

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(76) 453 final

Brussels, 8 September 1976

Proposal for a

COUNCIL REGULATION (EEC)

temporarily suspending the autonomous Common Customs
Tariff duty on mushrooms, excluding cultivated
mushrooms, dried, dehydrated or evaporated for the
processing industry of subheading ex.07.04 B

(submitted to the Council by the Commission)

EXPLANATORY MEMORANDUM

A.

The government of the Federal Republic of Germany has requested at the Commission a total suspension of the Common Customs Tariff duties on mushrooms, excluding cultivated mushrooms, dried, dehydrated or evaporated, intended for the processing industry of subheading ex 07.04 B (rate of duty : 16%).

The mushrooms in question are used almost solely in the manufacture of soups. The requirement of the processing industry in Germany alone totals 300 tonnes at about 3 193 800 u.a. for the first half of 1977; it has to be met entirely with imports from third countries.

Customs protection does not seem necessary because high harvesting costs make Community production out of the question. Suspension of duties will enable the Community processing industry to compete with the cheaper finished product from third countries. The tariff suspension could also combat inflationary trends. The cost of dried, dehydrated or evaporated mushrooms has risen considerably, as shown in the prices below :

1970	4 968 u.a./m.t.
1973	8 162 u.a./m.t.
1974	8 872 u.a./m.t.
1975	10 646 u.a./m.t.

The government experts of the "Economic Tariff Problems Group" were unanimously in favour of the German request.

The Commission considers that the request by the German government should be endorsed and that the autonomous Common Customs Tariff duty on the mushrooms in question be totally suspended from 1 January to 30 June 1977.

.../...

B.

The Working Party on Tariff Economy also examined requests for tariff suspensions presented by various Member States for the following products :

CCT No	Description of goods	Date of CCT duty
ex 02.01 B II b) 2	Tongues of domestic bovine animals, intended for the processing industry	7%
ex 08.02 A II a) and b)	Bitter or seville oranges, fresh or dried	15/20%
ex 08.05 A II	Almonds (other than bitter almonds), fresh or dried, shelled or not, whole	7%
ex 08.05 A II	Almonds	7%

The Commission feels that it cannot propose suspension of duties on these products at this stage for the following reasons :

(1) Tongues

It is impossible for the time being to evaluate the consequences of the drought in the Community, which has resulted in an increase in the number of cattle slaughtered. Thus it is difficult to forecast the situation as regards the supply of bovine tongues on the Community market at the beginning of 1977 (date requested for entry into force of suspension in question).

(2) Bitter oranges

This fruit is to be the subject of trade negotiations with a third country that is an usual main supplier. It is not advisable to anticipate the results of these negotiations by suspending tariff duties on the goods in question.

.../...

(3) Almonds

On the basis of present forecasts, it is estimated that Community almond production will be even higher in 1976 than in 1975.

Moreover, at 30 June 1976, stocks of peeled almonds from the 1975 harvest were still considerable.

The sale of almonds harvested in the Community could be jeopardized by a tariff suspension.

Proposal for a
Council Regulation (EEC)

temporarily suspending the autonomous Common
Customs Tariff duty on mushrooms, excluding
cultivated mushrooms, dried, dehydrated or
evaporated, intended for the processing
industry of subheading ex 07.04 B

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,
and in particular Article 43 thereof;

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament (1);

Whereas Community production of mushrooms, excluding cultivated mushrooms,
dried, dehydrated or evaporated, intended for the processing industry of
subheading ex 07.04 B is not at present in a position to meet the
requirements of the Community processing industry;

Whereas in view of such supply difficulties, it is advisable to suspend totally
the autonomous Common Customs Tariff duty from 1 January to 30 June 1977,

HAS ADOPTED THIS REGULATION :

Article 1

The autonomous Common Customs Tariff duty for the products listed below
shall be totally suspended :

CCT No	Description of goods
ex 07.04 B	Mushrooms, excluding cultivated mushrooms, dried, dehydrated or evaporated, intended for the processing industry (a)

(1) Opinion issued on

.../...

(a) The application of this suspension will be subject to the
conditions determined by the competent authorities.

Article 2

This Regulation shall enter into force on the third day following its publication in the Official Journal of the European Communities.

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

Done at Brussels,

For the Council

The President