



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 28.11.1997  
COM(97) 637 final

97/0331 (ACC)

Proposal for a

COUNCIL REGULATION (EC)

**amending Regulation (EC) No 70/97 concerning the arrangements applicable to imports into the Community of products originating in the Republics of Bosnia-Herzegovina, Croatia, the Federal Republic of Yugoslavia and the former Yugoslav Republic of Macedonia and to imports of wine originating in the Republic of Slovenia**

(presented by the Commission)



## EXPLANATORY MEMORANDUM

Council Regulation (EC) No 70/97 concerning the arrangements applicable to imports into the Community of products originating in the Republics of Bosnia-Herzegovina, Croatia, the Federal Republic of Yugoslavia and the former Yugoslav Republic of Macedonia and to imports of wine originating in the Republic of Slovenia, expires on 31 December 1997.

Regulation (EC) No 70/97, as last amended by Regulation (EC) 825/97, contains the autonomous preferential measures applicable to imports into the Community of products originating in the Republics of Bosnia-Herzegovina, Croatia, the Federal Republic of Yugoslavia and the former Yugoslav Republic of Macedonia, countries formerly part of Yugoslavia with which no bilateral agreements have yet entered into force. Furthermore, as the agreement on 'wines and spirits' envisaged by the Europe Agreement between the European Community and the Republic of Slovenia has yet to be concluded, Regulation 70/97 also grants autonomous and transitional concessions for imports of wines originating in Slovenia

Awaiting the eventual replacement of these arrangements by provisions contained in bilateral agreements, Regulation 70/97 should be maintained. Furthermore, the Cooperation Agreement between the European Community and the former Yugoslav Republic of Macedonia now being expected to enter into force on 1 January 1998, the former Yugoslav Republic of Macedonia will, from that date, with the exception of wine, no longer benefit from the autonomous preferential regime under Regulation (EC) No 70/97.

The aim of the attached proposal for a Council Regulation (EC) amending Regulation 70/97 is:

- the extension of Regulation 70/97 to 1998, with the exception of the preferences granted to the FRY, given its non-compliance with political conditionality;
- the necessary amendments to this autonomous preferential regime following the entry into force of the Cooperation Agreement between the European Community and the former Yugoslav Republic of Macedonia,
- the technical adjustments necessary following the amendments to the combined nomenclature,
- the annual increase by 5 % of the amounts of the ceilings for industrial products

The Commission recommends the attached proposal for a Council Regulation (EC) for adoption to the Council.

**Proposal for a  
COUNCIL REGULATION (EC)**

**amending Regulation (EC) No 70/97 concerning the arrangements applicable to imports into the Community of products originating in the Republics of Bosnia-Herzegovina, Croatia, the Federal Republic of Yugoslavia and the former Yugoslav Republic of Macedonia and to imports of wine originating in the Republic of Slovenia**

**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<sup>1</sup>,

Whereas Council Regulation (EC) No 70/97 of 20 December 1996 concerning the arrangements applicable to imports into the Community of products originating in the Republics of Bosnia-Herzegovina, Croatia, the Federal Republic of Yugoslavia and the former Yugoslav Republic of Macedonia and to imports of wine originating in the Republic of Slovenia<sup>2</sup>, as last amended by Council Regulation (EC) No 825/97<sup>3</sup>, expires on 31 December 1997;

Whereas these arrangements will eventually have to be replaced by provisions contained in bilateral agreements to be negotiated with the countries in question;

Whereas the Council has concluded a Cooperation Agreement between the European Community and the former Yugoslav Republic of Macedonia<sup>4</sup>; whereas from the date of entry into force of that Agreement, products originating in the former Yugoslav Republic of Macedonia will, with the exception of wine, no longer benefit from the autonomous preferential regime under Council Regulation No 70/97;

Whereas the arrangements for the other beneficiary countries granted by Regulation (EC) No 70/97 should be maintained, with the exception of those for the Federal Republic of Yugoslavia;

Whereas the amounts of the tariff ceilings for industrial products should be increased annually by 5 % as provided for in the Cooperation Agreement between the European Economic Community and the Socialist Federal Republic of Yugoslavia signed on 2 April 1980 and denounced on 25 November 1991, Agreement on which the trade concessions provided for in Regulation (EC) No 70/97 are based; whereas following the amendments to the combined nomenclature, Regulation (EC) No 70/97 should be amended accordingly;

Whereas in accordance with the conclusions of the Council of 29 April 1997, the development of bilateral relations between the European Union and the successor republics of the former Yugoslavia, other than Slovenia, is subject to certain conditions; whereas the

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<sup>1</sup> OJ No L of .1997, p. .

<sup>2</sup> OJ No L 16 of 18.1.1997, p. 1.

<sup>3</sup> OJ No L 119 of 8.5.1997, p. 4.

