

# European Communities

EUROPEAN PARLIAMENT

# Working Documents

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DOCUMENT 1-456/79

## Report

drawn up on behalf of the Committee on External Economic Relations

on the proposal from the Commission of the European Communities to the Council (Doc. 1-269/79) for a regulation ~~totally or partially suspending Common Customs Tariff duties on certain products falling within Chapters 1 to 24 of the Common Customs Tariff, originating in Malta (1980)~~

Rapporteur: Mr M. WELSH

1.22



By letter of 6 August 1979 the President of the Council of the European Communities consulted the European Parliament, pursuant to Articles 43 and 113 of the EEC Treaty, on the proposal from the Commission of the European Communities to the Council for a regulation totally or partially suspending Common Customs Tariff duties on certain products falling within Chapters 1 to 24 of the Common Customs Tariff, originating in Malta (1980).

On 4 September 1979 the President of the European Parliament referred the proposal to the Committee on External Economic Relations as committee responsible, and to the Committee on Agriculture and the Committee on Budgets for their opinions.

The Committee on External Economic Relations appointed Mr Welsh rapporteur at its meeting of 5 October 1979. At its meeting of 22 October 1979 it unanimously adopted the motion for a resolution and explanatory statement.

Present: Sir Fred Catherwood, chairman; Mrs Wieczorek-Zeul, first vice-chairman; Mr van Aerssen, second vice-chairman; Mr Welsh, rapporteur; Mr Almirante, Mrs Carettoni Romagnoli, Mrs Dienesch, Mr Giunmarra, Mr E. Kellett-Bowman, Mr Lemmer, Mrs Lenz and Mr Schmitt.

The opinions of the Committee on Agriculture and the Committee on Budgets are attached.

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A

The Committee on External Economic Relations 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 Regulation totally or partially suspending Common Customs Tariff duties on certain products, falling within Chapters 1 to 24 of the Common Customs Tariff, originating in Malta (1980)

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council<sup>1</sup>,
  - having been consulted by the Council pursuant to Articles 43 and 113 of the EEC Treaty (Doc. 1-269/79),
  - having regard to the report of the Committee on External Economic Relations and the opinions of the Committee on Agriculture and the Committee on Budgets (Doc. 1-456/79),
1. Stresses its agreement with the Council decision that from 1 January 1974 Malta should be given treatment no less favourable than that accorded to the other countries which benefit from generalized preferences;
  2. Is of the opinion that the above decision should help to strengthen and stabilize relations between the European Community and Malta;
  3. Approves the Commission proposal.

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<sup>1</sup>OJ No. C 207, 17.8.1979, p.8

EXPLANATORY STATEMENT

Since 1967, when Malta submitted its request for negotiations with the Community on an association agreement, relations between the two sides have steadily grown stronger. An Association Agreement was signed and came into force on 1 April 1971. This Association Agreement, concluded pursuant to Article 38 of the Treaty of Rome, is valid for 10 years. Article 2 (2) provides for two five-year stages.

Following enlargement of the Community to include the United Kingdom, Denmark and Ireland, it was decided to review the terms of the EEC-Malta Agreement. This was why, in June 1973, within the general context of relations between the Community and the Mediterranean countries, the Council adopted directives for the opening of negotiations with the countries, including Malta, which had been granted preference.

A new agreement was thus approved and officially signed in March 1976 in Brussels.

This is the general outline of relations between Malta and the EEC and it is against this background that the Commission's present proposal should be considered.

It must be pointed out that the implementation of a more extensive Community external policy and in particular the introduction of the system of generalized preferences, threaten to erode the economic and trade concessions granted to Malta by the Community under the above Agreement.

In order to safeguard the economic and trade concessions granted to the Republic of Malta and, at the same time, strengthen political ties with this Mediterranean country, the Community decided that from 1 January 1974 Malta should be given treatment no less favourable than that accorded to the other countries which benefit from generalized preferences. The Commission's proposal should be approved since it would help to strengthen economic and political relations between the Community and this country which belongs to a Mediterranean region with important Community interests.

OPINION

of the Committee on Agriculture

Draftsman: Mr Howell

On 26 September 1979 the Committee on Agriculture appointed Mr Howell draftsman.

It considered the draft opinion at its meeting of 10 and 11 October 1979 and adopted it by 14 votes with 3 abstentions.

Present: Sir Henry Plumb, chairman; Mr Howell, draftsman; Mr Barbagli (deputizing for Mr Ligios), Mrs Barbarella, Mr Bocklet, Mrs Castle, Mr Clinton, Mr de Courcy Ling (deputizing for Mr Kirk), Mr Curry, Mr Dalsass, Mr De Pasquale (deputizing for Mr Papapietro), Mr Diana, Mr Früh, Mr Maher, Mr J. Brøndlund Nielsen, Mr Provan and Miss Quin,

## I. INTRODUCTION

1. The Commission's present proposal is an implementation for 1980 of the Council's agreement of 1 January 1974 that Malta should be given treatment no less favourable than that accorded each year to countries benefitting from generalized preferences.
2. Clearly, Malta is of considerable geographical and strategic importance to the Community, and has, moreover, important historical and cultural links with the Community.

