# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(78) 639 final.

Brussels, 24 November 1978

# Proposal for a COUNCIL REGULATION (EEC)

regarding the application of Decision of the ACP-EEC Council of Ministers derogating from the definition of the concept of 'originating products' to take into account the special situation of Kenya with regard to certain items of fishing tackle (fishing flies)

DRAFT ACP-EEC COUNCIL OF MINISTERS DECISION

derogating from the definition of UNIVERSITY OF STITSBURGHTING prod to take into account the special situation BRARIES with regard to certain items of fishing tackle (fishing flies)

(Submitted by the Commission To The Townoil)

COM(78) 639 final.

#### **EXPLANATORY NOTE**

By letter of 6' July 1978, the Government of the Republic of Kenya forwarded to the Commission through its Ambassador in Brussels a request to renew ACP-EEC Council of Ministers Decision No 2/77<sup>(1)</sup> by which Kenya had obtained a derogation from the definition of the concept of originating products for artificial fishing flies. The period requested is two years.

## I. Recap on the situation

Kenya manufactures artificial flies from hooks imported from third countries. As hooks and flies are classified under the same heading in the Customs Cooperation Council Nomenclature, the final product does not have originating status, even though there is considerable value added, as there is no change of tariff heading, which is in the order of 75%. At the request of Kenya a derogation for one year was given on condition that they sought new sources of supply for hooks in the Community.

# II. Request for renewal

At present, as indicated in their letter of 6 July 1978, Kenya has not found as yet new sources of supply.

# III. Opinion of the Services of the Commission

Even though it has been stated that the derogation given in 1977 is not renewable, it is necessary to take into account that it has not been possible for Kenya to find in the Community the type of hook used until now. In addition, it concerns such minimal quantities that no disturbance can be feared.

Consequently, the Commission recommends the annexed Draft Decision as well as the draft Regulation to put the Decision into force in the Community.

<sup>0.</sup>J. No L 139 of 7.6.1977

## **COUNCIL REGULATION (EEC).**

regarding the application of Decision of the ACP-EEC Council of Ministers derogating from the definition of the concept of 'originating products' to take into account the special situation of Kenya with regard to certain items of fishing tackle (fishing flies)

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 Council of Ministers set up under the ACP-EEC Convention of Lomé (1) signed on 28 February 1975, adopted, pursuant to Article 9 (2) of the Convention, Decision

derogating from the concept of 'originating products' to take into account the special situation of Kenya with regard to certain items of fishing tackle (fishing flies);

Whereas it is necessary, in accordance with Article 74(3) of the said Convention, to take the measures required to implement that Decision,

HAS ADOPTED THIS REGULATION:

Article 1

Decision /78 of the ACP-EEC Council of Ministers annexed to this Regulation shall apply in the Community.

Article 2

This Regulation shall enter into force:

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

Done at Brussels,

For the Council-The President

#### ACP-EEC COUNCIL OF MINISTERS DECISION

derogating from the definition of the concept of 'originating products' to take into account the special situation of Kenya with regard to certain items of fishing tackle (fishing flies)

#### THE ACP-EEC COUNCIL OF MINISTERS,

Having regard to the ACP-EEC Convention of Lomé, signed on 28 February 1975 (hereinafter referred to as 'the Convention'), and in particular Article 9 (2) thereof,

Whereas Article 27 of Protocol 1 to the Convention, concerning the definition of the concept of 'originating products' and methods of administrative cooperation, makes provision for derogations from the rules of origin is particular to facilitate the development of existing industries or the creation of new industries;

Whereas the ACP States have submitted a request from the Government of the Republic of Kenya for a derogation from the definition set out in the Protocol for items of fishing tackle manufactured in that State;

Whereas, in accordance with Article 27 of Protocol 1, the Customs Cooperation Committee has adopted a report on this request;

Whereas in order to take into account the special situation of the Republic of Kenya and to enable the relevant industrial sector to develop its industry and to examine the possibility of using Community products for the manufacture of the articles in question, a derogation should be made for one year, which should meet this request;

Whereas any possible deflection of trade should be avoided; whereas this aim can be achieved by fixing a maximum percentage of non-originating products incorporated in the finished product.

#### HAS DECIDED AS FOLLOWS:

#### Article 1

By way of derogation from the provisions of Protocol 1, items of fishing tackle manufactured in Kenya and falling within tariff heading No ex 97.07 'fishing flies', shall be considered as originating in Kenya provided that the value of the non-originating fish-hooks used for their manufacture, falling within tariff heading No ex 97.07, does not exceed 25 % of the value of the finished product.

#### Article 2

The movement certificates EUR 1 issued for products originating by virtue of the derogation contained in Article 1 shall contain in box 7 "remarks" one of the following endorsements:

- "Derogation fishing flies"
- "Undtagelse fluer til fiskeri"
- ·"Derogation mouches pour la pêche"
- "Abweichung Fliegen zum Flugangeln"
- "Peroga mosché per la pesca"
- "Afwijking kunstvliegen voor de visserij"

#### Article 3

The competent authorities of the Republic of Kenya shall forward to the Commission every three months a statement of the quantities in respect of which movement certificates EUR 1 have been issued pursuant to this Decision, indicating the Member States of destination.

#### Article 4

The ACP States, the Member States and the Community shall each take the measures required to implement this Decision.

#### Article 5

This Decision shall enter into force on the day of its publication in the Official Journal of the European Communities.

It shall apply until

Done at

For the ACP-EEC Council of Ministers

The President