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Report

drawn up on behalf of the Committee on External
Economic Relations

on the proposal from the Commission of the European
Communities to the Council (Doc. 1-1007/82 - COM(82)
679 final) for a Council Regulation on the import
system applicable in 1983-1986 to products falling
within subheading 07.06 A of the Common Customs
Tariff and amending Regulation (EEC) No. 950/68 on
the Common Customs Tariff.

Rapporteur: Mrs M.F. BADUEL GLORIOSO

1, 2, 3

By letter of 3 November 1982, the President of the Council of the European Communities consulted the European Parliament, pursuant to Article 43 of the EEC Treaty, on the proposal from the Commission of the European Communities to the Council for a regulation on the import system applicable in 1983-1986 to products falling within subheading 07.06 A of the Common Customs Tariff and amending Regulation (EEC) No. 950/68 on the Common Customs Tariff.

On 13 December 1982, the President of the European Parliament referred this proposal to the Committee on External Economic Relations as the committee responsible and to the Committee on Agriculture, the Committee on Budgets and the Committee on Development and Cooperation for their opinions.

On 19 January 1983, the Committee on External Economic Relations appointed Mrs Baduel Glorioso rapporteur. It considered the proposal at the same meeting.

At its meeting of 27 January 1983, the committee adopted the motion for a resolution and the explanatory statement by 12 votes to 2.

The following took part in the vote : Sir Fred Catherwood, chairman, Mr Seal, vice-chairman, Mrs Baduel Glorioso, rapporteur; Mr Cohen (deputizing for Mr Caillavet), Mr Galluzzi, Miss Hooper, Mr Jonker, Mr Lemmer, Mrs Lenz (deputizing for Mr Blumenfeld), Mr Mommersteeg, Mr Pelikan, Mr Rieger, Mr Spencer and Sir Fred Warner.

The opinions of the Committee on Budgets and the Committee on Development and Cooperation are attached to this report. The opinion of the Committee on Agriculture will be published separately.

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The Committee on External Economic Relations hereby submits to the European Parliament the following motion for a resolution together with explanatory statement:

MOTION FOR A RESOLUTION

closing the procedure for consultation of the European Parliament on the proposal from the Commission of the European Communities, to the Council for a regulation on the import system applicable in 1983-1986 to products falling within subheading 07.06 A of the Common Customs Tariff and amending Regulation (EEC) No. 950/68 on the Common Customs Tariff

The European Parliament,

- having regard to the proposal for a Council Regulation (COM(82) 679 final)¹,
 - having been consulted by the Council pursuant to Article 43 of the EEC Treaty (Doc. 1-1007/82),
 - having regard to the result of the vote on the Commission's proposal,
 - having regard to the report of the Committee on External Economic Relations and the opinions of the Committee on Budgets, the Committee on Agriculture and the Committee on Development and Cooperation (Doc. 1-1201/82),
- A. having regard to the Cooperation Agreement between the European Economic Community and the Kingdom of Thailand on manioc production, marketing and trade²,
- B. having regard to the Agreement in the form of an exchange of letters between the European Economic Community and the Republic of Indonesia concerning imports of manioc from Indonesia and from other supplier countries which are members of GATT³,
- C. having regard to the Agreement in the form of an exchange of letters between the European Economic Community and the Federative Republic of Brazil concerning imports of manioc from Brazil and from other supplier countries which are members of GATT⁴,
- D. having regard to its resolution of 17 September 1982 closing the procedure for consultation of the European Parliament on the Commission proposal for a Council regulation on the import system applicable in 1982 to products falling within subheading 07.06 A of the Common Customs tariff⁵,

¹ OJ No. C 322, 8 December 1982, p. 7

² OJ No. L 219, 28 July 1982, p. 53

³ OJ No. L 219, 28 July 1982, p. 57

⁴ OJ No. L 219, 28 July 1982, p. 59

⁵ OJ No. C 267, 11 October 1982, p. 111

E. whereas the present proposal for a Council Regulation contains provisions to implement the above agreements with Thailand, Indonesia and Brazil,

1. Approves the proposal for a Council Regulation on the import system applicable in 1983-1986 to products falling within subheading 07.06 A of the Common Customs Tariff and amending Regulation (EEC) No. 950/68 on the Common Customs Tariff;
2. Reaffirms its resolution of 17 September 1982, in particular the following paragraphs:
 - (a) Points out that the approach now adopted by the Community of concluding bilateral agreements with different countries for specific products carries the risk of breaching the unity of the trade policy, and urges in this connection that the Community should frame a general and overall policy for feed grain substitutes which takes account of both the interests of the producers in the Community and those of the exporting countries; (para. 8)
 - (b) Underlines the fact that such a general and overall policy cannot be dissociated from the price policy for feed grains to be pursued in the Community; (para. 9)
 - (c) Invites the Commission and the Council to give practical effect to the undertakings set out in the draft agreement with Thailand, under which the Community declares itself willing to do everything possible to help Thailand to diversify its agriculture and to find other markets and uses for its manioc production; (para. 3)
 - (d) Wonders in this connection whether a separate budget heading should not be created which could be used to finance compensatory measures for the developing countries which are affected by the system of import restrictions which lies at the basis of the Community's internal policy; (para. 6)
 - (e) Invites the Council to authorize the Commission without delay to enter into tariff negotiations within the framework of GATT with a view to diminishing the advantages enjoyed by cereal substitute products imported from the United States, in particular maize gluten, over equivalent products grown in the Community or imported from developing countries and with a view to stabilizing their exports of corn gluten feed, as was achieved in the cases of Thailand and Indonesia. (para. 4)

