COMMISSION OF THE EUROPEXN COMMONITES

COM(79) 139 final

Brussels, 23 March 1979

PROPOSAL FOR A COUNCIL REGULATION (EEC) ON THE OPENING, ALLOCATION AND ADMINISTRATION OF A COMMUNITY TARIFF QUOTA FOR RUM, ARRACK AND TAFIA FALLING WITHIN SUBHEADING 22.09 C I OF THE COMMON CUSTOMS TARIFF AND ORIGINATING IN THE ACP STATES (1979/ 80)

(submitted to the Council by the Commission)

COM(79) 139 final

EXPLANATORY MEMORANDUM

1. a) The Convention between the ACP States and the EEC together with Protocol No 7 provides that the products falling within subheading No 22.09 C I of the CCT (rum, arrack, tafia), originating in the ACP States, shall be imported duty free into the Community. These preferential arrangements are restricted, however, to a quantity which is to be fixed annually by the Community on the basis of the largest quantities imported annually from the ACP States during the last three years for which statistics are available, increased by an annual growth rate of 40% on the British market and 13% on the other Community markets.

The declaration contained in the Council Minutes (Meeting of 13-15 January 1975) provides for the allocation of the annual quantity among the Member States under Community tariff quota arrangements.

b) Article 91 of the abovementioned Convention provides that the Convention ends on 1 March 1980. As Protocol No 7 forms an integral part of this Convention its provisions will only be valid until 29 February 1980. Consequently for the volume of the quota to be fixed for the period of 1 July 1979 to 29 February 1980, the pro rata temporis clause is applicable (eight twelfths of the annual quota).

The current tariff quota opened for the goods in question in favour of the ACP States ends on 30 June 1979. It is necessary, therefore, to open a corresponding tariff quota for period of 1 July 1979 to 29 February 1980.

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2. Community imports of the goods concerned during the last three years were as follows :

- in hectolitres of pure alcohol -

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	1976	• 1977	<u>1978</u>				
Benelux	4,979	4,963	6,218				
Denmark	3,349	1,942	1,559				
Germany	19,666	20,169	30,566				
France	5,233	5,802	2,774				
Ireland	1,345	2,004	2,432				
Italy	384	304	343				
United Kingdom	85,474	74,954	90,363				
EC	120,430	110142	134,255				

The quota volume to be taken into account on this basis for the period from 1 July 1979 to 29 February 1980 should be 117,404 hectolitres of pure alcohol (eight twelfths of 176,106).

3. In this case, as an exception to the normal rule, provision is not being made to divide the quota volume into two instalments one of which institutes a reserve. Instead, a method of use of the quota is provided for based on an allocation in definitive shares.

The calculation of these shares is based on the largest quantities imported annually into each Member State during the three years referred to above, respecting, however, the two growth rates mentioned under point 1. This method of calculation has already been used for the allocation of the tariff quota at present in force.

4. The annexed table shows in detail the amounts actually charged against the tariff quotas in question (periods 1975/76, 1976/77 and 1977/78).

5. It is proposed that the draft for a Council Regulation described above should be approved (see annex).

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Proposal for a

COUNCIL REGULATION (EEC).

on the opening, allocation and administration of a Community tariff quota for rum, arrack and tafia falling within subheading 22.09 C I of the Common Customs Tariff and originating in the ACP States (1979/80)

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 under the ACP-EEC Convention of Lome signed on 28 February 1975, and in particular under Protocol 7 thereto, products originating in the ACP States which fall within tariff subheading 22.09 C I (rum, arrack; tafia), shall, until the entry into force of a common organization of the market in spirits, be imported into the Community free of customs duties under conditions such as to permit the development. of traditional trade flows between the ACP States and the Community and between the Meinber States; whereas the Community shall fix each year the quantitics which may be imported free of customs duties on the basis of the largest quantities imported annually from the ACP States into the Community in the last three years for which statistics are available, increased by an annual growth rate of 40 % on the market of the United Kingdom and 13 % on the other markets of the Community, these growth rates being based on foreseeable internal demand in each Member State;

