

COMMISSION OF THE EUROPEAN COMMUNITIES

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Proposal for a
COUNCIL REGULATION (EEC)

on the opening, allocation and administration of a Community tariff quota for ferro-silicon falling within subheading No 73.02C of the Common Customs Tariff

Proposal for a
COUNCIL REGULATION (EEC)

on the opening, allocation and administration of a Community tariff quota for ferro-silico-manganese falling within subheading No 73.02D of the Common Customs Tariff

Proposal for a
COUNCIL REGULATION (EEC)

on the opening; allocation and administration of a Community tariff quota for ferro-chromium containing not more than 0.10% by weight of carbon and more than 30% but not exceeding 90% inclusive by weight of chromium (super-refined ferro-chromium) falling within subheading No ex 73.02 E I of the Common Customs Tariff

(submitted to the Council by the Commission)

EXPLANATORY MEMORANDUM

1. At the latest multilateral negotiations with GATT the Community undertook to open annually nil duty Community tariff quotas for the following three ferro-alloys :

73.02 0	Ferro-silicon	20 000 metric tons
73.02 D	Ferro-silico-manganese	50 000 metric tons
ex 73.02 E I	Super-refined ferro-chromium	3 000 metric tons

The Commission proposals for the three ferro-alloys are based largely on those for the same products ^{presented} for preceding years in the sense that the shares are allocated in accordance with the rules regularly followed (calculated by reference to prior statistics and forecasts for 1977). The proposed rules of administration ^{also} differ somewhat from those at present in force in that to ensure the uniform application of the Common Customs Tariff it is proposed that a reserve be set up for both ferro-silicon and super-refined ferro-chromium.

The attached proposals for regulations refer to the opening, allocation and method of administration, for the year 1977, of the following Community tariff quotas :

	Description of products	Quota volume	Quota duty	Reserve volume	Volume of the first tranche
Annex A	ferro-silicon	20,000 m.t.	0 %	2,000 m.t.	18,000 m.t.
Annex B	ferro-silico-manganese	50,000 m.t.	0 %	2,000 m.t.	48,000 m.t.
Annex C	super-refined ferro-chromium	3,000 m.t.	0 %	300 m.t.	2,700 m.t.

ANNEX A

Proposa. for a
COUNCIL REGULATION (EEC)

on the opening, allocation and administration of a Community tariff quota for ferro-silicon falling within subheading No 73.020 of the Common Customs Tariff

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, as regards ferro-silicon falling within subheading No 73.02 0 of the Common Customs Tariff, the European Economic Community has undertaken to open an annual nil duty tariff quota of 20 000 metric tons; whereas the tariff quota concerned should therefore be opened on 1 January 1977 and allocated among the Member States;

Whereas arrangements for the utilization of the Community tariff quota based on an allocation among Member States would seem to be consistent with the Community nature of the quota; whereas, to correspond as closely as possible to the actual trend of the market in the product in question, allocation of the quota should be in proportion to the requirements of the Member States as calculated by reference to statistics of imports from third countries during a representative reference period and to the economic outlook for the quota period in question;

Whereas, during the last three years for which statistics are available, the corresponding imports into each of the Member States represented the following percentages of their total imports of the product in question:

	<u>1973</u>	<u>1974</u>	<u>1975</u>
Benelux	20.28	15.14	17.47
Denmark	0.64	0.36	0.54
Germany	61.47	56.31	53.03
France	0.37	0.52	1.22
Ireland	0	0.24	0.25
Italy	10.87	13.97	13.82
United Kingdom	6.42	13.46	13.67

Whereas, in view of these factors and of market forecasts for ferro-silicon for 1977, the percentage share in the quota volume can be expressed roughly as follows:

Benelux	17.50
Denmark	0.50
Germany	54.80
France	0.50
Ireland	0.20
Italy	13.00
United Kingdom	13.50

