

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(77) 226 final

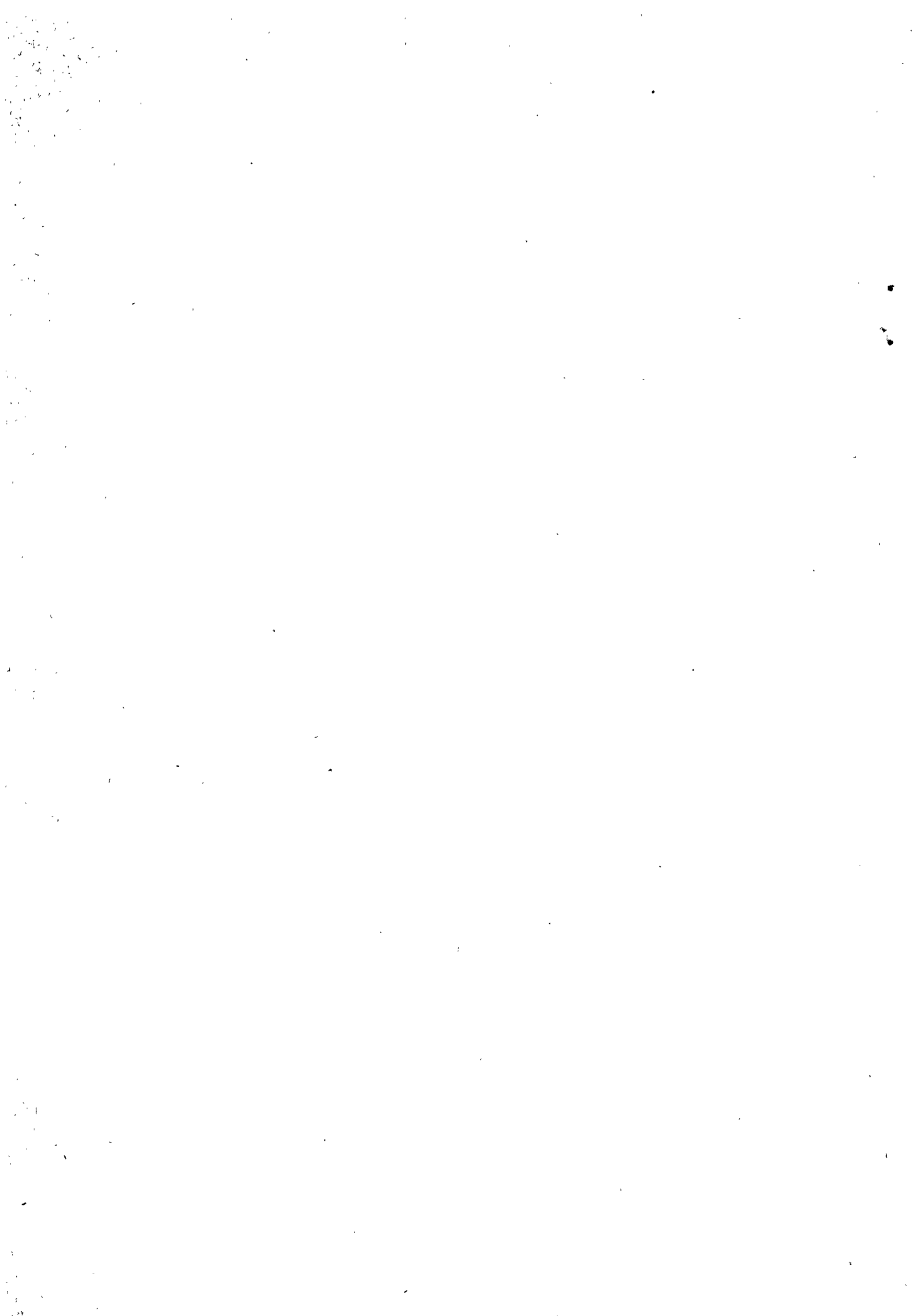
Brussels, 3 June 1977

Proposal for a
COUNCIL REGULATION (EEC)

on the opening, allocation and administration
of a Community tariff quota for products falling
within subheading 22.09 C I of the Common Customs
Tariff, originating in the ACP States (1977/1978)

