COM(74) 891 final Brussels, 19 June 1974

## Proposal for

a Council Regulation amending Regulation (EEC) No. 803/68 concerning the value of goods for customs purposes.

(submitted to the Council by the Commission)

## EXPLANATORY MELIORANDUM

1. In the Communication of 18 April 1973 on trade relations with the German Democratic Republic, the Commission informed the Council of how it saw the question of applying general Community rules to relations with the German Democratic Republic, to reflect both the changes in Member States' relations with that country and progress made in the Community on the common commercial policy.

The conclusion reached by the Commission in the Communication can be summed up by saying that relations between the Community and the German Democratic Republic should be fully subject to general Community rules. However, trade between the Federal Republic of Germany and the German Democratic Republic will remain subject to the Protocol on German Internal Trade and Connected Problems, and paragraph 3 of that Protocol will remain applicable.

- 2. To enable general Community rules to be applied to relations between Member States (other than the Federal Republic of Germany) and the German Democratic Republic, it will be necessary among other things to abolish Article 8 (4) of Council Regulation (EEC) No. 803/68. This lays down special rules for determining the value for customs purposes of goods from non-member countries imported into the Community through the territory of the German Democratic Republic. Following discussion of this matter by the Permanent Representatives Committee, it now seems appropriate to submit to the Council a formal proposal from the Commission which in particular provides for the abolition of this provision of Regulation No. 803/68.
- 3. Accordingly, the Commission proposes that the Council adopt the draft Regulation set out in the Annex.

The amendment of the Regulation in question involves consulting Parliament; and, since the Economic and Social Committee was also consulted when this Regulation was adopted, it would seem desirable to consult this institution as well.

REGULATION (EEC) No ••••/74 OF THE COUNCIL amending Council Regulation (EEC) No 803/68 of 27 June 1968

on the valuation of goods for customs purposes

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 235 thereof;

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament;

Having regard to the Opinion of the Economic and Social Committee;

Whereas paragraph 4 of Article 8 of Council Regulation (EEC) No 803/68 of 27 June 1968 on the valuation of goods for customs purposes (1) provides that where goods from third countries are introduced into the customs territory of the Community through German territories where the Basic Law for the Federal Republic of Germany does not apply but which come under German internal trade regulations, delivery costs for such transit shall not be included in the value for customs purposes of the goods;

Whereas, by virtue of paragraph 1 of the Protocol on German internal trade and connected problems, the application of the provisions of the Treaty requires no change in the treatment currently accorded to the exchange of goods between the Federal Republic of Germany and the German Democratic Republic, since this trade is a part of German internal trade; whereas, however, the introduction of goods from third countries into the customs territory of the Community through the territory of the German Democratic Republic does not pertain to the German internal trade;

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<sup>(1)</sup> OJ No L 148 of 28.6.1968, p. 6.

Whereas, in these circumstances, the keeping in force of paragraph 4 of Article 8 of the above-mentioned Regulation cannot be justified by the necessity of assuring uniform determination of the customs value of imported goods irrespective of the Member State where this determination takes place; whereas, on the contrary, to keep the said paragraph 4 in force would entail discrimination between goods from third countries depending on the routes by which they are introduced into the Community,

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HAS ADOPTED THIS REGULATION :

## Article 1

Paragraph 4 of Article 8 of Council Regulation (EEC) No 803/68 of 27 June 1968 on the valuation of goods for customs purposes is deleted.

## Article 2

The Regulation shall enter into force. 17August 1974

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

Done at Brussels,

For the Council

Chairman.

