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COMMISSION OF THE EUROPEAN COMMUNITIES

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Proposal for a
COUNCIL REGULATION (EEC)

establishing ceilings and Community supervision for
imports of certain products originating in Egypt,
Jordan, the Lebanon and Syria
(1978)

(submitted to the Council by the Commission)

EXPLANATORY MEMORANDUM

1. The Interim Agreements between the European Economic Community and Egypt, Jordan, the Lebanon and Syria provide, from the date of their coming into force, for the total suspension of customs duties for goods originating in these countries and imported into the Community.

Notwithstanding this provision, special arrangements are laid down for a certain number of sensitive products : annual ceilings may be imposed on the volume of such products. When a ceiling is reached the Community may reintroduce until the end of the calendar year the customs duties applicable for the goods in question to third countries.

The initial volumes of the annual ceilings operative for 1977 are fixed by the Agreements themselves. The ceilings are to be fixed annually and their levels increased by 5%. They will be abolished not later than 31 December 1979.

2. The operation of the ceiling arrangements and the power to reintroduce customs duties will necessarily require the adoption of detailed common rules to be applied uniformly by all Member States. This can take the form of a Community system of supervision of actual imports from the partner State. To this end, the Member States should take appropriate measures to permit the rapid collection of statistical returns for the whole Community. In this connection only imports of the products in question should be taken into account, as and when they are submitted to the customs authorities under cover of a declaration of entry for home use and accompanied by a movement certificate conforming to the rules contained in the Agreements referred to under 1.

.../...

These returns are to be made up by each Member State at the end of every month and forwarded before the fifteenth day of the following month to the Commission so as to enable the latter to communicate by telex to all the Member States an overall, product-by-product statement for the preceding month of the imports in question. The system of supervision will require of the responsible departments of the Member States and the Commission diligence and close cooperation. In view of the fact that the products concerned are sensitive products and that duty free imports in excess of the ceilings could cause disturbance of the Community market, it is absolutely essential that all Member States respect rigorously the fifteenth-day time limit referred to above.

The following procedure is to be adopted for setting in train machinery to reintroduce duties : if one of the overall monthly statements drawn up by the Commission reveals that 75% of the ceiling fixed for a given product has been reached, the Member States would be informed and consultations could be held, in particular in the Working Party on Economic Tariff Problems, either at the request of a Member State or the Commission's initiative. The aim of these consultations would be to examine, case by case, whether or not the customs duties applicable to non-member countries should be reintroduced once the target ceiling is actually reached.

Monthly returns would still be made in respect of imports of the product in question or, if the Commission so requested, it would be notified by telex of such imports every ten days. In the latter case, the time limit for forwarding the information would be five days.

In this way, the Commission would be able to take, within the shortest possible time, measures leading to the reintroduction by Regulation, of customs duties in respect of the partner State which would apply until the end of the calendar year. In the above hypothesis, the reintroduction of the customs duties on the product under consideration would, naturally, be effected within a time limit fixed by the Regulation putting an end to the exemption of duties provided for in the Agreements in question.

3. As far as application of the rule on ceilings and reintroduction of duties is concerned, the attached proposal makes provision for the Council to confer powers upon the Commission.

The proposed Regulation does no more than outline how these powers are to be exercised so that, in consultation with the Member States, the machinery to be set in train may be adapted flexibly and rapidly. It is with the same view to maximum efficiency and rapidity that the proposed Regulation provides that the Commission would be responsible for reintroducing, in respect of the partner State, the duties applicable to non-member countries.

ANNEX :

Proposal for a Council Regulation.

Proposal for a
COUNCIL REGULATION (EEC)

establishing ceilings and Community supervision for imports of certain
products originating in Egypt, Jordan, Lebanon and Syria (1978)

THE COUNCIL OF THE EUROPEAN
COMMUNITIES,

Having regard to the Treaty establishing the European
Economic Community, and in particular Article 113
thereof,

