COMMISSION OF THE EUROPEAN COMMUNITIES

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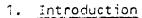
Proposal for a COUNCIL REGULATION (EEC)

amending Regulation (EEC) No 950/68 on the Common Customs Tariff

(Submitted to the Council by the Commission)

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EXPLANATORY MEMORANDUM



- 1.1. By Regulation (EEC) No 950/68 of 28 June 1968 (1), the Council adopted, in the form of an Annex to that Regulation, the Common Customs Tariff as applicable on that date, that is to say taking into account the various autonomous regulations or decisions in force as well as the Community's commitments towards third countries.
- 1.2. As from 1 January 1970, this Regulation (EEC) No 950/68, has been annually subject to an amending regulation of the Council in the form of a further updated "Common Customs Tariff" Annex. This should likewise be the case on 1 January 1980.
- 1.3. In order to enable all Member States and all users to have an up-to-date Regulation in the official languages of the Community, it is proposed that the Council should adopt, on the basis of Articles 28 and 113 of the Treaty, the Common Customs Tariff in the form of a Regulation amending Regulation (EEC) No 950/68 of 28 June 1968.

For practical reasons, only the pages of the Common Customs Tariff (in its current version) which have been amended appear in Annex. In the edition which will be published in the Official Journal, the Common Customs Tariff will nevertheless appear in its entirety.

2. Amendments set out in this draft Regulation, as compared with the text in force on 1 January 1979

2.1. Amendments resulting from international commitments

2.1.1. The multilateral trade negotiations which took place within the GATT in Geneva have just been completed. As a result of these negotiations, a general agreement was reached containing a list of concessions in the agricultural and industrial sectors. A second agreement concerns trade in civil aircraft.

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⁽¹⁾ OJ No L 172, 22.7.1968, p. 1

- 2.1.2. This draft takes account of provisions laid down for the implementation of the said concessions by equal annual reductions from 1.1.1980, with certain exceptions.
- 2.1.3. As laid down for each reduction phase, the intermediate rate has been rounded to the nearest first decimal point, it being understood that the rate so rounded will not exceed the intermediate rate, when not rounded, by more than 0.05%.
- 2.1.4. For certain agricultural products ("tropical products"), together with certain industrial products, reductions will be implemented by accelerated procedure on 1.1.1980. The following headings are concerned:

08.01	09.01	09.02	09.04	09.06	09.08
09.09	09.10	11.04	12.07	13.02	18.01
18.02	28.23	28.47	28.56	29.14	29.26
32.01	38.19	41.03	41.04	41.05	42.03
44.02	44.24	44.27	46.02	46.03	65.04
65.05	67.02	71.14	71.16	73.33	90.07
94.01	95.05	95.08			

2.1.5. The concessions for the following agricultural products:

 frozen meat of bovine animals 	(02.01 ex A II b))
<pre>- meat of bovine animals: "high quality" meat</pre>	(02.01 ex A II a) and ex A II b))
- buffalo meat	(02.01 ex A II b) 4 bb) 33)
- offat	(02.01 B II)
- cheese	(04.04 ex E I b) 1 and ex E I b) 5))
- prunes	(08.12 c)
- canned peaches	(ex 20.06 B II b) 7 aa) and bb))
- mixtures of fruit	(20.06 B II b) 9 aa))
- additional duty on sugar	(ex 20.06)
- manufactured tobacco	(24.01)
will be implemented in full (withou	t staging) on 1 January 1980)

2.1.6. The amendments to the CCT Nomenclature in the agricultural products section resulting from these concessions concern principally:

Preliminary Provisions (General Rules, note B.9)

Headings Nos. 02.01

03.03

Chapter 4, Additional Note 4 b)

Headings Nos. 04.04 08.04 08.08 08.10 16.04 20.01 20.06 21.04 24.01

2.1.7. It should be noted that the concessions on the following products:

- citric acid (29.16 A IV a))
- tetraethyl-lead (29.34 B)
and lead-based anti-knock
preparations (38.14 A and 38.14 B II)
- textiles (Chapters.51 to 62)

- ceramics: reduction to zero of the specific minimum duty for those products falling within Chapter 69 to which such a minimum duty applies and for tariff heading No 85.25 A

- steel (headings Nos 73.01 to 73.20)

- titanium (81.04 K I and K II)

will be implemented in the following manner:

- first phase of the reductions on 1.1.1982, 1983, 1984
- second phase of the reductions spread over three years and therefore excluded from this draft
- 2.1.8. The same applies to the concessions for chemicals (with certain exceptions) falling within Chapters 29, 32 and 39 of the CCT which will be implemented in the following manner:
 - the first reduction, of one-eighth, will take effect on the date of entry into force for the United States of the agreement relating to the implementation of Article VII of the General Agreement on Tariffs and Trade;
 - the second reduction will take effect six months after that date.

