

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(80) 656 final

Brussels, 3rd November 1980

DRAFT COUNCIL REGULATION (EEC)

opening, allocating and providing for the administration of a Community tariff quota for raw silk (not thrown), falling within heading No 50.02 of the Common Customs Tariff (1981)

DRAFT COUNCIL REGULATION (EEC)

opening, allocating and providing for the administration of a Community tariff quota for yarn, entirely of silk, other than yarn of noil or other waste silk, not put up for retail sale, falling within heading No ex 50.04 of the Common Customs Tariff (1981)

DRAFT COUNCIL REGULATION (EEC)

opening, allocating and providing for the administration of a Community tariff quota for yarn, spun entirely from silk waste other than noil, not put up for retail sale, falling within subheading 50.05 A of the Common Customs Tariff (1981)

(presented by the Commission to the Council)

COM(80) 656 final

EXPLANATORY MEMORANDUM

The situation as regards raw silk, yarn entirely of silk and yarn spun entirely from silk waste other than noil was reviewed once again by Commission staff together with experts from the Member States at a meeting of the Group on Economic Tariff Problems organized by the Commission in April 1980.

As in previous years, there was a general consensus in favour of maintaining things as they were.

The following emerged from these discussions :

1. Raw silk (not thrown)

For some years the volume of Community output had been extremely low and production continues only in some regions of Italy.

The reduction may be put down to several factors, one being that production came from small holdings that were not sufficiently rationalized and modernized and another that some non-member countries, especially the People's Republic of China, offered for sale on the Community market very large quantities of high-quality products very advantageous prices.

The Community had some time ago decided that it was advantageous for the EEC to maintain its own production of raw silk. As a result efforts have been made in Italy to modernize and rationalize this activity by investing several tens of thousands of million Italian lira, with aid either from the Community (EAGGF) or from the State, the regions, the "Cassa del Mezzogiorno" and individual breeders. These efforts were designed to bring about a gradual increase in production in the future.

In view of this situation it appears that an extension of the quota scheme now in force would secure the Community's supply and allow trends in Community production to be monitored without jeopardizing its future prospects.

.../...

According to current estimates, the level of Community production in 1981 would be close to that expected for 1980, about 40 tonnes.

On the basis of Member States' estimates, their import requirements may be put at a total volume of 4 800 tonnes. This has therefore been taken as the figures for the initial quota in the attached draft regulation, but the possibility of subsequent adjustments in the course of the quota year are not ruled out.

2. For yarn entirely of silk or spun entirely from silk waste other than noil

These are specific qualities of yarn which are classified under tariff heading ex 54.04 and sub-heading 50.05 A but for which there are no statistical subdivisions. In the absence of statistical data, it was necessary to rely on Member States' estimates as to their import requirements to determine the volume of the quotas. For 1981, these requirements total 60 tonnes for silk yarn and 270 tonnes for yarn spun entirely from silk waste other than noil, and these figures have been taken as the quota volumes in the attached draft regulations.

With regard to the quota duties, the Commission has no date justifying a change in the 2.5% duty adopted in 1980 for silk yarn, exemption from duty for raw silk and yarn spun entirely from silk waste other than noil is once again proposed for 1981.

Draft
COUNCIL REGULATION (EEC)

opening, allocating and providing for the administration of a Community tariff quota for raw silk (not thrown), falling within heading No 50.02 of the Common Customs Tariff (1981)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 28 thereof,

Having regard to the draft Regulation submitted by the Commission,

Whereas Community production of raw silk (not thrown) falling within heading No 50.02 of the Common Customs Tariff does not cover the needs of the user industries; whereas the supply of the latter therefore depends to a great extent on imports from non-member countries; whereas it is in the interests of the Community to suspend totally the Common Customs Tariff duty on the product in question, within the limits of an appropriate Community tariff quota;

Whereas it is desirable at the present time to avoid final measures which could lead to the halting of action taken in the sector over a number of years to increase Community production; whereas, under such conditions, it is advisable to extend the tariff system in force in 1980;

Whereas Community production does not appear to have changed considerably when compared with 1980; whereas, taking account of this production and of the forecasts for 1981 the imports needed to satisfy consumption within the Community can be estimated at 4800 tonnes; whereas the fixing of the quota amount at this level does not preclude an adjustment within the quota period;

