

COMMISSION OF THE EUROPEAN COMMUNITIES

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PROPOSAL FOR A REGULATION (EEC) OF THE COUNCIL

on the opening, allocation and administration of the Community tariff
quota of 30 000 head of heifers and cows, not intended for
slaughter, of certain mountain breeds, falling within subheading
ex 01.02 A II b 2 of the Common Customs Tariff

PROPOSAL FOR A REGULATION (EEC) OF THE COUNCIL

on the opening, allocation and administration of the Community tariff
quota of 5 000 head of bulls, cows and heifers, not intended
for slaughter, of certain Alpine breeds falling within subheadings
ex 01.02 A II b 2 of the Common Customs Tariff

(submitted to the Council by the Commission)

EXPLANATORY MEMORANDUM

1. At the last multilateral GATT negotiations, the European Economic Community undertook to open certain annual Community tariff quotas including, in the agricultural sector, those set out below:

CCT heading No	Description of goods	Quota volume	Quota duty
ex 01.02 A II b 2	Cows and heifers, not intended for slaughter, of the following mountain breeds: grey, brown, yellow and mottled Simmental breed and Pinzgau breed (conditions to be determined by the competent authorities of the Member State of destination)	20 000 head	6%
ex 01.02 A II b 2	Bulls, cows and heifers, not intended for slaughter, of the following Alpine breeds: mottled Simmental breed and Schwyz and Fribourg breeds. If they are to come within the quota, animals of the breeds in question must satisfy the following requirements: - bulls: pedigree - female animals: pedigree or certificate of registration in the herdbook certifying purity of breed	5 000 head	4%

2. In response to requests from the Swiss and Austrian authorities, the tariff quotas in question have been open since 1 July 1970 and cover the period from 1 July in each year to 30 June in the following year. These quotas were last opened by Regulations (EEC) Nos 1944/73 and 1945/73 of 16 July 1973 (OJ No L 200 of 20 July 1973) for the period from 1 July 1973 to 30 June 1974.

3. In an exchange of letters with Austria dated 21 July 1972, the Community undertook to increase, unilaterally, the size of the first tariff quota set out above from 20 000 to 30 000 head and to lower the quota duty from 6% to 4%.

4. In order to meet Community obligations, it is therefore necessary to adopt Regulations on the opening, allocation and administration of the Community tariff quotas.

This is the object of the proposals annexed hereto.

5. As regards the allocation of the tariff quotas and, more especially, the fixing of initial shares, it should be noted that, as in the case of previous quota periods, this has been based largely on the estimates presented by the Member States, since specialized, complete statistical data are not available, and has taken into account the necessity of meeting the possible future needs of the new Member States.

The proposal for a Regulation submitted to the Council concerning the first tariff quota of 30 000 head of cattle set out above provides, as has been accepted by the Council for the opening of the same quota for previous tariff periods, for the fixing of a first part to be allocated among Germany, France, Italy, Ireland and the United Kingdom, the only Member States which have regions suitable for breeding this kind of cattle, in proportion to their expected requirements. The remainder constitutes a Community reserve which may be drawn on not only by the above-mentioned Member States, but also, if necessary, by the Benelux countries and by Denmark. In order to meet any needs which may arise in the latter Member States, the Community reserve, which is usually fixed at 30% of the total quota, has been increased to 40%.

6. The proposed administration of the second tariff quota of 5 000 head of cattle set out above differs from that proposed in 5 only in as much as the first part constitutes 70% of the quota and the Community reserve 30%, to take account both of the large quantities which can be expected, already now, to be counted against the initial Italian share and the need to cover any

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needs which may arise in the Benelux countries and in Denmark.

7. As regards the tariff duty to be applied, the position is different in the Community as originally constituted and in the new Member States. For the original Member States the duty is to be fixed at 4%. As for the new Member States, it should be noted that, in pursuance of Article 59 the national tariffs of the new Member States are to be aligned on the Common Customs Tariff by annual 20% stages beginning in 1973 - except in the course of applying paragraph 4 of the above-mentioned article - that is, for beef and veal products, around 1 April each year, at the start of each marketing year. Thus, before expiry of the quota period in question, the new Member States will have to carry out two further alignments (April 1973 and 1974) on the Common Customs Tariff.

