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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. 271/77) for a regulation amending Council Regulation (EEC) No. 1180/77 of 17 May 1977 on imports into the Community of certain agricultural products originating in Turkey

Rapporteur: Mr J.W. SPICER

By letter of 6 September 1977 the President of the Council of the European Communities requested the European Parliament, pursuant to Articles 43 and 113 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 Council Regulation (EEC) No. 1180/77 of 17 May 1977 on imports into the Community of certain agricultural products originating in Turkey.

The President of the European Parliament referred this proposal to the Committee on External Economic Relations as the committee responsible and to the Committee on Agriculture and the Committee on Budgets for their opinions on 12 September 1977.

On 18 October 1977 the Committee on External Economic Relations appointed Mr Spicer rapporteur.

It considered this proposal at its meeting of 25 October 1977.

At the same meeting the committee unanimously adopted the motion for a resolution and the explanatory statement.

Present: Mr Scott-Hopkins, vice-chairman; Mr Spicer, rapporteur; Mr Amadei, Mr Paas, Mr Cousté, Mr Jensen, Mr Pintat, Mr Pucci, Mr Radoux and Lord St. Oswald.

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

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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 a proposal from the Commission of the European Communities to the Council for a regulation amending Council Regulation (EEC) No. 1180/77 of 17 May 1977 on imports into the Community of certain agricultural products originating in Turkey

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council¹,
 - having been consulted by the Council pursuant to Articles 43 and 113 of the EEC Treaty (Doc. 271/77),
 - 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. 353/77),
- approves the Commission's proposal.

¹ OJ No. C 216, 9.9.1977, p.12

EXPLANATORY STATEMENTI. Introduction

The proposal for a resolution on which the European Parliament has formally been consulted, is solely concerned with imports into the Community of certain agricultural products originating in Turkey. As in the case of the other countries referred to in this document - Israel, Egypt, Jordan and the Lebanon - it concerns the reduction of existing tariff rates for the citrus fruits in question, (oranges, mandarins - including tangerines and satsumas - clementines, wilkings and other similar citrus hybrids). The common customs tariff rate which has already been reduced by 60% for the 1977/1978 marketing year is to be further reduced to provide an overall reduction of 80% in the Common Customs Tariff.

The Commission points out that the current 60% reduction is only applicable to imports into the six original Member States. The three new Member States have already been authorized to make a greater reduction. This regulation will introduce uniform arrangements throughout the whole Community.

The Commission further points out that the trend of trade flow between the European Community and Mediterranean countries does not indicate a close connection between the level of concessions and each of the EEC's main suppliers' share of Community imports. It also stresses that, since imports from the countries concerned have not adversely affected the income of Community producers, the proposed tariff reduction can be accepted.

The Committee on External Economic Relations points out that imports from Turkey of the products in question are minimal - for the period 1975/76 they amounted to 0.06% of all citrus fruit imports into the Community - and approves the early introduction of the proposed regulation.

Opinion

of the Committee on Agriculture

Draftsman: Mr F. HANSEN

On 11 October 1977 the Committee on Agriculture appointed Mr F. HANSEN draftsman.

It considered the draft opinion at its meeting of 20/21 October 1977 and adopted it unanimously.

Present: Mr Houdet, chairman; Mr Hoffmann (deputizing for the draftsman); Mr Bourdellès, Mr Brugger, Mr de Koning, Mr de Wulf, Mr Früh, Mr Pisoni and Mr Vitale.

1. The Commission's proposal provides for a further reduction in the common customs tariff for oranges and mandarins imported into the Community from Israel, Egypt, Jordan, Lebanon and Turkey, bringing it from 60% to 80%. The present agreements in force between the Community and each of these countries provide for a 60% reduction for exports to the six original Member States while for the three new Member States the reduction is 80%. The Commission therefore proposes that the reduction be increased to 80% for the whole Community, through an exchange of letters with the countries concerned, with effect from 1 October 1977 for oranges and 1 November 1977 for mandarins, satsumas and other hybrids.