Whereas, to take account of future import trends for the products concerned, the quota should be divided into two tranches, the first being allocated and the second held as a reserve to cover subsequently the requirements of Member States which have exhausted their initial share; whereas, to give importers some degree of certainty, the first tranche of the tariff quota should

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be fixed at a relatively high level, which could be 90% of the amount of the quota;

Whereas initial shares may be exhausted at different rates; whereas to avoid disruption of supplies on this account it should be provided that any Member State which has almost used up its initial share should draw an additional share from the reserve; whereas each time its additional share is almost exhausted a Member State should draw a further share, and so on as many times as the reserve allows; whereas the initial and additional shares should be valid until the end of the quota period; whereas this form of administration requires close collaboration between the Member States and the Commission, and the Commission must be in a position to keep account of the extent to which the quotas have been used up and to inform the Member States accordingly;

Whereas if at a given date in the quota period a considerable quantity of a Member State's initial share remains unused it is essential that such State should return a significant proportion thereof to the reserve, in order to prevent a part of a quota from remaining unused in one Member State while it could be used in others;

Whereas, since the Kingdom of Belgium, the Kingdom of the Netherlands and the Grand Duchy of Luxembourg are united within and jointly represented by the Benelux Economic Union, any measure concerning the administration of the shares allocated to that Economic Union may be carried out by one of its members,

HAS ADOPTED THIS REGULATION:

Article 1

1. For the period 1 January to 31 December 1977 a Community tariff quota of 20 000 metric tons shall be opened within the Community in respect of ferro-silicon falling within subheading No 73.02C of the Common Customs Tariff.

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2. Imports of the product in question shall not be quota if they are already free of customs duties under other preferential tariff treatment.
3. Within this quota, Common Customs Tariff duty shall be totally suspended.
4. With in this quota, the new Member States shall also be exempt from duty.

Article 2

1. The Community tariff quota referred to in Article 1 shall be divided into two tranches.
2. A first tranche of 18 000 metric tons shall be allocated among the Member States; the shares, which subject to Article 5 shall be valid until December 1977, shall be as follows:

Bonelux	3.150	metric tons
Denmark	90	metric tons
Germany	9.864	metric tons
France	90	metric tons
Ireland	36	metric tons
Italy	2.340	metric tons
United Kingdom	2.430	metric tons

3. The second tranche of 2 000 metric tons shall constitute a reserve.

Article 3

1. As soon as a Member State has used $\frac{1}{10}$ or more of its initial share as fixed in Article 2(2), or of that share minus any portion returned to the reserve pursuant to Article 5, it shall forthwith, by notifying the Commission, draw a second share, to the extent that the reserve so permits, equal to 10% of its initial share rounded up as necessary to the next whole number.
2. As soon as a Member State, after exhausting its initial share, has used 90% or more of the second share drawn by it, that Member State shall forthwith, in the manner and to the extent provided in paragraph 1, draw a third share equal to 5% of its initial share rounded up as necessary to the next whole number.
3. As soon as a Member State, after exhausting its second share, has used 90% or more of the third share drawn by it, that Member State shall, in the manner and to the extent provided in paragraph 1, draw a fourth share equal to the third.

It shall continue in this fashion until the reserve is exhausted.

4. By way of derogation from paragraphs 1 to 3, a Member State may draw shares lower than those specified in those paragraphs if there are grounds for believing that those specified may not be used in full. Any Member State applying this paragraph shall inform the Commission of its grounds for so doing.

Article

Additional shares drawn pursuant to Article 3 shall be valid until 31 December 1977 .

Article 5

Member States shall, not later than 1 October 1977, return to the reserve the unused portion of their initial share which, on 15 September 1977, is in excess of 20% of the initial volume. They may return a greater portion if there are grounds for believing that it may not be used in full.

Member States shall, not later than 1 October 1977, notify the Commission of the total quantities of the product in question imported up to and including 15 September 1977 and charged against the Community quota and of any portion of these initial shares returned to the reserve.

