

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(77) 428 final.

Brussels, 12 September 1977.

Commission Communication to the Council  
containing a proposal for a Council regulation (EEC)  
on the treatment applicable to imports  
into the Community of prepared and preserved sardines  
originating in Morocco and Tunisia

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## Proposal for a COUNCIL REGULATION (EEC)

opening, allocating and providing for the administration of Community  
tariff quotas for prepared or preserved sardines falling within sub-  
heading 16.04 D of the Common Customs Tariff and originating in Morocco  
(1978)

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## Proposal for a COUNCIL REGULATION (EEC)

opening, allocating and providing for the administration of a Community  
tariff quota for prepared or preserved sardines falling within subheading  
16.04 D of the Common Customs Tariff and originating in Tunisia (1978)

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(submitted to the Council by the Commission)

COM(77) 428 final.



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Commission Communication to the Council  
containing a proposal for a Council regulation (EEC)  
on the treatment applicable to imports  
into the Community of prepared and preserved sardines  
originating in Morocco and Tunisia

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1. The Cooperation Agreements signed on 26 April 1976 between the Community and Morocco and on 25 April 1976 between the Community and Tunisia provide, in Articles 19 and 18 respectively, that prepared and preserved sardines originating in the countries in question may be imported into the Community free of customs duties subject to observance of the minimum prices fixed in the Agreements (or for whose fixing arrangements are made therein). The periods during which this treatment applies are to be determined by exchanges of letters between the Contracting Parties, which also set out the technical rules of application. The Interim Agreements currently in force between the Community and Morocco and between the Community and Tunisia repeat these provisions insofar as necessary.

2. The exchanges of letters have not yet taken place. By letters dated 1 March 1976, the heads of the Moroccan and Tunisian delegations each stated that their respective delegations had accepted the treatments defined in the Agreements for prepared and preserved sardines - in particular, the observance of minimum prices - subject to the extension of this system of minimum prices to the other traditional suppliers of the Community \*. They went on to say that until this had been done, the present arrangements should be maintained <sup>1</sup>.

In his reply, the head of the EEC delegation stated that he would transmit the delegations' letters to the appropriate Community authorities and would recommend that decisions be taken to accommodate their points of concern <sup>1</sup>.

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3. Following these letters between the delegations, the Commission submitted to the Council a proposal for maintaining, on a transitional basis pending the conclusion of the exchanges of letters provided for under the 1976 Agreements, the arrangements applied before these Agreements entered into force. On this basis, the Council adopted Regulation (EEC) No 1522/76 of 24 June 1976 on imports of prepared and preserved sardines originating in Morocco and Regulation (EEC) No 1509/76 of 24 June 1976 on imports of the same products originating in Tunisia. These Regulations have since been extended in two stages until 31 December 1977 (see Regulation (EEC) No 126/77 of 18 January 1977 and Regulation (EEC) No 1178/77 of 17 May 1977).

The arrangements in question provide for tariff treatment which varies from one Member State to another (see Annex 1). This treatment cannot be extended beyond that date, since it is incompatible with the principles of the customs union and the rules of the common commercial policy.

4. In order to avoid any break in continuity, should the arrangements provided for in the Agreements not be applied from 1 January 1978, it is necessary to adopt common import arrangements for the nine Member States, which will take account of the various interest involved (particularly traditional trade flows) and replace the national arrangements applied hitherto.

To this end, and pending the conclusion of the exchanges of letters provided for in the Agreements between the EEC and Morocco and Tunisia respectively, the Commission proposes to the Council that from 1 January 1978 the Community apply the following treatment to imports of prepared and preserved sardines falling within subheading 16.04 D of the Common Customs Tariff and originating in Morocco and Tunisia :

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- (a) the opening of annual Community tariff quotas, free of customs duties, to cover the proportion of these products that is currently imported duty-free into certain Member States;
- (b) an annual Community tariff quota, subject to a reduced duty of 60 % of that shown in the Common Customs Tariff, to cover imports of the products in question from Morocco on which different duties are currently levied.

