

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(74) 1064 final

Brussels, 10 July 1974

Draft

REGULATION (EEC) OF THE COUNCIL

on the opening, allocation and administration of an autonomous Community tariff quota for 1974 for ferro-silicon falling within subheading No 73.02 C of the Common Customs Tariff

Draft

REGULATION (EEC) OF THE COUNCIL

on the opening, allocation and administration of an autonomous Community tariff quota for 1974 for ferro-silico-manganese falling within subheading No 73.02 D of the Common Customs Tariff

Draft

REGULATION (EEC) OF THE COUNCIL

on the opening, allocation and administration of an autonomous Community tariff quota for 1974 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 EI of the Common Customs Tariff

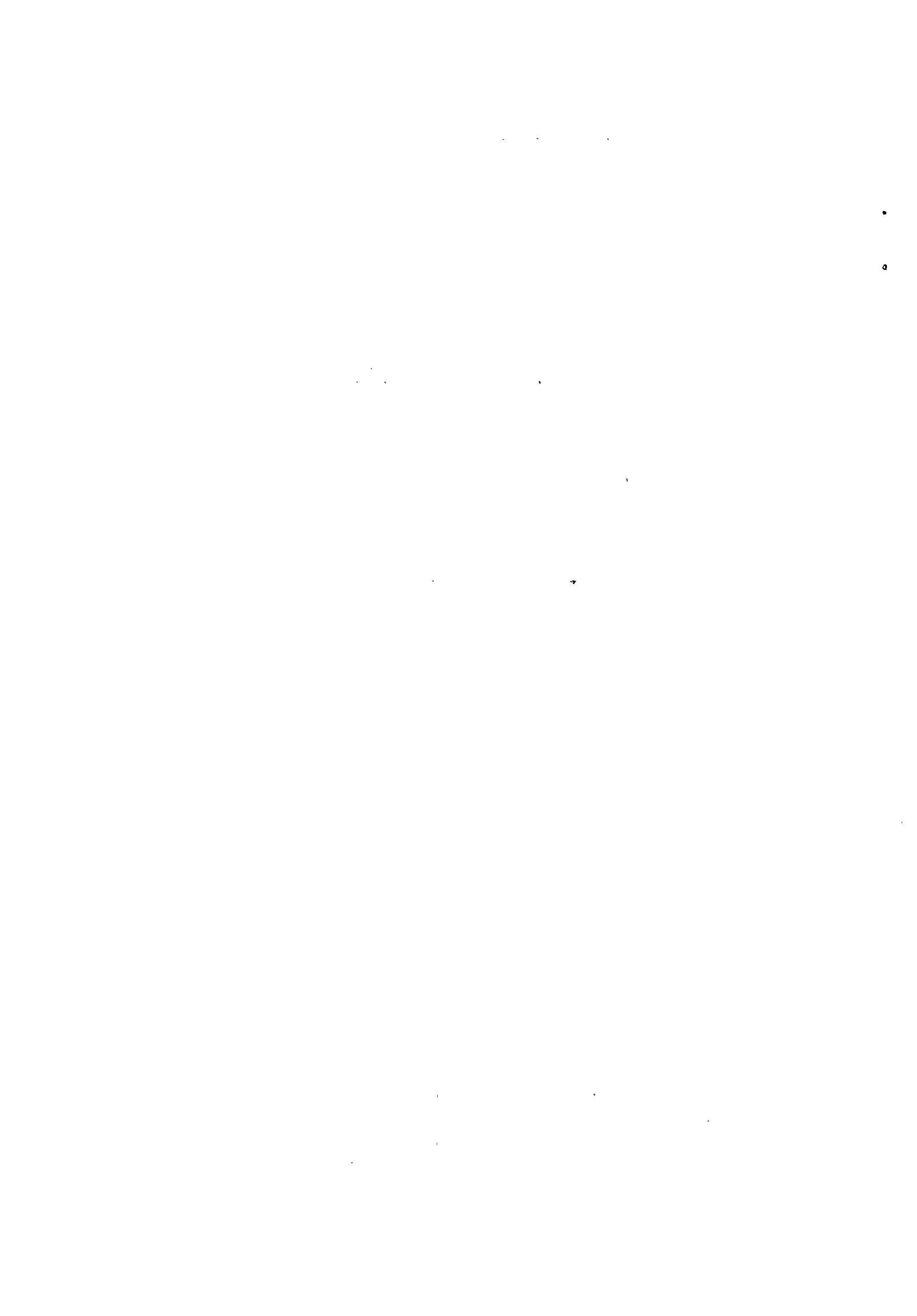
Draft

REGULATION (EEC) OF THE COUNCIL

on the opening, allocation and administration of a Community tariff quota for 1974 for ferro-chromium containing not less than 4% by weight of carbon falling within subheading No ex 73.02 EI of the Common Customs Tariff

(submitted to the Council by the Commission)

COM(74) 1064 final



EXPLANATORY MEMORANDUM

1. The draft Regulations annexed hereto follow requests from certain Member States that autonomous Community tariff quotas be increased or opened for 1974 for ferro-silicon, ferro-silico-manganese, super-refined ferro-chromium, high carbon ferro-chromium, unwrought lead and zinc.

2. The requests concerned were studied, in particular, at consultations with experts from all the Member States held on 12 February 1974 on the basis of economic information and forecasts supplied by the competent bodies. In this context it must be mentioned, as the Commission has already done many times, that as far as autonomous Community tariff quotas are concerned it is insufficient simply to open quotas to meet estimated import needs from third countries. This procedure is, in fact, liable to disrupt Community production or even to discourage further development in this sector. This fact is all the more true in the present circumstances since a study was made of these raw materials on the Community market at the beginning of the year on the basis of forecasts which, given the uncertainty surrounding all sectors of Community production, could be changed during 1974. These factors were taken into consideration when each product was studied.

