

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(82) 369 final

Brussels, 17 June 1982

Recommendation for a
COUNCIL DECISION

authorizing the Commission to negotiate on behalf of the Community an agreement in the form of an exchange of letters amending certain zero-duty tariff quotas opened by the United Kingdom for 1982 in accordance with Protocol 1 to the Agreement between the European Economic Community and the Republic of Finland

(submitted to the Council by the Commission)

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Financial sheet

The increase by 7,571 t of the duty-free quota would mean a reduction of 205,707 UCE in Customs duties levied on light weight coated paper. It is unlikely that the revenue from duties levied on kraft paper would increase because of the quota reduction, since these quotas were not fully utilized in the past.

Explanatory Memorandum

1. As in 1979, 1980 and 1981 the United Kingdom has requested that the 1982 zero-duty tariff quota for coated printing and writing paper, including light weight coated mechanical paper weighing less than 65 gms/m² (LWC), provided for in Protocol No 1 of the Free Trade Agreement between the European Economic Community (EEC) and Finland be increased.
2. The reasons for this request are the following:
 - Since the conclusion of the Agreement in 1973 the demand structure for paper products imported from Finland has changed considerably.
 - The demand for light weight coated paper has increased sharply since 1973.
 - There is no production of this type of paper in the United Kingdom and even though there has been a considerable increase in imports of this type of paper from mills within the Community over the past years, United Kingdom converters are continuing to experience difficulties in obtaining adequate supplies in the present tight situation. Although the rest of the Community has been able to supply an increasing proportion of U.K. demand, much of the latter has still to be met by duty-paid supplies from Finland.
3. The increase in the quotas for coated printing and writing paper would be for 1982 and would be accomplished through a temporary transfer of 7.571 tons from the underutilized quota for ex 48.01 C II (kraft paper for large capacity sacks) to the quota ex 48.07 D (coated printing and writing paper).
4. In view of the present shortage of light weight coated paper in the Community, this facilitation of imports to the United Kingdom should not cause difficulties to the Community paper industry. The increase of imports of LWC from other Member States into the United Kingdom in the course of the last years shows that imports from Finland have not hurt the penetration of the United Kingdom market by Community producers.

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5. Therefore, the Commission presents to the Council the attached recommendation for a Council Decision authorizing the Commission to negotiate on behalf of the Community an agreement in the form of an exchange of letters amending certain zero-duty tariff quotas opened by the United Kingdom for 1982 in accordance with Protocol 1 of the Agreement between the European Economic Community and the Republic of Finland.

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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 Agreement signed in Brussels on 5 October 1973 between the European Economic Community and the Republic of Finland (1),

Having regard to the recommendation from the Commission;

Whereas certain zero-duty tariff quotas opened by the United Kingdom for 1982 in accordance with Protocol 1 to the aforementioned Agreement should be amended,

HAS DECIDED AS FOLLOWS:

Sole Article

The Commission is hereby authorized to negotiate on behalf of the Community an agreement in the form of an exchange of letters amending certain zero-duty tariff quotas opened by the United Kingdom for 1982 in accordance with Protocol 1 to the Agreement between the European Economic Community and the Republic of Finland.

(1) OJ No L 328, 28.11.1973, p.2

The Commission, assisted by representatives of the Member States, shall conduct the negotiations in accordance with the annexed directives.

Done at Brussels,

For the Council

The President

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Directives for negotiation from the Council to the Commission

According to Protocol 1 to the Agreement between the European Economic Community and the Republic of Finland signed in Brussels on 5 October 1973 (1) the United Kingdom has since 1 January 1974 opened zero-duty tariff quotas for coated printing and writing paper (ex 48.07 D) as well as for kraft paper for large capacity sacks (ex 48.01 C II). The permissible maxima for these quotas were fixed on the basis of statistics for the period 1968 to 1971.

Since 1974 the demand for light weight coated paper (LWC) has increased significantly and there is no production of this type of paper in the United Kingdom and LWC is also in short supply in the Community.

Thus an increase in the quota for coated printing and writing paper (ex 48.07 D) for 1982 should be accomplished through a temporary transfer of 7 571 t from the underutilized quota for kraft paper for large capacity sacks (ex 48.01 C II) to the former quota.

(1) OJ No L 328, 28.11.1973, p. 2