(submitted to the Council by the Commission)

COM(77) 226 final



EXPLANATORY MEMORANDUM

1. The Convention between the ACP States and the EEC together with Protocol No 7 provides that the products falling within subheading No 22.09 C I of the CCT (rum, arrack, rafia), originating in the ACP States, shall be imported duty free into the Community. These preferential arrangements are restricted, however, to a quantity which is to be fixed annually by the Community on the basis of the largest quantities imported annually from the ACP States during the last three years for which statistics are available, increased by an annual growth rate of 40% on the British market and 13% on the other Community markets.

The declaration contained in the Council Minutes (Meeting of 13-15 January 1975) provides for the allocation of the annual quantity among the Member States under Community Tariff quota arrangements.

The current tariff quota opened for the goods in question in favour of the ACP States ends on 30 June 1977. It is necessary, therefore, to open a corresponding tariff quota for a further period of 12 months from 1 July 1977 to 30 June 1978, taking into account the accession of new States to the abovementioned Convention (in particular Surinam).

2. Community imports of the goods concerned during the last three years were as follows :

- in hectolitres of pure alcohol -

| | <u>1974</u> | <u>1975</u> | <u>1976</u> |
|----------------|----------------|----------------|----------------|
| Benelux | 4,960 | 3,914 | 4,979 |
| Denmark | 2,608 | 2,720 | 3,349 |
| Germany | 17,323 | 21,724 | 19,666 |
| France | 10,424 | 8,169 | 5,233 |
| Ireland | 1,898 | 1,654 | 1,345 |
| Italy | 602 | 103 | 384 |
| United Kingdom | 93,056 | 84,676(1) | 85,474(2) |
| EC | <u>130,871</u> | <u>122,960</u> | <u>120,430</u> |

=best year

(1) including 12,600 hl imported from the Bahamas

(2) including 4,636 hl imported from the Bahamas.

.../...

The quota volume to be taken into account on this basis for the period from 1 July 1977 to 30 June 1978 should be 173,009 hectolitres of pure alcohol.

3. In this case, as an exception to the normal rule, provision is not being made to divide the quota volume into two instalments one of which institutes a reserve. Instead, a method of use of the quota is provided for based on an allocation in definitive shares amongst Member States.

The calculation of these shares is based on the largest quantities imported annually into each Member State during the three years referred to above, respecting, however, the two growth rates mentioned under point 1. This method of calculation has already been used for the allocation of the tariff quota at present in force.

4. The annexed table shows in detail the amounts actually charged against the tariff quotas in question (periods 1975/76 and 1976/1977).
5. It is proposed that the draft for a Council Regulation described above should be approved (see annex).

Subheading 22.09 C I - Rum, arrack, tafia, originating in the ACP States

Amounts charged against the tariff quotas opened in 1975/76 and 1976/77

- in hectolitres of pure alcohol -

| | IMPORTS | | | Quota opened 2nd half year 75 and 1st half year 76 | Imports 2nd half year 1976 | Quota opened 2nd half year and 1st half year 1977 |
|-----|-----------------------|-----------------------|--|---|----------------------------------|--|
| | 2nd half year 1975 | 1st half year 1976 | total 2nd half year 75 and 1st half year 76 | | | |
| BX | 866 | 2.634 | 3.500 | 3.500 | 3.511 | 3.697 / 4.827 |
| DK | 954 | 989 | 1.943 | 2.900 | 1.063 | 2.700 |
| D | 10.023 | 11.053 | 21.076 | 26.000 | 7.765 | 16.620 / 24.643 |
| F | 3.900 | 2.100 | 6.000 | 6.000 | 3.330 | 12.051 |
| IRL | 473 | 366 | 839 | 1.000 | 678 | 1.000 |
| IT | 185 | 22 | 207 | 600 | - | 550 |
| UK | 38.776 | 23.900 | 62.676 | 128.000 | 54.582 | 125.395 |
| EC | 55.177 | 41.064 | 96.241 | 168.000 | 70.927 | 162.013 / 171.166 |

including / excluding
Surinam

Proposal for a
COUNCIL REGULATION (EEC)

on the opening, allocation and administration of a Community tariff quota for products falling within subheading 22.09 C I of the Common Customs Tariff, originating in the ACP States (1977/1978),

