

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(77) 492 final

Brussels, 11 October 1977

Proposal for a  
COUNCIL REGULATION (EEC)

on levies applicable to imports of certain adult  
bovine animals and beef from Yugoslavia

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(submitted to the Council by the Commission)



EXPLANATORY MEMORANDUM

1. The EEC-Yugoslavia Agreement <sup>\*)</sup> lays down, by way of derogation from Regulation (EEC) No 805/68 on beef and veal, special provisions for Yugoslav exports of baby beef comprising a reduction in the levy applicable.
2. Under the system of levies applied until the entry into force (1 April 1977) of the new system for imports of beef, <sup>\*\*)</sup> the reduction was effected as follows :

Situation of the Community market price in relation to the guide price	Normal levy	Special levy for baby beef from Yugoslavia under the Agreement <sup>*)</sup>
106 % or over	0	0
104 - 106 %	25 %	5 %
102 - 104 %	50 %	15 %
100 - 102 %	75 %	50 %
98 - 100 %	100 %	75 % for the first four years of the Agreement and 80 % for the fifth year

The new system for imports in force since 1 April 1977, <sup>\*\*)</sup> unlike the previous system, provides for the application of levies exceeding 100 % where the Community market price is less than 98 % of the guide price.

... / ...

<sup>\*)</sup> Council Regulation (EEC) No 2170/73 of 31 July 1973 - OJ No L 224, 13 August 1973, page 1

<sup>\*\*)</sup> Council Regulation (EEC) No 425/77 of 14 February 1977 - OJ No L 61, 5 March 1977, page 1

Although the new import system does not run counter to the provisions of Annexe I to the EEC-Yugoslavia Agreement, it nevertheless has repercussions on exports of meat from Yugoslavia to the EEC.

Since the Community market price is less than 98 % of the guide price, the special provisions contained in the Agreement are not applicable and owing to the relatively high offer price applied by Yugoslavia, the levies resulting from the present system do not enable Yugoslavia to export to the Community.

3. Consequently, Yugoslav exports in 1977 are likely to be at a distinctly lower level than that which resulted from the special measures adopted under the safeguard clause<sup>\*)</sup>.

4. This situation is likely to thwart the political intentions which were expressed by the Council when the Agreement was concluded in 1973 and the Joint Declaration was signed at Belgrade on 2 December 1976, and which were confirmed at the meeting of the EC - Yugoslavia Joint Committee held on 28 and 29 March 1977.

Politically, Yugoslavia's difficulties are further aggravated by the fact that most other supplier countries can place a part of their traditional exports on the Community market under special arrangements.

5. In these circumstances and pending the renegotiation of the present Agreement, which expires on 31 August 1978, it is necessary to find a transitional, unilateral solution comprising, in the same spirit as the Agreement in force, a moderate reduction in the levy applicable to Yugoslavia when the whole levy exceeds 100 %, combined with voluntary restraint on Yugoslav exports set on a monthly basis, the quantity of which corresponds to the average monthly exports in 1976.

... / ...

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\*) Exports from Yugoslavia during the application of the protective measures were as follows :

1974	:	17.000 t
1975	:	15.000 t
1976	:	22.000 t
1977	:	4.627 t (first four months)

These exports would be phased as follows :

- a monthly average of 1.500 tonnes (from 1.000 tonnes per month when the market price is less than 90 % of the guide price to 2.000 tonnes when the market price is 96 % or more of the guide price).

6. Furthermore, when the Council adopted regulation (EEC) no 425/77, the Commission stated that until the end of 1977 it would suspend by 50 % the levy applicable to all young/<sup>male</sup>bovine animals for fattening imported under the system laid down in article 13 of the said Regulation.

In the light of the difficulties encountered in importing young male bovine animals of 220 to 300 kg, the Commission intends, by the Management Committee procedure, to raise the suspension for this category of bovine animals to 70 % of the levy applicable for a maximum quantity of 12.000 head per quarter. This provision would commence January 1<sup>rst</sup> 1978.