It should also be borne in mind that Malta has very few natural advantages on which it can base its future economic development, apart from tourism and limited agricultural production and processing possibilities.

3. The Annex lists the products and the rates of duty at which they can be imported. Some products are to be imported free of duty and others at reduced rates which, in the case of honey, reach 25%.

## II. OBSERVATIONS

4. Concerning the proposal to reduce rates on duty on a limited number of products from Malta, there can be no objections made.

5. Your draftsman would, however, request that in the future the Commission improve the presentation of such proposals so as to facilitate the work of the Committee and the Parliament.

6. Firstly, the Annex indicates the rates of duty under which products are to be imported but not the normal rates of duty. In order to make a reasoned judgement it is, of course, essential to know the order of the reductions made.

7. Secondly, it is impossible to know what the number of products concerned are, for example one is faced with indications such as:

Berries fresh:

F Other

8. No indication is given of the quantities involved. These may be substantial or they may not, but no indication is given on this point. This question is not without importance when one remembers that in the past agreements with Malta have covered products imported from third countries processed in Malta and exported to the Community.

9. The Committee would also like to know if any products requested for inclusion by Malta have been excluded from the proposal.

10. Finally, it is to be presumed that the reduction in levies will lead to a subsequent loss to the own resources of the Community. No information is given on this point.

III. CONCLUSIONS

11. The Committee on Agriculture believes that it can ~~improve~~ the Commission's proposal but requests that the presentation of future similar proposals, with Malta or other third countries, be improved so as to allow for a proper evaluation.

**ANNEX**

CCT heading No	Description	Proposed	Normal
		rate of duty	rate of duty
1	2	3	%
02.01	Meat and edible offals of the animals falling within heading No 01.01, 01.02, 01.03, or 01.04 fresh, chilled or frozen:  A. Meat: III. Of swine: b) Other	Free	5
02.04	Other meat and edible meat offals, fresh, chilled or frozen:  ex A. Of domestic pigeons	7 %	11
	ex B. Furred game, frozen	Free	5
	C. Other: ex I. Frogs' legs	Free	10
	II. Other	Free	14
04.06	Natural honey	25 %	27
05.03	Horsehair and horsehair waste, whether or not put up as a layer or between two layers of other material:  B. Other	Free	1
07.01	Vegetables, fresh or chilled:  ex T. Other: — Okra ( <i>Hibiscus esculentus</i> L. or <i>Abelmoschus esculentus</i> (L.) Moench); <i>Moringa oleifera</i> (drumsticks)	Free	16
08.08	Berries, fresh:  F. Other	6 %	12
15.10	Fatty acids, acid oils from refining; fatty alcohols:  C. Other fatty acids; acid oils from refining	Free	4.5
16.02	Other prepared or preserved meat or meat offal:  A. Liver: I. Goose or duck liver	14 %	16
	B. Other: II. Game or rabbit meat or offal: — Game	9 %	17
	— Rabbit	14 %	17

CCT heading No	Description	Proposed	Normal
		rate of duty	rate of duty
1	2	3	%
16.02 (cont'd)	III. Other: b) Other: 1. Containing bovine meat or offal: ex bb) Other: — Prepared or preserved bovine tongue		
	2. Other: aa) Ovine meat or offal	17 %	20 + (L)
	bb) Other	18 %	20
		16 %	26
20.02	Vegetables prepared or preserved otherwise than by vinegar or acetic acid:  B. Truffles	14 %	18
	D. Asparagus	20 %	22
	E. Sauerkraut	16 %.	20
	ex F. Capers	12 %	20
20.07	Fruit juices (including grape must) and vegetable juices, whether or not containing added sugar, but unfermented and not containing spirit:  A. Of a specific gravity exceeding 1.33 at 15 °C:  III. Other: ex a) Of a value exceeding 30 EUA per 100 kg net weight: — Fruit falling within heading Nos 08.01, 08.08 B, E and F and 08.09, excluding pineapples, melons and watermelons	15 %	42
	b) Of a value not exceeding 30 EUA per 100 kg net weight: ex 1. With an added sugar content exceeding 30 % by weight: — Fruit falling within heading Nos 08.01, 08.08 B, E and F and 08.09, excluding pineapples, melons and watermelons	15 % + (L)	42 + (L)
	ex 2. Other: — Fruit falling within heading Nos 08.01, 08.08 B, E and F and 08.09, excluding pineapples, melons and watermelons	15 %	42
	B. Of a specific gravity of 1.33 or less at 15 °C:  II. Other: a) Of a value exceeding 30 EUA per 100 kg net weight: 2. Grapefruit juice	8 %	19 + ads
	ex 3. Other citrus fruit juices: aa) Containing added sugar	13 %	18 + ads
	bb) Other	13 %	19 + ads

