

European Communities

EUROPEAN PARLIAMENT

Working Documents

1975-1976

15 December 1975

DOCUMENT 444/75

Report

drawn up on behalf of the Committee on Development and Cooperation

on the proposal from the Commission of the European Communities to the Council (Doc. 430/75) for a regulation amending Regulation (EEC) No. 1599/75 of the Council of 24 June 1975 on the arrangements applicable to agricultural products and certain goods resulting from the processing of agricultural products originating in the African, Caribbean and Pacific States or in the 'overseas countries and territories'

Rapporteur: Mr A. ZELLER

PE 42.959/fin.

Consultation by Council

By letter of 5 December 1975 the President of the Council of the European Communities requested the European Parliament, pursuant to Article 43 of the EEC Treaty, to deliver an opinion on the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No 1599/75 of the Council of 24 June 1975 on the arrangements applicable to agricultural products and certain goods resulting from the processing of agricultural products originating in the African, Caribbean and Pacific States or in the 'overseas countries and territories'.

By letter of the President of the European Parliament referred this proposal to the Committee on Development and Cooperation as the committee responsible and to the Committee on Agriculture for its opinion.

On 10 December 1975 the Committee on Development and Cooperation appointed Mr ZELLER rapporteur.

It considered the draft report at its meeting of 10 December 1975 and unanimously adopted the motion for a resolution and the explanatory statement. In agreement with the Commission of the European Communities it was decided that the motion for a resolution should be put to the vote, without debate, pursuant to Rule 27 of the Rules of Procedure.

Present: Mr Deschamps, acting chairman; Mr Sandri, vice-chairman; Mr Zeller, rapporteur; Mr Aigner, Miss Boothroyd, Mr Broeksz, Mr Durieux, Sir Geoffrey de Freitas, Mrs Iotti, Mr Jakobsen, Mr Kaspereit, Lord St. Oswald and Lord Walston.

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The Committee on Development and Cooperation hereby submits to the European Parliament the following motion for a resolution together with explanatory statement:

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the proposal from the Commission of the European Communities to the Council, for a Council regulation amending Regulation (EEC) No. 1599/75 of the Council of 24 June 1975 on the arrangements applicable to agricultural products and certain goods resulting from the processing of agricultural products originating in the African, Caribbean and Pacific States or in the 'overseas countries and territories'.

The European Parliament,

- having regard to the proposal for a regulation from the Commission to the Council (COM(75) 618 final),
- having been consulted by the Council (Doc. 430/75)
- having regard to the report by the Committee on Development and Cooperation (Doc. 444/75),

approves the proposal for an EEC regulation in that:

- (a) It conforms to the commitments entered into under the Convention signed at Lomé on 28 February 1975 and will stimulate the growth of exports of plants originating in the ACP States and falling within tariff headings 06-03 and 06-04 of the common customs tariff (CCT),
- (b) In the event of the risk of disturbances to the Community market, any Member State may have recourse to the safeguard clauses provided for in Regulation No 234/68 on the common organization of the market in live trees and other plants and in Article 10 of the Convention of Lomé, in respect of the products referred to in this regulation.

EXPLANATORY STATEMENT

1. On signing the Lomé Convention the Community stated its intention to admit free of customs duties products falling within tariff headings 06-03 (fresh and dried cut flowers) and 06-04 (ornamental foliage) of the CCT. It also undertook to notify the ACP states of the date of entry into force of these measures, on the understanding that the import arrangements would be finalized before the end of 1975.

The arrangements for imports from the ACP States of products falling within these two tariff headings should have been laid down at the same time as those applicable to ACP agricultural products as a whole and have come into force on 1 July 1975, in accordance with the letters signed in Lomé between the EEC and the ACP States. However, the EEC had deferred arrangements for cut flowers and ornamental foliage in respect of the ACP States until such time as Community arrangements for imports from third countries had been fixed in accordance with a basic regulation dated from 1968.

2. Basic Regulation No 234/68 of 27 February 1968¹ on the establishment of a common organization of the markets in live plants and related products makes provision for the application of the CCT to imports of these products originating in third countries. The rates of customs duties applicable are:

- in the case of products falling within tariff heading 06-03 (cut flowers), 24% from 1 June to 31 October and 20% from 1 November to 31 May;
- in the case of products falling under tariff heading 06-04 (ornamental foliage), 10%.

This regulation also makes provision for the unification of the import systems applied by each of the Member States to these products. The Council recently reached agreement on the arrangements for imports from third countries and these will enter into force on 1 January 1976.

¹OJ No. L55, 2 March 1968

3. It is therefore incumbent on the EEC to lay down the arrangements to be applied to imports from the ACP States from 1 January 1976, taking into account the commitments entered into in Lomé.