Article 6

The Commission shall keep an account of the shares opened by the Member States pursuant to Articles 2 and 3 and shall, as soon as the information reaches it, inform each State of the extent to which the reserve has been used up.

It shall, not later than 5 October 1977, inform the Member States of the amount still in reserve following any return of shares pursuant to Article 5.

It shall ensure that when an amount exhausting the reserve is drawn the amount so drawn does not exceed the balance available, and to this end shall notify the amount of that balance to the Member State making the last drawing.

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Article 7

1. The Member States shall take all appropriate measures to ensure that additional shares drawn pursuant to Article 3 are opened in such a way that importations may be charged without interruption against their accumulated shares of the Community quota.
2. The Member States shall ensure that importers of the product in question established in their territory have free access to the shares allocated to them.
3. The extent to which the Member States have used up their shares shall be determined on the basis of the importations of the products in question entered with the customs authorities for home use.

Article 8

At the request of the Commission, the Member States shall inform it of importations charged against their shares.

Article 9

The Member States and the Commission shall cooperate closely to ensure that this Regulation is complied with.

Article 10

This Regulation shall enter into force on 1 January 1977.

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

Done at Brussels,

For the Council

The President

Protocol for a
COUNCIL REGULATION (EEC)

on the opening, allocation and administration of a Community tariff quota for ferro-silico-manganese falling within subheading No 73.02D of the Common Customs Tariff

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, as regards ferro-silico-manganese falling within subheading No 73.02D of the Common Customs Tariff, the European Economic Community has undertaken to open an annual nil duty tariff quota of 50 000 metric tons; whereas the tariff quota concerned should therefore be opened on 1 January 1977 and allocated among the Member States;

Whereas equal and continuous access to the quota should be ensured for all Community importers and the rate of duty for the tariff quota should be applied consistently to all imports until the quota is exhausted; whereas in the light of these principles, arrangements for the utilization of the Community tariff quota based on an allocation among Member States would seem to be consistent with the Community nature of the quota; whereas, in order to correspond as closely as possible to the actual trend of the market in the product in question, allocation of the quota should be in proportion to the requirements of the Member States as calculated by reference to statistics of imports from third countries during a representative reference period

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and to the economic outlook for the quota period in question;

Whereas during the last three years for which statistics are available, the corresponding imports into each of the Member States represented the following percentages of their total imports of the product in question:

	<u>1973</u>	<u>1974</u>	<u>1975</u>
Benelux	16.63	18.41	11.00
Denmark	0	0	0
Germany	62.49	58.88	71.52
France	0.92	0.46	0.58
Ireland	0	0	0.04
Italy	15.94	19.61	14.04
United Kingdom	4.02	2.64	2.82

Whereas, in view of these factors and of market forecasts for ferro-silico-manganese for 1977, the percentage shares in the quota volume can be expressed roughly as follows:

Benelux	14.90
Denmark	0.10
Germany	65.50
France	0.50
Ireland	0.10
Italy	15.90
United Kingdom	3.00;

Whereas, to take account of future import trends for the product concerned, the quota should be divided into two tranches, the first being

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allocated and the second held as a reserve to cover subsequently the requirements of Member States which have exhausted their initial share; whereas, to give importers some degree of certainty, the first tranche of the tariff quota should be fixed at a relatively high level which could be 96% of the amount of the quota;

Whereas initial shares may be exhausted at different rates; whereas to avoid disruption of supplies on this account, it should be provided that any Member State which has almost used up its initial share should draw an additional share from the reserve; whereas each time its additional share is almost exhausted a Member State should draw a further share, and so on as many times as the reserve allows; whereas the initial and additional shares should be valid until the end of the quota period; whereas this form of administration requires close collaboration between the Member States and the Commission, and the Commission must be in a position to keep account of the extent to which the quota has been used up and to inform the Member States accordingly;

