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## EUROPEAN PARLIAMENT

# Working Documents

### 1976 - 1977

15 November 1976

**DOCUMENT 418/76** 

## Report

drawn up on behalf of the Committee on Agriculture

on the proposal from the Commission of the European Communities to the Council (Doc. 302/76) for a regulation on the opening, allocation and administration of a Community tariff quota for frozen beef and veal falling within sub-heading No. 0201 A II a) 2 of the Common Customs Tariff (1977)

Rapporteur: Mrs G. DUNWOODY

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**English Edition** 

PE 46.002/fin.

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By letter of 20 September 1976 the President of the Council of the European Communities consulted the European Parliament, pursuant to Article 43 of the EEC Treaty, on the proposal from the Commission of the European Communities to the Council for a regulation on the opening, allocation and administration of a Community tariff quota for frozen beef and veal falling within sub-heading No. 02.01 A II (a) 2 of the Common Customs Tariff (1977).

By letter of 28 September, the President of the European Parliament referred this proposal to the Committee on Agriculture as the committee responsible and to the Committee on External Economic Relations for its opinion.

The Committee on Agriculture appointed Mrs Dunwoody rapporteur.

It considered this proposal at its meeting of 4 and 5 November 1976 and unanimously adopted the motion for a resolution.

Present: Mr Houdet, chairman; Mr Laban, vice-chairman; Mr Hughes (deputizing for Mrs Dunwoody, rapporteur); Mr Brégégère, Mr Frehsee, Mr Früh, Mr Gerlach (deputizing for Mr Hansen), Mr Haase, Mr de Koning, Mr Martens, Mr Ney, Mr Pisoni, Mr Pistillo, Mr Pucci, Lord St. Oswald and Mr Vitale.

The opinion of the Committee on External Economic Relations is attached.

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The Committee on Agriculture 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 on the opening, allocation and administration of a Community tariff quota for frozen beef and veal falling within sub-heading No. 02.01 A II (a) 2 of the Common Customs Tariff (1977)

#### 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 Article 43 of the Treaty establishing the EEC (Doc. 302/76),
- having regard to the report by the Committee on Agriculture and the opinion of the Committee on External Economic Relations (Doc. 418/76),

approves the Commission's proposal.

<sup>1</sup> OJ NO. C 233, 5.10.1976, p. 2

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#### EXPLANATORY STATEMENT

1. In accordance with the undertaking given by it during the GATT negotiations, the Community opens an annual tariff quota for frozen beef and veal.

Parliament was consulted on the provisions to be adopted in a regulation on the opening, allocation and administration of the quota.

It is proposed to fix the new quota at the same level as last year, i.e. 38,500 tonnes at 20% duty.

Of this total volume, 16,500 tonnes will be subject to the system of monetary compensatory amounts so as to take account of fluctuations in exchange rates.

It is not possible to apply the compensatory amounts system to the whole of the quota, since, in the case of the remaining 22,000 tonnes, which represent the initial undertaking given by the Community, the duty has been consolidated in the GATT negotiations.

The quota has therefore been split into two parts, to be allocated among the Member States in the usual way, with 10% held as a reserve which may be used when the initial shares are exhausted.

2. The Committee on Agriculture which last year delivered a favourable opinion on a similar proposal, has only a few remarks to make.

The circumstances in which the previous report was written will no longer apply in 1977, since as a result of the prolonged drought in 1976, the Community will next year have a deficit of beef and veal of around 500,000 tonnes.

Your committee therefore welcomes this tariff quota for imports of frozen beef and veal, since it will:

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- make a modest but significant contribution to the Community's regular supply of beef and veal,
- help to combat the rise in consumer prices by increasing the supply.

3. This measure must not, however, prevent the Commission from submitting to the Council proposals for additional provisions concerning both production and consumption, to ease the hardship caused by the drought to producers and consumers.

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#### OPINION OF THE COMMITTEE ON

EXTERNAL ECONOMIC RELATIONS

Draftsman: Mr E. Muller

On 19 October 1976 the Committee on External Economic Relations appointed Mr E. Muller draftsman.

It considered the draft opinion at its meeting of 19 October and adopted it unanimously.

Present: Mr Scott-Hopkins, vice-chairman; Mr Schmidt, vice-chairman; Mr E. Muller, draftsman; Mr Brégégère, Lord Castle, Mr De Clercq, Mr De Koning, Mr Klepsch, Mr Ligios (deputizing for Mr Pucci), Mr Nyborg, Mr Pintat, Mr Spicer and Mr Vandewiele.

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- During the multilateral GATT negotiations the European Economic Community undertook to open an annual Community tariff quota of 38,500 metric tons of frozen beef and veal, expressed as boneless meat, falling within subheading No. 02.01 A II a) 2 of the Common Customs Tariff at 20% duty. Countervailing charges introduced in connection with fluctuations in exchange rates are to be levied on 16,500 metric tons of this quota.
- 2. Consequently, to meet the Community's obligations, a regulation should be adopted before 1 January 1977 on the opening, allocation and administration of the Community tariff quota in question.
- 3. In this connection, it should be mentioned that, as a result of the decision to apply the system of monetary compensatory amounts to a volume of 16,500 metric tons, the Commission has split the total quota volume of 38,500 metric tons into two parts, one of 22,000 metric tons and the other of 16,500 metric tons. Each one of those parts shall be subdivided into two tranches. The first tranche of 20,000 metric tons and 15,000 metric tons respectively shall be allocated in the usual way among the Member States (Article 2). The second tranche of 2,000 and 1,500 metric tons respectively shall constitute the reserves.
- 4. It should be recalled that the European Parliament declared itself in favour of such a measure last year.<sup>1</sup> The situation on the market compared to last year, however, has changed due to the drought of last summer. In fact it is expected that there will be a beef shortage in the Community in 1977. Therefore the Committee on External Economic Relations welcomes this proposal by which, moreover, the international commitments made in GATT will be fulfilled.

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<sup>&</sup>lt;sup>1</sup> Doc. 289/75 by Mr VETRONE

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