

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(77) 417 final

Brussels, 8 September 1977

Proposal for a
REGULATION (EEC) OF THE COUNCIL
establishing ceilings and Community supervision
of imports of certain products originating in
Israel (1978)

(submitted to the Council by the Commission)

COM(77) 417 final

EXPLANATORY MEMORANDUM

1. The Agreement concluded by the European Economic Community with the State of Israel provides, in particular in the case of industrial products, for the phased abolition of Common Customs Tariff duties over a transitional period extending until 1 July 1977. Notwithstanding this provision, special arrangements are laid down for a certain number of sensitive products: an annual ceiling may be imposed on the volume of such products which may be imported at the preferential rate of duty. When this ceiling is reached the Community may reintroduce until the end of the calendar year the customs duties applicable to third countries. In certain cases it is the basic duties which are to be applied; these are the duties to which the reductions provided for in the Agreement apply.

The initial volumes of the annual ceilings are fixed by the Agreement itself. The ceilings are to be fixed annually and their levels increased by 5 %. They will be abolished not later than 31 December 1979.

2. The operation of the ceiling arrangements and the power to reintroduce customs duties will necessarily require the adoption of detailed common rules to be applied uniformly by all Member States. This can take the form of a Community system of supervision of actual imports from the partner State. To this end, the Member States should take appropriate measures to permit the rapid collection of statistical returns for the whole Community. In this connection only imports of the products in question should be taken into account, as and when they are submitted to the customs authorities under cover of a declaration of entry for home use and accompanied by an EUR 1 movement certificate conforming to the rules contained in the Agreement referred to under 1.

These returns are to be made up by each Member State at the end of every month and forwarded by the ^{fifteenth} / day of the following month to the Commission so as to enable the latter to communicate by telex to all the Member States an overall, product-by-product statement for the preceding month of the imports in question. The system of supervision will require of the responsible departments of the Member States and the Commission diligence and close cooperation. In view of the fact that the products concerned are sensitive products and that imports at a reduced rate of duty in excess of the ceilings could cause disturbance of the Community market, it is absolutely essential that all Member States respect rigorously the fifteen-day time limit referred to above.

The following procedure is to be adopted for setting in train machinery to reintroduce duties: if one of the overall monthly statements drawn up by the Commission reveals that 75% of the ceiling fixed for a given product has been reached, the Member States would be informed and consultations could be held, for example in the Working Party on Economic Tariff Problems, either at the request of a Member State or the Commission's initiative. The aim of these consultations would be to examine, case by case, whether or not the customs duties applicable to non-member countries should be reintroduced once the target ceiling is actually reached.

Monthly returns would still be made in respect of imports of the product in question or, if the Commission so requested, it would be notified by telex of such imports every ten days. In the latter case, the time limit for forwarding the information would be five days.

In this way, the Commission would be able to take, within the shortest possible time, measures leading to the reintroduction by Regulation, of customs duties in respect of the partner State which would apply until the end of the calendar year. In the above hypothesis, the reintroduction of the customs duties on the product under consideration would, naturally, be effected within a time limit fixed by the Regulation putting an end to the reduction of duties provided for in the Protocol No 1.

3. As far as application of the rule on ceilings and reintroduction of duties is concerned, the attached proposal makes provision for the Council to confer powers upon the Commission.

The proposed Regulation does no more than outline how these powers are to be exercised so that, in consultation with the Member States, the machinery to be set in train may be adapted flexibly and rapidly. It is with the same view to maximum efficiency and rapidity that the proposed Regulation provides that the Commission would be responsible for reintroducing, in respect of the partner State, the duties applicable to non-member countries.

ANNEX:

Proposal for a Council Regulation.

Proposal for a
COUNCIL REGULATION (EEC)

establishing ceilings and Community supervision of imports of certain products originating in Israel (1978)

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 Article 2 of the Agreement between the European Economic Community and the State of Israel⁽¹⁾, signed on 11 May 1975, and Articles 1 and 2 of Protocol 1 annexed thereto, make provision for the progressive abolition of customs duties in respect of the products to which the Agreement applies; whereas by way of derogation from these Articles, Article 5 of that Protocol provides that for imports of products listed in that Article the reduction of duties shall be limited to ceilings, above which the customs duties applicable to third countries may be reintroduced; whereas the ceilings to be applied in 1978 should therefore be determined; whereas the application of ceilings requires that the Community be regularly informed of the trend of imports of the products in question originating in Israel; whereas it is, therefore, desirable that imports of these products be subjected to a system of supervision;

Whereas this objective may be achieved by means of an administrative procedure based on setting off imports of the products in question against the ceilings at Community level, as and when these products are submitted to the customs authorities under cover of declarations that they have been made available for home use; whereas this administrative procedure must make provision for the reintroduction of customs tariff duties as soon as the ceilings have been reached at Community level;