Whereas if at a given date in the quota period a considerable quantity of a Member State's initial share remains unused it is essential that such State should return a significant proportion thereof to the reserve in order to prevent a part of the quota from remaining unused in one Member State while it could be used in others;

Whereas, since the Kingdom of Belgium, the Kingdom of the Netherlands and the Grand Duchy of Luxembourg are united within and jointly represented by the Benelux Economic Union, any measure concerning the administration of the shares allocated to that Economic Union may be carried out by one of its members,

HAS ADOPTED THIS REGULATION:

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Article 1

1. For the period 1 January to 31 December 1977 a Community tariff quota of 50 000 metric tons shall be opened within the Community in respect of ferro-silico-manganese falling within subheading No 73.02D of the Common Customs Tariff.
2. Imports of the products in question shall not be covered by this tariff quota if they are already free of customs duties under other preferential tariff treatment.
3. Within this quota, Common Customs Tariff duty shall be totally suspended.
4. Within this quota, the new Member States shall also be exempt from duty.

Article 2

1. A first tranche of 48 000 metric tons of this Community tariff quota shall be allocated among the Member States; the shares, which subject to Article 5 shall be valid until 31 December 1977 shall be as follows:

Benelux	7.152	metric tons
Denmark	48	metric tons
Germany	31.440	metric tons
France	240	metric tons
Ireland	48	metric tons
Italy	7.632	metric tons
United Kingdom	1.440	metric tons

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2. The second tranche of 2 000 met tons shall constitute a reserve.

Article 3

1. As soon as a Member State has used 90% or more of its initial share as fixed in Article 2(1), or of that share minus any portion returned to the reserve pursuant to Article 5, it shall forthwith, by notifying the Commission, draw a second share, to the extent that the reserve so permits, equal to 10% of its initial share rounded up as necessary to the next whole number.
2. As soon as a Member State, after exhausting its initial share, has used 90% or more of the second share drawn by it, that Member State shall forthwith, in the manner and to the extent provided in paragraph 1, draw a third share equal to 5% of its initial share rounded up as necessary to the next whole number.
3. As soon as a Member State, after exhausting its second share, has used 90% or more of the third share drawn by it, that Member State shall, forthwith, and in accordance with the same conditions, draw a fourth share equal to the third.

It shall continue in this fashion until the reserve is exhausted.

4. By way of derogation from paragraphs 1 to 3, a Member State may draw shares lower than those specified in those paragraphs if there are grounds for believing that those specified may not be used in full. Any Member State applying this paragraph shall inform the Commission of its grounds for so doing.

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Article 4

Additional shares drawn pursuant to Article 3 shall be valid until 31 December 1977.

Article 5

Member States shall, not later than 1 October 1977, return to the reserve, the unused portion of their initial share which, on 15 September 1977, is in excess of 20 % of the initial volume. They may return a greater portion if there are grounds for believing that it may not be used in full.

Member States shall, not later than 1 October 1977, notify the Commission of the total quantities of the product in question imported up to and including 15 September 1977 and charged against the Community quota and of any portion of these initial shares returned to the reserve.

Article 6

The Commission shall keep an account of the shares opened by the Member States pursuant to Articles 2 and 3 and shall, as soon as the information reaches it, inform each State of the extent to which the reserve has been used up.

It shall, not later than 5 October 1977, inform the Member States of the amount still in reserve following any return of shares pursuant to Article 5.

It shall ensure that when an amount exhausting the reserve is drawn the amount so drawn does not exceed the balance available, and to this end shall notify the amount of that balance to the Member State making the last drawing.

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Art 7

1. The Member States shall take all appropriate measures to ensure that additional shares drawn pursuant to Article 3 are opened in such a way that importations may be charged without interruption against accumulated share of the Community quota.
2. The Member States shall ensure that importers of the product in question established in their territory have free access to the shares allocated to them.
3. The Member States shall charge importations of the product in question against their shares as and when the product is entered with the customs authorities for home use.
4. The extent to which the Member States have used up their shares shall be determined on the basis of the importations against these shares in accordance with paragraph 3.