Whereas equal and continuous access to the quota should be ensured for all Community importers and the rate laid down for the tariff quota should be applied consistently to all imports of the product in question until the quota is used up; whereas a system of utilization of the Community tariff quota, based on an allocation between the Member States concerned, would, in the light of the principles outlined above, appear consistent with the Community nature of the quota;

Whereas, in view of these factors, the initial percentage shares in the quota volume for 1980 can be expressed approximately as follows:

Benelux	0.11	
Denmark	0.11	
Germany	4.59	
France - Greece	22.89	-0.11
Ireland	0.11	
Italy	68.65	
United Kingdom	3.43	

Whereas, to take account of future trends in imports of the product in question in all the Member States, the quota should be divided into two instalments, the first being distributed among the Member States and the second to form a reserve intended to cover any subsequent requirements of Member States who have used up their initial shares; whereas, in order to ensure a certain degree of security for importers of each Member State the first instalment should in this case be fixed at about 90% of the total quota;

Whereas the initial shares may be used up at different rates: whereas, to provide for this eventuality and to avoid disruption of supplies, any Member State which has almost used up its initial share should draw an additional share from the reserve; whereas this should be done by each Member State when each of its additional shares has been almost used up, 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 Member States and the Commission, which latter must, in particular, be able to keep a record of the extent to which the tariff 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 the initial share is left over in a Member State, it is essential that that Member State should return a significant proportion to the reserve, so as to avoid a part of the quota remaining unused in one Member State when 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 any one of its members,

HAS ADOPTED THIS REGULATION:

Article 1

1. From 1 January to 31 December 1981, the autonomous duty of the Common Customs Tariff for raw silk (not thrown), falling within heading No 50.02, shall be totally suspended within a Community tariff quota of 4 800 tonnes.
2. Within the limits of this tariff quota, Greece shall apply duties calculated in accordance with the relevant provisions in the Act of Accession of that country¹.

Article 2

1. A first instalment of 4 370 tonnes of this Community tariff quota shall be allocated among the Member States. Member States' shares, which, subject to Article 5, shall be valid until 31 December 1981 shall be as follows:

	<i>tonnes</i>
Benelux	5
Denmark	5
Germany	200
Greece	5
France	1 000
Ireland	5
Italy	3 000
United Kingdom	150

2. The second instalment of 4 30 tonnes shall constitute the reserve.

¹ OJ No L 291, 19.11.1979, p. 17.

Article 3

1. If 90 % or more of a Member State's initial share as fixed in Article 2 (1), or of that share minus any portion returned to the reserve where Article 5 has been applied, has been used up, that Member State 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. If, after its initial share has been used up, 90 % or more of the second share drawn by a Member State has been used up, 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.

3. If, after its second share has been used up, 90 % or more of the third share drawn by a Member State has been used up, that Member State shall forthwith, in accordance with the same conditions, draw a fourth share equal to the third.

This procedure shall apply until the reserve is used up.

4. By way of derogation from paragraphs 1, 2 and 3, Member States may draw lesser shares than those specified therein if there are grounds for believing that those specified may not be used in full. They shall inform the Commission of their reasons for applying this paragraph.

Article 4

Additional shares drawn pursuant to Article 3 shall be valid until 31 December 1981.

Article 5

Member States shall return to the reserve, not later than 1 October 1981, the unused portions of their initial shares which, on 15 September 1981, are in excess of 30 % of the initial amounts. They may return a greater portion if there are grounds for believing that such portion may not be used up.

Member States shall notify the Commission, not later than 1 October 1981, of the total quantities of raw silk imported up to and including 15 September 1981 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, as soon as it has been notified, shall inform each State of the extent to which the reserve has been used up.

It shall inform the Member States, not later than 5 October 1981, of the amount in the reserve after amounts have been returned thereto pursuant to Article 5.

It shall ensure that the drawing which exhausts the reserve 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.

Article 7

1. Member States shall take all appropriate measures to ensure that additional shares drawn pursuant to Article 3 are opened in such a way that imports may be charged without interruption against their aggregate shares of the Community quota.