3. From economic forecasts supplied at that meeting Community tables may be drawn up in respect of each of the products concerned as follows:

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Description	Consumption	Production	Inward processing traffic	Duty free imports from third countries	Quota opened on 1 January 1974	Exports third countries
Ferro-silicon	626 900	483 000	3 000	92 975	20 000	51 200
Ferro-silico-manganese	211 550	105 000	2 800	21 800	50 000	950
Super-refined ferro-chromium	168 396	113 000	4 000	12 900	3 000	4 900
High carbon ferro-chromium	291 540	170 000	2 500	13 840	-	10 800
Unwrought lead other than bullion lead	1 136 000	1 018 000	8 000	4 300	55 000	101 850
Unwrought zinc	1 471 800	1 398 300	21 000	62 100	20 000	133 000

Community import requirements from third countries calculated in the usual manner from the above figures show the following deficits and surpluses:

- ferro-silicon surplus of 23 275 metric tons
- ferro-silico-manganese deficit of 31 000 metric tons
- super-refined ferro-chromium deficit of 30 596 metric tons
- high carbon ferro-chromium deficit of 94 400 metric tons.
- unwrought lead other than bullion lead surplus of 51 150 metric tons
- unwrought zinc surplus of 162 600 metric tons

The result is that for ferro-silico-manganese, super-refined ferro-chromium and high carbon ferro-chromium, which are in short supply, the minimum import requirements from third countries are 31 000, 30 596 and 94 400 metric tons respectively.

It should be noted that, in view of the increased demand for ferro-silicon as a ferro-alloy owing to the increase in steel production and of the present comparatively stable capacity of Community production, there is no guarantee that in 1974 the requirements of consumer industries will be met on the scale indicated by the above figures by deliveries from the Community or from third countries to which the duty free arrangements apply. This seems all the more true because in the past final assessments of this metal have always shown a relatively high deficit. Furthermore, traditional trading arrangements between the new Member States and certain third countries should not be disrupted unduly, particularly since such trade was granted total or partial reductions in customs duties until the end of 1973. For this reason the Commission proposes that an autonomous tariff quota fixed at 25 000 metric tons be opened at a reduced rate of duty for ferro-silicon.