EXPLANATORY STATEMENT

1. The present proposal for a regulation is based on

- the Cooperation Agreement between the European Community and Thailand on manioc production, marketing and trade¹, under which Thailand agreed to limit its exports of manioc to the Community for a period of five years (1982-1986), while the Community undertook to allow the quantities set out in the Agreement to be imported subject to a levy of not more than 6% ad valorem;
- the EEC-Indonesia and EEC-Brazil agreements (unlike Thailand, Indonesia and Brazil are members of GATT), which suspend the GATT provisions, with the Community in return undertaking to fix annual tariff quotas subject to an import levy of not more than 6% ad valorem for the period 1983-1986. These agreements lay down the maximum tariff quotas for each year.

2. The Committee on External Economic Relations has discussed these agreements in detail at past meetings. On 24 June 1982, it adopted the report by Mrs Baduel Glorioso on this subject. A modified version of the motion for a resolution in this report was adopted at the plenary sitting of 17 September 1982.

3. In the light of the arrangements concluded, the resolution referred, inter alia, to

- the need to give practical effect to the undertakings by the Community, set out in the draft agreement with Thailand to help that country to diversify its agriculture and to find other markets and uses for its manioc production;
- the need to start tariff negotiations within the framework of GATT with the aim of reducing the advantages enjoyed by cereal substitute products imported from the United States, in particular maize gluten, over equivalent products imported from developing countries.

4. Parliament also approved the Commission's proposal at the same time, although it stated that its opinion regarding the renewal of the regulation - i.e. the existing proposal - would depend on the implementation of the measures referred to above.

¹ OJ No. L 219, 28 July 1982, p. 53

OPINION OF THE COMMITTEE ON BUDGETS

Letter from the chairman of the committee to Sir Fred CATHERWOOD, chairman of the Committee on External Economic Relations

Luxembourg, 31 January 1983

Subject : Proposal for a Council Regulation (EEC) on the import system applicable in 1983-1986 to products falling within subheading 07.06 A of the Common Customs Tariff and amending Regulation (EEC) No. 950/68 on the Common Customs Tariff (Doc. 1-1007/82)

Dear Sir Fred,

The Committee on Budgets considered the abovementioned Commission proposal at its meeting of 18/19/20 January 1983.

According to the figures given in the Commission's financial statement, this regulation could result in an increase in revenue from customs levies of approximately 1.9 m ECU. At the same time, however, expenditure on export refunds for cereals is estimated at 16.5 m ECU.

The Committee on Budgets has no objections to this proposal in principle. It would like to point out, however, that it has called on the Commission repeatedly to submit an overall assessment of the changes in expenditure and revenue resulting from this type of import regulation. It therefore again calls on the Committee on External Economic Relations, as the committee responsible, to give consideration to this aspect in its opinion.

Yours sincerely,

Erwin LANGE

The following took part in the vote : Mr Lange, chairman; Mrs Barbarella, vice-chairman; Mr Arndt, Mr Baillot, Mr Balfe, Mr R. Jackson, Mr Kellett-Bowman, Mr Louwes, Mr Orlandi, Mr Saby and Mr Simonnet.

OPINION OF THE COMMITTEE ON DEVELOPMENT AND COOPERATION

Letter from the chairman of the committee to Sir Fred CATHERWOOD,
chairman of the Committee on External Economic Relations

Brussels, 2 December 1982

Subject : Opinion of the Committee on Development and Cooperation for
the Committee on External Economic Relations on :

1. a proposal for a Council Regulation (EEC) on the
import system applicable in 1983-1986 to products
falling within subheading 07.06 A of the Common
Customs Tariff and amending Regulation (EEC)
No. 950/68 on the Common Customs Tariff;
 2. a proposal for a Council Regulation (EEC) on the
import system applicable at the beginning of 1983
to products falling within subheading 07.06 A of the
Common Customs Tariff and amending Regulation (EEC)
No. 950/68 on the Common Customs Tariff.
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Dear Sir Fred,

At its meeting of 1 December 1982, the Committee on Development and
Cooperation considered the two abovementioned proposals.

In view of the fact that these two regulations form a logical and
compulsory extension to the cooperation agreements concluded between the
EEC and certain third countries which export manioc, the committee approved
the Commission proposals.

Yours sincerely,

M. PONIATOWSKI