2. 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. Member States shall charge imports of the product in question against their shares as the product is entered with the customs authorities for free circulation.

4. The extent to which a Member State has used up its share shall be determined according to the conditions in paragraph 3.

Article 8

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

Article 9

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 1981.

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

Done at Brussels,

For the Council
The President

Draft

COUNCIL REGULATION (EEC)

opening, allocating and providing for the administration of a Community tariff quota for yarn, entirely of silk, other than yarn of noil or other waste silk, not put up for retail sale, falling within heading No ex 50.04 of the Common Customs Tariff (1981)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 28 thereof,

Having regard to the draft Regulation submitted by the Commission,

Whereas silk yarn is produced in the Community; whereas, although that production could cover all the Community requirements by reason of its overall volume, this does not apply with regard to yarn entirely spun from silk; whereas there is, as a result, an insufficient supply in the Community;

Whereas consequently Community supply for those qualities of yarn depends to a considerable extent on imports; whereas full application of the Common Customs Tariff duty would result in those products being subjected to a considerable customs charge while products manufactured from silk yarn face powerful competition from similar products manufactured from other material; whereas an insufficient supply, added to competition at finished product level, might have adverse effects on the Community's processing industries;

Whereas the Common Customs Tariff duty applicable to imports of the silk yarn in question in 1981 is 6.5%; whereas, when fixing the quota duty, it is appropriate to take into account, on the one hand, the situation of the Community silk yarn producing industry and, on the other, that of the silk yarn processing industries with regard to their supplies on favourable terms; whereas a quota duty of 2.5% could best meet the abovementioned requirements;

Whereas the trends in imports during recent years suggest that the import requirements for the yarns in question might be in the region of 60 tonnes for 1981; whereas the opening of a Community tariff quota of that volume is unlikely to harm Community production;

Whereas equal and continuous access to the quota should be ensured for all importers and the rate laid

down for the tariff quota should be applied consistently to all imports of the product in question until the quota is used up; whereas a system of utilization of the Community tariff quota, based on an allocation between the Member States concerned, would, in the light of the principles outlined above, appear consistent with the Community nature of the quota;

Whereas, in view of these factors and of the forecasts which it is possible to make, the initial percentage shares in the quota volume can be expressed approximately as follows:

Benelux	2.08
Denmark	2.08
Germany	20.83
Greece	2.08
France	25
Ireland	2.08
Italy	41.67
United Kingdom	4.18

Whereas, to take account of future trends in imports of the products in question, in the various Member States, the quota should be divided into two instalments, the first being distributed among the Member States and the second to form a reserve intended to cover any subsequent requirements of Member States who have used up their initial shares; whereas in order to ensure a certain degree of security for importers of each Member State the first instalment should in this case be 80 % of the total quota;

Whereas the initial shares may be used up at different rates; whereas, to provide for this eventuality and to avoid disruption of supplies, any Member State which has almost used up its initial share should draw an additional share from the reserve; whereas this should be done by each Member State when each of its additional shares has been almost used up, 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 Member States and the Commission, which latter must, in particular, be able to keep a record of the extent to which the tariff 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 the initial share is left over in a Member State, it is essential that that Member State should return a significant proportion to the reserve, so as to avoid a part of the quota remaining unused in one Member State when 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 any one of its members,

HAS ADOPTED THIS REGULATION:

Article 1

1. From 1 January to 31 December 1981 the autonomous duty of the Common Customs Tariff for yarn entirely of silk, other than yarn of noil or other waste silk, not put up for retail sale, falling within heading No ex 50.04 shall be suspended at 2.5 % within a Community tariff quota of 60 tonnes.

2. Within the limits of this tariff quota, Greece shall apply duties calculated in accordance with the relevant provisions in the Act of Accession of that country¹.

Article 2

1. A first instalment of 48 tonnes of this Community tariff quota shall be allocated among the Member States. Member States' shares which, subject to Article 5, shall be valid until 31 December 1981, shall be as follows:

	<i>in tonnes</i>
Benelux	1
Denmark	1
Germany _ Greece	10 _ 1
France	12
Ireland	1
Italy	20
United Kingdom	2

2. The second instalment of 12 tonnes shall constitute the reserve.

Article 3

1. If 90 % or more of a Member State's initial share as fixed in Article 2 (1), or of that share minus any portion returned to the reserve where Article 5 has been applied, has been used up, that Member State 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.