Whereas this administrative procedure requires close and particularly rapid cooperation between the Member States and the Commission; whereas the latter must, in particular, be able to follow the

progress of amounts set off against the ceilings and keep the Member States informed; whereas this cooperation must be all the closer since the Commission must be able to take adequate measures to reintroduce customs tariff duties whenever one of the ceilings has been reached;

Whereas the trend of imports of certain products not subject to ceilings should also be followed; whereas it is therefore desirable that imports of such products should also be subjected to a system of supervision,

HAS ADOPTED THIS REGULATION:

Article 1

1. From 1 January until 31 December 1978, imports of products originating in Israel listed in Annex I shall be subject to annual ceilings and Community supervision.

The description of the products referred to in the first paragraph, their tariff headings and statistic numbers and the levels of the ceilings are given in Annex 1.

2. Amounts shall be set off against the ceilings as and when products are submitted to the customs authorities under cover of a declaration that they have been made available for home use and accompanied by a movement certificate conforming to the rules contained in Protocol 3 to the Agreement between the Community and Israel. However, in the case of products falling within Chapter 27, the certificate of origin may replace the movement certificate.

Goods shall be set off against the ceiling only if the movement certificate or, in the case of goods falling within Chapter 27, the certificate of origin has been submitted before the date on which customs duties are reimposed.

⁽¹⁾ OJ No L 136, 28. 5. 1975, p. 3.

The reaching of a ceiling shall be determined at Community level on the basis of imports set off against it in the manner defined in the preceding subparagraphs.

The Member States shall inform the Commission at the intervals and within the time limits specified in paragraph 4 of any imports effected in accordance with the above rules.

3. As soon as the ceilings have been reached, the Commission may issue a Regulation reimposing the customs duties specified in Articles 2 and 5 (6) of Protocol 1 to the Agreement until the end of the calendar year.

4. Member States shall forward to the Commission not later than the 15th day of each month statements of the amounts set off during the preceding month. They shall, if the Commission so requests, make up such statements for periods of 10 days and forward them within five clear days of expiry of the preceding 10-day period.

Article 2

From 1 January until 31 December 1978, imports of the products referred to in Annex II which originate in Israel shall be subjected to Community supervision.

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 conforming to the rules contained in Protocol 3 to the Agreement shall be taken into consideration for this purpose.

Article 3

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

Article 4

This Regulation shall enter into force on 1 January 1978.

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

Done at Brussels,

For the Council
The President

ANNEX I

List of products subject to import ceilings in 1978

Order No	GCT heading No	Description	Nimexo code	Level of ceiling (metric tons)
1	2	3	4	5
	27.10	Petroleum oils and oils obtained from bituminous minerals, other than crude; preparations not elsewhere specified or included, containing not less than 70% by weight of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations: A. Light oils: III. For other purposes B. Medium oils: III. For other purposes C. Heavy oils: I. Gas oil: c) For other purposes II. Fuel oil: c) For other purposes III. Lubricating oils; other oils: c) To be mixed in accordance with the terms of Additional Note 7 to this Chapter (a) d) For other purposes	27.10-15, 17, 21, 25, 29 27.10-34, 38, 39 27.10-59 27.10-69 27.10-75 27.10-79	694 575
I II 1	27.11	Petroleum gases and other gaseous hydrocarbons: A. Propane of a purity not less than 99%: I. For use as power or heating fuel B. Other: I. Commercial propane and commercial butane: c) For other purposes	27.11-03 27.11-19	
	27.12	Petroleum jelly: A. Crude: III. For other purposes B. Other	27.12-19 27.12-90	
	27.13	Paraffin wax, micro-crystalline wax, slack wax, ozokerite, lignite wax, peat wax and other mineral waxes, whether or not coloured: B. Other: I. Crude: c) For other purposes II. Other	27.13-89 27.13-90	

(a) Entry under this subheading is subject to conditions to be determined by the competent authorities.

Order No	CCT heading No	Description	Nimex code	Level of ceiling (metric tons)
1	2	3	4	5
I IL 1 (cont'd)	27.14	Petroleum bitumen, petroleum coke and other residues of petroleum oils or of oils obtained from bituminous minerals: C. Other: II. Other	27.14-99	
I IL 2	29.02	Halogenated derivatives of hydrocarbons: A. Halogenated derivatives of acrylic hydrocarbons: III. Bromides and polybromides	29.02-40	2 084
I IL 3	42.03	Articles of apparel and clothing accessories, of leather or of composition leather: B. Gloves, including mittens and mitts	42.03-21, 25, 27, 28	3.5
I IL 4	55.05	Cotton yarn, not up for retail sale	55.05 all Nos	1 042
I IL 5	55.09	Other woven fabrics of cotton	55.09 all Nos	463
I IL 6	60.03	Stockings, under stockings, socks, ankle-socks, sock-ettes and the like, knitted or crocheted, not elastic or rubberized	60.03 all Nos	116
I IL 7	60.05	Outer garments and other articles, knitted or crocheted, not elastic or rubberized	60.05 all Nos	521