8. The interpretation to be given to the phrase "not intended for slaughter" was the subject of an exchange of views during the consultation meeting of the working party on Economic Tariff Problems held on 12 February 1974.

It was apparent from those discussions that, in the case of animals whose importation is subject to submission of a breeding certificate (certificate of pedigree or of registration in the herdbook), checking the purpose for which the animals are in fact used would be pointless in view, in particular, of the high price of such animals. Assuming that such certificate is not required, a period of two months from the day of importation would appear the minimum period after which imported animals could be considered not to be intended for slaughter.

This is why the proposal for a Regulation relating to 30 000 head of cattle (Annex A) provides that, except in duly attested cases of force majeure, the animals may not be slaughtered within that two-month period and that the Member States must restrict the application of the tariff quota to animals satisfying all the specified requirements.

9. As an experiment, the Commission is proposing an "as and when" administration system for both the tariff quotas, which system is already applied in the Member States who will use the quotas.

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10. In a general way there is a problem for the tariff duties to be applied, because of the present negotiations concerning the replacement of the present, mixed taxation system "customs duty-levy" by a "Uniform basic levy" proposed by the Commission.

The Commission is aware of the problem posed by developments of the situation and therefore wishes to maintain the possibility of changing later on its proposals in the light of any necessities which may arise.

ANNEX A

Proposal for a
REGULATION (EEC) OF THE COUNCIL

on the opening, allocation and administration of the Community tariff quota of 30 000 head of heifers and cows, not intended for slaughter, of certain mountain breeds, falling within subheading ex 01.02 A II b 2 of the Common Customs Tariff

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 43 and 113 thereof;

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament;

Whereas, at the last GATT multilateral negotiations the European Economic Community undertook to open an annual Community tariff quota of 20 000 head at a duty of 6% for heifers and cows, not intended for slaughter, of certain mountain breeds falling within subheading ex 01.02 A II b 2 of the Common Customs Tariff; whereas eligibility for such quota is subject to conditions to be determined by the competent authorities of the Member State of destination; whereas, in an exchange of letters with Austria dated 21 July 1972, the Community has undertaken unilaterally to increase the size of the tariff quota from 20 000 to 30 000 head and to lower the quota duty from 6% to 4%;

Whereas, under Article 60 of the Act¹ concerning the Conditions of Accession and the Adjustments to the Treaties, the new Member States are obliged to apply the Regulations of the common agricultural policy from 1 February 1973 onwards; whereas, therefore, any

¹ OJ No L 73, 27 March 1972, p. 14.

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requirements which may arise in these Member States during the quota period under consideration should be taken into account in the Community tariff quota in question; whereas the above-mentioned tariff quota for the period from 1 July 1974 to 30 June 1975 should therefore be opened at a duty of 4% for the Community as originally constituted and at a duty corresponding to the provisions of the above-mentioned Act for the new Member States;

Whereas it is in particular necessary to ensure equal and continuous access for all Community importers to the above-mentioned quota, and the uninterrupted application of the quota duties, to all imports of the animals in question until the quota is exhausted; whereas, having regard to the principles defined above, the Community tariff quota among the said Member States; whereas possibilities for the use of such mountain breeds are, however, limited by special factors, both geographical and zootechnical; whereas the Benelux countries and Denmark do not have regions suitable for breeding this kind of cattle; whereas, however, in view of such special factors, the Community nature of the tariff quota in question should be preserved by making provision for requirements which may arise in these Member States; whereas, in exceptional cases, the system provided for in Article 4 of this Regulation enables all such factors to be taken into account; whereas, in order to reflect as closely as possible the actual trend of the market in question, the initial allocation among the three above-mentioned Member States must be made in proportion to the requirements of each of the Member States concerned, calculated in accordance with statistical data concerning imports from third countries during a representative reference period and with economic prospects for the quota period in question;

