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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. 173/73) for a regulation amending Council Regulation (EEC) No. 1496/68 of 27 September 1968 on the definition of the customs territory of the Community

Rapporteur: Mr E.A. KLEPSCH

PE 34.276/fin.

EP 1973-1974 : 212/73

By letter of 24 September 1973 the Council of the European Communities requested the European Parliament, pursuant to Article 235 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 1496/68 of 27 September 1968 on the definition of the customs territory of the Community.

This proposal was referred to the Committee on External Economic Relations on 4 October 1973.

The Committee on External Economic Relations appointed Mr KLEPSCH rapporteur on 13 September 1973.

The Committee unanimously adopted the motion for a resolution, together with explanatory statement, on 25 October 1973.

The following were present : Mr de la Malène, chairman and deputy rapporteur; Mr Boano, vice-chairman; Mr Bangemann, Sir Tufton Beamish, Mr Behrendt, Mr Brégégère, Mr Dewulf, Mr Kaspereit, Lord Mansfield, Mr Scholten and Mr Thiry.

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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 amending Council Regulation (EEC) No 1496/68 of 27 September 1968 on the definition of the customs territory of the Community

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council (COM (73) 1277 final),
 - having been consulted by the Council pursuant to Article 235 of the EEC Treaty (Doc. 173/73),
 - having regard to the report of the Committee on External Economic Relations (Doc. 212/73),
1. Approves the Commission's proposal, which prevents any possibility, under the Treaty of Accession, of discrimination against intra-Community trade by imports from third countries;
 2. Instructs its President to forward this resolution and the committee's report to the Council and Commission of the European Communities.

EXPLANATORY STATEMENT

1. Article 46 of the Treaty of Accession provides that, for as long as customs duties continue to be levied in trade within the Community, the "customs territory" for the purpose of establishing the customs value shall continue to be defined in the law of the Community and the new Member States as the customs territory in force immediately before enlargement. Since the Treaty did not deal expressly with the question of "customs territory" for the purposes of valuing imports from third countries, discrimination against intra-Community trade would have resulted.
2. Regulation (EEC) No 2744/72 of 19 December 1972 was therefore drafted to allow the same provisions regarding customs territory to be applied both to imports from third countries and to intra-Community trade. In anticipation of the equalizing effects of the tariff reductions provided for in the Treaty and the full application of the Common Customs Tariff, the validity of this Regulation was limited to 12 months, i.e. until 31 December 1973.
3. In adopting Regulation (EEC) No 2744/72 the Council, at the request of one of the Member States, asked the Commission to report, before the Regulation expired, on the advisability of extending the appropriate provisions beyond 31 December 1973.
4. The now-completed Commission study has shown that, contrary to the assumption on which the aforementioned regulation was based, only in a relatively small number of cases do the tariff headings in the tariffs of the new Member States applicable from 1 January 1974 show the same rates as in the Common Customs Tariff.

To keep imports from third countries on the same footing as intra-Community trade until internal Community tariffs are phased out on 30 June 1977, it is therefore necessary to extend the provisions of Regulation (EEC) No 2744/72 until that date.
5. For these reasons the proposed regulation deserves support and the European Parliament is recommended to approve it.

Luxembourg
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