

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(76) 454 final

Brussels, 8 September 1976

PROPOSAL FOR A  
REGULATION (EEC) OF THE COUNCIL  
opening, allocating and providing for the administration  
of Community tariff quotas for port wines,  
falling within subheading ex 22.05 of the Common Customs  
Tariff, originating in Portugal (1977)

PROPOSAL FOR A  
REGULATION (EEC) OF THE COUNCIL  
opening, allocating and providing for the administration  
of a Community tariff quota for Madeira wines,  
falling within subheading ex 22.05 of the Common Customs  
Tariff, originating in Portugal (1977)

PROPOSAL FOR A  
REGULATION (EEC) OF THE COUNCIL  
opening, allocating and providing for the administration  
of a Community tariff quota for Setubal muscatel wines,  
falling within subheading ex 22.05 of the Common Customs  
Tariff, originating in Portugal (1977)

(submitted to the Council by the Commission)

COM(76) 454 final



EXPLANATORY MEMORANDUM

1. Article 4 of Protocol No 8 to the Agreement of 1972 between the European Economic Community and the Portuguese Republic as amended by Article 9 of the Interim Agreement of 1976, provides for the opening of Community tariff quotas for the wines listed below :

Common Customs Tariff heading No	Description of goods	Annual Total Volume	Rate of reduction
ex 22.05 C III a) 1 ex 22.05 C IV a) 1	Port wines - in containers holding two litres or less	35,000 hl	60%
ex 22.05 C III b) 1 ex 22.05 C IV b) 1	Port wines - in containers holding more than two litres	280 000 hl	50%
ex 22.05 C III a) 1 ex 22.05 C IV a) 1	Madeira wines - in containers holding two litres or less	1 500 hl	60%
ex 22.05 C III b) 1 ex 22.05 C IV b) 1	Madeira wines - in containers holding more than two litres	14 500 hl	50%
ex 22.05 C III a) 1 ex 22.05 C IV a) 1	Setubal muscatel wines - in containers holding two litres or less	1 000 hl	60%
ex 22.05 C III b) 1 ex 22.05 C IV b) 1	Setubal muscatel wines - in containers holding more than two litres	2 000 hl	50%

These wines will of course remain subject to provision relating to the common organization of the market in wine.

2. In order to meet the Community's obligations to Portugal in 1977 have to be adopted providing for the opening, allocation and administration of Community tariff quotas.

That is the object of the annexed proposals.

.../...

3. The Regulations provide, in the normal way, that each of the volumes shall be divided into two instalments, the first of which is to be allocated among the Member States and the second held as a reserve.

The allocation of the first instalment is usually based on statistics for the three preceding years and on forecasts for the period in question. In the absence of specific Community statistics for these wines the initial quotas have been calculated on the basis of the most recent statistics for Portuguese exports from 1973 to 1975. The Portuguese statistics can in fact be considered to give a rough picture of Community imports of the wines in question.

4. The Member States' experts who participated in the consultative meeting of the "Economic Tariff Problems" Group (26/27 April 1976 ) expressed agreement in principle to the scheme for allocations of shares proposed by the Commission in the framework of the regulations annexed.

ANNEXES : 3 proposals for Regulations of the Council

Proposal for a  
REGULATION (EEC) No ... OF THE COUNCIL

of .....

opening, allocating and providing for the administration of Community tariff quotas for port wines, falling within heading No ex 22.05 of the Common Customs Tariff, originating in Portugal (1977 )

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<sup>(1)</sup>;

Whereas Article 4 of Protocol 8 to the Agreement<sup>(2)</sup> between the European Economic Community and the Portuguese Republic, amended by Article 9 of the Interim Agreement between the European Economic Community and the Portuguese Republic<sup>(3)</sup>,

provides that customs duties on imports into the Community of certain wines, originating in Portugal, shall be reduced:

- by 60 % in the case of the duties applicable to port wines, falling within subheadings ex 22.05 C III a) 1 and ex 22.05 C IV a) 1 of the Common Customs Tariff, up to an annual tariff quota of 35 000 hectolitres; and
- by 50 % in the case of the duties applicable to port wines, falling within subheadings ex 22.05 C III b) 1 and ex 22.05 C IV b) 1 of the Common Customs Tariff up to an annual tariff quota of 280 000 hectolitres;

Whereas this reduction applies, in the case of the Community as originally constituted, to the Common Customs Tariff duties; whereas in the case of the new Member States, this reduction applies up to and including 30 June 1977 to such duties as these States apply at any given moment to imports from third countries and from 1 July 1977 to the Common Customs Tariff duties;

whereas these wines will remain subject to the provisions governing the common organization of the market in wine;

Whereas it is in particular necessary to ensure to all Community importers equal and uninterrupted access to the abovementioned quotas and uninterrupted

<sup>(1)</sup> OJ No .....

<sup>(2)</sup> OJ No L 301, 31. 12. 1972, p. 165.

<sup>(3)</sup> OJ No L .....

application of the rates laid down for these quotas to all imports of the products concerned into all Member States until the quotas have been used up;

whereas, having regard to the principles mentioned above, the Community nature of the quotas can be respected by allocating the Community tariff quota among the Member States; whereas, in order to reflect most accurately the actual development of the market in the products concerned, such allocation should be in proportion to the needs of the Member States, assessed by reference both to the statistics of each State's imports from Portugal over a representative period and to the economic outlook for the quota period concerned;

Whereas available Community statistics give no information on the situation of port wines on the markets; whereas, however, Portuguese statistics for exports of these products to the Community during the past few years can be considered to reflect approximately the situation of Community imports; whereas on this basis the corresponding imports by each of the Member States represent the following percentages of the imports into the Community from Portugal of the products concerned:

	1973	1974	1975
Port wines:			
— in receptacles containing two litres or less:			
— Benelux	14.4	13.4	18.8
— Denmark	3.5	4.1	6.0
— Germany	13.7	7.2	15.3
— France	27.1	27.9	29.0
— Ireland	0.4	0.6	0.4
— Italy	26.4	29.9	16.1
— United Kingdom	14.5	16.9	14.4

	1973	1974	1975
— in receptacles containing more than two litres:			
— Benelux	13.4	14.0	13.4
— Denmark	8.1	4.5	5.5
— Germany	9.1	11.0	10.4
— France	40.9	41.0	39.4
— Ireland	1.7	1.5	1.2
— Italy	0.0	0.0	0.0
— United Kingdom	26.8	28.0	30.1

Whereas, in view of these data and the estimates submitted by certain Member States, initial quota shares may be fixed approximately at the following percentages:

	Port wines in receptacles containing	
	Two litres or less	More than two litres
Benelux	13.2	14.6
Denmark	2.7	6.6
Germany	14.9	9.1
France	29.7	42.7
Ireland	0.3	1.6
Italy	27.0	0.1
United Kingdom	12.2	25.3

Whereas, in order to take into account import trends for the products concerned in the different Member States, each of the quota amounts should be divided into two instalments, the first instalment being allocated among the Member States and the second forming a reserve intended ultimately to cover the requirements of the Member States which have used up their initial quota shares; whereas, in order to ensure a certain degree of security to importers in each Member State, the first instalment of the Community quotas should be determined at a level which, under present circumstances, may be 90 % of each of the quota amounts;

Whereas the initial quota shares of the Member States may be used up at different times; whereas, in order to take this fact into account and avoid any break in continuity, any Member State having used up almost the whole of any one of its initial quota shares should draw an additional quota share from the corresponding reserve; whereas this must be done by each Member State when each of its additional quota shares is almost entirely used up, and repeated as many times as the reserve allows; whereas the initial and additional quota shares must be available for use until the end of the quota period; whereas this method of administration calls for close cooperation between Member States and the Commission, which must, in particular, be able to observe the extent to which the

quota amounts are used and inform Member States thereof;