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 the ACP-EEC Lomé Convention signed on 28 February 1975, together with Protocol 7 annexed thereto, provides that

until the entry into force of a common organization of the market in spirits, products falling within tariff subheading 22.09 C I (rum, arrack, tafia), originating in the ACP States, shall be imported into the Community free of customs duties under conditions such as to permit the development of traditional trade flows between the ACP States and the Community and between the Member States; whereas the Community shall fix each year the quantities which may be imported free of customs duties on the basis of the largest quantities imported annually from the ACP States into the Community in the last three years for which statistics are available, increased by an annual growth rate of 40% on the market of the United Kingdom and 13% on the other markets of the Community, these growth rates being based on foreseeable internal demand in each Member State;

Whereas, having

regard to the levels reached by imports of the products concerned into the Community and the Member States during the last three years for which statistical information is available; whereas the amount of the tariff quota for the period from 1 July 1977 to 30 June 1978 should therefore be fixed at 173 009 hectolitres of pure alcohol;

.../...

Whereas a Community tariff arrangement based on an allocation between the Member States would seem to preserve the Community nature of the quota; whereas in this case the tariff quota should be allocated amongst the Member States on the basis of the largest quantities imported annually into ^{each of the} 7 Member State during the three last years and taking into account the above mentioned growth rates;

Whereas, owing to the special character of the products in question and their sensitivity on Community markets, exceptional provision should be made for an arrangement based on a single allocation amongst Member States;

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

HAS ADOPTED THIS REGULATION :

Article 1

inclusive

From 1 July 1977 until 30 June 1978² rum, arrack and tafia falling within subheading 22.09 C I of the Common Customs Tariff, originating in the ACP States, shall be imported duty free into the Community within the limits of a Community tariff quota of 173 009 hectolitres of pure alcohol.

Article 2

The Community tariff quota referred to in Article 1 shall be allocated amongst the Member States as follows :

| | (hectolitres of pure alcohol) |
|----------------|-------------------------------|
| Benelux | 5 443 |
| Denmark | 3 660 |
| Germany | 23 748 |
| France | 11 395 |
| Ireland | 2 075 |
| Italy | 658 |
| United Kingdom | 126 030. |

.../...

Article 3

1. Member States shall ensure that importers of the goods in question, who are established in their territory, shall have free access to the shares allocated to them.
2. The extent to which the Member States have used up their shares shall be determined on the basis of the imports of the products in question originating in the ACP States declared at customs for clearance for home use.

Article 4

1. Member States shall inform the Commission each month of imports actually charged against the tariff quota.
2. The Commission shall at regular intervals inform the Member States of the extent to which the tariff quota has been used up.
3. Where necessary, consultations may be held at the request of a Member State or on the initiative of the Commission.

Article 5

The Commission shall take all necessary measures, in close co-operation with the Member States, to ensure the implementation of this Regulation.

Article 6

This Regulation shall enter into force on 1 July 1977.

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

Done at Brussels,

For the Council
The President

FINANCIAL STATEMENT

1. Budget line concerned : Ch. 12 Art. 120
2. Legal basis : Art. 113
3. Title of the tariff measure :
Proposal for a Regulation (EEC) of the Council on the opening, allocation and administration of a Community tariff quota for products falling within subheading 22.09 C I of the Common Customs Tariff, originating in the ACP States (1977/1978).
4. Objectives : Execution of contractual obligation
- Convention of Lomé -
5. Method of calculation :
 - No of CCT : 22.09 C I
 - Quota volume : 173 000 hl of pure alcohol
 - Quota duty rate : free
 - Duty rate CCT : 105 UA/hl
6. Loss of receipts :
14 000 000 to 18 000 000 EUR according to the use of the quotas.