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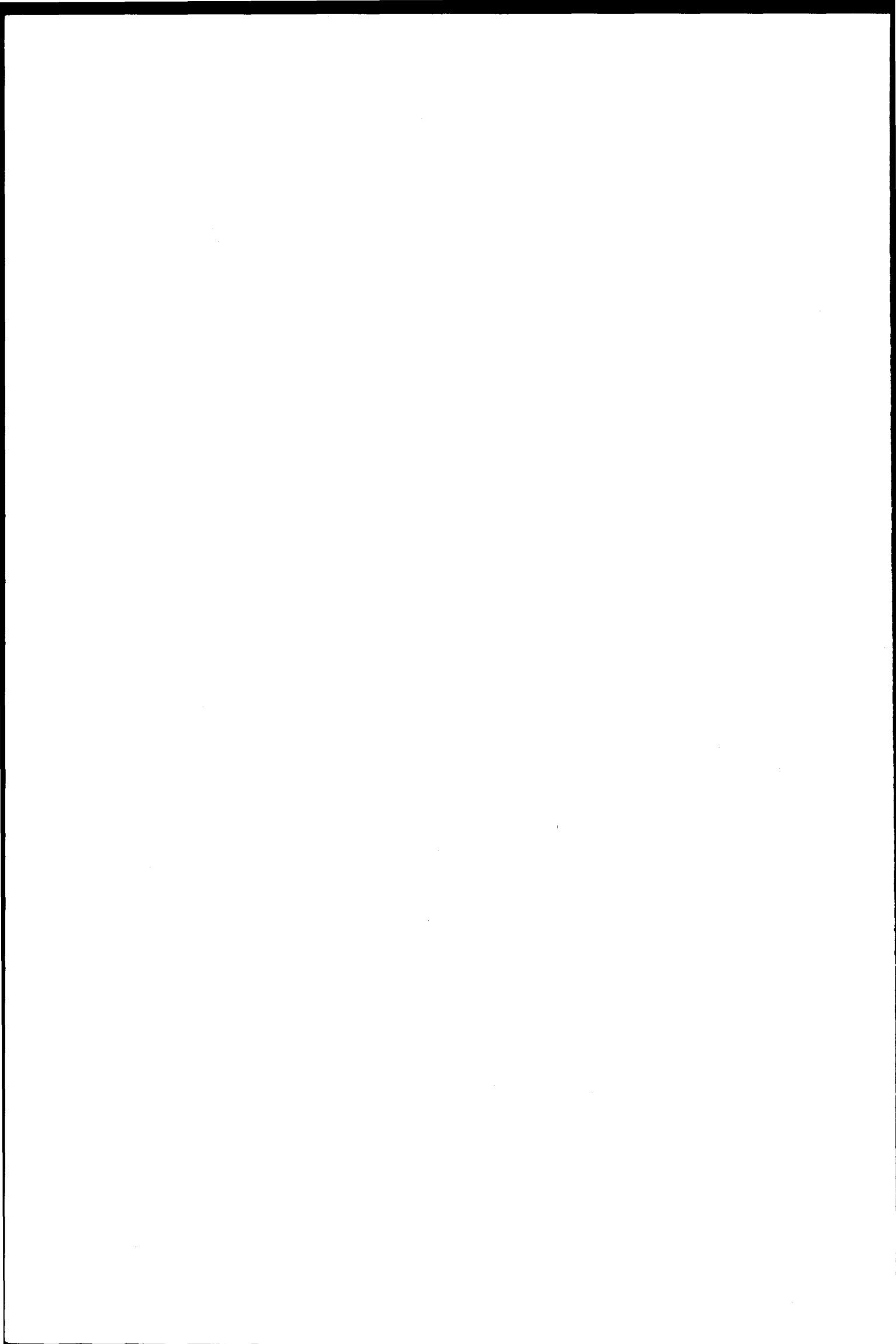
Report

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. 79/74) for a regulation on the customs treatment applicable to the goods returned to the customs territory of the Community

Rapporteur: Mr Michael HERBERT

PE 37.134/fin.



By letter of 3 May 1974 the President of the Council of the European Communities requested the European Parliament, pursuant to Articles 28, 43 and 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 on the customs treatment applicable to goods returned to the customs territory of the Community.

At the sitting of 13 May 1974 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.

The Committee on External Economic Relations appointed Mr M. Herbert rapporteur on 7 May 1974. It considered this proposal at its meeting of 4 June 1974.

