

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(77) 677 final.

-Brussels, 9 December 1977.

Proposal for a
COUNCIL REGULATION (EEC)

concerning the arrangements applicable to trade in the agricultural
sector between the European Economic Community and the Republic of
Cyprus

(submitted to the Council by the Commission)

EXPLANATORY MEMORANDUM

The purpose of the draft Regulation is to put into effect arrangements concerning trade in the agricultural sector between the Community and Cyprus from 1 January 1978 onwards, pending the conclusion of a supplementary protocol.

Council Regulation (EEC)

concerning the arrangements applicable to trade in the agricultural sector between the European Economic Community and the Republic of Cyprus

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 an Additional Protocol to the Agreement establishing an Association between the European Economic Community and the Republic of Cyprus was signed on 15 September 1977 for the purpose of extending until 31 December 1979, with certain supplementary measures, the first stage of the Agreement establishing an Association between the European Economic Community and the Republic of Cyprus;

Whereas in a Declaration annexed to the Final Act of the Agreement establishing an Association between the European Economic Community and the Republic of Cyprus, the Community stated that it was prepared to re-examine with the Republic of Cyprus the agricultural content of the Agreement in the light of the result of work in progress with a view to a global approach on the Community's relations with the Mediterranean countries, in the course of which work the interests of Cyprus should also be taken into consideration;

Whereas as a result of the negotiations for the conclusion of an Additional Protocol to the EEC-Cyprus Agreement, an exchange of letters took place concerning agricultural products, whereby the Community undertook to use its best endeavours to see that negotiations on agriculture took place in good time for the results of those negotiations to be put into effect on 1 January 1978;

Whereas from 1 January 1978 onwards certain agricultural products would no longer be covered by preferential arrangements in trade with the Community, and whereas provision should be made for unilateral temporary measures in order to avoid disturbance of the trade flow of the products in question pending the entry into force of a supplementary protocol to the Agreement of Association;

HAS ADOPTED THIS REGULATION :

Article 1

From 1 January 1978 customs duties on imports into the Community of the products originating in Cyprus which are listed below shall be reduced by the rates indicated for each of them.

CCT heading N°.	Description	Rate of Reduction (%)
07.01	Vegetables, fresh or chilled: A. Potatoes: II. New potatoes: a) From 1 January to 15 May	40%

CCT heading N°	Description	Rate of Reduction (%)
07.01 cont/d..	<p>F. Leguminous vegetables, shelled or unshelled:</p> <p>II. Beans (of the species Phaseolus):</p> <p>ex a) From 1 October to 30 June: - From 1 November to 30 April</p>	60%
	<p>G. Carrots, turnipgs, salad beetroot, salsify, celeriac radishes, and similar edible roots:</p> <p>ex II. Carrots and turnips: - Carrots, from 1 January to 31 March</p>	40%
	<p>ex H. Onions, shallots and garlic: - Onions, from 15 February to 15 May</p>	60%
	<p>M. Tomatoes:</p> <p>ex I. From 1 November to 14 May: - From 15 November to 30 April</p>	60%
	<p>S. Sweet peppers</p>	40%
	<p>ex T. Other:</p> <p>- Aubergines, from 1 December to 30 April</p> <p>- Stick celery, from 1 January to 30 April</p> <p>- Courgettes, from 1 December to the last day of February</p>	60% 50% 60%
		.../...

CCT heading N°	Description	Rate of Reduction (%)
08.02	Citrus fruit, fresh or dried: ex A. Oranges: - Fresh ex B. Mandarins (including tangerines and satsumas); clementines, wilkings and other similar citrus hybrids: - Fresh D. Grapefruit	60% 60% 80%
08.04	Grapes, fresh or dried: A. Fresh: I. Table grapes: ex a) From 1 November to 14 July: - From 8 June to 14 July	50%
08.08	Berries, fresh: A. Strawberries: ex II. From 1 August to 30 April: - From 1 November to 31 March	60%
ex 08.09	Other fruit, fresh: - Melons, from 1 November to 31 May - Watermelons, from 1 April to 15 June	50% 50%
12.03	Seeds, fruit and spores, of a kind used for sowing: E. Other (a)	60%

(a) This concession is solely for seeds complying with the provisions of the Directives on the marketing of seeds and plants.

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CCT heading N°	Description	Rate of Reduction (%)
12.08	<p>Chicory roots, fresh or dried, whole or cut unroasted; locust beans, fresh or dried, whether or not kibbled or ground, but not further prepared; fruit kernels and other vegetable products of a kind used primarily for human food, not falling within any other heading</p> <p>C. Locust bean seeds</p>	100%
20.06	<p>Fruit otherwise prepared or preserved, whether or not containing added sugar or spirit:</p> <p>B. Other:</p> <p>II. Not containing added spirit:</p> <p>a) Containing added sugar, in immediate packings of a net capacity of more than 1 kg:</p> <p> 2. Grapefruit segments</p> <p> ex 8. Other fruits</p> <p> - Grapefruit</p> <p>b) Containing added sugar, in immediate packings of a net capacity of 1 kg or less:</p> <p> 2. Grapefruit segments</p> <p> ex 8. Other fruits:</p> <p> - Grapefruit</p>	<p>80%</p> <p>80%</p> <p>80%</p> <p>80%</p>