Article 8

At the request of the Commission, the Member States shall inform it of the importations actually charged against their shares.

Article 9

The Member States and the Commission shall cooperate closely to ensure that this Regulation is complied with.

Article 10

This Regulation shall enter into force on 1 January 1977.

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

Done at Brussels,

For the Council

The President

ANNEX C

Proposal for a
COUNCIL REGULATION (EEC)

on the opening, allocation and administration of a
Community tariff quota for ferro-chromium containing
not more than 0.10% by weight of carbon and more than 30%
but not exceeding 90% inclusive by weight of chromium
(super-refined ferro-chromium) falling within subheading
No ex 73.02 E I of the Common Customs Tariff

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, as regards ferro-chromium containing by weight not more than 0.10%
of carbon and more than 30% but not exceeding 90% of chromium
(superrefined ferro-chromium) falling within subheading No 73.02 E I,
of the Common Customs Tariff, the European Economic Community has undertaken
to open an annual nil duty tariff quota of 3 000 metric tons; whereas the
tariff quota concerned should therefore be opened on 1 January 1977 and
allocated among the Member States;

Whereas arrangements for the utilization of the Community tariff quota
based on an allocation among Member States would seem to be consistent
with the Community nature of the quota; whereas, to
correspond as closely as possible to the actual trend of the market in
the product in question, allocation of the quota should be in
proportion to the requirements of the Member States as calculated by
reference to statistics of imports from third countries during a
representative reference period and to the economic outlook for the
quota period in question;

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Whereas, during the last three years for which statistics are available, the corresponding imports into each of the Member States represented the following percentages of their total imports of the product in question:

	<u>1973</u>	<u>1974</u>	<u>1975</u>
Benelux	1.42	6.84	10.27
Denmark	0.08	0.07	0.15
Germany	80.92 ¹	42.92	48.52
France	1.08	15.55	0.30
Ireland	0	0.06	0.01
Italy	6.75	17.57	17.40
United Kingdom	9.75	17	23.35

¹Based on general imports of ferro-chromium.

Whereas, in view of these factors and of market forecasts for ferro-chromium for 1977, the percentage shares in the quota volume can be expressed, roughly as follows:

Benelux:	10.08
Denmark:	0.14
Germany:	43.11
France:	0.28
Ireland:	0.01
Italy:	17.09
United Kingdom:	29.29;

Whereas, to take account of future import trends for the products concerned, the quota should be divided into two tranches, the first being allocated and the second held as a reserve to cover subsequently the requirements of Member States which have exhausted their initial share; whereas to give importers some degree of certainty, the first

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tranche of the tariff quota should be fixed at a relatively high level which could be 90% of the amount of the quota;

Whereas initial shares may be exhausted at different rates; whereas to avoid disruption of supplies on this account it should be provided that any Member State which has almost used up its initial share should draw an additional share from the reserve; whereas each time its additional share is almost exhausted a Member State should draw a further share, and so on as many times as the reserve allows; whereas the initial and additional shares should be valid until the end of the quota period; this form of administration requires close collaboration between the Member States and the Commission, and the Commission must be in a position to keep account of the extent to which the quota has been used up and to inform the Member States accordingly;

Whereas if at a given date in the quota period a considerable quantity of a Member State's initial share remains unused it is essential that such a State should return a significant proportion thereof to the reserve, to prevent a part of the quota from remaining unused in one Member State while it could be used in others.