The agreement drawn up between the nine Member States during the accession negotiations (see Protocol No 14 annexed to the Act of Accession) was taken into consideration when studying unwrought lead other than bullion lead. This agreement contains a complex action programme which is valid until the end of 1977 and relates to customs duties, an annual tariff quota to be opened, the decreasing scale of this quota and a review of the situation by the Council before abolishing the quota with the object of reducing the autonomous duty on this metal to a rate of not less than 1.1 u.a./100 kg. This agreement, which has been in force since 1971, has not produced any problems in the Community of the Six and in the opinion of the Commission it would be premature to commence the review provided for by Protocol No 14 during 1974, that is to say, in the middle of the term of the agreement. Hence, the Commission believes that in the present situation it cannot go beyond the agreement by planning the opening of an additional autonomous quota.

It appears from the calculation of Community requirements of unwrought zinc, in respect of which a similar agreement was drawn up by the Member States (See Protocol No 15 to the Act of Accession), that such requirements may be met entirely by the tariff quota opened at the beginning of the year and by deliveries from the Community or from third countries to which the duty free arrangements apply. Under these conditions the Commission believes that it cannot propose the opening of an additional quota for unwrought zinc.

4. The Commission has finally been induced by the facts in 2 and 3 above to propose the opening of the following autonomous tariff quotas:

- for ferro-silicon : 25 000 metric tons at a reduced rate of duty
- for ferro-silico-manganese : 31 000 metric tons at a reduced rate of duty
- for super-refined ferro-chromium : 20 000 metric tons at a reduced rate of duty
- for high carbon ferro-chromium : 60 000 metric tons duty free.

5. The proposed rules of administration for ferro-silico-manganese, which involve, inter alia, the setting up of a reserve, do not require special mention since they do not differ from those already proposed and upheld by the Council for autonomous increases and the opening of contractual quotas already referred to for this ferro-alloy. The Commission believes that each of the quotas for ferro-silicon and the two qualities of ferro-chromium should, on account of the size of the proposed quotas compared with the actual import needs from third countries, be subdivided into two tranches, the first being allocated among the Member States in proportion to their respective needs and the second constituting a Community reserve.

The setting up of a Community reserve is justified all the more in the present circumstances since the draft Regulations annexed hereto provide that at first only those Member States which at present have actual foreseeable needs should share in the increase. The Commission is however aware of the problems posed by the evolution of these needs and consequently reserves the right to alter the draft regulations later in the light of necessities.

6. The quota duties adopted for the autonomous increase in the tariff quotas for ferro-silicon and ferro-silico-manganese in 1973 were 7% (instead of 10%) and 4% (instead of 5.5%) while the quota duty relating to the last increase decided in 1970 for super refined ferro-chromium was 5% (instead of 8%). It seems that in fixing the quota duties at 7% (for ferro-silicon), 4% (for ferro-silico-manganese) and 5.5% (for super-refined ferro-chromium) respectively for the proposed autonomous increases sufficient attention is being paid to the Community production situation in these sectors and to the need to encourage the laying in of supplies in the Community.

The Commission believes that in view of the special situation of the market in high carbon ferro-chromium and of the fact that it is a new Community tariff quota there should be no quota duty levied on this product.

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REGULATION (EEC) No /74 OF THE COUNCIL

of

on the opening, allocation and administration of an autonomous
Community tariff quota for 1974 for ferro-silicon falling within
subheading No 73.02 C 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 28 thereof;

Having regard to the draft Regulation submitted by the Commission;

Whereas, as regards ferro-silicon falling within subheading No 73.02 C of
the Common Customs Tariff, a conventional duty free Community tariff quota
of 20 000 metric tons has been opened by the Council for 1974 and allocated
among the Member States by Regulation (EEC) No 3587/73¹ of 28 December 1973;

Whereas, bearing in mind present production capacity within the Community
and the large increase in ferro-silicon required for the manufacture of
steel, the above mentioned quota of 20 000 metric tons will not cover the
entire Community import requirements of ferro-silicon from third countries;
whereas it is therefore desirable that an autonomous Community tariff quota
limited to 25 000 metric tons be opened; whereas, so as not to prejudice
Community development prospects in the production area concerned, the quota
duty applicable should be fixed at 7%;

¹OJ No L 365, 31 December 1973, p. 29.