Having regard to the proposal from the Commission,

Whereas the Interim Agreements between the Euro-
pean Economic Community of the one part and the
Arab Republic of Egypt,¹ the Hashemite Kingdom of
Jordan,¹ the Lebanese Republic² and the Syrian Arab
Republic¹ of the other part each stipulate in Article 2
that products originating in these countries shall be
imported into the Community duty free as from 1
July 1977; whereas, by way of derogation therefrom,
Article 6 or 7, according to / provides that
the reduction of duties shall apply to imports of the
products listed therein only up to ceilings above
which the customs duties applicable to third countries
may be reimposed; whereas the ceilings to be applied
in 1978 should therefore be established; whereas,
however the Agreements expire on 30 June 1978;
whereas the Community intends to maintain its
trading relations with these countries; whereas the
provisions governing the second half of 1978 should
not be less favourable than those laid down for the
first; whereas in order not to disrupt trading patterns
for the products in question, ceilings should be
established for the whole of 1978;

Whereas the application of cei -
lings requires the Community to be regularly informed
of the trend of imports of the relevant products origi-
nating in these countries; whereas imports should
therefore be made subject to a system of supervision;

Whereas this objective may be achieved by means of
an administrative procedure based on setting off
imports of the products in question against the cei-
lings at Community level, as and when these products
are submitted to the customs authorities under cover
of a declaration that they are being entered for home
use; whereas this administrative procedure must make
provision for the reintroduction of customs tariff
duties as soon as the ceilings have been reached at
Community level;

Whereas this administrative procedure requires close
and particularly rapid cooperation between the
Member States and the Commission; whereas the
latter must, in particular, be able to follow the
progress of amounts set off against the ceilings and
keep the Member States informed; whereas this coop-
eration must be all the closer in that the Commission
must be able to take adequate measures to reintroduce
customs tariff duties whenever one of the ceilings is
reached;

Whereas the trend of imports of certain products not
subject to ceilings should also be followed; whereas it
is therefore desirable that imports of such products
should also be subject to a system of supervision,

HAS ADOPTED THIS REGULATION:
the Agreement concerned,

Article 1

January

1. From 1 / 1978 to 31 December 1978 imports
of the products originating in Egypt, Jordan, Lebanon
and Syria which are enumerated in lists A of Annexes
I, II, III and IV respectively shall be subject to annual
ceilings and Community supervision.

The description of the said products, their tariff head-
ings and statistical numbers and the levels of the cei-
lings are given in the aforementioned lists.

2. Amounts shall be set off against the ceilings as
and when products are submitted to the customs
authorities under cover of a declaration that they are
being entered for home use and accompanied by a
movement certificate conforming to the rules
contained in the Protocols on rules of origin to the
Interim Agreements between the Community of the
one part and Egypt, Jordan, Lebanon and Syria of the
other part. However, in the case of products falling
within Chapter 27, a certificate of origin may be
substituted for the movement certificate.

¹ OJ NO L 126, 23.5.1977, p. 1, 89 and 166

² OJ NO L 133, 27.5.1977, p. 1.

Goods shall be set off against the ceiling only if the movement certificate or, in the case of goods falling within Chapter 27, the certificate of origin has been submitted before the date on which customs duties are reimposed.

The reaching of a ceiling shall be determined at Community level on the basis of imports set off against it as defined in the preceding subparagraphs.

Member States shall inform the Commission at the intervals and within the time limits specified in paragraph 4 of imports effected in accordance with the above rules.

3. As soon as the ceilings have been reached, the Commission may issue a Regulation reimposing the customs duties applicable to third countries until the end of the calendar year.

4. Member States shall forward to the Commission not later than the 15th day of each month statements of the amounts set off during the preceding month. They shall, if the Commission so requests, make up such statements for periods of 10 days and forward them within five clear days from the expiry of the preceding 10-day period.

January *Article 2*

From 1 / 1978 until 31 December 1978, imports of the products referred to in lists B of Annexes I, II, III and IV which originate in Egypt, Jordan, Lebanon and Syria shall be subject to Community supervision.

Member States shall forward to the Commission, not later than the 15th day of each month, statements of imports of the products in question effected during the preceding month; for this purpose only products submitted to the customs authorities under cover of a declaration that they are being entered for home use and accompanied by a movement certificate conforming to the rules contained in the Protocols on rules of origin to the Interim Agreements shall be taken into account.

Article 3

For the implementation of this Regulation the Commission shall take all necessary measures in close cooperation with the Member States.