Whereas, if at a specified date in the quota period a considerable balance remains in one or other Member State, it is essential that that Member State pays a large amount of it back into the reserve, in order to avoid a part of one or other of the Community quotas remaining unused in one Member State when 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, all transactions concerning the administration of shares granted to the abovementioned economic union may be carried out by any of its members,

HAS ADOPTED THIS REGULATION:

*Article 1*

1. For the period 1 January to 31 December 1977, Community tariff quotas shall be opened for products originating in Portugal, and within the limits listed below:

CCT heading No	Description	Quota volume
ex 22.05 C III a) 1 ex 22.05 C IV a) 1	} Port wines	35 000 hl
ex 22.05 C III b) 1 ex 22.05 C IV b) 1	} Port wines	280 000 hl

2. The Common Customs Tariff duties on wines imported within these tariff quotas shall be suspended at the rates listed below:

CCT heading No	Rate of duty
ex 22.05 C III a) 1	5.4 u.a./hl
ex 22.05 C IV a) 1	5.8 u.a./hl
ex 22.05 C III b) 1	5.5 u.a./hl
ex 22.05 C IV b) 1	6.0 u.a./hl

and up to and including 30 June 1977,  
3. Within the limits of these tariff quotas/the new Member States shall apply the duties calculated in accordance with the relevant provisions set out in Protocol 8 annexed to the Agreement and in the Act of Accession.

*Article 2*

1. The tariff quotas laid down in Article 1 shall be divided into two instalments.

2. A first instalment shall be shared among the Member States; the shares which, subject to Article 5, shall be valid until 31 December 1977 shall consist of the following amounts:

(in hectolitres)

	Port wines under subheadings	
	ex 22.05 C III a) 1 and ex 22.05 C IV a) 1	ex 22.05 C III b) 1 and ex 22.05 C IV b) 1
Benelux	4 150	36 790
Denmark	860	16 630
Germany	4 640	22 930
France	9 350	107 600
Ireland	100	4 040
Italy	8 500	260
United Kingdom	3 850	63 750
<b>Total</b>	<b>31 500</b>	<b>252 000</b>

3. The second instalment of each quota, 3 500 and 28, 000 hectolitres respectively, shall constitute the reserve.

*Article 3*

1. If 90 % or more of one of the initial shares of a Member State, as laid down in Article 2 (2), or 90 % or more 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 where appropriate, to the extent that the amount in the reserve allows.

2. If, after one or other of its initial shares have been exhausted, 90 % or more of the second share drawn by a Member State has been used, that Member State shall proceed in the manner specified 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 amount in the reserve allows.

3. If, after one of its second shares 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 manner specified in paragraph 1, 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 any reason to believe that those shares 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 31 December 1977.

*Article 5*

The Member States shall return to the reserve, not later than 1 October 1977, the unused portion of their initial share which, on 15 September 1977, is in excess of 20 % of the initial amount. They may return a larger quantity if there are reasons to believe that such quantity might not be used.

The Member States shall, not later than 1 October 1977, notify the Commission of the total imports of the products concerned effected up to 15 September 1977 inclusive and charged against the Community quotas and, where appropriate, the proportion of their initial shares that is being returned to each 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 reserves have been used as soon as it receives the notifications.

The Commission shall, not later than 5 October 1977 notify Member States of the amount in each reserve after the return of shares pursuant to Article 5.

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

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 shares shall be determined on the basis of the imports originating in Portugal as and when the goods are entered for home use.

