

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(77) 422 final.

Brussels, 13 September 1977

Proposal for a
Council Regulation (EEC)
opening, allocating and providing for the administration
of a Community tariff quota for certain prepared or preserved bovine
meat falling within subheading ex 16.02 of the
Common Customs Tariff and originating in Malta (1978)

(submitted to the Council by the Commission)

COM(77) 422 final.

EXPLANATORY MEMORANDUM

1. The Additional Protocol to the Agreement between the Community and Malta provides for the opening, for a period up to 30 June 1978, of a duty-free Community tariff quota of 650 tonnes of certain prepared and preserved bovine meat, known as stewed steak, falling within subheading ex 16.02 B. III b) 1 bb), originating in Malta and accompanied by a derogation from the rules of origin applicable to the products in question.

Since the Community, by Council Regulation (EEC) No 1693/77, has already opened a tariff quota of 375 tonnes for a period up to 31 December 1977, a tariff quota of 275 tonnes should be opened for the first six months of 1978.

That is the purpose of this proposal.

2. The proposal for a regulation opening this tariff quota provides - as is customary - for the division of the quota volume into two instalments, the first being allocated among the Member States as quota shares and the second being held as a reserve.
3. It is not possible to use import statistics as a basis for allocating the first instalment since no such statistics are available. So that the quota volume can be fairly distributed among the Member States in spite of this, a significant quota share should be allocated to each Member State, taking into account the fact that the product in question is marketed almost exclusively in one Member State.

Proposal for a
Council Regulation (EEC)

opening, allocating and providing for the administration
of a Community tariff quota for certain prepared or
preserved bovine meat falling within subheading ex 16.02
of the Common Customs Tariff and originating in Malta
(1978)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic
Community, and in particular Articles 43 and 113 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament¹,

Whereas Article 7 of the Additional Protocol to the Agreement
between the European Economic Community and Malta² lays down that
the Community is to open a Community tariff quota of 650 tonnes free
of customs duties for certain prepared and preserved bovine meat
known as stewed steak falling within subheading ex 16.02 B III b) 1 bb)
of the Common Customs Tariff; whereas the tariff preference in
question is to apply with effect from the date of entry into force of
that Protocol and up to 30 June 1978; whereas Article 10 of the
Protocol also provides for a derogation from the rules of origin laid
down in the Protocol concerning the definition of the concept of
"originating products" and methods of administrative cooperation
annexed to the Protocol laying down certain provisions relating
to the Agreement establishing an association between the European
Economic Community and Malta³; whereas by Regulation (EEC) No 1693/77⁴,
the Community has already opened a tariff quota of 375 tonnes for the
period up to 31 December 1977; whereas, consequently, a Community
tariff quota of 275 tonnes should be opened for the first six months of
1978;

¹OJ No .

²OJ No L

³OJ No L 111, 28.4.1976, p.3

⁴OJ No L 188, 28.7.1977, p. 12.

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 quota to all imports of the product 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 to represent as closely as possible the actual trend of the market in the products in question, the allocation should follow proportionately the requirements of the Member States calculated from both statistics of imports from Malta during a representative period and the economic outlook for the tariff period in question;

Whereas the Community statistics available do not give information on the market situation of the products in question; whereas, however, it may be estimated that those products are marketed almost exclusively on the market of one Member State; whereas, consequently, to ensure fair distribution of the quota volume among the Member States, each Member State should make a significant contribution to the quota volume, with account being taken of the abovementioned situation;

Whereas, to take account of future import trends in the various Member States of the product under consideration, the total quota volume should be divided into two instalments, the first being shared among the Member States and the second held as a reserve to cover at a later date the requirements of those Member States having used up their initial share; whereas to give Member State importers some certainty, the first of the Community quota might be fixed at approximately 90% of the quota volume;

Whereas the initial shares of Member States may be used up more or less quickly; whereas, therefore, to avoid disruption of supplies any Member State which has almost used up its initial share, must draw a supplementary share from the reserve; whereas this must be done by each Member State as each one of its supplementary shares is almost used up, and as many times as the reserve allows; whereas the initial and supplementary shares must be valid until the end of the quota period; whereas this form of administration requires close collaboration between the Member States and the Commission, and the Commission must be in a position to follow the extent to which the quota volume has been used up and inform the Member States thereof;

Whereas if, at a given date in the quota period, a considerable quantity of the initial share is left over in a Member State, it is essential that each State should return a significant proportion to the reserve to prevent a part of the Community quota from remaining unused in one Member State while 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 in and represented by the Benelux Economic Union, any measure concerning 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. From 1 January until 30 June 1978, the Common Customs Tariff duty on the products indicated below, originating in Malta, shall be totally suspended in respect of a Community tariff quota of 275 tonnes :

CCT heading No	Description of goods
16.02	Other prepared or preserved meat or meat offal : B. Other : III. Other : b) Other : 1. Containing bovine meat or offal : bb) Other

2. By way of derogation from the special provisions contained in Annex II to the 'origin' Protocol for heading No 16.02, which provides that the non-originating products of Chapter 2 may not be used, tinned stewed steak manufactured in Malta shall be regarded as a product originating in Malta, where this condition is not observed, provided that the other conditions applicable to this heading are observed.

