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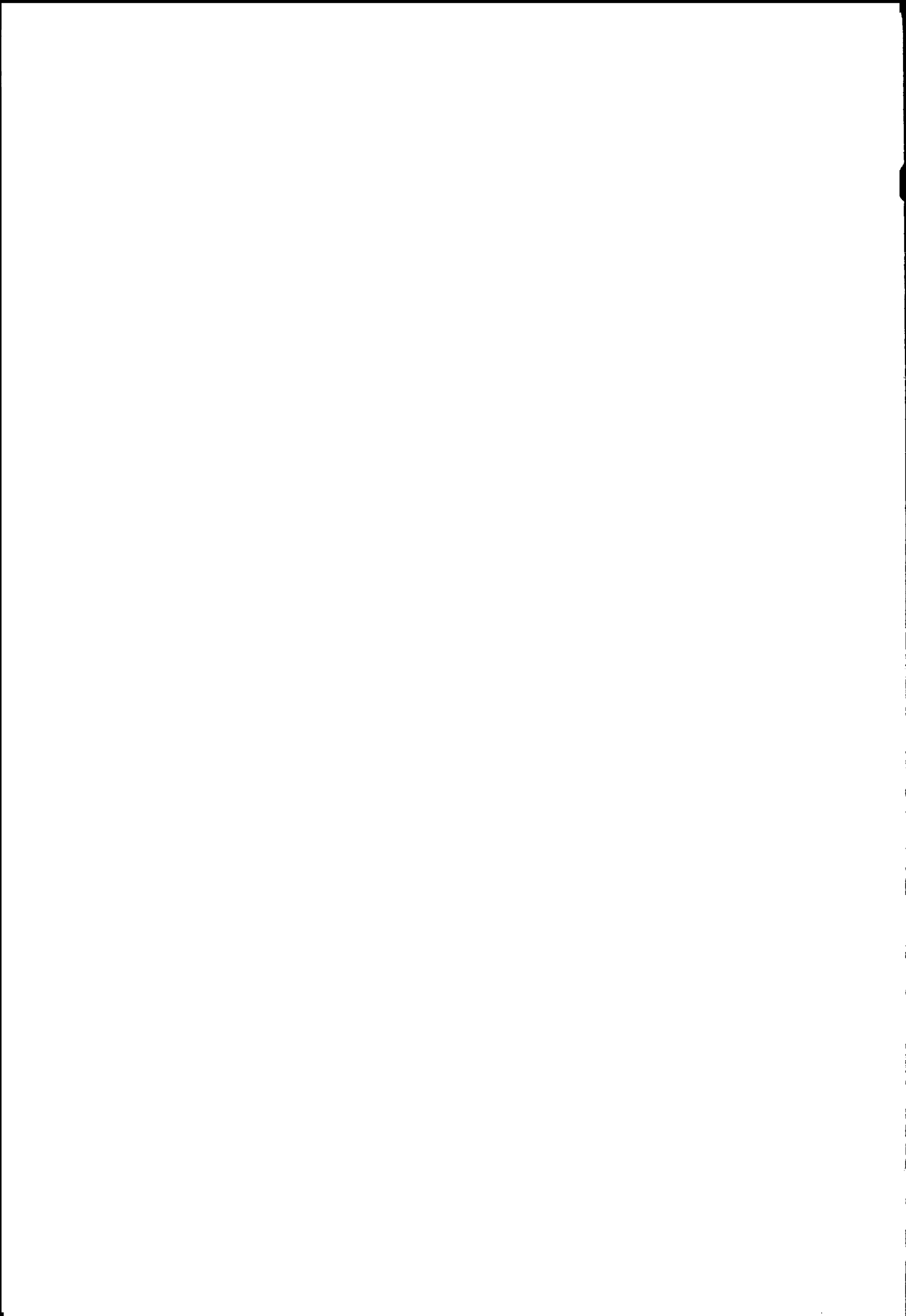
Brussels, 8 September 1978

Proposal for a  
COUNCIL REGULATION (EEC)

establishing ceilings and Community surveillance of imports  
of certain products originating in Malta (1979)

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(submitted by the Commission to the Council)



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EXPLANATORY MEMORANDUM

1. The 1971 Agreement between the European Economic Community and Malta, as amended by the Additional Protocol to that Agreement, provides, in particular in respect of industrial products, for the abolition of the duties laid down in the Common Customs Tariff. Notwithstanding this provision, special arrangements exist for a number of sensitive products : the volume of such products which may be imported free of duties is limited to an annual ceiling. When this ceiling is reached, the customs duties applicable to third countries may be reimposed by the Community until the end of the calendar year.

The initial volumes of the annual ceilings are fixed by the amended Agreement itself. Each year these ceilings are reopened and their level is increased by 5 %.

2. The implementation of the system of ceilings and the option of reintroducing customs duties require the adoption of precise common rules to be applied uniformly by all the Member States. These requirements may be met by setting up a Community system of surveillance of actual imports from Malta. To that end the Member States must take appropriate measures to permit the rapid collection of statistical returns for the whole Community.

In this connection imports of the products in question should be recorded only as and when they are entered for home use accompanied by a movement certificate conforming to the rules of the Agreement referred to in 1 above.

The returns will be drawn up by each Member State at the end of each month and forwarded before the fifteenth day of the following month to the Commission in order to enable the latter to send by telex to all the Member States a comprehensive product-by-product statement of the imports in question effected during the preceding month. The surveillance system will require quick action and close cooperation between the relevant departments of the Member States and the Commission. Since the products in question belong to the sensitive products category and duty-free imports in excess of the ceilings may disturb the Community market, it is absolutely essential that all the Member States observe strictly the abovementioned time limit of fifteen days.