The volume of these quotas, calculated for the period from 1 January 1978 to 31 December 1978 on the basis of imports into the Community over the last three years (see Annex II), will be as follows :

Morocco : 14,000 t free of customs duties

6,000 t at a duty of 10 %

Tunisia : 100 t free of customs duties

These quotas will be valid until the conclusion of the exchanges of letters provided for in the Agreements or until the entry into force of Community import arrangements for prepared and preserved sardines or until 31 December 1978, whichever is the earliest.

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ANNEX I

Treatment currently applied to imports of prepared and preserved sardines falling with subheading 16.04 B of the Common Customs Tariff and originating in Morocco and Tunisia

## 1. Imports from Morocco

Importing country	Treatment
Benelux	Duty-free
France	Duty-free
Italy	- 50 % tariff reduction <sup>1</sup> on a quota of 900 t <sup>2</sup> - 75 % tariff reduction on a mixed quota of preserved sardines and preserved tunny of 2,800 t <sup>2</sup>
F.R.G.	50 % tariff reduction <sup>1</sup> on a mixed quota of preserved sardines and preserved tunny of 2,850 t <sup>2</sup>
Denmark	40 ø re/kg
Ireland	9 %
United Kingdom	10 %
	<sup>1</sup> CCT duty rate = 25 %
	<sup>2</sup> These quotas may be increased by up to 30 % p.a.

## 2. Imports from Tunisia

Importing country	Treatment
Benelux	Duty-free
France	Duty-free
Italy	50 % tariff reduction on a mixed quota <sup>1</sup> of preserved sardines and preserved tunny of 500 t <sup>2</sup>
F.R.G.	50 % tariff reduction on a mixed quota of preserved sardines and preserved tunny of 1,000 t <sup>2</sup>
Denmark	40 ø re/kg
Ireland	9 %
United Kingdom	10 %
	<sup>1</sup> CCT duty rate = 25 %
	<sup>2</sup> These quotas may be increased by up to 30 % p.a.

IMPORTS OF PREPARED AND PRESERVED SARDINES  
ORIGINATING IN MOROCCO AND TUNISIA

(in t)

IMPORTING COUNTRY	EXPORTING COUNTRIES							
	MOROCCO				TUNISIA			
	1974	1975	1976	Ø	1974	1975	1976	Ø
1. Benelux	2,322	1,713	2,107	2,047	-	-	-	-
2. France	14,501	8,660	10,438	11,200	36	33	14	28
3. Italy	688	223	37	316	-	-	-	-
4. F.R.G.	2,642	1,640	4,341	2,874	-	-	-	-
5. Denmark	53	54	58	55	-	-	-	-
6. Ireland	n.a.	77	79	78*	n.a.	-	-	-
7. United Kingdom	3,089	3,193	1,533	2,605	-	-	-	-
TOTAL EEC "9"	23,295	15,560	18,593	19,175	36	33	14	28
of which :								
1 + 2	16,823	10,373	12,545	13,247	36	33	14	28
of which :								
3 to 7	6,472	5,187	6,048	5,928	-	-	-	-

n.a. : not available

\* Ø : average over two years



EXPLANATORY MEMORANDUM

1. On ..... 1977 the Council decided to open Community tariff quotas for prepared or preserved sardines falling within subheading 16.04 D of the Common Customs Tariff and originating in Morocco and Tunisia. These tariff quotas will apply from 1 January 1978 until the conclusion of the exchanges of letters provided for in Article 19 of the Cooperation Agreement between the Community and Morocco and in Article 18 of the Cooperation Agreement between the Community and Tunisia, or until such time as Community arrangements for imports of the products in question are applied, or until 31 December 1978, whichever is the earliest.

The quota volumes and the duties to be applied are as follows:

- Morocco: quota of 14 000 tonnes free of customs duty,  
          quota of 6 000 tonnes at a duty rate of 10 %;
- Tunisia: quota of 100 tonnes free of customs duty.