This is precisely the purpose of this regulation which therefore makes provision for the abolition of customs duties on the abovementioned products originating in the ACP States, in accordance with the letters signed in Lomé and with Article 2(2)(a) of the Convention of Lomé.

4. The economic impact of exemption from these customs duties will be most strongly felt in Kenya (and to a lesser extent in other East African countries) which has, with European technological cooperation, successfully embarked on the cultivation of carnations and asparagus and has achieved considerable growth in production in the last few years. These plantations provide employment for upwards of 6,000 persons and a livelihood for at least 25,000.

Growth of Kenyan exports to the EEC under these two tariff headings has been as follows:

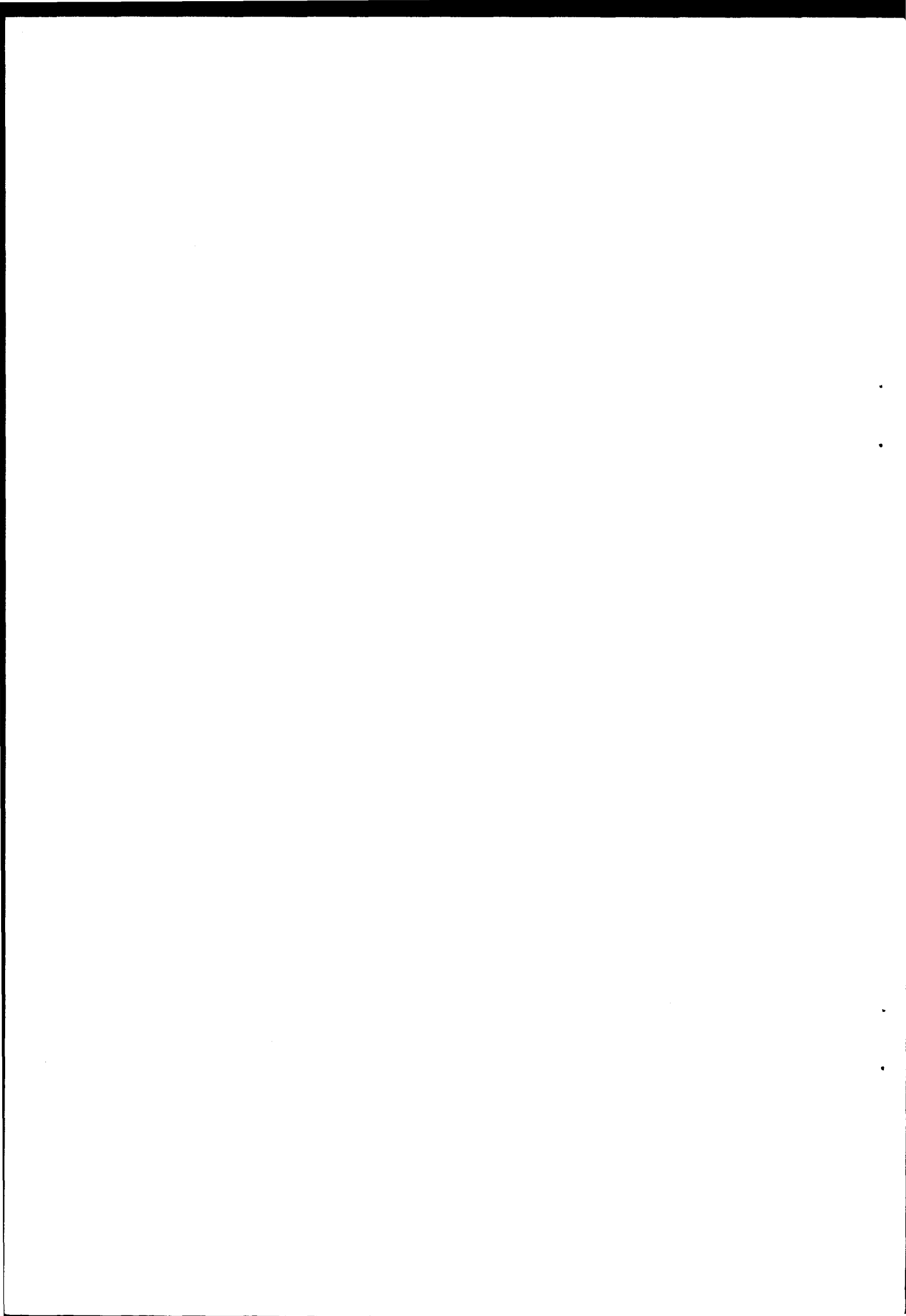
	<u>1972</u>	<u>1973</u>	<u>(u.a.)</u> <u>1974</u>
Carnations	530,000	850,000	1,570,000
Asparagus	400,000	1,350,000	--