ANNEX A

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 of the product in question 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 that it may 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, on the basis of statistics available at the time and allowing for the foreseeable development of the ferro-silicon market during the current year, the tariff quota of 20 000 metric tons opened by the aforementioned Regulation was allocated in the following percentages:

Benelux	64.75
Denmark	0.75
Germany	15.00
France	0.25
Ireland	1.25
Italy	4.25
United Kingdom	13.75;

Whereas, since the quota is an autonomous Community tariff quota intended to cover additional import needs arising in the Community, the allocation of the additional share may be made on the basis of the actual needs

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ANNEX A

expressed by each of the Member States; whereas Denmark, the United Kingdom, Ireland and the three Member States comprising the Benelux Economic Union have stated that they require further supplies of 1 050, 52 250, 100 and 31 050 metric tons respectively; whereas the needs of Germany may be estimated at 10 000 metric tons; whereas, according to the most recently available economic information and statistics, the other Member States have not used up enough of their shares of the initial quota of 20 000 metric tons opened by the above-mentioned Regulation to justify their participation at present in the Community tariff quota; whereas, moreover, should additional needs arise subsequently in those Member States they may have recourse to the procedure set up in Article 3 of this Regulation; whereas this system of allocation also ensures the uniform application of the Common Customs Tariff;

Whereas, to take account of future import trends for the product concerned, the quota should be divided into two tranches, the first being allocated among the above mentioned Member States and the second held as a reserve to cover subsequently the requirements of Member States which have exhausted their new shares and additional requirements which might arise in the other Member States; whereas, to give importers some degree of certainty, the first tranche of the quota should be fixed at a relatively high level which could be 20 000 metric tons;

Whereas Member States may exhaust their initial shares 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;

ANNEX A

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 in one Member State while it could be used in others, that such State should return a significant proportion thereof to the reserve;

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 transaction in respect of 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. There shall be opened within the Community for the period from the date of entry into force of this Regulation to 31 December 1974 in respect of ferro-silicon falling within subheading No 73.02 C of the Common Customs Tariff Community quota of 25 000 metric tons.
2. The Community Customs Tariff duty shall be suspended at 7% in respect of importations under the above quota.
3. New Member States shall apply in respect of importations under the said quotas duties calculated in accordance with the relevant provisions of the Act of Accession.

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Article 2

1. A first tranche of 20 000 of this quota shall be allocated among certain Member States; the shares, which subject to Article 6 shall be valid until 31 December 1974, shall be as follows:

Benelux	6 574 metric tons
Denmark	222 metric tons
Germany	2 118 metric tons
Ireland	22 metric tons
United Kingdom	11 064 metric tons.

2. The second tranche of 5 000 metric tons shall constitute a reserve.

Article 3

Should ferro-silicon be required in France and Italy these Member States shall draw a sufficient share from the reserve to the extent that the reserve so permits.

Article 4

1. As soon as one of the Member States referred to in Article 2 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 6, 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.

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ANNEX A

2. As soon as one of the Member States, after exhausting its initial share, has used 90% or more of the second share drawn by it, the 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. As soon as one of the Member States, 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 reserve is exhausted.

4. By way of derogation from paragraphs 1 to 3, the Member States 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 5

Additional shares drawn pursuant to Article 4 shall be valid until 31 December 1974.

Article 6

Any Member State referred to in Article 2 which on 15 October 1974 has not exhausted its initial share shall not later than 10 November 1974 return to the reserve the unused portion in excess of 20% of the initial amount. It may return a greater portion if there are grounds for believing that such portion may not be used in full.

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ANNEX A

Those Member States shall, not later than 10 November 1974, notify the Commission of the total quantities of the product in question imported up to and including 15 October 1974 and charged against the Community quota and of any portion of their initial shares returned to the reserve.

Article 7

The Commission shall keep an account of the shares opened by the Member States pursuant to Articles 2, 3 and 4 and shall, as soon as the information reaches it, inform each State of the extent to which the reserves have been used up.

It shall, not later than 15 November 1974, inform the Member States of the amounts still in reserve following any return of shares pursuant to Article 6.

It shall ensure that when an amount exhausting one of the reserves 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.

Article 8

1. Every Member State shall take all appropriate measures to ensure that additional shares drawn pursuant to either Article 3 or Article 4 are opened in such a way that importations may be charged without interruption against its accumulated share of the relevant Community quota.
2. Every Member State shall ensure that importers of the products in question established in its territory have free access to the shares allocated to it.
3. Every Member State shall charge importations of the product in question against its shares as and when the product is entered with the customs authorities for home use.