2. The tariff quotas in question should therefore be opened, that being the object of the proposal annexed hereto.
3. The proposals for regulations opening these tariff quotas provide - as is customary - for the division of each of the quota volumes into two instalments, the first being allocated among the Member States as quota shares, the second being held as a reserve.

The allocation of the volume of the first instalment of the quota should be based on the rules generally applied. These involve calculating each Member State's total imports over the last three years as a proportion of total Community imports during the same period and applying, for each Member State the percentages thus obtained to the volume of the first instalment.

4. The form of administration to be applied by all Member States is the "grey-hound-system".

Proposal for  
COUNCIL REGULATION (EEC) No ...../77

of

opening allocations and providing for the administration of Community tariff quotas for prepared or preserved sardines falling within subheading 16.04 D of the Common Customs Tariff and originating in Morocco (1978)

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<sup>1</sup>,

Whereas on ..... 1977 the Council decided to open two Community tariff quotas for prepared or preserved sardines falling within subheading 16.04 D of the Common Customs tariff and originating in Morocco; whereas the respective quota volumes and duties are fixed at 14 000 tonnes free of duty and 6 000 tonnes at a duty rate of 10 %; whereas these tariff quotas are to apply from 1 January 1978 until the conclusion of the exchange of letters provided for in Article 19 of the Cooperation Agreement between the Community and Morocco, or until such time as Community arrangements for imports of the products in question are applied, or until 31 December 1978, whichever is the earliest; whereas these Community tariff quotas should therefore be opened;

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<sup>1</sup>OJ No .....

Whereas it is in particular necessary to ensure for all Community importers equal and uninterrupted access to the abovementioned quotas and uninterrupted application of the rates laid down for these quotas to all imports of the products concerned into all Member States until the quotas have been used up; whereas, having regard to the principles mentioned above, the Community nature of the quotas can be respected by allocating the Community tariff quotas among the Member States;

Whereas, in order to reflect most accurately the actual development of the market in the products concerned, such allocation should be in proportion to the needs of the Member States, assessed by reference both to the statistics of each State's imports from Morocco over a representative period and to the economic outlook for the quota period concerned;

Whereas, during the last three years for which statistics are available, the corresponding imports by each of the Member States represent the following percentages of the imports into the Community from Morocco of the products concerned:

Member States	1974	1975	1976
Benelux	10.0	11.0	11.3
Denmark	0.2	0.3	0.3
Germany	11.3	10.6	23.3
France	62.2	55.7	56.1
Ireland	0.1	0.5	0.5
Italy	3.0	1.4	0.2
United Kingdom	13.2	20.5	8.3

Whereas, in view of these factors and of the estimates submitted by certain Member States, initial quota shares may be fixed approximately at the following percentages:

Benelux	10.7
Denmark	0.3
Germany	15.0
France	58.4
Ireland	0.4
Italy	1.6
United Kingdom	13.6

Whereas, in order to take into account import trends for the products concerned in the different Member States, each of the quota amounts should be divided into two instalments, the first instalment being allocated among the Member States and the second forming a reserve intended ultimately to cover the requirements of the Member States which have used up their initial quota shares; whereas, in order to ensure a certain degree of security for importers in each Member State, the first instalment of the Community quotas should be determined at a level which, under present circumstances, may be 80 % of each of the quota amounts;

Whereas the initial quota shares of the Member States may be used up at different times; whereas, in order to take this fact into account and avoid any break in continuity, any Member State having used up almost the whole of any one of its initial quota shares should draw an additional quota share from the corresponding reserve; whereas this must be done by each Member State when each of its additional quota shares is almost entirely used up, and repeated as many times as the reserve allows; whereas the initial and additional quota shares must be available for use until the

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end of the quota period; whereas this 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 in the quota period, a considerable balance of one of the initial quota shares remains in one or other Member State it is essential that that Member State pays a large amount of it back into the reserve, in order to avoid a part of one or other of the Community quotas remaining unused in one Member State when it could be used in others;