*Article 8*

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

*Article 9*

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

*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 Brussels,

*For the Council*  
*The President*



Proposal for a  
REGULATION (EEC) No ... OF THE COUNCIL

of .....  
opening, allocating and providing for the administration of Community tariff quotas for Madeira wines, falling within heading No ex 22.05 of the Common Customs Tariff, originating in Portugal (1977)

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 (1);

Whereas Article 4 of Protocol 8 to the Agreement (2) between the European Economic Community and the Portuguese Republic, amended by Article 29.1 of the Interim Agreement between the European Economic Community and the Portuguese Republic (3),

provides that customs duties on imports into the Community of certain wines originating in Portugal, shall be reduced:

— by 60 % in the case of the duties applicable to Madeira wines, falling within subheadings ex 22.05 C III a) 1 and ex 22.05 C IV a) 1 of the Common Customs Tariff, up to an annual tariff quota of 1 500 hectolitres; and

— by 50 % in the case of the duties applicable to Madeira wines, falling within subheadings ex 22.05 C III b) 1 and ex 22.05 C IV b) 1 of the Common Customs Tariff up to an annual tariff quota of 14 500 hectolitres;

Whereas this reduction applies, in the case of the Community as originally constituted, to the Common Customs Tariff duties; whereas in the case of the new Member States, this reduction applies up to and including 30 June 1977 to such duties as these States apply at any given moment to imports from third countries and from 1 July 1977 to the Common Customs Tariff duties;

whereas these wines will remain subject to the provisions governing the common organization of the market in wine;

Whereas it is in particular necessary to ensure to all Community importers equal and uninterrupted access to the abovementioned quotas and uninterrupted

application of the rates laid down for these quotas to all imports of the products concerned into all Member States until the quotas have been used up;

whereas, having regard to the principles mentioned above, the Community nature of the quotas can be respected by allocating the Community tariff quota among the Member States, whereas, in order to reflect most accurately the actual development of the market in the products concerned, such allocation should be in proportion to the needs of the Member States, assessed by reference both to the statistics of each State's imports from Portugal over a representative period and to the economic outlook for the quota period concerned

Whereas available Community statistics give no information on the situation of 7 wines on the markets; whereas, however, Portuguese statistics for exports of these products to the Community during the past few years can be considered to reflect approximately the situation of Community imports; whereas on this basis the corresponding imports by each of the Member States represent the following percentages of the imports into the Community from Portugal of the products concerned:

7 Madeira

	1973	1974	1975
Madeira wines in receptacles containing two litres or less:			
— Benelux	13.3	15.8	28.7
— Denmark	16.8	22.5	31.5
— Germany	19.9	8.7	9.0
— France	4.5	3.4	2.5
— Ireland	1.5	0.8	1.0
— Italy	23.8	35.4	17.3
— United Kingdom	20.2	13.4	10.0

(1) OJ No .....  
(2) OJ No L 301, 31. 12. 1972, p. 165.

(3) OJ No L .....

	1972	1973	1974
more than two litres			
— Benelux	13.7	14.8	14.0
— Denmark	18.4	16.0	14.9
— Germany	17.8	18.1	19.1
— France	39.4	40.8	42.5
— Ireland	0.1	0.1	0.1
— Italy	—	—	—
— United Kingdom	10.6	10.2	9.4

Whereas, in view of these data and the estimates submitted by certain Member States, initial quota shares may be fixed approximately at the following percentages :

	Madeira wines in receptacles containing	
	Two litres or less	More than two litres
Benelux	18.4	14.0
Denmark	22.9	14.9
Germany	13.1	19.1
France	3.6	42.4
Ireland	1.1	0.1
Italy	25.8	0.1
United Kingdom	15.1	9.4

Whereas, in order to take into account import trends for the products concerned in the different Member States, each of the quota amounts should be divided into two instalments, the first instalment being allocated among the Member States and the second forming a reserve intended ultimately to cover the requirements of the Member States which have used up their initial quota shares; whereas, in order to ensure a certain degree of security to importers in each Member State, the first instalment of the Community quotas should be determined at a level which, under present circumstances, may be 90 % of each of the quota amounts;