<sup>4</sup> OJ No L of 1997, p. .

renewal of autonomous trade preferences is linked to respect for fundamental principles of democracy and human rights and to the readiness of the countries concerned to allow the development of economic relations between themselves; whereas it is, therefore, appropriate to monitor the compliance by Bosnia-Herzegovina, Croatia and the Federal Republic of Yugoslavia with these conditions;

Whereas there has been some progress in Bosnia-Herzegovina and Croatia in strengthening democracy and human rights and in developing relations with their neighbours; whereas it is therefore appropriate to continue the inclusion of these countries in the autonomous trade regime for 1998;

Whereas at the time of the extension of the autonomous trade preferences to the Federal Republic of Yugoslavia on 29 April 1997, the Council issued a declaration setting out its expectations in terms of democratisation, in particular the full and speedy implementation of the "Gonzalez" report; whereas it also noted that in the absence of progress towards meeting these criteria, the decision granting autonomous trade preferences would be reviewed; whereas no significant progress has been made with regard to the relevant conditions, it is not appropriate at this time to include the Federal Republic of Yugoslavia in the autonomous trade regime for 1998, without prejudice to the possibility of including the Federal Republic of Yugoslavia at a later stage should conditions so permit;

Whereas Council Regulation (EEC) No 426/86 of 24 February 1986 on the common organisation of the market in products processed from fruit and vegetables<sup>5</sup>, has been replaced by Council Regulation (EC) No 2201/96 of 28 October 1996<sup>6</sup>, and Article 6 (2) of Regulation (EC) No 70/97 should be amended accordingly,

## **HAS ADOPTED THIS REGULATION:**

### **Article 1**

Regulation (EC) No 70/97 is hereby amended as follows:

1. The title shall be replaced by the following:

"Council Regulation (EC) No 70/97 of 20 December 1996 concerning the arrangements applicable to imports into the Community of products originating in the Republics of Bosnia-Herzegovina and Croatia and to imports of wine originating in the former Yugoslav Republic of Macedonia and the Republic of Slovenia";

2. Article 1 is amended as follows:

- in paragraph 1, "the Federal Republic of Yugoslavia and the former Yugoslav Republic of Macedonia" shall be deleted;
- in paragraph 2, "the former Yugoslav Republic of Macedonia and" shall be added before the words "the Republic of Slovenia"

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<sup>5</sup> OJ No L 49, 27.2.1986, p. 1.

<sup>6</sup> OJ No L 297, 21.11.1996, p.29.

3. Article 6 (2) shall be replaced by the following:

“Paragraph 1 shall apply to sour cherries falling within CN codes ex 0811 90 19, ex 0811 90 39, 0811 90 75, ex 0812 10 00 and 2008 60 51, 2008 60 61, 2008 60 71 and 2008 60 91 on condition that the minimum import price set by the Commission pursuant to Article 13 of Council Regulation (EC) No 2201/96 on the common organisation of the market in products processed from fruit and vegetables is observed. Where that minimum price is not observed, a countervailing charge shall be imposed.”

4. Article 7(1) and (2) shall be replaced by the following:

(1) The customs duties applicable to imports into the Community of the products listed in Annex E which originate in the countries referred to in Article 1(1) and wine originating in the countries referred to in Article 1(1) and (2) shall be suspended during the periods, at the levels and within the limits of the Community tariff quotas indicated for each one

(2) On import, plum spirit has to be accompanied by the authenticity certificate in conformity with the model appearing at Annex E, issued by the competent authority of the countries concerned.”;

5. In Article 8(2) of Regulation 70/97, the amount of “21 700 tonnes” shall be replaced by “10 900 tonnes”.

6. In Article 11 (b) shall be inserted ‘and (2)’ after ‘Article 1 (1)’.

7. The second sentence of Article 14 shall be replaced by the following:

“It shall apply from 1 January 1997 to 31 December 1998.’

8. The amounts given for the tariff ceilings listed in column 4 in Annexes C I, C II, C III and C IV shall be replaced by the amounts given in the Annex to this Regulation.

9. The following amendments shall be made to the CN codes and the descriptions of products:

(a) In Annex C I for order No 01.0020,

3102 70	- Calcium cyanamide:
3102 70 90	- - Other

shall be replaced by:

3102 70 00	- Calcium cyanamide
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(b) In Annex C I for order No 01.0040,

	- - - Sheets, film or strip, coiled or not, of a thickness of less than 0,75 mm:
3920 71 11	- - - - Not printed
3920 71 19	- - - - Printed

shall be replaced by:

3920 71 10	- - - Sheets, film or strip, coiled or not, of a thickness of less than 0,75 mm
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(c) In Annex C I for order No 01.0230,

	- - Of transformers and inductors:
8504 90 11	- - - Ferrite cores
8504 90 19	- - - Other
8504 90 90	- - Of static converters

shall be replaced by:

	- - Of transformers and inductors:
8504 90 05	- - - Electronic assemblies of machines of subheading 8504 50 30
	- - - Other:
8504 90 11	- - - - Ferrite cores
8504 90 18	- - - - Other
	- - Of static converters:
8504 90 91	- - - Electronic assemblies of machines of subheading 8504 40 30 and 8504 40 35
8504 90 99	- - - Other

(d) In Annex C IV, on page 36 for order No 06.0070, the description of CN code 7214 99 90 shall be replaced by the following:

'- - - Containing by weight 0,6 % or more of carbon'.