Whereas, since the animals in question belong to certain specific breeds which are not specified as such in the statistical nomenclatures of the Member States, no information on imports provided by the Member States could be considered to be sufficiently accurate and representative to be used as a basis for the allocation in question; whereas the extent to which Community tariff quotas in the Community as originally constituted for those animals have been exhausted, and the estimates made by certain Member States enable the requirements

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of each of them as regards imports from third countries for the quota period envisaged to be assessed as follows :

Germany	10 000 head
France	3 900 head
Italy	6 100 head;

Whereas, the needs of the United Kingdom and Ireland may, in the absence of more precise information, be assessed respectively as 300 and 200 head;

Whereas, in order to take into account the possible trend of imports of the aforementioned animals into the said Member States, the quota amount of 30 000 head should be divided into two parts, the first being allocated among certain Member States, the second forming a reserve intended subsequently to cover the requirements of those Member States when their initial shares are exhausted and requirements which may arise within other Member States; whereas in order to ensure a certain degree of security for importers in the aforementioned Member States, the first part of the Community quota should be determined at a comparatively high level which under the present circumstances may be 60% of the quota amount;

Whereas, the initial shares of those Member States may be used up fairly rapidly; whereas, in order to take this fact into account and avoid any break in continuity, it is important that that Member State having used up almost the whole of its initial share should draw an additional share from the reserve; whereas this must be done by each of these Member States as and when each of its additional shares is almost entirely used up, and repeated as many times as the reserve allows; whereas the initial and additional shares must be available until the end of the quota period; whereas such method of administration calls for close cooperation between Member States and the Commission, which must, in particular, be able to observe the extent to which the quota amounts are used and inform Member States thereof;

Whereas, if, at a specified date within the quota period, a considerable balance of the initial share of one or other of the Member States is left over, it is essential that that State should return a considerable part of such balance to the reserve in order that part of the Community quota should

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not remain unused in one Member State while it could be used in others;

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

HAS ADOPTED THIS REGULATION :

Article 1

1. During the period from 1 July 1974 to 30 June 1975, a Community tariff quota of 30 000 head shall be opened within the European Economic Community in respect of the imports from third countries of cows and heifers, not intended for slaughter, of the grey, brown, yellow and mottled Simmental breed and Pinzgau breed, falling within subheading ex 01.02 A II b) 2 of the Common Customs Tariff.
2. For the purposes of this Regulation, the above-mentioned cows and heifers shall be considered not to be intended for slaughter if they are not slaughtered within two months following the date of their importation.

Derogations may, however, be granted in cases of force majeure (disease, accident) duly attested by a local authority certificate setting out the reasons for slaughter within that period.

3. The said quota shall be administrated in accordance with the following Articles.

Article 2

1. Within the framework of the quota referred to in Article 1¹, the Common Customs Tariff duty for the animals referred to in the said paragraph shall be suspended at 4%.

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2. New Member States shall within the said tariff quota, apply duties calculated in accordance with the relevant provisions of the Act of Accession.

Article 3

1. A first part of 18 000 head shall be allocated among the Member States listed below. The shares shall apply from 1 July 1974 to 30 June 1975, subject to Article 7, and shall be as follows :

Germany	8 800 head
France	3 400 head
Ireland	200 head
Italy	5 300 head
United Kingdom	300 head.

2. The second part of 12 000 head shall be held as a Community reserve.

Article 4

If requirements arise in countries of the Benelux Economic Union or in Denmark for cattle referred to in Article 1¹, those Member Countries shall draw an adequate share from the reserve, in so far as the reserve permits.

Article 5

1. If 90% or more of the initial quota share of one of the Member States referred to in Article 3, or of that share less the amount returned to the reserve, where Article 7 has been applied, has been used up, that Member State shall immediately, by notifying the Commission, draw a second share, in so far as the reserve permits, equal to 15 % of its initial share, rounded off upwards, if necessary, to the next unit.

