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COMMISSION OF THE EUROPEAN COMMUNITIES

COM(75) 246 final

Brussels, 5 June 1975

PROPOSAL FOR A
REGULATION (EEC) OF THE COUNCIL

on the opening, allocation and administration of a
Community tariff quota for fresh or dried hazelnuts, shelled or otherwise,
falling within subheading ex 08.05 G
of the Common Customs Tariff and originating in Turkey

(submitted to the Council by the Commission)

COM(75) 246 final

EXPLANATORY MEMORANDUM

1. Article 4 of Council Regulation (EEC) No 3375/73¹ of 10 December 1973 on the importation into the Community of certain agricultural products originating in Turkey provides for the opening for fresh or dried hazelnuts, shelled or otherwise, falling within subheading ex 08.05 G of the Common Customs Tariff of an annual Community tariff quota of 21 700 metric tons at a duty rate of 2.5 %

2. It is not at present possible to know whether the tariff measure laid down by this regulation in favour of Turkey will be agreed, for the year 1976, on the basis of the Supplementary Protocol concluded arising from the accession of new Member States or whether the validity of the interim agreement will be extended.

The proposal for a regulation annexed hereto is based on the Supplementary Protocol and would have to be modified if this did not come into force on 1 January 1976.

3. As regards the new Member States, the result of Article 9 is that the reduction to be applied by the new Member States within the tariff quota in question must be limited to the reduction granted by such States with reference to the Community as originally constituted.

4. It should be noted that the economic information on the basis of which the proposed allocation will be drawn up should be based, in particular, on past and future imports into Member States, specifically originating in or coming from Turkey. This information has been obtained by all Member States for 1971 to 1973. The allocation contained in this proposal for a Regulation was thus drawn up on the basis of past and future figures supplied by the Member States for the quota period in question.

5. As regards administration of this quota, it is proposed that there should be an initial allocation among Member States of a large part of the quota, the balance representing part of the reserve

¹OJ No L 345, 15 December 1973, p. 1.

containing returned shares which exceeded Member States' needs and from which those States still in need may draw additional shares.

6. As in the past, the proposal for a Regulation annexed hereto provides that when the uniform method of administration to be applied by all Member States should be the "as and when" method. However, to take account of the seasonal nature of the imports concerned, the proposed threshold for returns to the reserve is 40% of the initial share.

Proposal for a

REGULATION (EEC) OF THE COUNCIL

on the opening, allocation and administration
of a Community tariff quota for fresh or dried
hazelnuts, shelled or otherwise, falling within
subheading ex 08.05 G of the Common Customs Tariff
and originating in Turkey

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 Parliament;

Whereas under Article 1 of Council Regulation (EEC) No 3375/73¹ of
10 December 1973 concerning the importation into the Community of certain
agricultural products originating in Turkey, the Community must suspend
the duty applied to imports of fresh or dried hazelnuts to 2.5 %, shelled
or otherwise, falling within subheading ex 08.05 G of the Common Customs
Tariff of Turkish origin, within the limit of a Community tariff quota
of 21 700 metric tons; whereas, the Community tariff quota concerned
should therefore be opened for 1976; whereas, as regards the new Member
States, it should be noted that Article 9 of the Supplementary Protocol
signed in Ankara on 30 June 1973 provides that the reductions of customs

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¹OJ No L 345, 15 December 1973, p.1.

duties required by the Association Agreement shall be applied by the new Member States from the entry into force of the Supplementary Protocol in the proportions and according to the time limits laid down, that the rates on which the new Member States shall base those reductions shall be those which they apply to any given moment to non-member countries and that the rates fixed as a result of the reductions regarding the products listed, in particular, in Annex 6 to the Additional Protocol - which include hazelnuts - may in no case be lower than those applied by the new Member States with reference to the Community as originally constituted; whereas the reduction to be applied by the new Member States within the tariff quota under consideration must therefore, in certain cases, be limited to 60 %.

Whereas equal and continuous access to the quota should be ensured for all Community importers and the rate of duty for the tariff quota should be applied consistently to all imports of the product in question until the quota is exhausted; whereas in the light of these principles, arrangements for the utilization of the Community tariff quota based on an allocation among Member States would seem to be consistent with the Community nature of the quota; whereas, in order that it may correspond as closely as possible to the actual trend of the market in the production in question, allocation of the quota should be in proportion to the requirements of the Member States as calculated by reference to statistics of imports from Turkey during a representative reference period and 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 1972, 1973 and 1974 of the product concerned originating in Turkey have developed as follows and represents the following percentages of total imports into the Community;

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	<u>1972</u>		<u>1973</u>		<u>1974</u>	
	metric tons	in %	metric tons	in %	metric tons	in %
Benelux	5 220	10.02	3 323	5.96	4 500	8.38
Denmark	795	1.53	975	1.75	875	1.63
Germany	36 776	70.59	39 133	70.16	34 515	64.29
France	4 906	9.42	6 170	11.06	5 680	10.58
Ireland	424	0.81	201	0.36	619	1.15
Italy	197	0.38	2 062	3.70	2 473	4.61
United Kingdom	3 777	7.25	3 910	7.01	5 026	9.36
	<u>52 095</u>		<u>55 774</u>		<u>53 688</u>	