The subsequent reductions will take effect in six annual stages.

- 2.1.9. The concession for kraft paper and board (ex 48.01 C II) will be implemented in four reductions, each of 0.5 points, on 1.1.1983, 1.1.1984, 1.1.1986 and 1.1.1987.
- 2.1.10. Amendments to the CCT for products in the industrial sector, resulting from these concessions (with the exception of those relating to civil aircraft), relate to the following tariff headings:

29.01 D II	29.01 D III	29.09 A
29.09 B	29.13 D I a) and b)	39.01 C III
41.02	48.07 C	84.15 C I
84.19 A	84.63	85.06
85.15 A III b)	85.18	87.02
87.04	90.29 A II	97.04

- 2.1.11. The agreement on trade in civil aircraft makes provision for relief from customs duty for civil aircraft, their parts (specifically enumerated), as well as for ground flying trainers. As a result of this agreement, the CCT nomenclature has been amended by the introduction of the appropriate subheadings in the following headings: 39.07, 40.09, 40.11, 40.16, 62.05, 68.13, 68.14, 70.08, 73.25, 73.38, 83.02, 83.07, 83.08, 84.06, 84.07, 84.08, 84.10, 84.11, 84.12, 84.15, 84.18, 84.21, 84.22, 84.53, 84.59, 84.63, 85.01, 85.08, 85.12, 85.14, 85.15, 85.17, 85.20, 85.22, 85.23, 88.01, 88.02, 88.03, 88.05, 90.14, 90.18, 90.23, 90.24, 90.27, 90.28, 90.29, 91.03, 91.08, 94.01, 94.03.
- 2.1.12. Furthermore, a new paragraph B has been introduced into the Preliminary Provisions, Section II. This paragraph indicates the scope of the relief from duty on civil aircraft and the materials concerned, as well as giving a definition of "civil aircraft" in accordance with the negotiated agreement.

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- 2.1.43 Other amendments of a minor editorial nature, have been made to the nomenclature of the CCT in accordance with Supplementary Amendments nos. 27 and 28 of the Customs Cooperation Council.
- 2.1.14. Following recommendations of the International Organization of Statutory Metrology, amendments have been made to the Common Customs Tariff in respect of certain wording relating to alcoholic strength.
- 2.1.15. These amendments are in accordance with Council Directive 76/766/EEC and concern:
 - Note 2 to Chapter 22
 - texts of headings nos 22.08 and 22.09
 - texts of subheadings in headings nos 22.08 and 22.09.

2.2. Amendments resulting from agricultural regulations

- 2.2.1. These amendments concern changes in the tariff resulting from regulations relating to common market organizations already in force or coming into force on 1 January 1980 at the latest.
- 2.2.2. These regulations concern the following chapters Chapter 4 - heading No 04.04 (Regulation Chapter 10 - heading No 10.05 (Regulation No 684/79 -OJ No L 86 of 6.4.1979)

Additional Note heading No 1,0.06 (Regulation

Chapter 16 - heading No 16.02 (Regulation No 882/79 - OJ No L 111 of 4.5.1979)

Additional Note heading No 16.02 B I a (Regulation

Chapters 19- heading Nos 19.08 B II, III and IV) and 21 headings Nos 21.07 A I (footnote)) Regulation

Chapter 20 - Note 3

(Regulation

Chapter 22 - Note 2 Regulation

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⁽¹⁾ OJ No L 262, 27.7.1976, p. 149

- 2.3. Amendments to ensure the correct and uniform application of agreements concerning trade in textile products
 - 2.3.1. In order to ensure a more effective administration of the textile agreements as regards certain garments (ski suits), it is proposed to introduce additional subdivisions in headings Nos 60.05, 61.01 and 61.02 (*).

2.4. Amendments proposed by the Committee on CCT Nomenclature

2.4.1. These autonomous amendments are four in number and are intended merely to clarify the texts and to ensure closer alignment between the various versions of the Common Customs Tariff. These amendments, which sometimes vary according to the language, relate in the main to:

Preliminary Provisions, General Rule C.3.