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2. If, after the initial share has been exhausted, 90% or more of the second share drawn by one of these Member States has been used up, that Member State shall, in accordance with paragraph 1, immediately draw a third share equal to 7.5% of its initial share, rounded off upwards, if necessary, to the next unit.
3. If, after the second share has been exhausted, 90% or more of the third share drawn by one of these Member States has been used up, that Member State shall, in accordance with paragraph 1, draw a fourth share equal to the third.

The same method shall be applied until the reserve is exhausted.

4. By way of derogation from paragraphs 1, 2 and 3, each of these Member States may draw shares lower than those fixed in these paragraphs if there are reasons to consider that such shares might not be exhausted. They shall inform the Commission of the grounds which led them to apply this paragraph.

Article 6

Additional shares drawn in pursuance of Article 5 shall apply until 30 June 1975.

Article 7

If, by 5 April 1975, a Member State has not exhausted its initial share as fixed in Article 3 or as resulting from the application of Article 4, it shall, not later than 25 April 1975, return to the reserve the unused proportion of this share in excess of 20% of the initial amount. It may return a larger quantity if there are reasons to consider that such quantity might not be used up.

The Member States shall, not later than 25 April 1975, notify the Commission of the total imports of the animals in question effected up to 5 April 1975 inclusive and counted against the tariff quota and, where appropriate, the proportion of their initial share that they return to the reserve.

Article 8

The Commission shall keep accounts of the amounts of the shares opened by Member States in accordance with Articles 3, 4 and 5 and shall inform each of them of the extent to which the reserve has been exhausted as soon as it receives the notifications.

The Commission shall, not later than 1 May 1975, notify Member States of the amount in the reserve after the return of shares pursuant to Article 7.

The Commission shall ensure that any drawing which exhausts the reserve is limited to the balance available and, to this end, shall specify the amount thereof to the Member State making the last drawing.

Article 9

The Member States shall take all measures necessary to ensure that when additional shares are drawn pursuant to Article 4 or 5 it is possible for imports be counted without interruption against their accumulated shares of the Community quota.

Provisions concerning all Member States

Article 10

1. Member States shall take all measures necessary to ensure that access to the tariff quota in question is restricted to cattle as specified in Article 1(1) and (2).
2. They shall ensure free access to the shares allocated to them for importers established in their territory.
3. Member States shall count the animals in question against their shares as the animals are presented for customs clearance under cover of entries for home use.
4. The extent to which the shares of the Member States have been used up shall be recorded on the basis of imports counted as specified in paragraph 3.

Article 11

Member States shall inform the Commission at regular intervals of imports actually charged against their shares.

Article 12

The Member States and the Commission shall cooperate closely to ensure that the provisions of this Regulation are observed.

Article 13

This Regulation shall enter into force on 1 July 1974.

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

Done at Brussels,

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For the Council
The President

Proposal for a
REGULATION (EEC) OF THE COUNCIL

on the opening, allocation and administration of the Community tariff quota of 5 000 head of bulls, cows and heifers, not intended for slaughter, of certain Alpine breeds falling within subheadings ex 01.02 A II b 2 of the Common Customs Tariff

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 43 and 113 thereof;

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament;

Whereas, at the last GATT multilateral negotiations, the European Economic Community undertook to open an annual Community tariff quota of 5 000 head at a duty of 4% for bulls, cows and heifers, not intended for slaughter, of certain Alpine breeds falling within subheading es 01.02 A II b 2 of the Common Customs Tariff; whereas eligibility for such quota is subject to submission of the following documents:

- bulls: pedigree,
- female animals: pedigree or certificate of registration in the herdbook certifying purity of breed;

Whereas, under Article 60 of the Act¹ concerning the Conditions of Accession and the Adjustments to the Treaties, the new Member States are obliged to apply the Regulations of the common agricultural policy from 1 February 1973 onwards; whereas any requirements which may arise in these Member States during the quota period under consideration should, therefore, be taken into account in the Community tariff quota in question; whereas the abovementioned tariff quota for the period from 1 July 1974 to 30 June 1975 should, therefore, be opened at a duty of 4% for the Community as originally constituted and at a duty corresponding to provisions of the