ANNEX II

List of products referred to in Article 2

Order No	CCT heading No	Description	Nimex code
1	2	3	4
II IL 1	28.01	Halogens (fluorine, chlorine, bromine and iodine): C. Bromine	28.01-50
II IL 2	28.10	Phosphorus pentoxide and phosphoric acids (meta-, ortho- and pyro-)	28.10-00
II IL 3 A	28.30	Chlorides, oxychlorides and hydroxychlorides; bromides and oxybromides; iodides and oxyiodides: C. Other bromides and oxybromides	28.30-
II IL 3 B	28.31	Hypochlorites; commercial calcium hypochlorite; chlorites; Hypobromites: C. Other - Hypobromites	28.31-
II IL 3 C	28.32	Chlorates and perchlorates; bromates and perbromates; iodates and periodates: C. Other - bromates and perbromates	28.32-
II IL 4	28.40	Phosphites, hydrophosphites and phosphates: B. Phosphates (including polyphosphates): II. Other	28.40-30, 62, 65, 71, 79, 81, 85
II IL 5	29.16	Carboxylic acids with alcohol, phenol, aldehyde or ketone function and other single or complex oxygen-function carboxylic acids and their anhydrides, halides, peroxides and peracids, and their haloge- nated, sulphonated, nitrated or nitrosated derivatives: A. Carboxylic acids with alcohol function: IV. Citric acid and its salts and esters	29.16-21, 23, 29
II IL 6	31.03	Mineral or chemical fertilizers, phosphatic: A. Mentioned in Note 2 (A) to Chapter 31: I. Superphosphates	31.03-15
II IL 7	39.02	Polymerization and copolymerization products (for example, poly- ethylene, polytetrahaloethylenes, polyisobutylene, polystyrene, poly- vinyl chloride, polyvinyl acetate, polyvinyl chloroacetate and other polyvinyl derivatives, polyacrylic and polymethacrylic derivatives, coumarone-indene (resins): C. Other: VII. Polyvinyl chloride	39.02-41, 43, 45, 46, 47, 51, 52, 53, 54, 57, 59, 61, 66

Order No	CCT heading No	Description	Nimexe code
1	2	3	4
II IL 8	42.02	Travel goods (for example, trunks, suitcases, hat boxes, travelling bags, rucksacks), shopping-bags, handbags, satchels, brief-cases, wallets, purses, toilet-cases, tool-cases, tobacco-pouches, sheaths, cases, boxes (for example, for arms, musical instruments, binoculars, jewellery, bottles, collars, footwear, brushes) and similar containers of leather or of composition leather, of vulcanized fibre, of artificial plastic sheeting, of paperboard or of textile fabric: ex B. Of other materials: — Of leather	42.02 - ex 21, ex 31, ex 41, ex 51, ex 81
II IL 9	42.03	Articles of apparel and clothing accessories, of leather or of composition leather: A. Articles of apparel C. Other clothing accessories	42.03-10 42.03-51, 59
II IL 10	51.04	Woven fabrics of man-made fibres (continuous), including woven fabrics of monofil or strip of heading No 51.01 or 51.02	51.04 all Nos
II IL 11	56.05	Yarn of man-made fibres (discontinuous or waste), not put up for retail sale	56.05 all Nos
II IL 12	56.07	Woven fabrics of man-made fibres (discontinuous or waste)	56.07 all Nos
II IL 13	70.05	Unworked drawn or blown glass (including flashed glass), in rectangles	70.05 all Nos
II IL 14	76.03	Wrought plates, sheets and strip, of aluminium	76.03 all Nos

1. Ligne budgétaire concernée : Chap. 12 art. 120

2. Base juridique : Art. 113

3. Intitulé de la mesure tarifaire :

Proposition de Règlement (CEE) du Conseil portant établissement de plafonds de surveillance communautaire des importations de certains produits originaires de l'Etat d'Israël (1978).

4. Objectif :

Exécution d'une obligation contractuelle - Accord CEE/Israël

5. Mode de calcul :

- N° du T.D.C.	:	ex Chap. 27; 29.02; 42.03; 55.05; 55.09;
- Volume des plafonds	:	60.03; 60.05
- Droits à appliquer	:	698.804 t
- Droits du T.D.C.	:	exemption
	:	2,6 - 14 %

6. Perte de recettes : 2 956 106 UCE (estimation)

