers of pipes and tubes and of undertakings having a subsidiary in the United States which they supply with semi-finished tubes for tube production."

Article 2

This Regulation shall enter into force on the day following its publication in the Official Journal.

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

Done at Brussels, 2 October 1987

For the Council