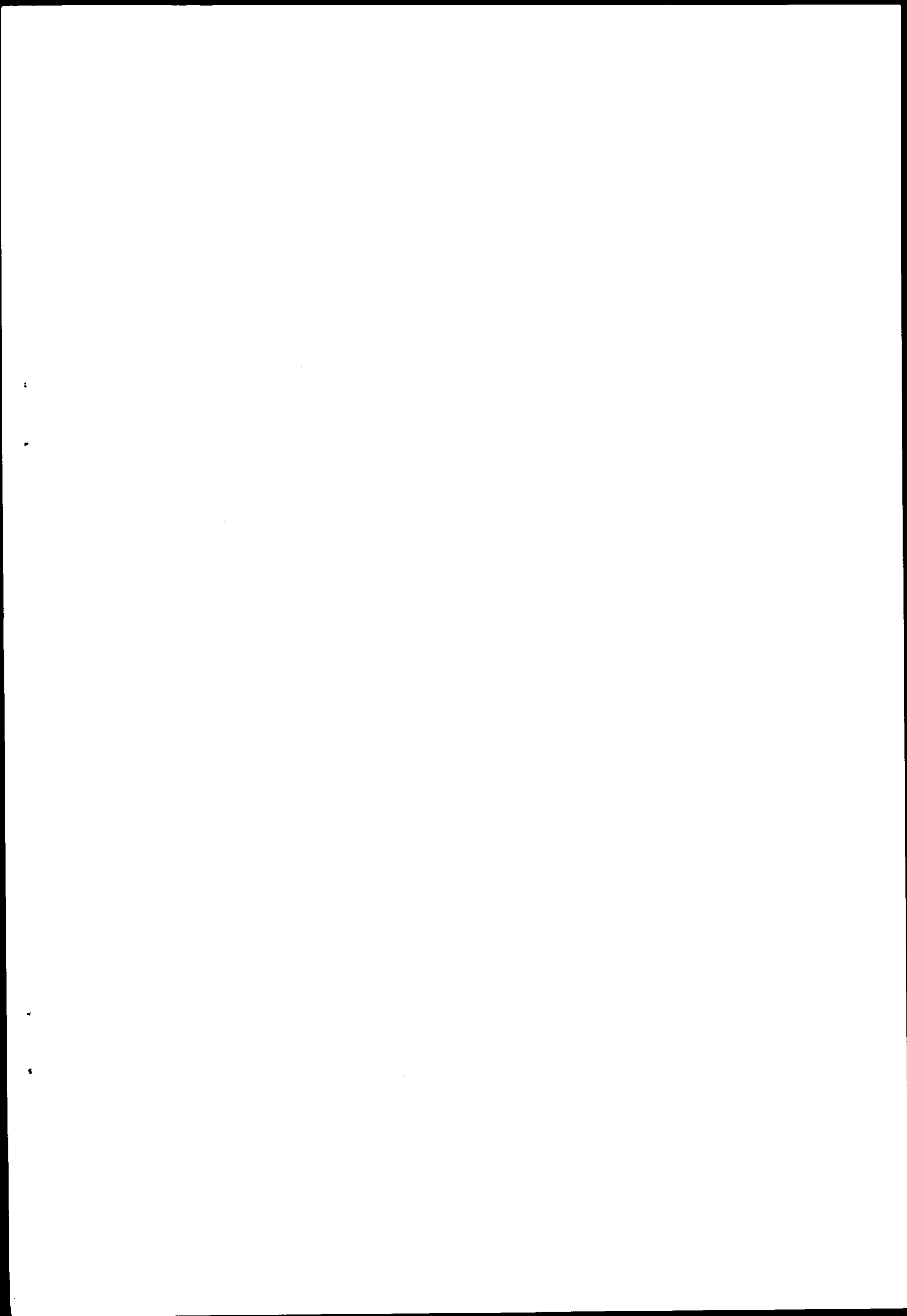
The bulk of the exports finds its way to the United Kingdom and the Federal German Republic.

5. It should be noted that these ACP exports compete with equivalent products (in particular asparagus) exported by Denmark to the Community markets, especially the Federal German Republic.

6. In view of the EEC's commitments under the Lomé Convention on duty-free imports of the abovementioned products originating in the ACP States and the relative importance of their export to the economies of the ACP States concerned, our committee can approve the proposal for a regulation.

It should be noted that the safeguard clauses provided for in Regulation No 234/68 on the common organization of the market in live plants and related products and that provided for in Article 10 of the Lomé Convention may be invoked by any EEC Member State in the event of disturbances on the Community market resulting from imports from the ACP States.





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