Article 4

This Regulation shall enter into force on 1 January 1978.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Council

The President

ANNEX I

LIST A

List of products originating in Egypt subject to import ceilings in 1978

Order No	CCT heading No	Description	NIMEXE code	Level of ceiling (tonnes)
1	2	3	4	5
I ET 1	27.10	<p>Petroleum oils and oils obtained from bituminous minerals, other than crude; preparations not elsewhere specified or included, containing not less than 70 % by weight of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations:</p> <p>A. Light oils:</p> <p> III. For other purposes</p> <p>B. Medium oils:</p> <p> III. For other purposes</p> <p>C. Heavy oils:</p> <p> I. Gas oils:</p> <p> c) For other purposes</p> <p> II. Fuel oils:</p> <p> c) For other purposes</p> <p> III. Lubricating oils; other oils:</p> <p> c) To be mixed in accordance with the terms of Additional Note 7 to this Chapter (a)</p> <p> d) For other purposes</p>	<p>27.10-15, 17,21,25,29</p> <p>27.10-34, 38,39</p> <p>27.10-59</p> <p>27.10-69</p> <p>27.10-75</p> <p>27.10-79</p>	472 500
	27.11	<p>Petroleum gases and other gaseous hydrocarbons:</p> <p>A. Propane of a purity not less than 99 %:</p> <p> I. For use as power or heating fuel</p> <p>B. Other:</p> <p> I. Commercial propane and commercial butane:</p> <p> c) For other purposes</p>	<p>27.11-03</p> <p>27.11-19</p>	
	27.12	<p>Petroleum jelly:</p> <p>A. Crude:</p> <p> III. For other purposes</p> <p>B. Other</p>	<p>27.12-19</p> <p>27.12-90</p>	
	27.13	<p>Paraffin wax, micro-crystalline wax, slack wax, ozokerite, lignite wax, peat wax and other mineral waxes, whether or not coloured:</p> <p>B. Other:</p> <p> I. Crude:</p> <p> c) For other purposes</p> <p> II. Other</p>	<p>27.13-89</p> <p>27.13-90</p>	

(a) Entry under this subheading is subject to conditions to be determined by the competent authorities

Order No	CCT heading No	Description	NIMEXE code	Level of ceiling (tonnes)
1	2	3	4	5
I ET 1 (cont'd)	27.14	Petroleum bitumen, petroleum coke and other residues of petroleum oils or of oils obtained from bituminous minerals: C. Other: II. Other	27.14-99	} 36 750
I ET 2	31.03	Mineral or chemical fertilizers, phosphatic: A. Mentioned in Note 2 (A) to this Chapter: I. Superphosphates B. Mentioned in Note 2 (B) or (C) to this Chapter	31.03-15 31.03-30	
I ET 3	55.05	Cotton yarn, not put up for retail sale	55.05- all Nos	
I ET 4	55.09	Other woven fabrics of cotton	55.09- all Nos	3 413

LIST B

List of products referred to in Article 2 originating in Egypt

Order No	CCT heading No	Description	NIMEXE code
1	2	3	4
II ET 1	28.40	Phosphites, hypophosphites and phosphates: B. Phosphates (including polyphosphates): II. Other	28.40-30,62, 71,79,81,85
II ET 2	76.01	Unwrought aluminium; aluminium waste and scrap: A. Unwrought B. Waste and scrap: I. Waste b) Other (including factory rejects)	76.01-11, 76.01-33
II ET 3	76.02	Wrought bars, rods, angles, shapes and sections, of aluminium; aluminium wire	76.02-all Nos
II ET 4	76.03	Wrought plates, sheets and strip, of aluminium	76.03-all Nos
II ET 5	76.04	Aluminium foil (whether or not embossed, cut to shape, perforated, coated, printed, or backed with paper or other reinforcing material), of a thickness (excluding any backing) not exceeding 0.20 mm	76.04-al.

