



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 14.11.1995
COM(95) 536 final

95/0277 (ACC)

Proposal for a

COUNCIL REGULATION (EC)

amending Council Regulation (EC) No 1808/95 opening and providing for the administration of Community tariff quotas bound in GATT for certain agricultural, industrial and fisheries products and establishing the detailed provisions for adapting these quotas

(presented by the Commission)

EXPLANATORY MEMORANDUM

1. With Council Regulation (EC) No 1808/95, the Community undertook to open each year, within the framework of GATT and subject to certain conditions, Community tariff quotas at reduced or zero duty for a certain number of agricultural, industrial and fisheries products.
2. In accordance with the offer it made within UNCTAD, the Community introduced tariff preferences in 1971 for certain jute and coconut-fibre products from a number of developing countries; these preferences took the form of a gradual reduction in CCT duties, culminating in the total suspension, without quantitative limits, of the duties in question from 1978 to 31 December 1994.
3. The graduation of duties introduced by the new scheme of generalized preferences in force since 1 January this year threatens to have an adverse effect on both the countries producing these goods and their customers in the Community.
4. Given that the previous special arrangements were aimed at facilitating the access of jute and coconut-fibre products to the Community market, the Community announced, in the context of GATT, that it was ready to suspend CCT duties on these products within annual tariff quotas.
5. Because the quota year in question runs from 1 January to 31 December, and will do so until the new scheme of preferences expires, quotas will have to be opened from 1 July to 31 December 1995 for this year's entire quota volume.

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THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to the proposal from the Commission,

Whereas in Council Regulation (EC) No 1808/95,¹ the Community undertook to open, within the framework of the General Agreement on Tariffs and Trade (GATT) and subject to certain conditions, annual Community tariff quotas at reduced or zero duty for a certain number of agricultural, industrial and fisheries products;

Whereas, in accordance with the offer it made within the United Nations Conference on Trade and Development (UNCTAD) in the light of the special nature of the trade in jute and coconut-fibre products, the Community introduced tariff preferences in 1971 for such products from certain developing countries; whereas these preferences took the form of a gradual reduction in CCT duties, without quantitative limits, culminating in the complete suspension of these duties in 1978;

Whereas the new scheme of generalized preferences applicable since 1 January 1995 provides for the graduation of duties; whereas this change threatens the continuation and development of traditional trade flows between the countries supplying the products in question and the Community; whereas the Community, in the context of GATT, should therefore open autonomous zero-duty tariff quotas for determined quantities of products manufactured from jute and coconut fibres for the period from 1 January 1995 to 31 December 1998; whereas, in view of the fact that, for the year in course, this Regulation will apply only from 1 July, provision should be made for quotas to be opened from that date to 31 December 1995 for the entire annual quota volume;

Whereas provisions should therefore be adopted, in accordance with the relevant WTO/GATT rules, in order to maintain the previous conditions of access for the products in question,

HAS ADOPTED THIS REGULATION:

¹OJ No L 176, 27.7.1995.

Article 1

Regulation (EC) No 1808/95 is hereby amended as follows:

1. The attached Annex V shall be added.
2. Article 1(2) shall become Article 1(4).

The following paragraphs 2 and 3 shall be inserted:

- "2. All Community import duties on the products listed in Annex V to this Regulation shall be suspended within the limits of the quantities laid down according to their origin and the period laid down.
3. Access to the tariff quotas in Annex V shall be subject to compliance with the rules governing the origin of products laid down in Articles 47 to 55 of Commission Regulation (EEC) No 2454/93 of 2 July 1993 laying down provisions for the implementation of the Community Customs Code,² as last amended by Commission Regulation (EC) No 1762/95 of 19.7.1995.³"

Article 2

This Regulation shall enter into force on the seventh day following that of its publication in the *Official Journal of the European Communities*.

It shall apply from 1 July 1995 to 31 December 1998.