Whereas, taking into account these figures and the foreseeable development of the market for the product concerned during 1976 and, in particular, the forecasts made by some Member States, the initial shares may be fixed approximately at the following percentages:

Benelux	10.14
Denmark	2.67
Germany	65.93
France	8.20
Ireland	1.66
Italy	0.25
United Kingdom	11.15

Whereas, to take account of future import trends for the product concerned into the Member States, the quota should be divided into two tranches, the first being allocated between the Member States and the second held as a reserve to cover subsequently the requirements of Member States which have exhausted their initial shares; whereas to give importers some degree of certainty, the first tranche of the quota should be fixed at about 80% of its full amount;

Whereas initial shares may be exhausted at different rates; whereas to avoid disruption of supplies on this account it should be provided that any Member State which has almost used up its initial share should draw an additional share from the reserve; whereas each time an additional share is almost exhausted a further share should be drawn, and so on as many times as the reserve allows; whereas the initial and additional shares should 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 keep account of the extent to which the quota has been used up and to inform the Member States accordingly;

Whereas if at a given date in the quota period a considerable quantity of a Member State's initial share remains unused it is essential, to prevent a part of a quota from remaining unused in one Member State while it could be used in another, that such State should return a certain proportion thereof to the reserve; whereas given the seasonal nature of the imports concerned, it seems appropriate to fix the threshold for such returns at 40% of the initial share;

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 transaction in respect of the administration of the shares allocated to that Economic Union may be carried out by any one of its members;

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HAS ADOPTED THIS REGULATION:

Article 1

1. There shall be opened within the Community for the period 1 January to 31 December 1976 a Community tariff quota of 21 700 metric tons of fresh or fried hazelnuts, shelled or otherwise, falling within subheading ex 08.05 G of the Common Customs Tariff and originating in Turkey.
2. Within this tariff quota, the Common Customs Tariff duty shall be suspended at 2.5%.
3. New Member States shall apply in respect of importations under the said quota duties calculated in accordance with the relevant provisions of the Act of Accession, the Supplementary Protocol and Regulation (EEC) No 3375/73.
4. This tariff quota shall be allocated and administered in accordance with the following provisions.

Article 2

1. The tariff quota referred to in Article 1(1) shall be divided into two tranches.
2. A first tranche of 17 700 metric tons shall be allocated among the Member States; the shares, which subject to Article 5 shall be valid until 31 December 1976, shall be as follows:

Benelux	1 795 metric tons
Denmark	472 metric tons
Germany	11 669 metric tons
France	1 451 metric tons
Ireland	294 metric tons
Italy	45 metric tons
United Kingdom	1 974 metric tons

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3. The second tranche of 4 000 metric tons shall constitute a reserve.

Article 3

1. As soon as a Member State has used 90% or more of its initial share as fixed in Article 2(2) or of that share minus any portion returned to the reserve pursuant to Article 5, it 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, where necessary to the next whole number.
2. As soon as a Member State, after exhausting its initial share, has used 90% or more of the second share drawn by it, that Member State shall forthwith, in the manner and to the extent provided in paragraph 1, draw a third share equal to 7.5% of its initial share.
3. As soon as a Member State, after exhausting its second share, has used 90% or more of the third share drawn by it, that Member State shall, in the manner and to the extent provided in paragraph 1, draw a fourth share equal to the third.

It shall continue in this fashion until the reserve is exhausted.

4. By way of derogation from paragraphs 1, 2 and 3, a Member State may draw shares lower than those specified in those paragraphs if there are grounds for believing that those specified may not be used in full. Any Member State applying this paragraph shall inform the Commission of its grounds for so doing.

Article 4

Additional shares drawn pursuant to Article 3 shall be valid until 31 December 1976.

Article 5

The Member States shall return to the reserve, not later than 1 October 1976, the unused portion of their initial share which, on 15 September 1976, 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.

Member States shall, not later than 1 October 1976, notify the Commission of the total quantities of the products in question imported up to and including 15 September 1976 and charged against the Community quota and of any portions 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 shall, as soon as the information reaches it, inform each State of the extent to which the reserves have been used up.

It shall, not later than 5 October 1976, inform the Member States of the amounts still in reserve following any return of shares pursuant to Article 5.

It shall ensure that when an amount exhausting the reserve is drawn the amount so drawn 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.

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Article 7

1. Every Member State shall take all appropriate measures to ensure that additional shares drawn pursuant to Article 3 are opened in such a way that importations may be charged without interruption against its accumulated share of the relevant Community quota.
2. Every Member State shall ensure that importers of the products in question established in its territory have free access to the shares allocated to it.
3. Every Member State shall charge importations of the products in question against its 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 shares shall be determined on the basis of the importations shared against those shares in accordance with paragraph 3.

Article 8

Every Member State shall notify the Commission at regular intervals of the importations of the products in question charged against its shares.

Article 9

On receipt of a request from the Commission, the Member States shall notify it of the importations of the products in question charges against its shares.

Article 10

This Regulation shall enter into force on 1 January 1976.

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

Done at Brussels,

For the Council
The President