Whereas the initial quota shares of the Member States may be used up at different times; whereas, in order to take this fact into account and avoid any break in continuity, any Member State having used up almost the whole of any one of its initial quota shares should draw an additional quota share from the corresponding reserve; whereas this must be done by each Member State when each of its additional quota shares is almost entirely used up, and repeated as many times as the reserve allows; whereas the initial and additional quota shares must be available for use until the end of the quota period; whereas this method of administration calls for close cooperation between Member States and the Commission, which must, in particular, be able to observe the extent to which the

amounts : States

Whereas, if at a specified date in the quota period a considerable balance remains in one or other Member State, it is essential that that Member State pays a large amount of it back into the reserve, in order to avoid a part of one or other of the Community quotas remaining unused in one Member State when 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, all transactions concerning the administration of shares granted to the abovementioned economic union may be carried out by any of its members,

HAS ADOPTED THIS REGULATION :

Article 1

1. For the period 1 January to 31 December 1977, Community tariff quotas shall be opened for products originating in Portugal, and within the limits listed below :

CCT heading No	Description	Quota volume
ex 22.05 C III a) 1 ex 22.05 C IV a) 1	} Madeira wines	1 500 hl
ex 22.05 C III b) 1 ex 22.05 C IV b) 1		

2. The Common Customs Tariff duties on wines imported within these tariff quotas shall be suspended at the rates listed below :

CCT heading No	Rate of duty
ex 22.05 C III a) 1 ex 22.05 C IV a) 1	5.4 u.a./hl
ex 22.05 C III b) 1 ex 22.05 C IV b) 1	5.8 u.a./hl
	5.5 u.a./hl
	6.0 u.a./hl

and up to and including 30 June 1977,

3. Within the limits of these tariff quotas/the new Member States shall apply the duties calculated in accordance with the relevant provisions set out in Protocol 8 annexed to the Agreement and in the Act of Accession.

Article 2

1. The tariff quotas laid down in Article 1 shall be divided into two instalments.

2. A first instalment shall be shared among the Member States; the shares which, subject to Article 5, shall be valid until 31 December 1977 shall consist of the following amounts:

(in hectolitres)

	Madeira wines under subheadings	
	ex 22.05 C III a) 1 and ex 22.05 C IV a) 1	ex 22.05 C III b) 1 and ex 22.05 C IV b) 1
Benelux	248	1 820
Denmark	309	1 940
Germany	177	2 480
France	50	5 510
Ireland	15	15
Italy	347	15
United Kingdom	204	1 220
Total	1 350	13 000

3. The second instalment of each quota, 150 and 1 500 hectolitres respectively, shall constitute the reserve.

#### Article 3

1. If 90 % or more of one of the initial shares of a Member State, as laid down in Article 2 (2), or 90 % or more 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 where appropriate, to the extent that the amount in the reserve allows.

2. If, after one or other of its initial shares have been exhausted, 90 % or more of the second share drawn by a Member State has been used, that Member State shall proceed in the manner specified 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 amount in the reserve allows.

3. If, after one of its second shares 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 manner specified in paragraph 1, 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 any reason to believe that those shares 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 31 December 1977.

#### Article 5

The Member States shall return to the reserve, not later than 1 October 1977, the unused portion of their initial share which, on 15 September 1977, is in excess of 20 % of the initial amount. They may return a larger quantity if there are reasons to believe that such quantity might not be used.

The Member States shall, not later than 1 October 1977 notify the Commission of the total imports of the products concerned effected up to 15 September 1977 inclusive and charged against the Community quotas and, where appropriate, the proportion of their initial shares that is being returned to each 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 reserves have been used as soon as it receives the notifications.

The Commission shall, not later than 5 October 1977 notify Member States of the amount in each reserve after the return of shares pursuant to Article 5.

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

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 shares shall be determined on the basis of the imports originating in Portugal as and when the goods are entered for home use.