ANNEX II

LIST A

List of products originating in Jordan subject to import ceilings in 1978

Order No	CCT heading No	Description	NIMEXE code	Level of ceiling (tonnes)
1	2	3	4	5
I JOR 1	55.09	Other woven fabrics of cotton	55.09-all Nos	105

LIST B

List of products referred to in Article 2 originating in Jordan

Order No	CCT heading No	Description	NIMEXE code
1	2	3	4
II JOR 1	28.40	Phosphites, hypophosphites and phosphates : B. Phosphates (including polyphosphates): II. Other	28.40-30, 62, 65 71, 79, 81, 85
II JOR 2	31.03	Mineral or chemical fertilizers, phosphatic : A. Mentioned in Note 2 (A) to this Chapter : I. Superphosphates B. Mentioned in Note 2 (B) or (C), to this Chapter	31.03-15 31.03-30
II JOR 3	31.05	Other fertilizers; goods of the present Chapter in tablets, lozenges and similar prepared forms or in packings of a gross weight not exceeding 10 kg : A. Other fertilizers : I. Containing the three fertilizing substances: nitrogen, phosphorus and potassium	31.05-04-06
II JOR 4		II. Containing the two fertilizing substances: nitrogen and phosphorus	31.05-12, 14, 16, 19
II JOR 5	55.05	Cotton yarn, not put up for retail sale	55.05-all Nos
II JOR 6	76.01	Unwrought aluminium; aluminium waste and scrap : A. Unwrought B. Waste and scrap : I. Waste b) Other (including factory rejects)	76.01-11, 15 76.01-33
II JOR 7	76.02	Wrought bars, rods, angles, shapes and sections, of aluminium; aluminium wire	76.02-all Nos
II JOR 8	76.03	Wrought plates, sheets and strip, of aluminium	76.03-all Nos
II JOR 9	76.04	Aluminium foil (whether or not embossed, cut to shape, perforated, coated, printed, or backed with paper or other reinforcing material), of a thickness (excluding any backing) not exceeding 0.20 mm	76.04-all Nos

b

ANNEX III

LIST A

List of products originating in the Lebanon subject to import ceilings in 1978

Order No	CCT heading No	Description	NIMEXE code	Level of ceiling (tonnes)
1	2	3	4	5
I RL 1	31.03	Mineral or chemical fertilizers, phosphatic : A. Mentioned in Note 2 (A) to this Chapter : I. Superphosphates B. Mentioned in Note 2 (B) or (C) to this Chapter	31.03-15 31.03-30	15 750
I RL 2	55.09	Other woven fabrics of cotton	55.09-all Nos	210

LIST B

List of products referred to in Article 2 originating in the Lebanon

Order No	CCT heading No	Description	NIMEXE code
1	2	3	4
II RL 1	28.40	Phosphites, hypophosphites and phosphates : B. Phosphates (including polyphosphates) : II. Other	28.40-30, 62, 65, 71, 79, 81, 85
II RL 2	42.02	Travel goods (for example, trunks, suit-cases, hat-boxes, travelling-bags, rucksacks), shopping-bags, handbags, satchels, brief-cases, wallets, purses, toilet-cases, tool-cases, tobacco-pouches, sheaths, cases, boxes (for example, for arms, musical instruments, binoculars, jewellery, bottles, collars, footwear, brushes) and similar containers, of leather or of composition leather, of vulcanized fibre, of artificial plastic sheeting, of paper-board or of textile fabric	42.02-all Nos
II RL 3	55.05	Cotton yarn, not put up for retail sale	55.05-all Nos
II RL 4	76.01	Unwrought aluminium ; aluminium waste and scrap : A. Unwrought B. Waste and scrap : I. Waste b) Other (including factory rejects)	76.01-11, 15 76.01-33
II RL 5	76.02	Wrought bars, rods, angles, shapes and sections, of aluminium ; aluminium wire	76.02-all Nos
II RL 6	76.03	Wrought plates, sheets and strip, of aluminium	76.03-all Nos
II RL 7	76.04	Aluminium foil (whether or not embossed, cut to shape, perforated, coated, printed, or backed with paper or other reinforcing material), of a thickness (excluding any backing) not exceeding 0.20 mm	76.04-all Nos