ANNEX A

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

Article 9

Every Member State shall notify the Commission at regular intervals of the importations charged against its shares.

Article 10

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

Article 11

This Regulation shall enter into force on

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

Done at Brussels,

For the Council,

The President

Draft

REGULATION (EEC) No /74 OF THE COUNCIL

of

on the opening, allocation and administration of an autonomous Community tariff quota for 1974 for ferro-silico-manganese falling within subheading No 73.02 D 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 28 thereof;

Having regard to the draft Regulation submitted by the Commission;

Whereas, as regards ferro-silico-manganese falling within subheading No 73.02 D of the Common Customs Tariff, a conventional duty free Community tariff quota of 50 000 metric tons has been opened by the Council for 1974 and allocated among the Member States by Regulation (EEC) No 3588/73¹ of 28 December 1973;

Whereas, bearing in mind present Community production capacity, the above-mentioned quota of 50 000 metric tons will not cover the entire Community import requirements of ferro-silico-manganese from third countries; whereas it is therefore desirable that an autonomous Community tariff quota limited to 31 000 metric tons be opened; whereas, so as not to prejudice Community development prospects in the production area concerned, the quota duty applicable should be fixed at 4%;

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¹OJ No L 365, 31 December 1973, p. 31.

ANNEX B

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 of the product in question 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 that it may 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, on the basis of statistics available at the time and allowing for the foreseeable development of the ferro-silico-manganese market during the current year, the tariff quota of 50 000 metric tons opened by the aforementioned Regulation was allocated in the following percentages:

Benelux	8.33
Denmark	0.62
Germany	82.20
France	0.10
Ireland	1.04
Italy	3.54
United Kingdom	4.17;

Whereas, since the quota is an autonomous Community tariff quota intended to cover additional import needs arising in the Community, the allocation of the additional share may be made on the basis of the actual needs

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ANNEX B

expressed by each of the Member States; whereas the United Kingdom, Ireland, Germany and the three Member States comprising the Benelux Economic Union have stated that they require further supplies of 3 400, 200, 35 000 and 15 400 metric tons respectively; whereas the other Member States have not used up enough of their share of the initial quota of 50 000 metric tons opened by the abovementioned Regulation according to the most recently available economic information and statistics, to justify their participation at present in the proposed increase in the Community tariff quota; whereas, moreover, should additional needs arise subsequently in those Member States they may have recourse to the procedure set up under Article 3 of this Regulation; whereas this system of allocation also ensures the uniform application of the Common Customs Tariff;

Whereas, to take account of future import trends for the product concerned, the quota should be divided into two tranches, the first being allocated among the abovementioned Member States and the second held as a reserve to cover subsequently the requirements of Member States which have exhausted their new shares and any additional requirements which might arise in the other Member States; whereas, to give importers some degree of certainty, the first tranche of the quota should be fixed at a relatively high level which could be 25 000 metric tons;

Whereas Member States may exhaust their initial shares 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;

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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, to prevent a part of a quota from remaining unused in one Member State while it could be used in others, that such State should return a significant proportion thereof to the reserve;

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 transaction in respect of 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. There shall be opened within the Community for the period from the date of entry into force of this Regulation to 31 December 1974 in respect of ferro-silico-manganese falling within subheading No 73.02 D of the Common Customs Tariff a Community tariff quota of 31 000 metric tons.
2. The Community Customs Tariff duty shall be suspended at 4% in respect of importations under the above quota.
3. New Member States shall apply in respect of importations under the said quota duties calculated in accordance with the relevant provisions of the Act of Accession.

Article 2

1. A first tranche of 25 000 metric tons of this quota shall be allocated among certain Member States; the shares, which subject to Article 6 shall be valid until 31 December 1974, shall be as follows:

Benelux	7 125 metric tons
Germany	16 200 metric tons
Ireland	100 metric tons
United Kingdom	1 575 metric tons.

2. The second tranche of 6 000 metric tons shall constitute a reserve.

Article 3

Should ferro-silico-manganese be required in France and Italy, these Member States shall draw a sufficient share from the reserve to the extent that the reserve so permits.