At the same meeting the committee adopted the motion for a resolution and the explanatory statement by 11 votes to 1 with 5 abstentions.

The following were present: Mr de la Malène, chairman; Mr Boano and Mr Thomsen, vice-chairmen; Mr Baas, Mr Brégégère, Lord Chelwood, Mr Corterier, Mr D'Angelosante, Mr Kaspereit, Lord Lothian, Mr Maigaard, Mr Martens (deputizing for Mr Dewulf), Mr Emile Muller, Mr Patijn, Mr Sandri, Mr Thornley and Mr Vetrone.

The opinion of the Committee on Agriculture is attached.

CONTENTS

	<u>Page</u>
A. MOTION FOR A RESOLUTION	5
B. EXPLANATORY STATEMENT	6
Opinion of the Committee on Agriculture	8

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 Council Regulation on the customs treatment applicable to goods returned to 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(74) 417 fin.),
 - having been consulted by the Council pursuant to Articles 28, 43 and 235 of the EEC Treaty (Doc. 79/74),
 - 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. 126/74),
1. Approves the Commission's proposal;
 2. Instructs its President to forward this resolution and the report of its committee to the Council and the Commission of the European Communities.

EXPLANATORY STATEMENT

1. Except by way of derogation pursuant to Articles 28, 43 or 235 of the EEC Treaty, Common Customs Tariff duties are applicable to all goods imported into the customs territory of the Community,

Derogation from the application of CCT duties appeared to be necessary in cases where goods coming from third countries, and entered for free circulation are Community goods originally exported from the customs territory of the Community and returned to the latter. It appeared natural that in such cases their reintegration into the economy of the Community should be exempted from customs duties. In the same way, a similar exemption should be granted in respect of goods originally exported from the customs territory of the Community under inward processing arrangements and reimported for free circulation. In this case the exemption is only partial and is intended to avoid charges on the Community products which the goods contain.

2. The proposal for a regulation submitted to Parliament for its opinion determines the customs treatment applicable to goods returned to the customs territory of the Community.

After defining 'returned goods' and the customs treatment applicable to them, the proposal goes on to deal with methods of application in a number of specific cases, and lays down supplementary provisions to guarantee the uniform application of the regulation in the various Community countries. Until 1 July 1977, however, these provisions apply to the Six where the returned goods were originally exported from one of the original Member States, while they apply to the three new Member States only in cases where the returned goods were originally exported from the Member State in question.

3. The Commission's document is essentially technical in character and is primarily intended, by ensuring the uniformity of the rules applicable to goods returned to the Community, to facilitate the control of the raising of the Community's own resources. In this respect, the Commission's initiative should not be considered in isolation and should be placed within the framework of the general programme for approximating customs legislation adopted by the Commission in 1971, the aim of which is to create uniform conditions for the application of the CCT and thus to guarantee that the principle of equal customs treatment will be observed.

4. In view of the above, the Committee on External Economic Relations approves the proposal for a regulation submitted to it. However, it regrets that the Commission does not include in the explanatory memorandum certain practical details which would make it easier to assess the scale and consequences of the technical measures proposed: exact cases in which the proposal could be applied; difficulties arising from the lack to date of a Community definition of returned goods; financial implications of the measures proposed; risks of fraud on the reintroduction of goods, and effectiveness of Community controls; membership of the Customs General Procedures Committee and date when it assumes its responsibilities, etc.

The absence of this information makes it impossible to estimate in full the range and consequences of the Commission's proposal, and does not allow parliamentary control to be exercised as effectively as might be desired.

OPINION OF THE COMMITTEE ON AGRICULTURE

Letter from the Chairman of the Committee on Agriculture to Mr de la Malène,
Chairman of the Committee on External Economic Relations

Dear Mr Chairman,

The Committee on Agriculture, which was asked for its opinion on the proposal from the Commission of the European Communities to the Council for a regulation on the customs treatment applicable to goods returned to the customs territory of the Community, considered this proposal at its meeting of 5/6 June 1974.

At this meeting the Committee on Agriculture raised no objections to the proposal for a regulation and consequently unanimously approved it. It instructed me to forward its favourable opinion to your committee in the form of a letter.

The following were present: Mr Houdet, chairman; Mr Laban, vice-chairman; Mr Baas, Mr Brugger, Mr Gibbons, Mr John Hill, Mr Hunault, Mr De Koning, Mr Liogier, Mr Martens, Mrs Orth and Mr Scott-Hopkins.

Yours sincerely,

(sgd.) Roger HOUDET