*Article 8*

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

*Article 9*

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

*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 Brussels,

*For the Council*

*The President*

Proposal for a  
**REGULATION (EEC) No ... OF THE COUNCIL**  
of .....

opening, allocating and providing for the administration of Community tariff quotas for Setubal muscatel wines, falling within heading No ex 22.05 of the Common Customs Tariff, originating in Portugal (1977)

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<sup>(1)</sup>;

Whereas Article 4 of Protocol 8 to the Agreement<sup>(2)</sup> between the European Economic Community and the Portuguese Republic, amended by Article 9 of the Interim Agreement between the European Economic Community and the Portuguese Republic<sup>(3)</sup>,

provides that customs duties on imports into the Community of certain wines, originating in Portugal, shall be reduced:

Setubal muscatel by 60 % in the case of the duties applicable to ( ) wines, falling within subheadings ex 22.05 C III a) 1 and ex 22.05 C IV a) 1 of the Common Customs Tariff, up to an annual tariff quota of 1.000 hectolitres; and

Setubal muscatel by 50 % in the case of the duties applicable to ( ) wines, falling within subheadings ex 22.05 C III b) 1 and ex 22.05 C IV b) 1 of the Common Customs Tariff up to an annual tariff quota of 2.000 hectolitres;

Whereas this reduction applies, in the case of the Community as originally constituted, to the Common Customs Tariff duties; whereas in the case of the new Member States, this reduction applies up to and including 30 June 1977 to such duties as these States apply at any given moment to imports from third countries and from 1 July 1977 to the Common Customs Tariff duties;

whereas these wines will remain subject to the provisions governing the common organization of the market in wine;

Whereas it is in particular necessary to ensure to all Community importers equal and uninterrupted access to the abovementioned quotas and uninterrupted

application of the rates laid down for these quotas to all imports of the products concerned into all Member States until the quotas have been used up;

Whereas, having regard to the principles mentioned above, the Community nature of the quotas can be respected by allocating the Community tariff quota among the Member States; whereas, in order to reflect most accurately the actual development of the market in the products concerned, such allocation should be in proportion to the needs of the Member States, assessed by reference both to the statistics of each State's imports from Portugal over a representative period and to the economic outlook for the quota period concerned;

Whereas available Community statistics give no information on the situation of / wines on the markets; whereas, however, Portuguese statistics for exports of these products to the Community during the past few years can be considered to reflect approximately the situation of Community imports; whereas on this basis the corresponding imports by each of the Member States represent the following percentages of the imports into the Community from Portugal of the products concerned;

	1973	1974	1975
Setubal muscatel wines :			
— in receptacles containing two litres or less :			
— Benelux	8	3	-
— Denmark	4	-	20
— Germany	34	50	80
— France	-	-	-
— Ireland	4	-	-
— Italy	-	20	-
— United Kingdom	50	-	-

(1) OJ No .....  
(2) OJ No L 301, 31. 12. 1972, p. 165.

(3) OJ No L .....

1973 1974 1975

— in receptacles containing more than two litres :

— Benelux	25	70	—
— Denmark	—	—	—
— Germany	—	—	—
— France	—	—	—
— Ireland	—	—	—
— Italy	—	—	—
— United Kingdom	75	30	—

quota amounts are used and inform Member States thereof;

Whereas, if at a specified date in the quota period a considerable balance remains in one or other Member State, it is essential that that Member State pays a large amount of it back into the reserve, in order to avoid a part of one or other of the Community quotas remaining unused in one Member State when 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, all transactions concerning the administration of shares granted to the abovementioned economic union may be carried out by any of its members,

Whereas, in view of these data and the estimates submitted by certain Member States, initial quota shares may be fixed approximately at the following percentages :

	Setubal muscatel wines in receptacles containing	
	Two litres or less	More than two litres
Benelux	20	20
Denmark	5	5
Germany	20	20
France	20	20
Ireland	5	5
Italy	10	10
United Kingdom	20	20

HAS ADOPTED THIS REGULATION :

Article 1

1. For the period 1 January to 31 December 1977, Community tariff quotas shall be opened for products originating in Portugal, and within the limits listed below :