2. The Commission states that this further reduction in the CCT will not adversely affect the income of Community citrus fruit producers, whose exports to the Community Member States have increased. Moreover, the trade flows in citrus fruits seem to be influenced not so much by the level of the CCT as by other factors, as is demonstrated by the fact that Spain alone, which enjoys less favourable treatment, has achieved an average 55% share of all exports of oranges to the Community from the Mediterranean basin, followed by Israel with 23-24%. For mandarins, tangerines, etc. Spain's position is even stronger; approximately 80% of Community imports from the Mediterranean basin come from Spain, followed a long way behind by Morocco (12-13%). While Israel and Turkey, who are directly concerned in this proposal, have only a negligible share (0.5-0.6%, in absolute terms between 2,500 and 3,200 tons, compared with the 500,550,000 tons total imports from the Mediterranean area).

3. The financial effects of the proposed reduction have been assessed by the Community at approximately 1.5 million u.a. per annum, through loss of customs revenue, in respect of an estimated 250,000 tons of citrus fruit per annum.

4. It should be noted that officially the European Parliament has been consulted only on the proposal concerning citrus fruit originating in Turkey (legal basis: Articles 43 and 113 of the Treaty), while the procedure for the other changes to the agreements in force is that provided for under Article 113 of the Treaty (tariff or trade agreements), for which consultation of the European Parliament is not required.

5. If we consider only Turkey, the Committee on Agriculture has no special comments to make. Turkey's exports of oranges and mandarins to the Community are negligible: a thousand tons of oranges and, in the 1974/75 and 75/76 marketing years 2,300 and 3,200 tons respectively of mandarins and similar citrus fruits. Far more significant, quantitatively, are imports from Israel, but the decisions to change the arrangements in

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force with this country can be taken by the Council without consulting the European Parliament, on the basis of Article 113 of the Treaty. The same thing happens when a cooperation agreement is signed with a Mediterranean country: the section concerning agriculture enters into force immediately through a provisional agreement on the basis of Article 113, thus allowing the countries concerned immediate enjoyment of the tariff reductions provided for, while the entry into force of the section on financial cooperation and the other clauses is held back until the individual national parliaments have ratified the agreement, thus risking extensive delays. This is the case at present with the cooperation agreements with the Maghreb countries which were signed in spring 1976, but by September 1977 had been ratified by only one Member State, whereas the agricultural section entered into force immediately¹.

The Committee on Agriculture has on several occasions deplored this situation which in practice deprives the European Parliament of its powers by preventing it from expressing its opinion on that part of the agreement which concerns agriculture and which therefore involves the interests of hundreds of thousands of Community producers.

6. As regards Community citrus fruit and the need to protect producers, not only taking into account the agreements already in force with the various Mediterranean countries and the steps taken to strengthen them, such as the present proposal, but also with a view to the possible accession of the three applicant countries to the Community, the Committee on Agriculture stresses the need for further Community aid, particularly in the processing sector, to improve outlets for Community production. Moreover, the field of application of the existing regulations should be extended to other citrus fruits such as citrons and bergamot oranges, and ways should be studied of speeding-up and increasing the efficiency of the restructuring and reconversion measures already in existence at Community level.

¹ See Provisional Agreement, OJ No. L 141, 28.5.1976

Opinion

of the Committee on Budgets

Letter from the acting chairman to Mr Gabriel KASPEREIT, chairman of the
Committee on External Economic Relations

Brussels, 8 November 1977

Subject: Opinion of the Committee on Budgets on the proposal for a
regulation amending Regulation No. 1180/77 of 17 May 1977
on imports into the Community of certain agricultural
products originating in Turkey (Doc. 271/77)

Dear Mr Chairman,

The Committee on Budgets considered this proposal for a regulation at
its meeting of 2/3 November. Having ascertained that it will have
relatively minor financial implications, the committee delivered a
favourable opinion on the proposal.

The Committee on Budgets feels that the Commission should announce its
policy on tariff reductions at the beginning of each year. In addition,
every proposal it submits to Parliament should contain a list of all
regulations already enacted that year involving tariff reductions.

As every regulation involving tariff reductions entails a loss of
revenue for the Community, this request becomes a matter of principle.

Yours sincerely,

(sgd) Heinrich Aigner
Acting chairman

Present: Mr Aigner, acting chairman; Mr Albers, Lord Bessborough,
Mr Calewaert (deputizing for Lord Bruce of Donington),
Mrs Dahlerup, Mr Dalyell, Mr Dankert, Mr Schreiber,
Mr Terrenoire, Mr Würtz