# COMMISSION OF THE EUROPEAN COMMUNITIES

COM (76) 387 final.

Brussels, 23 July 1976

Proposal for a

# REGULATION (EEC) OF THE COUNCIL

on the opening, allocation and administration of a Community tariff quota for certain eels falling within subheading ex 03.01 A II of the Common Customs Tariff (first half of 1977)

(submitted to the Council by the Commission)

COM (76) 387 final.

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## Explanatory Memorandum

In recent years, eel fishing in certain Community fishing areas was forbidden or made impossible owing to pollution of the waters. Efforts were made to increase production in other areas in order to compensate at least for the losses of the quantities available. Despite these efforts, it was observed that Community production was still insufficient to supply the demands of the Member States' fish processing industries.

This situation prompted the Council - on a proposal from the Commission to open from 1971 a duty-free Community tariff quota for certain fresh eels (dead or alive), chilled or frozen, falling within subheading ex 03.01 A II of the Common Customs Tariff.

Thereafter, the situation on the markets of the sector in question did not appreciably improve.

A further examination of the market in eels and of import requirements was carried out a meeting of the Economic Tariff Problems Group held on 10 June 1976. At the request of the authorities of the Federal Republic of Germany, the possibility was examined of changing the period of the annual tariff quota to the period of 1 July to 30 June, so that the quota might correspond better to trade requirements. Indeed, the fishing season being mainly in the autumn, two-thirds of German imports in particular are carried out from September to December. According to the rules of return to the reserve usually applied in the administration of quotas, the return to the Community reserve is expected as from August. Compliance with this provision does not make it possible to achieve an economically rational use of the quotas.

At that meeting of the Economic Tariff Problems Group, it emerged that a unanimous agreement could be reached on a system providing for the opening of a quota for six months as from 1 January 1977 and, thereafter, for the opening of an annual tariff quota for the period from 1 July 1977 to 30 June 1978. - 2 -

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Therefore, it would seem desirable to re-open a Community tariff quota for a volume of 3 100 metric tons from 1 January to 30 June 1977, largely corresponding to the stated requirements of the Member States for imports from third countries.

As regards the subdivision of the above-mentioned volume of 3 100 metric tons, a first tranche of 2 650 metric tons is allocated among the Member States in proportion to requirements. The balance of 450 metric tons will constitute the Community reserve.

This is the objective of the attached proposal.

# Proposal for a

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on the opening, allocation and administration of a Community tariff quota for certain cels falling within subheading ex 03.01 A II of the Common Customs Tariff (first half of 1977)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament (<sup>1</sup>);

Whereas ecl fishing has been prohibited or has become impossible in certain Community production centres; whereas this has led to a drop in Community production of eels in general and particularly of fresh eels (live or dead), chilled or frozen, falling within subheading ex 03.01 A II of the Common Customs Tariff, intended for curing or skinning or for use in the industrial manufacture of products falling within heading No 16.04; whereas the processing industries in the Community consequently depend to a large extent on imports for their supplies of cels; whereas (x) the application of the autonomous Common Customs Tariff duty should therefore be suspended totally on imports of the relevant products up to an appropriate quantitative limit; whereas, within this limit, the new Member States should apply customs duties as provided in the Act of Accession (2); whereas, the introduction of a Community measure of this nature is unlikely to harm Community production;

m)from 1. January 1977 up to and including 30 June 1977

> Whereas current demand not met by Community production, which must therefore be met by imports, can be estimated at 3,100 metric tons for first half of 1977; whereas a tariff

the first half of 1977 ; whereas a tariff quota for the relevant types of eel

(1) Opinion delivered on \_

(<sup>2</sup>) OJ No L <sup>73</sup>, 27. 3. 1972, p. 14.

should therefore be opened for this period conditions set out above;

Whereas it is in particular necessary to ensure to all importers in the Member States 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, in the light of these principles, the Community nature of the quota can be respected by allocating the tariff quota among the Member States listed below; whereas statistics available for these products do not give a clear picture of the market situation for them; whereas, therefore, it is not possible to allocate the quota among the Member States on the basis of import trends for the relevant products over the past few years; whereas, however, according to the estimates put forward by the Member States, initial shares may be fixed at the quantities set out in Article 2;

