

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(79) 692 final.

Brussels, 6 December 1979

Proposal for a

COUNCIL REGULATION (EEC)

on the opening, allocation and administration of a Community tariff quota for certain plywoods of coniferous species, falling within heading No ex 44.15 of the Common Customs Tariff (first half of 1980)

(submitted to the Council by the Commission)

COM(79) 692 final.

EXPLANATORY MEMORANDUM

1. At the last GATT negotiations the Community undertook to open, for certain coniferous plywood, as listed below, of heading ex 44.15 of the Common Customs Tariff, a Community tariff quota at zero duty of a total volume of 600,000 cubic metres.

Plywood of coniferous species, without the addition of other substances

- of thickness greater than 8.5 mm, the faces of which are not further prepared than the peeling process, or
- sanded, and of a thickness greater than 18.5 mm.

In addition Protocol No 11 to the Act concerning the Conditions of Accession and the Adjustments to the Treaties and the bilateral exchange of letters undertaken at the start of the GATT negotiations foresee the Community opening autonomous Community tariff quotas at zero duty for these products at volumes to be decided for each year when it is established that all possibilities of supply on the intended market of the Community will be exhausted during the period for which the quotas are open.

2. This proposed Regulation concerns the Community tariff quotas in question to be opened on 1 January 1980 and allocated among Member States.
3. This matter was dealt with at advisory meetings of experts from the Member States held since 1975, at which it became clear that taking into account the possibilities of supply on the Community market, which are in fact somewhat limited although increasing considerably, and on the basis of estimated submitted by the Member States, the tariff quotas in question could yet be grouped under a single quota of 600,000 cubic metres for 1980, which is the extent of use forecast for the 1979 quota.

.../...

However, in order to resolve the technical difficulties which result from increased flow of imports towards the end of the calendar year, it is proposed to move the starting date for the quota to 1 July of each year, and thus to open on 1 January 1980 a tariff quota for the first half of 1980 and on 1 July 1980 a tariff quota, covering a full year, up to 30 June 1981.

The volume of the tariff quota for the first half of 1980 has provisionally been set at half the volume envisaged for the whole year, that is 400,000 cubic metres. It is to be understood that this volume fixed on the basis of provisional estimates, remains of course subject to a reexamination of the situation during the quota period.

4. The method of administration proposed is the same as that usually adopted for autonomous Community tariff quotas and consists basically of the following :
- the setting up of a reserve of 25,000 cubic metres ;
 - the allocation of the first tranche in proportion to the needs expressed by Member States ;
 - the charging of imports against Member States' shares as and when the products are entered with the customs authorities for free circulation.

This method of administration which was moreover used since 1975, has been discussed in the course of the meetings of the "Economic tariff problems" group of 24 April and 14 September 1979, with Member States' experts, who considered that it could be maintained for 1980.

Proposal for a
COUNCIL REGULATION (EEC)

on the opening, allocation and administration of a Community tariff quota for certain plywoods of coniferous species falling within heading No ex 44.15 of the Common Customs Tariff (1st half of 1980)

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 the Community has undertaken to open an annual Community tariff quota not exceeding 600,000 m³ for certain coniferous plywood of heading ex 44.15 of the Common Customs Tariff and whereas, under Protocol 11 to the Act of Accession (1), the Community is required to open each year nil duty autonomous Community tariff quotas for that product, the volume thereof to be decided annually when it is established that all possibilities of supply on the internal market of the Community have been exhausted during the period for which the quotas are open ; whereas, in view of the aforesaid possibilities of supply and on the basis of forecasts of requirements made by the Member States, the volume of the tariff quota to be opened for 1980 may be fixed at 800,000 m³ ; whereas the abovementioned requirements do not include imports to which other preferential tariff arrangements may apply ; whereas, in view of the relatively small quantities produced in the Community, it is not necessary to apportion this amount between the categories of plywood specified in the consolidation or the abovementioned Protocol 11 ; whereas to resolve certain internal technical problems it is preferable to move the date of the start of quota period to 1 July of each year, thus beginning by opening a tariff quota for the first half of 1980 on 1 January 1980 and then going on to open on 1 July 1980 a new tariff quota for a period of one year up to 30 June 1981; whereas on this basis the volume of the quota for the first half of 1980 should be provisionally fixed at half the annual volume, that is 400,000 m³ ; whereas the fixing of the volume at 400,000 m³ on the basis of provisional estimates does not exclude an adjustment during the quota period ;

(1) OJ No L 73, 27.3.1972, p. 170.