Whereas, since the Kingdom of Belgium, the Kingdom of the Netherlands and the Grand Duchy of Luxembourg are united within and jointly represented by the Benelux Economic Union, any measure concerning the administration of the shares allocated to that Economic Union may be carried out by one of its members,

HAS ADOPTED THIS REGULATION:

Article 1

1. For the period 1 January to 31 December 1977, a Community tariff quota of 3 000 metric tons shall be opened within the Community in respect of

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ferro-chromium containing by weight not more than 0.10% of carbon and more than 30% but not exceeding 90% of chromium (superrefined ferro-chromium) falling within subheading No 73.02 C of the Common Customs Tariff.

2. Imports of the product in question shall not be covered by this tariff quota if they are already free of customs duties under other preferential tariff treatment.
3. Within this quota, Common Customs Tariff duty shall be totally suspended.
4. Within this quota, the new Member States shall also be exempt from duty.

Article 2

1. A first tranche of 2 700 metric tons of this Community tariff quota shall be allocated among the Member States; the shares, which subject to Article 5 shall be valid from 1 January to 31 December 1977 shall be as follows:

Benelux:	272	metric tons
Denmark:	4	metric tons
Germany:	1 164	metric tons
France:	7	metric tons
Ireland:	1	metric ton
Italy:	461	metric tons
United Kingdom:	791	metric tons

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2. The second tranche, of 300 metric tons shall constitute a reserve.

Article 3

1. As soon as a Member State has used 90% or more of its initial share as fixed in Article 2(1), or of that share minus any portion returned to the reserve pursuant to Article 5, it shall forthwith, by notifying the Commission, draw a second share, to the extent that the reserve so permits, equal to 10% of its initial share rounded up as necessary to the next whole number.
2. As soon as a Member State, after exhausting its initial share, has used 90% or more of the second share drawn by it, that Member State shall forthwith, in the manner and to the extent provided in paragraph 1, draw a third share equal to 5% of its initial share rounded up as necessary to the next whole number.
3. As soon as a Member State, after exhausting its second share, has used 90% or more of the third share drawn by it, that Member State shall, in the manner and to the extent provided in paragraph 1, draw a fourth share equal to the third.

It shall continue in this fashion until the reserve is exhausted.

4. By way of derogation from paragraphs 1 to 3, a Member State may draw shares lower than those specified in those paragraphs if there are grounds for believing that those specified may not be used in full. Any Member State applying this paragraph shall inform the Commission of its grounds for so doing.

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Article 4

Additional shares drawn pursuant to Article 3 shall be valid until 31 December 1977.

Article 5

Member States shall, not later than 1 October 1977, return to the reserve the unused portion of their initial share which, on 15 September 1977, is in excess of 20 % of the initial volume.

They may return a greater portion if there are grounds for believing that it may not be used in full.

Member States shall, not later than 1 October 1977, notify the Commission of the total quantities of the product in question imported up to and including 15 September 1977 and charged against the Community quota and of any portion of their initial shares returned to the reserve.

Article 6

The Commission shall keep an account of the shares opened by the Member States pursuant to Articles 2 and 3 and shall, as soon as the information reaches it, inform each State of the extent to which the reserve has been used up.

It shall, not later than 15 October 1977, inform the Member States of the amount still in reserve following any return of shares pursuant to Article 5.

It shall ensure that when an amount exhausting the reserve is drawn the amount so drawn does not exceed the balance available, and to this end shall notify the amount of that balance to the Member State making the last drawing.

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Article

1. The Member States shall take all appropriate measures to ensure that additional shares drawn pursuant to Article 3 are opened in such a way that importations may be charged without interruption against their accumulated shares of the Community quota.
2. The Member States shall ensure that importers of the product in question established in their territory have free access to the shares allocated to them.
3. The extent to which the Member States have used up their shares shall be determined on the basis of the importations of the products in question entered with the customs authorities for home use.

Article 8

At the request of the Commission; the Member States shall inform it of the importations charged against their shares.

Article 9

~~The Member States and the Commission shall cooperate closely to ensure that this Regulation is complied with.~~

Article 10

This Regulation shall enter into force on 1 January 1977.

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

Done at Brussels,

For the Council
The President

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