PROPOSAL FOR  
COUNCIL REGULATION (EEC)

on levies applicable to imports of certain adult bovine  
animals and beef from Yugoslavia

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 43 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Whereas the system applicable to imports of beef and veal products was laid down by Council Regulation (EEC) No 805/68 of 27 June 1968 on the common organization of the market in beef and veal(1), as last amended by Regulation (EEC) No 425/77(2)

Whereas Article V of the Trade Agreement between the European Economic Community and the Socialist Federal Republic of Yugoslavia annexed to Council Regulation (EEC) No 2170/73 of 31 July 1973 (3) provides for a special system for imports of certain adult bovine animals and certain categories of beef laid down in Annex I to the Agreement; whereas the Agreement is valid until 31 August 1978;

Whereas the system for imports of beef and veal products has been amended with effect from 1 April 1977; whereas the amendments involve increasing the levy to a level greater than the difference between the guide price and the free-at-Community front price plus the amount of the customs duty, which provision did not exist when the said Agreement was concluded;

Whereas this situation should therefore be taken into account by supplementing the existing provisions in accordance with the spirit of the Trade Agreement;

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OJ No L 148, 28.6.1968, p. 24

OJ No L 61, 05.03.1977, p. 1

OJ No L 224, 13.8.1973, p. 1

Whereas the provisions of this Regulation do not affect the content of the Trade Agreement and apply only to products imported under the said Agreement;

Whereas the Socialist Federal Republic of Yugoslavia is prepared to limit its exports under this Regulation to a monthly average of 1 500 tonnes expressed as unboned meat;

Whereas this limit and the practical procedures for the monthly phasing of exports will form the subject of an Exchange of Letters between the Socialist Federal Republic of Yugoslavia and the Commission,

HAS ADOPTED THIS REGULATION :

Article 1

By way of derogation from Article 12 (2) of Regulation (EEC) No 805/68, and in addition to the provisions of Annex I to the Trade Agreement between the European Economic Community and the Socialist Federal Republic of Yugoslavia annexed to Regulation (EEC) No 2170/73, the levies applicable to imports from that country of the products listed in the said Annex shall be fixed, in relation to the basic levy, at

- 90 % where the market price is less than 93 % and not less than 96% of the guide price;
- 95 % where the market price is less than 96 % and not less than 90% of the guide price;
- 98 % where the market price is less than 90 % of the guide price.

Article 2

This Regulation shall enter into force on the <sup>tenth</sup> day following its publication in the Official Journal of the European Communities and apply until 31 August 1978.

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

Done at Brussels,

1977,

For the Council

The President

# FINANCIAL STATEMENT

DATE : 11.7.1977

1. BUDGET LINE CONCERNED : Own resources; chapter 10

2. ACTION : Proposal for Council regulation on levies applicable to imports of certain adult bovine animals and beef from Yugoslavia

3. LEGAL BASIS : Article 43 of the Treaty

4. OBJECTIVES : Reduction of the levy applicable to Yugoslavia

5. FINANCIAL CONSEQUENCE	FOR THE MARKETING YEAR	CURRENT FINANCIAL YEAR (77)	FOLLOWING FINANCIAL YEAR (78)
5.0 EXPENDITURE			
-CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTIONS)			
-CHARGED TO NATIONAL ADMINISTR.			
-CHARGED TO OTHER NATIONAL GROUPS			
5.1 RECEIPTS	Maximum	Maximum	Maximum
-OWN RESOURCES OF THE EC (LEVIES/EXPORTS BOUNTIES)	- 2,7 Mio UA	- 0,6 Mio UA	- 2,1 Mio UA
-NATIONAL			

YEAR ..... YEAR ..... YEAR .....

5.0.1 PLURIANNUAL PATTERN OF EXPENDITURE

5.1.1 PLURIANNUAL PATTERN OF RECEIPTS

Measure limited until 31.8.1978

5.2 METHOD OF CALCULATION

20.000 t x 138 UC/t ( = hypothesis of the reduction in the levy)

6.0 FINANCING POSSIBLE WITH CREDITS INSCRIBED IN RELEVANT CHAPTER OF CURRENT BUDGET ? YES/NO

6.1 FINANCING POSSIBLE WITH CREDITS INSCRIBED IN RELEVANT CHAPTER OF CURRENT BUDGET ? ~~YES/NO~~

6.2 FINANCING POSSIBLE WITH CREDITS INSCRIBED IN RELEVANT CHAPTER OF CURRENT BUDGET ? ~~YES/NO~~

6.3 CREDITS TO BE WRITTEN INTO FUTURE BUDGETS ? YES/NO

COMMENTS :