CCT heading No	Description	Proposed rate of duty	Normal rate of duty
1	2	3	
20.07 (cont'd)	6. Other fruit and vegetable juices, excluding apricot and peach juices:  ex aa) Containing added sugar: — Fruit falling within heading Nos 08.01, 08.08 B, E and F and 08.09, excluding pineapples, melons and watermelons — Other, excluding apricot and peach juices  ex bb) Other: — Fruit falling within heading Nos 08.01, 08.08 B, E and F and 08.09, excluding pineapples, melons and watermelons — Other, excluding apricot and peach juices  7. Mixtures:  ex bb) Other, excluding mixtures containing either separately or together, over 25 % of grape, citrus fruit, pineapple, apple, pear, tomato, apricot or peach juice: 11. Containing added sugar 22. Other	10 % 17 %  10 % 18 %	21 + ads 21 + ads  22 22
	b) Of a value of 30 EUA or less per 100 kg net weight:		
	2. Grapefruit juice: aa) With an added sugar content exceeding 30 % by weight bb) Other	8 % + (L) 8 %	15 + ads 15 + ads
	4. Other citrus fruit juices: aa) With an added sugar content exceeding 30 % by weight bb) With an added sugar content of 30 % or less by weight cc) Not containing added sugar	14 % + (L) 14 % 15 %	18 + ads 18 + ads 19
	7. Other fruit and vegetable juices, excluding apricot and peach juice:  ex aa) With an added sugar content exceeding 30 % by weight: — Fruit falling within heading Nos 08.01, 08.08 B, E and F and 08.09, excluding pineapples, melons and watermelons — Other, excluding apricot and peach juices	10 % + (L) 17 % + (L)	21 + ads 21 + ads

CCT heading No	Description	Proposed rate of duty	Normal rate of duty
1	2	3	4
20.07 (cont'd)	ex bb) With an added sugar content of 30 % or less by weight : <ul style="list-style-type: none"> <li>— Fruit falling within heading Nos 08.01, 08.08 B, E and F and 08.09, excluding pineapples, melons and watermelons</li> <li>— Other, excluding apricot and peach juices</li> </ul> ex cc) Not containing added sugar : <ul style="list-style-type: none"> <li>— Fruit falling within heading Nos 08.01, 08.08 B, E and F and 08.09, excluding pineapples, melons and watermelons</li> <li>— Other, excluding apricot and peach juices</li> </ul> 8. Mixtures : <ul style="list-style-type: none"> <li>ex bb) Other, excluding mixtures containing either separately or together, over 25 % of grape, citrus fruit, pineapple, apple, pear, tomato, apricot or peach juice :               <ul style="list-style-type: none"> <li>11. With an added sugar content exceeding 30 % by weight</li> <li>22. With an added sugar content of 30 % or less by weight</li> <li>33. Not containing added sugar</li> </ul> </li> </ul>	10 % 17 %	21 + ads 21 + ads
21.06	Natural yeasts (active or inactive); prepared baking powders : <ul style="list-style-type: none"> <li>A. Active natural yeast :</li> <li>II. Bakers' yeast :               <ul style="list-style-type: none"> <li>a) Dried</li> <li>b) Other</li> </ul> </li> </ul>	17 % + (L) 17 % 18 %	19 + ads 19 + ads 20
23.01	Flours and meal, of meat, offals, fish, crustaceans or molluscs, unfit for human consumption ; greaves : <ul style="list-style-type: none"> <li>B. Flours and meals of fish, crustaceans or molluscs</li> </ul>	Free	2

Abbreviations:  
 (L) = levy.  
 vc = variable component.

ads: additional duty on sugar

OPINION OF THE COMMITTEE ON BUDGETS

Letter from the chairman of the committee to Sir Fred CATHERWOOD,  
chairman of the Committee on External Economic Relations

Luxembourg, 22 October 1979

Subject: Opinion of the Committee on Budgets on the proposal for  
a regulation totally or partially suspending CCT duties  
on certain products falling within Chapters 1 to 24 of the  
CCT, originating in Malta (1980) (Doc. 1-269/79)

Dear Mr Chairman,

At its meeting of 10 October 1979 the Committee on Budgets  
delivered a favourable opinion on this proposed regulation, while  
regretting that it was not accompanied by a financial statement,  
which could presumably have been drawn up without difficulty.

Yours sincerely,

(sgd) Erwin LANGE

This opinion was delivered unanimously in compliance with the  
conditions for a quorum laid down in the Rules of Procedure.