Article 4

1. As soon as one of the Member States referred to in Article 2 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 6, 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.

ANNEX B

2. As soon as one of the Member States, after exhausting one of its initial shares, 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.

3. As soon as one of the Member States, 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, the Member States 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 5

Additional shares drawn pursuant to Article 4 shall be valid until 31 December 1974.

Article 6

Any Member State referred to in Article 2 which on 15 October 1974 has not exhausted its initial share shall not later than 10 November 1974 return to the reserve the unused portion in excess of 20% of the initial amount. It may return a greater portion if there are grounds for believing that such portion may not be used in full.

ANNEX B

Those Member States shall, not later than 10 November 1974, notify the Commission of the total quantities of the product in question imported up to and including 15 October 1974 and charged against the Community quota and of any portion of their initial shares returned to the reserve.

Article 7

The Commission shall keep an account of the shares opened by the Member States pursuant to Articles 2, 3 and 4 and shall, as soon as the information reaches it, inform each State of the extent to which the reserves have been used up.

It shall, not later than 15 November 1974, inform the Member States of the amounts still in reserve following any return of shares pursuant to Article 6.

It shall ensure that when an amount exhausting one of the reserves 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.

Article 8

1. Every Member State shall take all appropriate measures to ensure that additional shares drawn pursuant to either Article 3 or Article 4 are opened in such a way that importations may be charged without interruption against its accumulated share of the relevant Community quota.

2. Every Member State shall ensure that importers of the product in question established in its territory have free access to the shares allocated to it.

ANNEX B

3. Every Member State shall charge importations of the product in question against its shares as and when the product is entered with the customs authorities for home use.

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

Article 9

Every Member State shall notify the Commission at regular intervals of the importations charged against its shares.

Article 10

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

Article 11

This Regulation shall enter into force on

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

Done at Brussels,

For the Council

The President

Draft
REGULATION (EEC) No /74 OF THE COUNCIL
of

on the opening, allocation and administration of an autonomous Community tariff quota for 1974 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 73.02EI 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 28 thereof;

Having regard to the draft Regulation submitted by the Commission;

Whereas, as regards ferro-chromium containing by weight not more than 0.10% of carbon and more than 30% but not more than 90% of chromium (super refined ferro-chromium) falling within subheading No ex. 73.02EI of the Common Customs Tariff, a conventional duty-free Community tariff quota of 3 000 metric tons has been opened by the Council for 1974 and allocated among the Member States by Regulation (EEC) No 3589/73¹ of 28 December 1973;

Whereas, bearing in mind present Community production capacity, the abovementioned quota of 3 000 metric tons will not cover the entire Community import requirements of this product from third countries; whereas it is therefore desirable in order that Community development prospects of the production area concerned should not be affected that an autonomous Community tariff quota limited to 20 000 metric tons be opened; whereas, for the same reasons, the quota duty applicable should be fixed at 5.5%;

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¹OJ No L 365, 31 December 1973, p.34.

ANNEX C

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 of the product in question 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 that it may 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 the statistics of imports from third countries during a representative reference period and to the economic outlook for the quota period in question;

Whereas, on the basis of statistics available at the time and allowing for the foreseeable development of the market in the product concerned during the current year, the tariff quota of 3 000 metric tons opened by the aforementioned Regulation was allocated in the following percentages:

Benelux	:	5.66
Denmark	:	0.34
Germany	:	6.17
France	:	0.34
Ireland	:	0.01
Italy	:	84.14
United Kingdom	:	3.34;

Whereas, since the quota is an autonomous Community tariff quota intended to cover additional import needs arising in the Community, the allocation of the additional share may be made on the basis of the actual needs expressed by each of the Member States; whereas Denmark, France,

ANNEX C

the United Kingdom, Germany and the three Member States comprising the Benelux Economic Union have stated that they require further supplies of 90, 7 000, 6 900, 4 000, and 1 685 metric tons respectively; whereas the other Member States have not used up enough of their share of the initial quota of 3 000 metric tons opened by the abovementioned Regulation, according to the most recently available economic information and statistics, to justify their participation at present in the proposed increase in the Community tariff quota; whereas, moreover, should additional needs arise subsequently in those Member States they may have recourse to the procedure set up under Article 3 of this Regulation; whereas this system of allocation also ensures the uniform application of the Common Customs Tariff;