CCT heading No	Description	Quota volume
ex 22.05 C III a) 1 ex 22.05 C IV a) 1	} Setubal muscatel wines	1 000 hl
ex 22.05 C III b) 1 ex 22.05 C IV b) 1	} Setubal muscatel wines	2 000 hl

2. The Common Customs Tariff duties on wines imported within these tariff quotas shall be suspended at the rates listed below :

CCT heading No	Rate of duty
ex 22.05 C III a) 1	5.4 u.a./hl
ex 22.05 C IV a) 1	5.8 u.a./hl
ex 22.05 C III b) 1	5.5 u.a./hl
ex 22.05 C IV b) 1	6.0 u.a./hl

and up to and including 30 June 1977,

3. Within the limits of these tariff quotas/the new Member States shall apply the duties calculated in accordance with the relevant provisions set out in Protocol 8 annexed to the Agreement and in the Act of Accession.

Article 2

1. The tariff quotas laid down in Article 1 shall be divided into two instalments.

Whereas, in order to take into account import trends for the products concerned in the different Member States, each of the quota amounts should be divided into two instalments, the first instalment being allocated among the Member States and the second forming a reserve intended ultimately to cover the requirements of the Member States which have used up their initial quota shares ; whereas, in order to ensure a certain degree of security to importers in each Member State, the first instalment of the Community quotas should be determined at a level which, under present circumstances, may be 90 % of each of the quota amounts ;

Whereas the initial quota shares of the Member States may be used up at different times ; whereas, in order to take this fact into account and avoid any break in continuity, any Member State having used up almost the whole of any one of its initial quota shares should draw an additional quota share from the corresponding reserve ; whereas this must be done by each Member State when each of its additional quota shares is almost entirely used up, and repeated as many times as the reserve allows ; whereas the initial and additional quota shares must be available for use until the end of the quota period ; whereas this method of administration calls for close cooperation between Member States and the Commission, which must, in particular, be able to observe the extent to which the

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2. A first instalment shall be shared among the Member States; the shares which, subject to Article 5, shall be valid until 31 December 1977 shall consist of the following amounts:

(in hectolitres)

Setubal muscatel wines under subheadings	ex 22.05 C III a) I and ex 22.05 C IV a) I	ex 22.05 C III b) I and ex 22.05 C IV b) I
	Benelux	180
Denmark	45	90
Germany	180	360
France	180	360
Ireland	45	90
Italy	90	180
United Kingdom	180	360
Total	900	1 800

3. The second instalment of each quota, 100 and 200 hectolitres respectively, shall constitute the reserve.

*Article 3*

1. If 90 % or more of one of the initial shares of a Member State, as laid down in Article 2 (2), or 90 % or more 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 where appropriate, to the extent that the amount in the reserve allows.

2. If, after one or other of its initial shares have been exhausted, 90 % or more of the second share drawn by a Member State has been used, that Member State shall proceed in the manner specified 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 amount in the reserve allows.

3. If, after one of its second shares 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 manner specified in paragraph 1, 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 any reason to believe that those shares 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 31 December 1977.

*Article 5*

The Member States shall return to the reserve, not later than 1 October 1977, the unused portion of their initial share which, on 15 September 1977, is in excess of 20 % of the initial amount. They may return a larger quantity if there are reasons to believe that such quantity might not be used.

The Member States shall, not later than 1 October 1977 notify the Commission of the total imports of the products concerned effected up to 15 September 1977 inclusive and charged against the Community quotas and, where appropriate, the proportion of their initial shares that is being returned to each 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 reserves have been used as soon as it receives the notifications.

The Commission shall, not later than 5 October 1977 notify Member States of the amount in each reserve after the return of shares pursuant to Article 5.

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

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 shares shall be determined on the basis of the imports originating in Portugal as and when the goods are entered for home use.

*Article 8*

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

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

Done at Brussels,

*Article 9*

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

*Article 10*

This Regulation shall enter into force on 1 January 1977.

*For the Council*

*The President*