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ANNEX IV

LIST A

List of products originating in Syria subject to import ceilings in 1978

Order No	CCT heading No	Description	NIMEXE code	Level of ceiling (tonnes)
1	2	3	4	5
I SYR 1	27.10	Petroleum oils and oils obtained from bituminous minerals, other than crude; preparations not elsewhere specified or included, containing not less than 70 % by weight of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations:		
		A. Light oils:		
		III. For other purposes	27.10-15, 17, 21, 25, 29	
		B. Medium oils:		
		III. For other purposes	27.10-34, 38, 39	
		C. Heavy oils:		
		I. Gas oils:		
		c) For other purposes	27.10-59	
		II. Fuel oils:		
		c) For other purposes	27.10-69	
III. Lubricating oils; other oils:				
c) To be mixed in accordance with the terms of Additional Note 7 to this Chapter (a)	27.10-75			
d) For other purposes	27.10-79			
	27.11	Petroleum gases and other gaseous hydrocarbons:		183 750
		A. Propane of a purity not less than 99 %:		
		I. For use as power or heating fuel	27.11-03	
		B. Other:		
		I. Commercial propane and commercial butane:		
		c) For other purposes	27.11-19	
	27.12	Petroleum jelly:		
		A. Crude:		
		III. For other purposes	27.12-19	
		B. Other	27.12-90	
	27.13	Paraffin wax, micro-crystalline wax, slack wax, ozokerite, lignite wax, peat wax and other mineral waxes, whether or not coloured:		
		B. Other:		
		I. Crude:		
		c) For other purposes	27.13-89	
		II. Other	27.13-90	

(a) Entry under this subheading is subject to conditions to be determined by the competent authorities.

Order No	CCT heading No	Description	NIMEXE code	Level of ceiling (tonnes)
1	2	3	4	5
I SYR 1 (cont'd)	27.14	Petroleum bitumen, petroleum coke and other residues of petroleum oils or of oils obtained from bituminous minerals: C. Other: II. Other	27.14-99	
I SYR 2	55.09	Other woven fabrics of cotton	55.09-all Nos	525

LIST B

List of products referred to in Article 2 originating in Syria

Order No	CCT heading No	Description	NIMEXE code
1	2	3	4
II SYR 1	28.40	Phosphites, hypophosphites and phosphates: B. Phosphates (including polyphosphates): II. Other	28.40-30, 62, 65, 71, 79, 81, 85
II SYR 2	31.03	Mineral or chemical fertilizers, phosphatic: A. Mentioned in Note 2 (A) to this Chapter: I. Superphosphates B. Mentioned in Note 2 (B) or (C), to this Chapter	31.03-15 31.03-20
II SYR 3	31.05	Other fertilizers; goods of the present Chapter in tablets, lozenges and similar prepared forms or in packings of a gross weight not exceeding 10 kg: A. Other fertilizers: I. Containing the three fertilizing substances: nitrogen, phosphorus and potassium II. Containing the two fertilizing substances: nitrogen and phosphorus	31.05-04, 06 31.05-12, 14, 16, 19
II SYR 4			55.05-all Nos
II SYR 5	55.05	Cotton yarn, not put up for retail sale	
II SYR 6	76.01	Unwrought aluminium; aluminium waste and scrap: A. Unwrought B. Waste and scrap: I. Waste b) Other (including factory rejects)	76.01-11, 15 76.01-33
II SYR 7	76.02	Wrought bars, rods, angles, shapes and sections, of aluminium; aluminium wire	76.02-all Nos
II SYR 8	76.03	Wrought plates, sheets and strip, of aluminium	76.03-all Nos
II SYR 9	76.04	Aluminium foil (whether or not embossed, cut to shape, perforated, coated, printed, or backed with paper or other reinforcing material), of a thickness (excluding any backing) not exceeding 0.20 mm	76.04-all Nos

FINANCIAL STATEMENT

1. Budget line concerned : Ch. 12 Art. 120

2. Legal basis : Art. 113

3. Title of the tariff measure :

Proposal for a council regulation establishing ceilings and Community supervision for imports of certain products originating in Egypt, Jordan, the Lebanon and Syria (1978)

4. Objectives :

Fulfilment of a contractual obligation - Agreement EEC/Mashreq countries -

5. Method of calculation :

- No of CCT : ex Chapter 27 ; 31.03 ; 55.05 ; 55.09
- Ceiling volume : 720 352 T
- Quota duty rate : duty-free
- Duty rate CCT : 3.6% - 14%

6. Loss of receipts : 1 mill.- 5.5 mill EUR
according to the use of the ceilings (estimate)