CCT heading N°	Description	Rate of Reduction (%)
20.06 cont/d..	<p>c) Not containing added sugar, in immediate packings of a net capacity:</p> <p>1. Of 4.5 kg or more</p> <p>ex dd) Other fruits:</p> <ul style="list-style-type: none"> - Grapefruit segments - Grapefruit <p>2. Of less than 4.5 kg:</p> <p>ex bb) Other fruits and mixtures of fruit:</p> <ul style="list-style-type: none"> - Grapefruit segments - Grapefruit 	<p>80%</p> <p>80%</p> <p>80%</p> <p>80%</p>
20.07	<p>Fruit juices (including grape must) and vegetable juices, whether or not containing added sugar, but unfermented and not containing spirit:</p> <p>A. Of a specific gravity exceeding 1.33 at 15°C:</p> <p>III. Other:</p> <p>ex a) Of a value exceeding 30 u.a. 100 kg net weight:</p> <ul style="list-style-type: none"> - Orange juice - Grapefruit juice 	<p>70%</p> <p>70%</p>

CCT heading N°	Description	Rate of Reduction (%)
20.07 cont/d..	<p>ex b) Of a value not exceeding 30 u.a. per 100 kg net weight:</p> <ul style="list-style-type: none"> - Orange juice - Grapefruit juice <p>B. Of a specific gravity of 1.33 or less at 15°C:</p> <p>II. Other:</p> <p>a) Of a value exceeding 30 u.a. per 100 kg net weight:</p> <ul style="list-style-type: none"> 1. Orange juice 2. Grapefruit juice <p>b) Of a value of 30 u.a. or less per 100 kg net weight:</p> <ul style="list-style-type: none"> 1. Orange juice 2. Grapefruit juice 	<p>70%</p> <p>70%</p> <p>70%</p> <p>70%</p> <p>70%</p> <p>70%</p>

Article 2

1. From 1 January 1978 the common customs tariff duties on the products originating in Cyprus which are listed below shall be partially suspended at the rates indicated for each of them, within the limit of a Community tariff quota of 45,000 tonnes:

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CCT heading N°	Description	Rate of Reduction (%)
07.01	Vegetables, fresh or chilled: A. Potatoes: II. New potatoes: b) From 16 May to 30 June - From 16 May to 15 June	12.6

2. The tariff quota laid down in paragraph 1 shall be divided into two tranches.

A first tranche of 18,000 tonnes of the quota shall be allocated among the Member States; the shares, which are subject to Article 6 shall be valid until 15 June 1978, shall be as follows:

Benelux	900	(tonnes)
Denmark	900	
Germany	1,800	
France	1,800	
Ireland	900	
Italy	900	
United Kingdom	10,800	

The second tranche of the quota, i.e. 27,000 tonnes, shall constitute the corresponding reserve.

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Article 3

1. From 1 January 1978 the common customs tariff duty on dried grapes in immediate containers of a net capacity of 15 kg or less, falling within subheading 08.04 B.I and originating in Cyprus, shall be totally suspended within the limit of a Community tariff quota of 250 tonnes.
2. The tariff quota laid down in paragraph 1 shall be divided into two tranches.

A first tranche of 100 tonnes of the quota shall be allocated among the Member States; the shares, which are subject to Article 6 shall be valid for the period of validity of this Regulation, shall be as follows:

Benelux	5 (tonnes)
Denmark	5
Germany	10
France	10
Ireland	5
Italy	5
United Kingdom	60

The second tranche of the quota, i.e. 150 tonnes, shall constitute the corresponding reserve.

Article 4

1. From 1 January 1978 the common customs tariff duties on the products originating in Cyprus which are listed below shall be partially suspended at the rates indicated for each of them, within the limit of a Community tariff quota of 5,000 hectolitres.

CCT heading N°	Description	Rate of Reduction (%)
22.05	Wine of fresh grapes must with fermentation arrested by the addition of alcohol: C. Other:	

CCT heading N°	Description	Rate of Reduction (%)
22.05 cont/d..	<p>I. Of an actual alcoholic strength not exceeding 13°C, in containers holding:</p> <p>ex a) Two litres or less: - Wine of fresh grapes</p> <p>II. Of an actual alcoholic strength exceeding 13°C but not exceeding 15°C, in containers holding:</p> <p>ex a) Two litres or less: - Wine of fresh grapes other than liqueur wines of an actual alcoholic strength of 15°C</p>	<p>3 u.a.</p> <p>3.5 u.a.</p>

2. The tariff quota laid down in paragraph 1 shall be divided into two tranches.

A first tranche of 2,000 hectolitres of the quota, shall be allocated among the Member States; the shares, which are subject to Article 6 shall be valid for the period of validity of this Regulation, shall be as follows:

Benelux	100 (hl)
Denmark	100
Germany	200
France	200
Ireland	100
Italy	100
United Kingdom	1,200

The second tranches of the quota, i.e. 3,000 hectolitres, shall constitute the corresponding reserve.