¹ OJ No L 291, 19.11.1979, p. 17 .

2. If, after its initial share has been used up, 90 % or more of the second share drawn by a Member State has been used up, 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.

3. If, after its second share has been used up, 90 % or more of the third share drawn by a Member State has been used up, that Member State shall forthwith, in accordance with the same conditions, draw a fourth share equal to the third.

This procedure shall apply until the reserve is used up.

4. By way of derogation from paragraphs 1, 2 and 3, Member States may draw lesser shares than those specified therein if there are grounds for believing that those specified may not be used in full. They shall inform the Commission of their reasons for applying this paragraph.

Article 4

Additional shares drawn pursuant to Article 3 shall be valid until 31 December 1981.

Article 5

Member States shall return to the reserve, not later than 1 October 1981, the unused portions of their initial shares which, on 15 September 1981, are in excess of 20 % of the initial amounts. They may return a greater portion if there are grounds for believing that such portion may not be used up.

Member States shall notify the Commission, not later than 1 October 1981, of the total quantities of silk yarn imported up to and including 15 September 1981 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, as soon as it has been notified, shall inform each State of the extent to which the reserve has been used up.

It shall inform the Member States, not later than 5 October 1981 of the amount in the reserve after amounts have been returned thereto pursuant to Article 5.

It shall ensure that the drawing which exhausts the reserve 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.

Article 7

1. Member States shall take all appropriate measures to ensure that additional shares drawn

pursuant to Article 3 are opened in such a way that imports may be charged without interruption against their aggregate shares of the Community quota.

2. 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. Member States shall charge against their shares imports of the product in question as and when the product is entered in with the customs authorities for free circulation.

4. The extent to which a Member State has used up its share shall be determined on the basis of the imports charged in accordance with paragraph 3.

Article 8

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

Article 9

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 1981.

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

Done at Brussels,

For the Council
The President

Draft

COUNCIL REGULATION (EEC)

opening, allocating and providing for the administration of a Community tariff quota for yarn, spun entirely from silk waste other than noil, not put up for retail sale, falling within subheading 50.05 A of the Common Customs Tariff (198 1)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 28 thereof,

Having regard to the draft Regulation submitted by the Commission,

Whereas yarn spun from waste silk is produced in the Community; whereas, although that production should cover all the Community requirements by reason of its overall volume, this does not apply with regard to yarn entirely spun from waste silk; whereas there is, as a result, an insufficient supply in the Community;

Whereas, consequently, Community supplies of those qualities of yarn depend to a considerable extent on imports; whereas full application of the Common Customs Tariff duty would result in those products being subjected to a considerable customs charge while products manufactured from silk yarn face powerful competition from similar products manufactured from other material; whereas an insufficient supply, added to competition at finished product level, might have adverse effects on the Community's processing industries;

Whereas the Common Customs Tariff duty applicable to imports of the yarn spun from waste silk in question is 3.4%; whereas, when fixing the quota duty, it is appropriate to take into account, on the one hand, the situation of the Community industry producing yarn spun from waste silk and, on the other, that of the industries processing yarn spun from waste silk with regard to their supplies on favourable terms; whereas a zero quota duty could best meet the above-mentioned requirements;

Whereas the trends in imports in recent years suggest that Community import requirements for the yarns in question might be in the region of 270 tonnes for 1981; whereas the opening of a Community tariff quota of that volume is unlikely to harm Community production;

Whereas equal and continuous access to the quota should be ensured for all importers and the rate laid down for the tariff quota should be applied consistently to all imports of the product in question until the quota is used up; whereas a system of utilization of the Community tariff quota, based on an allocation between the Member States concerned, would, in the light of the principles outlined above, appear consistent with the Community nature of the quota;

Whereas, in view of these factors and of the forecasts which it is possible to make, the initial percentage shares in the quota volume can be expressed approximately as follows:

Benelux	2.08	
Denmark	2.08	
Germany	20.83	2.08
Greece	25	
Ireland	2.08	
Italy	41.67	
United Kingdom	4.18	