Whereas, to take account of future import trends for the product concerned, the quota should be divided into two tranches, the first being allocated among the abovementioned Member States and the second held as a reserve to cover subsequently the requirements of Member States which have exhausted their new shares and any additional requirements which might arise in the other Member States; whereas, to give importers some degree of certainty, the first tranche of the quota should be fixed at a relatively high level which could be 18 000 metric tons;

Whereas Member States may exhaust their initial shares 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, to prevent a part of a quota from remaining unused in one Member State while it could be used in others, that such State should return a significant proportion thereof to the reserve;

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 transaction in respect of 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. There shall be opened within the Community for the period from the date of entry into force of this Regulation to 31 December 1974, in respect of ferro-chromium containing by weight not more than 0.10% of carbon and more than 30% but not more than 90% of chromium (super-refined ferro-chromium) falling within subheading No ex 73.02EI of the Common Customs Tariff a Community tariff quota of 20 000 metric tons.
2. The Community Customs Tariff duty shall be suspended at 5.5% in respect of importations under the above quota.
3. New Member States shall apply in respect of importations under the said quota duties calculated in accordance with the relevant provisions of the Act of Accession.

Article 2

1. A first tranche of 18 000 metric tons of this quota shall be allocated among certain Member States; the shares, which subject to Article 6 shall be valid until 31 December 1974, shall be as follows:

Benelux	:	1 540 metric tons
Denmark	:	85 metric tons
Germany	:	3 660 metric tons
France	:	6 400 metric tons
United Kingdom	:	6 315 metric tons.

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

Article 3

Should ferro-chromium be required in Ireland or Italy, those Member States shall draw a sufficient share from the reserve to the extent that the reserve so permits.

Article 4

1. As soon as one of the Member States referred to in Article 2 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 6, 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.

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2. As soon as one of the Member States, 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.

3. As soon as one of the Member States, 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, the Member States 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 5

Additional shares drawn pursuant to Article 4 shall be valid until 31 December 1974.

Article 6

Any Member State referred to in Article 2 which on 15 October 1974 has not exhausted its initial share shall not later than 10 November 1974 return to the reserve the unused portion in excess of 20% of the initial amount. It may return a greater portion if there are grounds for believing that such portion may not be used in full.

Those Member States shall, not later than 10 November 1974, notify the Commission of the total quantities of the product in question imported up to and including 15 October 1974 and charged against the Community quota and of any portion of their initial shares returned to the reserve.

Article 7

The Commission shall keep an account of the shares opened by the Member States pursuant to Articles 2, 3 and 4 and shall, as soon as the information reaches it, inform each State of the extent to which the reserves have been used up.

It shall, not later than 15 November 1974, inform the Member States of the amounts still in reserve following any return of shares pursuant to Article 6.

It shall ensure that when an amount exhausting one of the reserves 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.

Article 8

1. Every Member State shall take all appropriate measures to ensure that additional shares drawn pursuant to either Article 3 or Article 4 are opened in such a way that importations may be charged without interruption against its accumulated share of the relevant Community quota.

2. Every Member State shall ensure that importers of the product in question established in its territory have free access to the shares allocated to it.

3. The extent to which a Member State has used up its shares shall be determined on the basis of the importations of the product in question entered for home use.

Article 9

Every Member State shall notify the Commission at regular intervals of the importations charged against its shares.

Article 10

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

Article 11

This Regulation shall enter into force on

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

Done at Brussels,

For the Council

The President

Draft

REGULATION (EEC) No /74 OF THE COUNCIL

of

on the opening, allocation and administration of a Community tariff quota for 1974 for ferro-chromium containing not less than 4% by weight of carbon falling within subheading No ex 73.02EI 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 28 thereof;

Having regard to the draft Regulation submitted by the Commission;

Whereas Community production of ferro-chromium containing not less than 4% by weight of carbon falling within subheading No ex 73.02EI of the Common Customs Tariff is inadequate and producers are unable to meet the total requirements of consumer industries in the Community; whereas it is therefore in the Community's interest to suspend totally in respect of this metal the application of the Common Customs Tariff duty until 31 December 1974, up to a limit which should be fixed at 60 000 metric tons so that Community development prospects of the production area concerned are not affected;