10. In Annex D, the following amendments shall be made:

(a) In the heading of the last column, the words "Federal Republic of Yugoslavia" and "and FYROM" shall be removed;

(b) The tariff concession for sour cherries (*Prunus cerasus*), fresh, shall be replaced by the following:

'0809 20 05	Sour cherries ( <i>Prunus cerasus</i> ), fresh	Free (2)	2 500 (ceiling) (3)
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- (c) The amount of 19 800 tonnes (3 x mentioned) of the ceiling for prepared sour cherries (falling within CN codes ex 0811 90 19, ex 0811 90 39, 0811 90 75, ex 0812 10 00 and 2008 60 51, 2008 60 61, 2008 60 71 and 2008 60 91) shall be replaced by 12 800 tonnes.
- (d) The amount of 3 000 tonnes of the reference quantity for prepared cucumbers (falling within CN code ex 2001 10 00), shall be replaced by 2 000 tonnes.

11. Annex E shall be amended as follows:

- (1) In column 4 related to the tariff quota with order No 09.1515, "the former Yugoslav Republic of Macedonia" shall be inserted before "Slovenia";
- (2) the tariff quota with order No 09.1505 for tobacco of the 'Prilep' type and the TARIC Subdivisions for this quota shall be deleted;
- (3) the model of the authenticity certificate for tobacco of the 'Prilep' type shall be deleted;
- (4) The amounts given for the hereafter mentioned tariff quotas listed in column 4 shall be replaced by the following:

09.1507	100 tonnes
09.1509	700 tonnes
09.1511	600 tonnes
09.1503	4 920 hl.

12. In Annex G, the rows "Federal Republic of Yugoslavia 9975 tonnes (carcass weight)" and "Former Yugoslav Republic of Macedonia 825 tonnes (carcass weight)" shall be removed.

## Article 2

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

It shall apply from 1 January 1998.

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



## ANNEX

Order No	Ceiling (tonnes)
<b>Annex C I</b>	
01.0010	5 757
01.0020	50 555
01.0030	75 287
01.0040	1 772
01.0050	1 109
01.0060	5 022
01.0080	581
01.0090	160 616 m <sup>3</sup>
01.0100	21 750
01.0110	720
01.0120	856
01.0130	356
01.0140	8 650
01.0150	2 678
01.0160	14 063
01.0167	4 858
01.0170	1 356
01.0190	1 345
01.0200	4 709
01.0220	5 831
01.0230	3 123
01.0240	3 741
01.0250	610
01.0270	1 156
01.0280	8 913
01.0290	7 953
<b>Annex C II</b>	
03.0010	1 008 000

<b>Annex C III</b>	
04.0030	4 457
04.0040	1 661
04.0050	1 274
04.0090	1 542

<b>Annex C IV</b>	
06.0010	39 548
06.0020	39 042
06.0030	37 832
06.0040	5 394
06.0050	7 585
06.0060	47 056
06.0070	37 694

## **FINANCIAL STATEMENT**

1. **Budget heading involved** : Chapter 12, Article 120.

2. **Legal Basis** : Article 113 of the Treaty.

3. **Title of the measure** :

Proposal for a Council Regulation (EC) amending Regulation (EC) No 70/97 concerning the arrangements applicable to imports into the Community of products originating in the Republics of Bosnia-Herzegovina, Croatia, the Federal Republic of Yugoslavia and the former Yugoslav Republic of Macedonia and to imports of wine originating in the Republic of Slovenia

4. **Objective** :

The extension to 1998 of the autonomous preferential trade regime applicable to imports into the Community of products originating in the Republics of Bosnia-Herzegovina and Croatia and to imports of wine originating in the former Yugoslav Republic of Macedonia and the Republic of Slovenia.

5. **Financial repercussions** :

This Regulation does not entail any financial losses or gains, other than those foreseen for the application of the current arrangements under Regulation 70/97 of 20 December 1996.

6. **Fight against fraud** :

Provisions on the management of tariff quotas and tariff ceilings include the measures necessary for preventing and protecting against fraud and irregularities.

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# DOCUMENTS

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