Whereas, to take more precise account of future trends in imports of the products concerned, the quota should be divided into two tranches, the first being allocated among all the Member States and the second held as a reserve to cover the subsequent requirements of Member States which have exhausted their initial shares; whereas, in order to offer importers some degree of security, the first tranche of the quota should be fixed at a relatively high level, or about 94 % of its full amount; whereas, on the basis of Member States' estimates of their needs, the initial shares may be fixed as set out in Article 2;

Whereas Member States may use up their initial shares at different rates; whereas, to provide for this eventuality and to avoid disruption of supplies, any Member State which has almost used up its initial share should draw an additional share from the reserve; whereas, each time its additional share is almost used up, a Member State should draw an additional share, 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 Member States and the Commission, which the latter must, in particular, be able to keep a record 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 that that Member State should return a significant proportion to the reserve, so as to avoid a part of the quota 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 within and jointly represented by the Benelux Economic Union, any measure concerning the administration of the shares allocated to that economic union may be carried out by any one of its members,

HAS ADOPTED THIS REGULATION:

Article 1

1. For the period 1 January to 30 June 1980, a Community tariff quota of 4 000 000 m³ shall be opened for the following products falling within heading No ex 44.15 of the Common Customs Tariff:

- (a) plywood of coniferous species, without the addition of other substances, of a thickness greater than 8.5 mm, the faces of which are not further prepared than the peeling process;
- (b) plywood of coniferous species, without the addition of other substances, sanded, and of a thickness greater than 18.5 mm.

2. Imports of the products in question may not be charged against this tariff quota if they are already free of customs duties under other preferential tariff arrangements.

3. The Common Customs Tariff duty shall be totally suspended within the limits of the above quota.

Article 2

1. The tariff quota referred to in Article 1 (1) shall be divided into two tranches.

2. A first tranche of 375 000 m³ shall be allocated among the Member States. Member States' shares, which subject to Article 5 shall be valid until 30 June 1980, shall be as follows:

	<i>cubic metres</i>
Benelux	115 463
Denmark	49 762
Germany	47 775
France	7 950
Ireland	6 750
Italy	7 950
United Kingdom	139 350

3. The second tranche of 25 000 m³ shall constitute the reserve.

Article 3

1. If 90 % or more of a Member State's initial share as fixed in Article 2 (2), or of that share minus any portion returned to the reserve where Article 5 has been applied, has been used up, that Member State shall forthwith, by notifying the Commission, draw a second share, to the extent that the reserve so permits, equal to 10 % of its initial share, rounded up as necessary to the next whole number.

2. If, after its initial share has been exhausted, 90 % or more of the second share drawn by a Member State has been used up, that Member State shall, in the manner and to the extent provided in paragraph 1, draw a third share equal to 5 % of its initial share, rounded up as necessary to the next whole number.

3. If, after its second share has been exhausted, 90 % or more of the third share drawn by a Member State has been used up, that Member State shall, in the manner and to the extent provided in paragraph 1, draw a fourth share equal to the third.

This procedure shall apply until the reserve is used up.

4. By way of derogation from paragraphs 1, 2 and 3, Member States may draw lesser shares than those

specified therein if there are grounds for believing that those specified may not be used in full. They shall inform the Commission of their reasons for applying this paragraph.

Article 4

Additional shares drawn pursuant to Article 3 shall be valid until 30 June 1980.

Article 5

Member States shall return to the reserve, not later than 1 May 1980, the unused portions of their initial shares which, on 15 April 1980, are in excess of 20 % of the initial amounts. They may return a greater portion if there are grounds for believing that such portion may not be used in full.

Member States shall notify the Commission, not later than 1 May 1980, of the total quantities of the products in question imported up to and including 15 April 1980 and charged against the Community quota and of any portion 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, as soon as it has been notified, shall inform each State of the extent to which the reserve has been used up.

It shall inform the Member States, not later than 5 May 1980, of the amount still in reserve after amounts have been returned thereto pursuant to Article 5.

It shall ensure that the drawing which exhausts the reserve 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.

Article 7

1. Member States shall take all appropriate measures to ensure that additional shares drawn pursuant to Article 3 are opened in such a way that imports may be charged without interruption against their aggregate shares of the Community quota.

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

3. Member States shall charge imports of the products in question against their shares as and when the products are entered with the customs authorities for free circulation.

4. The extent to which a Member State has used up its share shall be determined on the basis of imports charged against that share in accordance with paragraph 3.

Article 8

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

Article 9

Member States and the Commission shall cooperate closely to ensure that this Regulation is complied with.

Article 10

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

For the Council

The President