¹OJ No L 73, 27 March 1972, p. 14.

above-mentioned Act for the new Member States;

Whereas, it is in particular necessary to ensure equal and continuous access for all Community importers to the above-mentioned quota, and the uninterrupted application of the quota duties to all imports of the animals in question until the quota is exhausted; whereas, having regard to the principles defined above, the Community nature of the quota can be respected by allocating the Community tariff quota among the Member States; whereas possibilities for the use of such mountain breeds are, however, limited by special factors, both geographical and zootechnical; whereas Benelux countries and Denmark do not have regions suitable for breeding this kind of cattle; whereas, however, in view of such special factors, the Community nature of the tariff quota in question should be preserved by making provision for requirements which may arise in these Member States; whereas, in exceptional cases, the system provided for in Article 4 of this Regulation enables all such factors to be taken into account; whereas, in order to reflect as closely as possible the actual trend of the market in question, the initial allocation must be made in proportion to the requirements of each of the Member States concerned, calculated in accordance with statistical data concerning imports from third countries during a representative reference period and with economic prospects for the quota period in question;

Whereas, since the animals in question belong to certain specific breeds which are not specified as such in the statistical nomenclatures of the Member States, no information on imports provided by the Member States could be considered to be sufficiently accurate and representative to be used as a basis for the allocation in question; whereas the extent to which Community tariff quotas, in the Community as originally constituted, for those animals have been exhausted, and the estimates made by certain Member States, enable the requirements of each of them as regards imports from third countries for the quota period envisaged to be assessed as follows :

Germany	250 head
France	120 head
Italy	4 630 head

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whereas, the needs of the United Kingdom and Ireland may, in the absence of more precise information, be assessed respectively 75 and 25 head;

Whereas, in order to take into account the possible trend of imports of the aforementioned animals into the said Member States, the quota amount of 5 000 head should be divided into two parts, the first part being allocated among certain Member States, the second forming a reserve intended subsequently to cover the requirements of these Member States when their initial shares are exhausted and requirements which may arise within other Member States;

whereas, in order to ensure a certain degree of security for importers in the aforementioned Member States, the first part of the Community quota should be determined at a comparatively high level which under the present circumstances may be about 70 % of the quota amount;

Whereas, the initial shares of those Member States may be used up fairly rapidly; whereas, in order to take this fact into account and avoid any break in continuity, it is important that that Member State having used up almost the whole of its initial share should draw an additional share from the reserve ; whereas this must be done by each of these Member State as and when each of its additional shares is almost entirely used up, and repeated as many time as the reserve allows; whereas the initial and additional shares must be available until the end of the quota period; whereas such method of administration calls for close cooperation between Member States and the Commission, which must, in particular, be able to observe the extent to which the quota amounts are used and inform Member States thereof;

Whereas, if, at a specified date within the quota period, a considerable balance of the initial share of one or other of the Member States is left over, it is essential that that State should return a considerable part of such balance to the reserve in order that part of the Community quota should not remain unused in one Member State while it could be used in others;

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

.../...

HAS ADOPTED THIS REGULATION :

Article 1

1. During the period from 1 July 1974 to 30 June 1975, a Community tariff quota of 5 000 head shall be opened within the European Economic Community in respect of the imports from third countries of bulls, cows and heifers, not intended for slaughter, of the mottled Simmental breed and the Schwyz and Fribourg breeds, falling within subheading ex 01.02 A.II b 2 of the Common Customs Tariff.
2. Eligibility for this tariff quota shall be subject to the submission
 - in the case of bulls : of a pedigree certificate
 - in the case of female animals : of a pedigree certificate or certificate of registration in the herdbook, certifying purity of breed.
3. The said quota shall be administered in accordance with the following Articles.