The following entry must be made in Section 7 of movement certificates EUR.1, issued in respect of originating products pursuant to the derogation referred to in this paragraph :

'Derogation stewed steak.'

Article 2

1. A first instalment, amounting to 250 tonnes, of the Community tariff quota referred to in Article 1, shall be allocated among the Member States; the respective shares, which subject to Article 5 shall be valid until 30 June 1978, shall be as follows:

Benelux	2 tonnes
Denmark	2 tonnes
Germany	2 tonnes
France	2 tonnes
Ireland	2 tonnes
Italy	2 tonnes
United Kingdom	238 tonnes.

2. The second instalment of 25 tonnes shall constitute the reserve.

Article 3

1. If 90% or more of the initial share of a Member State laid down in Article 2 (1), or 90% of that share less the amount returned into the reserve where the provisions of Article 5 have been applied, has been exhausted, that Member State shall proceed without delay, by notifying the Commission, to draw a

second share, equal to 15% of its initial share, rounded up to the next unit.

2. If, after its initial share has been exhausted, 90% or more of the second share drawn up by a Member State has been used, that Member State shall proceed, in accordance with the conditions laid down in paragraph 1, to draw a third share, equal to 7.5% of its initial share, rounded up to the next unit where appropriate, to the extent that the reserve is sufficient.

3. If, after its second share has been exhausted, 90% or more of the third share drawn by a Member State has been used, that Member State shall proceed in the same way to draw a fourth share equal to the third.

This process shall be applied until the reserve is exhausted.

4. Notwithstanding paragraphs 1, 2 and 3, the Member States may proceed to draw shares smaller than those fixed in those paragraphs if there is reason to believe that they might not be used up. They shall inform the Commission of the reasons which led them to apply this paragraph.

Article 4

Each of the additional shares drawn pursuant to Article 3 shall be valid until 30 June 1978.

Article 5

The Member States shall return to the reserve, not later than 1 May 1978, the unused portion of their initial share which, on 15 April 1978, is in excess of 20% of the initial amount. They may return a greater portion if there are grounds for believing that such portion may not be used in full.

The Member States shall, not later than 1 May 1978, notify to the Commission of the total imports of the said goods effected up to and including 15 April 1978 and charged against the Community quota and, where appropriate, the proportion of their initial share that is being returned to the reserve.

Article 6

The Commission shall keep account of the shares opened by Member States in accordance with

Articles 2 and 3 and shall inform each of them of the extent to which the reserve has been used as soon as it receives the notifications.

The Commission shall, not later than 5 May 1978, notify Member States of the amount in the reserve after the return of shares pursuant to Article 5.

The Commission shall ensure that any drawing which uses up the reserve is limited to the balance available and, for this purpose, shall specify the amount thereof to the Member State which makes the last drawing.

Article 7

1. The Member States shall take all appropriate measures to ensure that, when additional shares are drawn pursuant to Article 3, it is possible for charges to be made without interruption against their accumulated shares of the Community quota.

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

3. The extent to which a Member State has used up its share shall be determined on the basis of the imports originating in Malta entered for home use.

Article 8

On receipt of a request from the Commission, Member States shall inform it of imports actually charged against their shares.

Article 9

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

Article 10

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

FINANCIAL STATEMENT

1. Budget line concerned : Ch. 12 Art. 120

2. Legal basis : Articles 43 and 113

3. Title of the tariff measure :

Proposal for a Council Regulation (EEC) opening, allocating and providing for the administration of a Community tariff quota for certain prepared or preserved bovine meat falling within subheading ex 16.02 B III b) 1 bb) of the Common Customs Tariff and originating in Malta (1978).

4. Objectives :

Fulfilment of a contractual obligation (EEC-Malta Agreement)

5. Method of calculation :

- No of CCT	:	ex 16.02 B III b) 1 bb)
- Quota volume	:	275 tonnes
- Quota duty rate	:	free
- Duty rate CCT	:	26%

6. Loss of receipts :

Average cif price of the product in 1975 : 735 EUR/T
Price in 1978 : (estimate : 840 EUR/T)
 $26\% / 840 \text{ EUR} / 275 \text{ T} = 60\,000 \text{ EUR}$