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 of the product in question 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 quot

ANNEX D

whereas, in order that it may 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, however, since the quota is an autonomous Community tariff quota intended to cover import needs arising in the Community, the allocation of the quota may be made on the basis of the actual import needs from third countries expressed by each of the Member States; whereas, on the basis of economic information supplied and allowing for duty free supplies from the Community or certain third countries, these needs would be as follows:

Benelux	:	5 718 metric tons
Denmark	:	240 metric tons
Germany	:	12 708 metric tons
France	:	7 146 metric tons
Italy	:	6 354 metric tons
United Kingdom	:	27 794 metric tons;

Whereas the most recently available economic information concerning Ireland would not at present justify its participation in the allocation of the quota; whereas, since the quota is a community tariff quota, it is appropriate to provide for this Member State a commercially exploitable share, which should be raised at 40 metric tons; whereas this system of allocation also ensured the uniform application of the Common Customs Tariff;

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

certain Member States and the second held as a reserve to cover subsequently the requirements of Member States which have exhausted their initial share and any additional requirements which might arise in Ireland; whereas, to give importers some degree of certainty, the first tranche of the quota should be fixed at a relatively high level which could be 50 000 metric tons;

Whereas Member States may exhaust their initial shares 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, to prevent a part of a quota from remaining unused in one Member State while it could be used in others, that such State should return a significant proportion thereof to the reserve;

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 transaction in respect of 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. There shall be opened within the Community for the period from the date of entry into force of this Regulation to 31 December 1974 in respect of ferro-chromium containing not less than 4% by weight of carbon falling within subheading No ex 73.02 E I of the Common Customs Tariff a Community quota of 60 000 metric tons.
2. Imports of the product in question already benefitting from exemption of customs duties by virtue of another preferential tariff arrangement are not chargeable against this tariff quota.
3. The Common Customs Tariff duties shall be totally suspended in respect of importations under the above quota.
4. New Member States shall apply in respect of importations under the said quota duties calculated in accordance with the relevant provisions of the Act of Accession.

Article 2

1. A first tranche of 50 000 metric tons of this quota shall be allocated among certain Member States; the shares, which subject to Article 6 shall be valid until 31 December 1974, shall be as follows:

Benelux	:	4 765 metric tons
Denmark	:	200 metric tons
Germany	:	10 590 metric tons
France	:	5 955 metric tons
Ireland	:	35 metric tons
Italy	:	5 295 metric tons
United Kingdom	:	23 160 metric tons.

2. The second tranche of 10 000 metric tons shall constitute a reserve.

ANNEX D

Article 3

1. As soon as one of the Member States referred to in Article 2 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 one of the Member States, 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.
3. As soon as one of the Member States, 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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ANNEX D

Article 4

Additional shares drawn pursuant to Article 3 shall be valid until 31 December 1974.

Article 5

Any Member State referred to in Article 2 which on 15 October 1974 has not exhausted one of its initial shares shall not later than 10 November 1974 return to the reserve the unused portion in excess of 20% of the initial amount. It may return a greater portion if there are grounds for believing that such portion may not be used in full.

Those Member States shall, not later than 10 November 1974, notify the Commission of the total quantities of the products in question imported up to and including 15 October 1974 and charged against the Community quotas 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 reserves have been used up.

It shall, not later than 15 November 1974, inform the Member States of the amounts still in reserve following any return of shares pursuant to Article 5

It shall ensure that when an amount exhausting one of the reserves 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 8

1. Every Member State 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 its accumulated share of the relevant Community quota.
2. Every Member State shall ensure that importers of the product in question established in its territory have free access to the shares allocated to it.
3. Every Member State shall charge importations of the product in question against its share as and when the product is entered with the customs authorities for home use.
4. The extent to which a Member State has used up its share shall be determined on the basis of the importations charged against that share in accordance with paragraph 3.

Article 9

Every Member State shall notify the Commission at regular intervals of the importations charged against its shares.

Article 10

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

Article 11

This Regulation shall enter into force on ...

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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