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

Done at Brussels,

For the Council

The President

2 OJ No L 253, 11.10.1993.

3 OJ No L 171, 21.7.1995.

ANNEX V

List of Community tariff quotas for products manufactured from jute and coconut (a)

Order number	CN codes	Taric sub-division	Description of goods	Quota period	Recipient countries	Quota volume	Rate of duty
09.0107	5310		Woven fabrics of jute and other textile bast fibres of code 5303	from 1 July to 31 December 1995 and from 1 January 1996 to 31 December 1998	Bangladesh India Other countries	33 381 31 146 2 759	0
			Twine, cordage, ropes and cables, whether or not plaited or braided, coated, covered or sheathed with rubber or plastics				
		5607 10 00	- of jute and other textile bast fibres of heading No 5303				
			Carpets and other textile floor coverings, wove, not tufted or flocked, whether or not made up, including "Kelem", "Schumacks", "Karamanie" and similar hand-woven rugs:				
		ex 5702 39 90	*10 -Floor coverings, of pile construction, not made up, of jute and other textile bast fibres of heading No 5303				
		ex 5702 49 90	*10 -Floor coverings, of pile construction, made up, of jute and other textile bast fibres of heading No 5303				
		ex 5702 59 00	*10 -Floor coverings, not of pile construction, not made up, of jute and other textile bast fibres of heading No 5303				
		ex 5702 99 00	*10 -Floor coverings, not of pile construction, made up, of jute and other textile bast fibres of heading No 5303				
		ex 5703 90 90	*10 Carpets and other textile floor coverings, tufted, whether or not made up: -Other, of jute and other textile bast fibres of heading No 5303				
		ex 5806 39 00	*10 Narrow woven fabrics, other than goods of heading No 5807; narrow fabrics consisting of warp without weft assembled by means of an adhesive (bolducs): -Other, of jute and other textile bast fibres of heading No 5303				
ex 5806 40 00	*10 -Fabrics consisting of warp without weft assembled by means of an adhesive (bolducs), of jute and other textile bast fibres of heading No 5303						
5905 00 50	*10 Textile wall coverings: -Other, of jute and other textile bast fibres of heading No 5303						
09.0109	5702 20 00		Floor coverings of coconut fibres	from 1 July to 31 December 1995 and from 1 January 1996 to 31 December 1998	India Other countries	8 201 775	0
09.0111	6305 10 90		Sacks and bags, of a kind used for the packing of goods: -of jute and other textile bast fibres of heading No 5303, other	from 1 July to 31 December 1995 and from 1 January 1996 to 31 December 1998	Bangladesh China India Other countries	26 587 35 722 32 093 2 759	0

(a) Without prejudice to the rules for the interpretation of the Combined Nomenclature, the description of the goods is deemed purely indicative, tariff treatment being determined for the purposes of this Annex by the scope of the CN codes. Where a code is preceded by "ex", tariff treatment is determined both by the scope of the CN code and by the corresponding description.

FINANCIAL STATEMENT

1. **Budget heading involved**

Chapter 12, Article 120

2. **Legal basis**

Article 113 of the EC Treaty

3. **Title of operation**

Proposal for a Council Regulation (EC) amending Council Regulation (EC) No 1808/95 opening and providing for the administration of Community tariff quotas bound in GATT for certain agricultural, industrial and fisheries products and establishing the detailed provisions for adapting these quotas

4. **Objective**

To maintain the previous arrangements for the access of jute and coconut-fibre products to the Community market

5. **Method of calculation**

-	Quota volume (ECU):	101 026 000	66 146 000
-	Rate of duty to be applied:	0%	0%
-	Normal rate (average):	7.9%	8.1%

6. **Forecast loss of revenue**

ECU 101 026 000 x 7.9% = ECU	7 981 054
ECU 66 146 000 x 8.1% = ECU	<u>5 357 826</u>
	13 338 880

Annual loss: ECU 13 338 880

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