Whereas, since the Kingdom of Belgium, the Kingdom of the Netherlands and the Grand Duchy of Luxembourg are united in and represented by the Benelux Economic Union, all transactions concerning the administration of shares granted to the abovementioned economic union may be carried out by any of its members,

HAS ADOPTED THIS REGULATION:

Article 1

1. From 1 January 1978 until the conclusion of the exchange of letters referred to in Article 19 of the Cooperation Agreement between the Community and Morocco, or until such time as Community import arrangements are applied, or until 31 December 1978, whichever is the earliest, a duty-free Community tariff quota of 14 000 tonnes shall be opened for imports into the Community of prepared or preserved sardines falling within subheading 16.04 D of the Common Customs Tariff and originating in Morocco.
  
2. From 1 January 1978 until the conclusion of the exchange of letters referred to in Article 19 of the Cooperation Agreement between the Community and Morocco, or until such time as Community import arrangements are applied, or until 31 December 1978, whichever is the earliest, a Community tariff quota of 6 000 tonnes at a duty rate of 10 % shall be opened for imports into the Community of prepared or preserved sardine falling within subheading 16.04 D of the Common Customs Tariff and originating in Morocco.

*Article 2*

1. The tariff quotas laid down in Article 1 shall be divided into two instalments, **respective**

2. A first instalment of each quota shall be shared among the Member States; the shares which, subject to Article 5, shall be valid until the end of the period specified in Article 1, shall be as follows:

	Art. 1(1). tonnes	Art 1(2) tonnes
Benelux	1200	515
Denmark	35	15
Germany	1680	720
France	6450	2600
Ireland	45	20
Italy	180	80
United Kingdom	1520	650
Total	11200	4800

3. The second instalment of each quota, **2600 tonnes** and **1200 tonnes** respectively, shall constitute the reserve.

*Article 3*

1. If 90 % or more of one of the initial shares of a Member State, as laid down in Article 2 (2) or 90 % or more of that share less the amount returned into the reserve, where the provisions of Article 5 have been applied, has been exhausted, that Member State shall proceed without delay, by notifying the Commission, to draw a second share equal to 15 % of its initial share, rounded up to the next unit where appropriate, to the extent that the amount in the reserve allows.

2. If, after one or other of its initial shares has been exhausted, 90 % or more of the second share drawn by a Member State has been used, that Member State shall proceed in the manner specified in paragraph 1 to draw a third share equal to 7.5 % of its initial share, rounded up to the next unit where appropriate, to the extent that the amount in the reserve allows.

3. If, after one of its second shares has been exhausted, 90 % or more of the third share drawn by a Member State has been used, that Member State shall proceed in the manner specified in paragraph 1, to draw a fourth share equal to the third.

This process shall be applied until the reserve is exhausted.

4. Notwithstanding paragraphs 1, 2 and 3, the Member States may proceed to draw shares smaller than those fixed in those paragraphs if there is any reason to believe that those shares might not be used up. They shall inform the Commission of the reasons which led them to apply this paragraph.

*Article 4*

Each of the additional shares drawn pursuant to Article 3 shall be valid until the end of the period specified in Article 1.

*Article 5*

The Member States shall return to the reserve, not later than 1 October 1978, the unused portion of their initial share which, on 15 September 1978, is in excess of 20 % of the initial amount. They may return a larger quantity if there are reasons to believe that such quantity might not be used.

The Member States shall, not later than 1 October 1978, notify the Commission of the total imports of the products concerned effected up to 15 September 1978 inclusive and charged against the Community quotas and, where appropriate, the proportion of their initial shares that is being returned to each reserve.

*Article 6*

The Commission shall keep account of the shares opened by Member States in accordance with Articles 2 and 3 and shall inform each of them of the extent to which the reserves have been used as soon as it receives the notifications.

The Commission shall, not later than 5 October 1978 notify Member States of the amount in each reserve after the return of shares pursuant to Article 5.

