COMMISSION OF THE EUROPEAN COMMUNITIES

COM(82) 542 final Brussels, **21** September 1982

Draft COUNCIL REGULATION (EEC)

opening, allocating and providing for the administration of a Community tariff quota for rosin, including 'brais résineux', falling within subheading 38.08 A of the Common Customs Tariff (1983)

(submitted to the Council by the Commission)

COM(82) 542 final

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EXPLANATORY MEMORANDUM

- 1. The aim of this Memorandum is to present to the Council a draft regulation opening, allocating and providing for the administration of an autonomous zero-duty Community quota for rosin falling within subheading 38.08 A of the Common Customs Tariff (1983).
- 2. This point was examined at a meeting of the Economic Tariff Problems Group held on 26 and 27 April 1982. It emerged from this meeting that:
 - a) Greek production, running at some 13 000 tonnes per year, is having problems finding buyers in the Community to the extent that 4 200 tonnes of stocks were recorded at the end of 1981;
 - b) imports from non-Community countries, normally subject to common customs tariff duty or to reduced duty by virtue of other preferential tariff arrangements, reached levels of 16 710, 17 055 and 21 161 tonnes respectively for the years 1978, 1979 and 1980, for which statistics were collected;
 - c) the quota of 19 959 tonnes opened for 1981 was only used to the amount of 13 351 tonnes.

To avoid upsetting the market equilibrium in this product and to guarantee a parallel development in the market for Community production as well as supplies to user industries under favourable conditions, the Commission proposes that the tariff quota for 1983 be set at 12 000 tonnes.

The breakdown of this quota among the Member States, as proposed by the Commission, was based on the only data available, i.e. the import concessions on priority for the three abovementioned years and on the need to safeguard the Community character of the quota while allocating a share to Ireland whose concessions on priority are nil.

Imports from non-preferential third countries were as follows for 1978, 1979 and 1980:

Member State	1978		1979		1980		
	in tonnes	in %	in tonnes	in % .	in tonnes	in %	
Benelux	2 169	12.98	3 085	18.09	,3 370	15.93	
Denmark	57	0.34	54	0.32	48	0.23	
Germany	4 124	24.68	5 400	31.66	5 527	26.12	
Greece	0	0	.0	0	0	0 -	
France	5 242	31.37	3 185	18.17	6 410	30.29	
Ireland	0	O	0	O	0 ·	.0	
Italy	578	-3.46	466	2.73	1 486	7.02	
United Kingdom	4 540	- 27.17	4 865	28.53	4 291	/20 .2 8	
Total	16 710		17 055		21 161		

However, in view of the relatively high tariff quota proposed as compared with the need for imports into the Community from non-preferential non-Community countries and in view of the fact that the quota opened in 1981 was not used up, the Commission proposes that the 12 000 tonnes be divided into two tranches and that 1 000 tonnes be allotted to Community reserves to cover the needs of Member States which have used up their initial share an to take up the balance of excessively high shares.

Draft COUNCIL REGULATION (EEC)

opening, allocating and providing for the administration of a Community tariff quota for rosin, including 'brais résineux', falling within subheading 38.08 A of the Common Customs Tariff (198.3)

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 production in the Community of rosin falling within subheading 38.08 A of the Common Customs Tariff is currently insufficient to meet the requirements of the processing industries in the Community; whereas, consequently, Community supplies of products of this type currently depend to a considerable extent on imports from third countries; whereas the most urgent Community requirements for the products in question should be met immediately on the most favourable terms; whereas a nil duty Community tariff quota should therefore be opened within the limits of an appropriate amount; whereas, in order not to jeopardize the balance of the market for this product and to ensure parallel development in outlets for Community production and satisfactory security of supplies for user industries, the volume of the Community tariff quota should be fixed at 12 000 tonnes;

Whereas it is in particular necessary to ensure for all Community importers equal and uninterrupted access to the abovementioned quota and uninterrupted application of the rate laid down for that quota to all imports of the products concerned 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 Community tariff quota among the Member States; whereas, in order to reflect as accurately as possible the true trend of the market in the products in question, such allocation should be in proportion to the requirements of the Member States, calculated by reference to the statistics for imports from

non preferential third countries over a representative reference period and also to the economic outlook for the quota period in question; Whereas on the basis of the statistics at present available imports into the Member States in 1978, 1979 and 1980 of the product concerned, originating in these countries have developed as follows and represent the following percentages of total imports into the Community:

Manualcom	12 N 1	1978		1979		1980	
Member States	tonnes	% L'03-10	tonnes	%,271,	tonnes	%	
Benelux	∞2 ∗169	12-98	3 085	18.09	3,370	15.93	
Denmark	∞. √5₹	0.34	54	0.32	48	Ι'	
Germany Greece France	24 124 25 0 0 5 242	24.68 0 31.37,	.5 400 0 185	31,66 0 18,17	5 -527 0 -6 -410		
Ireland	(a) (c)	0	្នា ភូបិ	0		0	
Italy	-, 578	3.46	s. 466	2,73	1 486	7,02	
United Kingdom	₂ 4 - 540	27.1%	4.865	28 53	' -	20 28	
ূ ভূতাক	Total 16 710	#####################################	17 055	2 St. 22 22 23 20 3	21 161		