Article 2

1. Within the framework of the quota referred to in Article 1 (1), the Common Customs Tariff duty for the animals referred to in the said paragraph shall be suspended at 4%.
2. Member States shall within the said tariff quotas apply duties calculated in accordance with the relevant provisions of the Act of Accession.

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Article 3

1. A first part of 3 500 head shall be allocated among the Member States listed below. The shares shall apply from 1 July 1974 to 30 June 1975, subject to Article 7, and shall be as follows :

Germany	150 head
France	100 head
Ireland	25 head
Italy	3.150 head
United Kingdom	75 head.

2. The second part of 12 000 head shall be held as a Community reserve.

Article 4

If requirements arise in countries of the Benelux Economic Union or in Denmark for cattle referred to in Article 1 (1), these Member countries shall draw an adequate share from the reserve, in so far as the reserve permits.

Article 5

1. If 90% or more of the initial share of one of the Member States referred to in Article 3, or of that share less the amount returned to the reserve, where Article 7 has been applied, has been used up, that Member State shall immediately, by notifying the Commission, draw a second share, in so far as the reserve permits, equal to 15% of its initial share, rounded off upwards, if necessary, to the next unit.

.../...

2. If, after the initial share has been exhausted, 90% or more of the second share drawn by one of these Member States has been used up, that Member State shall, in accordance with paragraph 1, immediately draw a third share equal to 7.5 % of its initial share, rounded off upwards, if necessary, to the next unit.
3. If, after the second share has been exhausted, 90% or more of the third share drawn by one of these Member States has been used up, that Member State shall, in accordance with paragraph 1, draw a fourth share equal to the third.

The same method shall be applied until the reserve is exhausted.

4. By way of derogation from paragraphs 1, 2 and 3, each of these Member States may draw shares lower than those fixed in these paragraphs if there are reasons to consider that such shares might not be exhausted. They shall inform the Commission of the grounds which led them to apply this paragraph.

Article 6

Additional shares drawn in pursuance of Article 5 shall apply until 30 June 1975.

Article 7

If, by 5 April 1975, a Member State has not exhausted its initial share as fixed in Article 3 or as resulting from the application of Article 4, it shall, not later than 25 April 1975, return to the reserve the unused proportion of the share in excess of 20% of the initial amount. It may return a larger quantity if there are reasons to consider that such quantity might not be used up.

The Member States, shall not later than 25 April 1975, notify the Commission of the total imports of the animals in question effected up to 5 April 1975 inclusive and charged against the tariff quota and, where appropriate, the proportion of their initial quota share they return to the reserve.

Article 8

The Commission shall keep accounts of the amounts of the shares opened by Member States in accordance with Articles 3, 4 and 5 and shall inform each of them of the extent to which the reserve has been exhausted as soon as it receives the notifications.

The Commission shall, not later than 1 May 1975, notify Member States of the amount in the reserve after the return of shares pursuant to Article 7.

The Commission shall ensure that any drawing which exhausts the reserve is limited to the balance available and, to this end, shall specify the amount thereof to the Member State making the last drawing.

Article 9

The Member States shall take all measures necessary to ensure that when additional shares are drawn pursuant to Article 4 or 5 it is possible for imports to be counted without interruption against their accumulated shares of the Community quota.

Article 10

1. Member States shall take all measures necessary to ensure that the access to the tariff quota in question is restricted to cattle as specified in Article 1(1) and (2).

2. They shall ensure free access to the shares allocated to them for importers established in their territory.
3. Member States shall count the animals in question against their shares as the animals are presented for customs clearance under cover of entries for home use.
4. The extent to which the shares of the Member States have been used up shall be recorded on the basis of imports counted as specified in paragraph 3.

Article 11

The Member States shall inform the Commission at regular intervals of imports actually charged against their shares.

Article 12

The Member States and the Commission shall cooperate closely to ensure that the provisions of this Regulation are observed.

Article 13

This Regulation shall enter into force on 1 July 1974.

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

Done at Brussels,

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For the Council
The President