The Commission shall ensure that any drawing which uses up any reserve is limited to the balance available and for this purpose, shall specify the amount thereof to the Member State which makes the final drawing.

*Article 7*

1. The Member States shall take all appropriate measures to ensure that, when additional shares are drawn pursuant to Article 3, it is possible for charges to be made, without interruption, against their accumulated shares of the Community tariff quotas.

2. The Member States shall ensure that importers of the said goods established in their territory have free access to the shares allocated to them.

3. The Member States shall charge imports of the said goods against their shares as and when the goods are entered for home use.

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

*Article 8*

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

*Article 9*

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

*Article 10*

This Regulation shall enter into force on 1 January 1979.

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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Proposal for  
COUNCIL REGULATION (EEC) No ...../77  
of

opening, allocating and providing for the administration of a  
Community tariff quota for prepared or preserved sardines falling  
within subheading 16.04 D of the Common Customs Tariff and ori-  
ginating in Tunisia (1978)

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<sup>1</sup>,

Whereas on ...../77 the Council decided to open a Community tariff quota  
for prepared or preserved sardines falling within subheading 16.04 D of the  
Common Customs Tariff and originating in Tunisia; whereas this quota is for  
a quantity of 100 tonnes free of duty; whereas this tariff quota is to apply  
from 1 January 1978 until the conclusion of the exchange of letters provided  
for in Article 16 of the Cooperation Agreement between the Community and Tunisia,  
or until such time as Community arrangements for imports of the products in  
question are applied, or until 31 December 1978, whichever is the earliest;  
whereas this Community tariff quota should therefore be opened;

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<sup>1</sup>OJ No



Whereas it is in particular necessary to ensure to all importers of the Member States equal and uninterrupted access to the quota and uninterrupted application of the rate laid down for that quota to all imports of the product in question into all Member States until the quota has been used up; whereas having regard to the above principles the Community nature of the quota can be respected by allocating the tariff quota among the Member States; whereas, to reflect most accurately the actual development of the market in the products in question, such allocation should be in proportion to the requirements of the Member States, assessed by reference both to the statistics relating to imports from Tunisia over a representative reference period and to the economic outlook for the quota period concerned;

Whereas, during the last three years for which statistics are available, the corresponding imports of each Member State represent the following percentages as against the imports into the Community from Tunisia of the products concerned:

Member States	1974	1975	1976
Benelux	-	-	-
Denmark	-	-	-
Germany	-	-	-
France	100 (= 36 t)	100 (= 33 t)	100 (= 14 t)
Ireland	-	-	-
Italy	-	-	-
United Kingdom	-	-	-

Whereas these data cannot be considered as representative to serve as a basis for allocation of the quota volume among the Member States; whereas it is difficult to estimate imports by Member States for 1976 because of the absence of any pattern in previous years; whereas to allocate the quota volume on a fair basis, the initial quota shares may be fixed approximately at the following percentages:

Benelux	10
Denmark	3
Germany	15
France	50
Ireland	3
Italy	4
United Kingdom	15

Whereas, to take account of future import trends in the various Member States for the products concerned, the quota volume should be divided into two instalments, the first instalment being allocated among the Member States and the second held as a reserve intended to cover at a later date the requirements of Member States which have used up their initial share; whereas, in order to ensure a certain degree of security to importers of each Member State, the first instalment of the Community tariff quota could be fixed at 80% of the quota volumes;

Whereas the initial shares may be used up sooner or later; whereas, in order to take this fact into account and to avoid any break in continuity, it is important that any Member State which has used up almost all of its initial share should draw a supplementary share from the reserve; whereas this must be done by each Member State if each of its supplementary shares is almost used up, and as many times as the reserve allows; whereas each initial and supplementary share must be valid until the end of the quota period; whereas this form of administration requires close collaboration between Member States and the Commission, and the Commission must be in a position to follow the extent to which the tariff quotas have been used up and inform the Member States thereof;