Whereas, in order to take into account import trends for the products concerned, the quota amount should be divided into two tranches, the first tranche being allocated, and the second forming a reserve intended subsequently to cover the requirements of the Member States which have used up their initial shares; whereas, in order to ensure a certain degree of security for importers, the first tranche of the Community tariff quota should be fixed at a level which, under present circumstances, may be approximately 85 % of the quota amount ;

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Whereas the initial shares may be used up at different rates; whereas, in order to take this fact into account and to avoid any break in continuity, any Member State which has almost used up its total initial 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 entirely used up, and repeated as many times as the reserve allows; whereas the initial additional shares must be valid until the end of the guota period; whereas this method of administration requires close cooperation between Member States and the Commission, which must be able to keep account of the extent to which the quota amount has been used up and to inform the Member States accordingly;

Whereas if, at a given date in the quota period, a considerable balance remains in one or other Member State it is essential, to prevent a part of the Community tariff quota from remaining unused in one Member State while it could be used in others, that that Member State should return a significant proportion thereof to the reserve;

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 measure concerning the administration of the shares allocated to that Economic Union may be carried out by any one of its members,

#### HAS ADOPTED THIS REGULATION:

#### Article 1

1. During the period 1 January up up to and including <u>30 June 1977,a Community</u> tariff quota of 3,100 metric tons

shall be opened for fresh eels (live or dead) chilled or frozen, falling within subheading ex 03.01 A II of the Common Customs Tariff, intended for curing or skinning or for use in the industrial manufacture of products falling within heading No 16.04, under conditions to be determined by the competent authorities.

2. Within the limits of this tariff quota, the Common Customs Tariff duty shall be totally suspended.

3. The new Member States shall apply duties calculated in accordance with the relevant provisions of the Act of Accession within this quota.

## Article 2

### 2.650

1. A first tranche of / metric tons of this Community tariff quota shall be allocated among the Member States. Member States' shares, which, subject to Article 5, shall be valid from 1 January up to and including 30 June 1977, shall consist of the following amounts :

	in metric tons	
Benelux	1 080	
Denmark	. 360	
Germany	900	
France	36	
Ireland	4	1
Italy	45	Å
United Kingdom	225	-

2. The second tranche of \_450 metric tons shall constitute the reserve.

# Article 3

1. If 90% or more of a Member State's initial share as fixed in Article 2 (1), or of that share minus any portion returned to the reserve where Article 5 has been applied, has been used up, that Member State shall forthwith, by notifying the Commission, draw a second share, to the extent that the reserve so permits, equal to 15% of its initial share, rounded up as necessary to the next whole number.

2. If, after its initial share has been exhausted, 90% or more of the second share drawn by a Member Stare has been used up, that Member State shall forthwith, by notifying the Commission, draw a third share equal to 7.5% of its initial share, rounded up as necessary to the next whole number, to the extent that the reserve so permits.

3. If, after its second share has been exhausted, 90% or more of the third share drawn by a Member State has been used up, that Member State shall, in the manner provided in paragraph 2, draw a fourth share equal to the third.

This procedure shall apply until the reserve is used up.

4. By way of derogation from paragraphs 1, 2 and 3, Member States may draw lesser shares than those specified therein if there are grounds for believing that those specified may not be used in full. They shall inform the Commission of their reasons for applying this paragraph.

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### Article 4

Additional shares drawn pursuant to Article 3 shall be valid up to and including 30 June 1977.

### Article 5

Member States shall return to the reserve, not later than 1 May 1977, the unused portions of their initial shares which, on 15 April 1977, are in excess of 20% of the initial amounts. They may return a greater portion if there are grounds for believing that such portion may not be used in full.

Member States shall notify the Commission, not later than 1 May 1977, of the total quantities of the products in question imported up to and including 15 April 1977, and charged against the Community quota and of any portion of their 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 has been notified, shall inform each State of the extent to which the reserve has been used up.

It shall inform the Member States, not later than 5 May 1977, of the amount still in reserve after amounts have been returned thereto pursuant to Article 5.

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

### Article 7

1. Member States shall take all appropriate measures 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 aggregate shares of the Community quota.

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

3. Member States shall charge imports of the products in question against their shares as and when the products are entered with the customs authorities 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 against that share in accordance with paragraph 3.

### Article 8

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

### Article 9

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 1977.

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

Done at Bruxelles.

# For the Council The President