Chapter 2, Additional Note 1(c)

Chapter 9, Note 1(a) (Danish version)

21.07 3 (Danish version)

Chapter 28 (Modernisation of chemical names)

Chapter 29 (Danish and German versions - corrigenda OJ L 110

29.35 P (English version)

71.05 D

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71.07) (French, Italian and German versions)

71.09 A II b) 3)

84.34 A (Danish and English versions)

Chapter 91, Note 3 (German, Italian and Dutch versions)

In addition, some minor amendments which have no effect on the basic nomenclature have been made to various texts, particularly in the Danish version

^(*) See however paragraph 3 below (Conclusions) on this subject.

2.5 Amendments resulting from adoption of the ECU

In accordance with Regulations and which amended, respectively, items 04.04 (cheese) and 22.05 C (wine), the ECU replaces the unit of account at present referred to in certain specific customs duties or used as a criterion limiting the scope of certain tariff subheadings.

3. Conclusions

From the foregoing it will be seen that the draft CCT applicable with effect from 1.1.1980 includes an appreciable number of amendments, which follow mainly from the results of the mulitlateral negotiations in the framework of the GATT, some of which have only recently been concluded. The whole of these amendments has been the subject of a close examination by the Joint Panel of Government Experts on the Common Customs Tariff and has been approved by them (a). Because of this, further time has been needed for the correction of the draft. In order to make this instrument available to the national administrations and to the trade as soon as possible the Commission requests the Council to deal with this draft Regulation at one of its forthcoming meetings.

⁽a) It should be noted however that the texts of subheadings 60.05 A I b) 4 kk), 61.01 B V g) and 61.02 B II e) 8 have not been agreed by the German and Dutch delegations.

COUNCIL REGULATION (EEC)

amending Regulation (EEC) No 950/68 on the Common Customs Tariff

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 28 and 113 thereof,

Having regard to the proposal from the Commission,

Whereas, under agreements signed with third countries, and in particular pursuant to the 1979 Geneva Protocol and the 1979 Additional Protocol to the Geneva Protocol annexed to the General Agreement on Tariffs and Trade and the agreement on trade in civil aircraft signed at the end of the 1973-79 Conference on Multilateral Trade Negotiations, the Community has undertaken to make reductions in customs duties, certain of which are to be implemented in whole or in part from 1 January 1980; whereas it is expedient, therefore, in order to ensure uniform application of the Common Customs Tariff, to specify in Council Regulation (EEC) No 950/68 of 28 June 1968 on the Common Customs Tariff (1), as last amended by Regulation (EEC) No , the conventional duties applicable from 1 January 1980;

Whereas it is necessary to take account in heading No 04.04 and subheading 22.05 C of the Common Customs Tariff of the provisions of Regulations and , on the procedure for applying the ECU;

Whereas for certain headings or Chapter Notes it is necessary to introduce amendments with the object of ensuring uniform application of the Common Customs Tariff; whereas, moreover, a certain number of drafting amendments is justified for the purpose of improving the Common Customs Tariff;

⁽¹⁾ OJ No L 172, 22.7.1968, p. 1.

Whereas certain kegulations on the Lormon organization of agricultural markets provide that the tariff nomenclature resulting from their application shall be included in the Common Customs Tariff and/or amend customs duties; whereas it is therefore appropriate to include in this Regulation all the amendments resulting from Regulations adopted under the common agricultural policy;

Whereas, in order to take account of the provisions of Council Directive 76/766 of 27.7.1976 (1), and in accordance with the recommendation of the International Organization of Statutory Metrology, it is necessary to amend certain of the wording of Chapter 22 relating to alcoholic strength;

Whereas it is appropriate, for the sake of clarity, to bring the whole of the Common Customs Tariff up to date; whereas, for this purpose, it is necessary to collect in a single text not only those parts which are amended with effect from 1 January 1980 but also those which have already been amended and those which remain unchanged;

Whereas, although temporary tariff amendments and the preferential systems resulting from the various acts adopted by the Community form an integral part of the Common Customs Tariff, it seems appropriate not to include them in this Regulation;

Whereas this Regulation does not apply to products covered by the Treaty establishing the European Coal and Steel Community, although the nomenclature and the conventional duties for these products are included, for information purposes, in the Schedule of Customs Duties in order to make the latter easier to understand,

HAS ADOPTED THIS REGULATION:

Article 1

The Annex headed 'Common Customs Tariff' to Regulation (EEC) No 950/68 is hereby replaced by the Annex to this Regulation.

Article 2

This Regulation shall enter into force on 1 January 1980.

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

Done at Brussels,

For the Council The President

^{(1) 00} No L 262, 27.9,1976, p. 204