Whereas, to take account of future trends in imports of the product in question in the various Member States the quota should be divided into two instalments, the first being distributed among the Member States and the second to form a reserve intended to cover any subsequent requirements of Member States who have used up their initial shares; whereas in order to ensure a certain degree of security for importers of each Member State the first instalment should be fixed at approximately 80% of the total quota;

Whereas the initial shares may be used up at different rates; whereas, to provide for this eventuality and to avoid disruption of supplies, any Member State which has almost used up its initial share should draw an additional share from the reserve; whereas this should be done by each Member State when each of its additional shares has been almost used up, 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 Member States and the Commission, which latter must be able to keep a record of the extent to which the tariff quota has been used up and to inform the Member States accordingly;

Whereas if, at given date in the quota period, a considerable quantity of the initial share is left over in a Member State, it is essential that that Member State should return a significant proportion to the reserve, so as to avoid a part of the quota remaining unused in one Member State when 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 any one of its members,

HAS ADOPTED THIS REGULATION:

Article 1

1. From 1 January to 31 December 1989 the autonomous duty of the Common Customs Tariff for yarn, spun entirely from silk waste other than noil, not put up for retail sale, falling within subheading 50.05 A, shall be totally suspended within a Community tariff quota of 270 tonnes.

2. Within the limits of this tariff quota, Greece shall apply duties calculated in accordance with the relevant provisions in the Act of Accession of that country¹.

Article 2

1. A first instalment of 214 tonnes of this Community tariff quota shall be allocated among the Member States. Member States' shares which, subject to Article 5, shall be valid until 31 December 1981, shall be as follows:

	<i>in tonnes</i>
Benelux	1
Denmark	1
Germany _ Greece	10 _ 1
France	60
Ireland	1
Italy	100
United Kingdom	40

2. The second instalment of 56 tonnes shall constitute the reserve.

Article 3

1. If 90 % or more of a Member State's initial share as fixed in Article 2 (1), or of that share minus any portion returned to the reserve where Article 5 has been applied, has been used up, that Member State 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.

The President

¹ OJ No L 291, 19.11.1979, p. 17 .

2. If, after its initial share has been used up, 90 % or more of the second share drawn by a Member State has been used up, that Member State shall forthwith, in the same manner and to the extent provided in paragraph 1, draw a third share equal to 5 % of its initial share.

3. If, after its second share has been used up, 90 % or more of the third share drawn by a Member State has been used up, that Member State shall forthwith, in accordance with the same conditions, draw a fourth share equal to the third.

This procedure shall apply until the reserve is used up.

4. By way of derogation from paragraphs 1, 2 and 3, Member States may draw lesser shares than those specified therein if there are grounds for believing that those specified may not be used in full. They shall inform the Commission of their reasons for applying this paragraph.

Article 4

Additional shares drawn pursuant to Article 3 shall be valid until 31 December 1981.

Article 5

Member States shall return to the reserve, not later than 1 October 1981, the unused portions of their initial shares which, on 15 September 1961, are in excess of 20 % of the initial amounts. They may return a greater portion if there are grounds for believing that such portion may not be used up.

Member States shall notify the Commission, not later than 1 October 1981 of the total quantities of yarn spun entirely from silk waste imported up to and including 15 September 1981 and charged against the Community quota and of any portions 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, as soon as it has been notified, shall inform each State of the extent to which the reserve has been used up.

It shall inform the Member States, not later than 5 October 1981 of the amount in the reserve after amounts have been returned thereto pursuant to Article 5.

It shall ensure that the drawing which exhausts the reserve 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.

Article 7

1. Member States shall take all appropriate measures to ensure that additional shares drawn

pursuant to Article 3 are opened in such a way that imports may be charged without interruption against their aggregate shares of the Community quota.

2. 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. Member States shall charge against their shares imports of the product in question as and when the product is entered with the customs authorities for free circulation.

4. The extent to which a Member State has used up its share shall be determined on the basis of the imports charged in accordance with paragraph 3.

Article 8

At the Commission's request Member States shall inform it of the imports actually charged against their shares.

Article 9

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 1981.

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

Done at Brussels,

For the Council
The President