Whereas Article 91 of the abovementioned Convention provides for the expiry of that Convention on 1 March 1980; whereas, since Protocol No 7 forms an integral part of that Convention, its provisions are applicable only until 29 February 1980; whereas it follows that the pro rata temporis clause is applicable for fixing the volume of the Community tariff quota to be opened for the period 1 July 1979 to 29 February 1980;

Whereas, having regard to the levels reached by imports of the products concerned into the Community and the Member States during the last three years for which statistics are available, the size of the tariff quota for the period 1 July 1979 to 29 February 1980 should be fixed at hectolitres of pure alcohol;

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Whereas it is in particular necessary to ensure to all Community importers equal and uninterrupted access to the abovementioned quota and uninterrupted application of the rate laid down for that guota to all imports of the products concerned into all Member States until the quota has been used up; whereas, having regard to the principles mentioned above, the Community nature of the quota can be respected by allocating the Community tariff quota among the Member States; whereas in this case the tariff quota should be allocated amongst the Member States on the basis of the Cargest quantities imported annually into each of the Member State during the three last years and taking into account the abovementioned growth rates:

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Whereas, owing to the special character of the products in question and their sensitivity on Community markets, exceptional provision should be made for a method of use based on a single division among Member States;

Whereas the development of imports into the Community of these products should be recorded and imports should accordingly be monitored;

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 share allocated to that economic union may be carried out by any one of its members,

HAS ADOPTED THIS REGULATION :

Article 1

February 1980,

From 1 July 1979 until 29 / rum, arrack and tafia falling within subheading 22.09 C I of the Common Customs Tariff, originating in the ACP States, shall be imported duty free into the Community within the limits of a Community tariff quota of 117 404 hectolitres of pure alcohol.

Article 2

The Community tariff quota referred to in Article 1 shall be shared among the Member States as follows; the shares, which shall be valid until 29 February 1980, shall be as follows (in hl) :

Benelux	4	542	
Denmark	2	446	
Germany	22	332	
France	4	238	
Ireland	1	777	
Italy		280	
United Kingdom	81	789	
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Article 3

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

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

3. 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 2_{\bullet}

Article 4

The Community shall monitor imports of the products in question originating in the ACP States.

2. Member States shall forward to the Commission, not later than the 15th day of each month, statements of imports of the products in question effected during the preceding month. Only products submitted to the customs authorities under cover of a declaration that they are to be made available for home use and accompanied by a movement certificate EUR 1

shall be taken into consideration for this purpose.

3. The Commission shall regularly inform the Member States of the extent to which the tariff quota has been used up.

4. Where necessary, consultations may be held at the request of a Member State or on the initiative of the Commission.

Article 5

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

Article 6

This Regulation shall enter into force on 1 July 1979.

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

Done at Brussels,

For the Council The President

ACP - Rum - heading 22.09 C I

Amounts actually charged against the tariff quotas

opened for 1975/76, 1976/77 and 1977/78

1975/76					1976/77		1977/78			1978 /79
Member State	Volume of the quota	Amount a charg	ctually ed	Volume of the quota	Amount char	-	Volume of the quota	Amount actual charged	ιy	Volume of the quota
	hl	hl	7.	ht.	hl	7.	ht	hl	%	ht
Benelux	3 500	3 500	100	4 827	4.827	100	5 926	5 143	87	6 000
Denmark	2 900	1.943	67	2 700	2,115	78	4.000	1 577 .	39	3 896
Germany	26 000	21 076	61	24 643	23 188		24,000	20 956	87	24 706
France	6 000	6 000	100	12 051	4 881	41	11 395	5 509	48	9 022
Ireland	1.000	839	84	1,000	891	89	1 000	682	68	1-000
Italy	600	207	35	550	216	39	658	295	45	424
United Kingdom	123.000	62 676	49	125 395	79 617	63	126,030	83 337	66 1	116 957 •
E.C.	163 000	96 241	57	171,166	115.735	68	173 009	117 489	68	161 807