Whereas, taking into account these figures and the foreseeable development of the product concerned during 1983

the initial shares may be fixed approximately at the following percentages:

Benelux	15 -69
Denmark	0.29
Germany Greece	27 . 39 0 . 05
France	27.00
Ireland	0.05
Italy	4.60
United Kingdom	24.93

Whereas, in order to take into account import trends for the product concerned in the various Member States, the quota amount should be divided into two instalments, the first being shared among the Member States and the second constituting a reserve to cover at a later date the requirements of those Member States which have used up their initial quota share; whereas, in order to give importers in each Member State a certain degree of security, the first instalment of the Community quota might under the circumstances be fixed at 90 % of the quota volume;

Whereas the Member States' initial shares 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 which has almost used up its initial quota share should draw an additional share from the reserve; whereas this must be done by each Member State as and when each of its additional shares is almost used up, and repeated as many times as the reserve allows; whereas the initial and additional shares must be valid until the end of the quota period; whereas this method of administration requires close cooperation between the Member States and the Commission, and the latter must be in a position to monitor the extent to which the quota volume has been used up and to inform the Member States thereof:

Whereas if, at a given date in the quota period, a substantial quantity remains unused, it is essential that that Member State should return a significant proportion to the reserve to prevent a part of any tariff quota from 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 within and jointly represented by the Benelux Economic Union, any operation relating to 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

- 1. During the period 1 January to 31 December 1983 the Common Customs Tariff duty for rosin, including 'brais résineux', falling within subheading 38.08 A shall be totally suspended within the limits of a Community tariff quota of 12 000 tonnes.
- 2. Imports of the product in question benefiting from the same or lower customs duties under preferential arrangements shall not be charged against this tariff quota.
- 3. Within the limits of this tariff quota, Greece shall apply duties calculated in accordance with the relevant provisions laid down in the 1979 Act of Accession.

Article 2

- 1. The tariff quota referred to in Article 1 (1) shall be divided into two instalments.
- 2. The first instalment, amounting to 11000 tonnes, shall be shared among the Member States; the shares which, subject to Article 5, shall be valid until 31 December 1983 shall be as follows:

	(tonnes) 1726
Benelux	1120
Denmark	32
Germany	3013
Greece'	
France	2970
Ireland	5
Italy	506
'United Kingdom	2743

3. The second instalment, amounting to 1 000 tonnes, shall constitute the reserve.

Article 3

- 1. If 90 % or more of any Member State's initial share as specified in Article 2 (2), or 90 % of that share minus the portion returned to the reserve where Article 5 has been applied, has been used up, then, to the extent permitted by the amount of the reserve, that Member State shall forthwith, by notifying the Commission, draw a second share equal to 10% of its initial share, rounded up where necessary to the next unit.
- 2. If, after its initial share has been used up, 90 % or more of the second share drawn by a Member State has been used up, then, to the extent permitted by the amount of the reserve, that Member State shall, in accordance with the conditions laid down in paragraph 1, draw a third share equal to 5 % of its initial share.
- 3. If, after its second share has been used up, 90 % or more of the third share drawn up by a Member State has been used up, that Member State shall, in accordance with the conditions laid down in paragraph 1, draw a fourth share equal to the third.

This process shall continue until the reserve is used up.

4. By way of derogation from paragraphs 1, 2 and 3, a Member State may draw shares smaller than those fixed in those paragraphs if there is reason to believe that they might not be used up. It shall inform the Commission of its reasons for applying this paragraph.

Article 4

The additional shares drawn pursuant to Article 3 shall be valid until 31 December 1983.

Article 5

The Member States shall return to the reserve, not later than 1 October 1983 such unused portion of their initial shares as, on 15 September 1983 is in excess of 20% of the initial volume. They may return a larger quantity if there are grounds for believing that this quantity may not be used.

The Member States shall notify the Commission, not later than 1 October 198 3 of the total quantities of the products in question imported up to 15 September 198 3 and charged against the tariff quotas and of any quantity of the 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, as soon as it is notified, inform each Member State of the extent to which the reserves have been used up.

It she'll inform the Member States, not later than 5 October 1983, of the amount in the reserve after quantities have been returned thereto pursuant to Article 5.

It shall ensure that the drawing which exhausts any reserve does not exceed the balance available and, to this end, notify the amount of that balance to the Member State making the last drawing.

Article 7

- 1. The Member States shall take all measures necessary to ensure that additional shares drawn pursuant to Article 3 are opened in such a way that imports may be charged without interruption against their accumulated shares of the tariff quota.
- 2. The Member States shall ensure that importers of the products in question have free access to the shares allocated to them.
- 3. The Member States shall charge the imports of the products concerned against their shares as and when the products are entered with customs authorities for free circulation.
- 4. The extent to which a Member State has used up its shares shall be determined on the basis of the imports charged under the conditions set in paragraph 3.

Article 8

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

Article 9

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

Article 10

This Regulation shall enter into force on 1 January 1983_

This Regulation shall be binding in its entirety and directly applicable	e in all Member States.
Done at Brussels,	
	For the Council
	The President
	

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