Whereas if, at a given date in the quota period, a considerable quantity of the initial share remains in any Member State, it is essential that that State should return a significant proportion to the reserve in order to avoid part of the Community quota remaining unused in one Member State when it could be used in others;

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

HAS ADOPTED THIS REGULATION

Article 1

From 1 January 1978 until the conclusion of the exchange of letters referred to in Article 18 of the Cooperation Agreement between the Community and Tunisia, or until such time as Community import arrangements are applied, or until 31 December 1978, whichever is the earliest, a duty-free Community tariff quota of 100 tonnes shall be opened for imports into the Community of prepared or preserved sardines falling within subheading 16.04 D of the Common Customs Tariff and originating in Tunisia.

Article 2

1. The tariff quota referred to in Article 1 shall be divided into two instalments.

2. A first instalment, amounting to 80 tonnes of the Community tariff quota referred to in Article 1, shall be allocated among the Member States; the shares, which subject to Article 5 shall be valid until the end of the period specified in Article 1, shall be as follows:

Benelux	8 tonnes
Denmark	2 tonnes
Germany	12 tonnes
France	40 tonnes
Ireland	2 tonnes
Italy	4 tonnes
United Kingdom	12 tonnes

3. The second instalment of 20 tonnes shall constitute the reserve.

Article 3

1. If 90% or more of any Member State's initial share as laid down in Article 2 (2), or 90% of that share less the amount returned into the reserve, where Article 5 has been applied, has been exhausted, that Member State shall without delay, by notifying the Commission, draw a second share in the quota equal to 15% of its initial share, rounded up to the next unit, where appropriate, to the extent that the amount in the reserve allows.

2. If, after its initial share has been exhausted, 90% or more of the second share drawn by a Member State has been used, that Member State shall, in accordance with the conditions laid down in paragraph 1, draw a third share equal to 7.5% of its initial share.

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

This process shall be applied until the reserve is exhausted.

4. Notwithstanding the provisions of paragraphs 1 to 3, Member States may draw smaller shares than those fixed in those paragraphs if there is reason to believe that these shares might not be used up. They shall inform the Commission of their reasons for applying this paragraph.

*Article 4*

Each of the additional shares drawn pursuant to Article 3 shall be valid until the end of the period specified in Article 1.

*Article 5*

The Member States shall, not later than 1 October 1976, return to the reserve the unused portion of their initial share which, on 15 September 1976, is in excess of 20% of the initial amount. They may return a greater portion if there are grounds for believing that such portion may not be used in full.

The Member States shall, not later than 1 October 1976, notify the Commission of the total imports of the products concerned effected under the Community quota up to and including 15 September 1976, and where appropriate, the proportion of their initial shares that they are returning to the reserve.

*Article 6*

The Commission shall keep account of the shares opened by the Member States in accordance with Articles 2 and 3 and shall inform each of them of the extent to which the reserve has been used as soon as it receives the notifications.

The Commission shall, not later than 5 October 1976, notify the Member States of the state of the reserve after the return of shares pursuant to Article 5.

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

Done at Brussels,

The Commission shall ensure that any drawing which uses up the reserve is limited to the balance available and, for this purpose, shall specify the amount thereof to the Member State which makes the final drawing.

*Article 7*

1. The Member States shall take all measures necessary to ensure that supplementary shares drawn pursuant to Article 3 are opened in such a way that charges may be made without interruption against their accumulative shares of the Community quota.

2. Member States shall ensure that importers of the said products established in their territory have free access to the shares allocated to them.

3. The Member States shall charge imports of the said goods against their shares as and when such goods are entered for home use under cover of a declaration that they have been made available for consumption.

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

*Article 8*

On receipt of a request from the Commission, Member States shall inform it of imports actually charged against their shares.

*Article 9*

The Member States and the Commission shall cooperate closely in order to ensure that this Regulation is observed.

*Article 10*

This Regulation shall enter into force on 1 January 1976.

*For the Council*

*The President*