The following procedure will be used for setting in train the machinery for reintroducing duties : as soon as one of the comprehensive monthly statements compiled by the Commission shows that 75 % of the ceiling fixed for a given product has been reached, the Commission will inform the Member States and consultations may take place, in particular within the Economic Tariff Problems Group, either at the request of a Member State or on the Commission's own initiative. The purpose of these consultations will be to examine in each individual case whether the customs duties applicable to third countries should be reimposed when the ceiling is actually reached./

Imports of the product in question will continue to be the subject of monthly returns or, if the Commission so requests, of a telex message covering each period of ten days. This message must reach the Commission within five days.

The Commission can thus take within the shortest possible time the measures required for the adoption of a regulation reintroducing customs duties in respect of Malta until the end of the calendar year. In that event, the customs duties on the product in question would naturally be reimposed within the time limit laid down by the regulation ending exemption from duties.

3. The attached proposal provides for the delegation by the Council to the Commission of the power to apply the rule on ceilings and the reintroduction of duties.

The proposal for a regulation merely outlines how these powers are to be exercised so that the machinery to be used may be adjusted flexibly and rapidly in consultation with the Member States. Again with a view to maximum efficiency and rapidity, the proposal lays down that the Commission will be responsible for reintroducing, in respect of Malta, the duties applicable to third countries.

ANNEX :

Proposal for a Council Regulation.

PROPOSAL FOR A  
COUNCIL REGULATION (EEC) No 178

of

establishing ceilings and Community surveillance for imports of certain products  
originating in Malta (1979)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

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

Having regard to the proposal from the Commission,

Whereas the Agreement establishing an association between the European Economic Community and Malta <sup>(1)</sup>, as amended by the Additional Protocol to that Agreement <sup>(2)</sup>, makes provision for the total abolition of customs duties in respect of the products to which the Agreement applies; whereas, however, for a number of products exemption from duties is subject to ceilings above which the customs duties applicable to third countries may be reintroduced; whereas the ceilings to be applied in 1979 should therefore be determined; whereas the application of ceilings requires that the Community be regularly informed on imports of the products in question originating in Malta; whereas it is therefore desirable that imports of these products be subjected to a system of surveillance;

Whereas this objective may be achieved by means of an administrative procedure based on the charging of im-

ports of the products in question against the ceilings at Community level as and when the products are entered with customs authorities for home use; whereas this administrative procedure must make provision for the possibility of customs tariff duties being reintroduced as soon as the ceilings are reached at Community level;

Whereas this administrative procedure requires close and particularly rapid cooperation between the Member States and the Commission and the latter must in particular be able to follow the progress of quantities charged against the ceilings and keep the Member States informed; whereas this cooperation has to be particularly close since the Commission must be able

to take the appropriate measures to reintroduce customs tariff duties if one of the ceilings is reached,

HAS ADOPTED THIS REGULATION:

Article 1

1. From 1 January to 31 December 1979 imports of the products originating in Malta listed in the Annex shall be subject to annual ceilings and Community surveillance.

The description of the products referred to in the first subparagraph, their tariff headings and statistical numbers and the levels of the ceilings are given in the Annex.

2. Quantities shall be charged against the ceilings as and when products are entered with customs authorities for home use accompanied by a movement certificate in accordance with the rules contained in the Protocol concerning the definition of the concept of 'originating products' and methods of administrative cooperation annexed to the Protocol laying down certain provisions relating to the Agreement establishing an association between the European Economic Community and Malta <sup>(3)</sup>.

Goods may be charged against the ceiling only if the movement certificate is submitted before the date on which customs duties are reimposed.

The extent to which a ceiling is used up shall be determined at Community level on the basis of the imports charged against it in the manner defined in the preceding subparagraphs.

The Member States shall inform the Commission at the intervals and within the time limits specified in paragraph 4 of imports effected in accordance with the above procedures.

3. As soon as the ceilings have been reached, the Commission may adopt a Regulation reimposing

<sup>(1)</sup> OJ No L 61, 14. 3. 1971, p. 2.

<sup>(2)</sup> OJ No L 304, 29. 11. 1977, p. 2.

<sup>(3)</sup> OJ No L 111, 28. 4. 1976, p. 3.

until the end of the calendar year the customs duties applicable to third countries.

4. Member States shall forward to the Commission not later than the 15th day of each month statements of the quantities charged during the preceding month. If the Commission so requests, they shall provide such statements in respect of periods of 10 days and forward them within five clear days of the end of each 10-day period.

*Article 2*

The Commission shall take all appropriate measures in close cooperation with the Member States, for the purposes of applying this Regulation.

*Article 3*

This Regulation shall enter into force on 1 January 1979.

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

Done at Brussels,

*For the Council*

*The President*

## ANNEX

## List of products subject to import ceilings in 1979

Serial No	CCT heading No	Description	NIMEXE code	Level of ceiling (tonnes)
1	2	3	4	5
I M 1	55.05	Cotton yarn, not put up for retail sale	55.05-all Nos	1 323
I M 2	55.09	Other woven fabrics of cotton	55.09-all Nos	110
I M 3	56.04	Man-made fibres (discontinuous or waste), carded, combed or otherwise prepared for spinning	56.04-all Nos	882
I M 4	60.05	Outer garments and other articles, knitted or crocheted, not elastic or rubberized	60.05-all Nos	238
I M 5	61.01	Men's and boys' outer garments	61.01-all Nos	899

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