3. The wines in question shall benefit from these tariff quotas on condition that the prices on imports into the Community are not at any time less than the free-at frontier reference prices referred to in Regulation (EEC) N° 2506/75 and subsequent texts which apply to such prices.

Article 5

1. From 1 January 1978 the common customs tariff duties on the products originating in Cyprus which are listed below shall be partially suspended at the rates indicated for each of them, within the limit of a Community tariff quota of 125.000-hectolitres :

Heading Number	Description	Rate of Duty (%)
22.05	Wine of fresh grapes; grape must with fermentation arrested by the addition of alcohol :	
	C. Other :	
	II. Of an actual alcoholic strenght exceeding 13° but not exceeding 15°, in containers holding :	
	a) Two litres or less :	
	-liqueur wines of an actual alcoholic of 15°	4.2 u.a.
	b) More than two litres :	
	-liqueur wines of an actual alcoholic of 15°	3.3.u.a.
	III. Of an actual alcoholic strenght exceeding 15° but not exceeding 18°, in containers holding :	
	a) Two litres or less :	
	2. Other :	
	-liqueur wines	5.1.u.a.
	b) More than two litres :	
	3. Other :	
	-liqueur wines	4.2.u.a.
	IV. Of an actual alcoholic strenght exceeding 18° but not exceeding 22°, in containers holding :	
	a) Two litres or less :	
	2. Other :	
	-liqueur wines	5.7.u.a.
	b) More than two litres :	
	3. Other :	
	-liqueur wines	5.7.u.a.

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2. The tariff quota laid down in Article 1 shall be divided into two tranches.

A first tranche of 50.000 hectolitres shall be allocated among the Member States ; the shares, which subject to Article 6 shall be valid for the period of validity of this regulation, shall be as follows :

	(hl)
Benelux :	2.500
Denmark :	2.500
Germany :	2.500
France :	2.500
Ireland :	7.500
Italy :	2.500
United Kingdom :	30.000

The second tranche of the quota i.e. 75.000 hl shall constitute the corresponding reserve.

3. The wines in question shall benefit from these tariff quotas on condition that the prices on import into the Community are not at any time less than the free-at-frontier reference prices referred to in Regulation (EEC) N° 2506/75 and subsequent texts which apply to such prices.

4. The wines in question may benefit from the tariff quota laid down in paragraph 1 on condition that they are designated as "liqueur wines" in the document V.I.1 referred to in Regulation (EEC) N° 2115/76.

Article 6

1. If 90 % or more of a Member State's initial share -as fixed in Articles 2 to 5 - or of that share minus any portion returned to the corresponding reserve, where Article 8 has been applied , has been used up, that Member State shall forthwith, by notifying the Commission, draw a second share, to extent that the reserve so permits, equal to 15 % of its initial share, rounded off upwards to the next whole number, if necessary.

2. If, after any of the initial shares has been used up, 90 % or more of the second share drawn by a Member State has been used up, that Member State

shall, under the conditions laid down in paragraph 1 and to the extent that the reserve so permits, draw a third share equal to 7.5 % of its initial share, rounded off upwards to the next whole number, if necessary.

3. If, after any of the second shares has been used up, 90 % or more of the third share drawn by a Member State has been used up, that Member State shall, under the conditions laid down in paragraph 1, draw a fourth share equal to the third.

This procedure shall apply until the corresponding reserve is used up.

4. By way of derogation from paragraph 1, 2 and 3, Member States may draw shares less than those specified therein if there are grounds for believing that those specified may not be fully used up. They shall inform the Commission of their reasons for applying this paragraph.

Article 7

Each of the additional shares drawn to Article 6 shall be valid for the period of validity of this Regulation.

Article 8

Member States shall return to the reserves not later than 15 May 1978, the unused portions of their initial shares which on 1 May 1978 are in excess of 20 % of the initial amounts. They may return a greater portion if there are grounds for believing that such portion if there are grounds for believing that such portion may not be fully used up.

Member States shall notify the Commission, not later than 15 May 1978, of the total quantities of the product in question imported up to and including 1 May 1978 and charged against the tariff quotas and of any portion of their initial shares returned to the reserves.

Article 9

The Commission shall keep an account of the shares opened by the Member States pursuant to Articles 2 to 6 and, as soon as it has been notified, shall

inform each State of the extent to which the reserves have been used up.

It shall inform the Member States, not later than 20 May 1978, of the status of each of the reserves after amounts have been returned thereto pursuant to Article 8.

It shall ensure that the drawing which exhaust any of the reserves does not exceed the balance available and, to this end, notify the amount of that balance to the Member State making the last drawing.

Article 10

1. Member States shall take all appropriate measures to ensure that additional shares drawn pursuant to Article 6 are opened in such a way that imports may be charged without interruption against their aggregate shares of the tariff quota.
2. Member States shall ensure that importers of the product in question established in their territory have free access to the shares allocated to them.
3. The Member States shall charge imports of the said goods against their shares as and when the goods are entered for home use.
4. The extent to which a Member State has used up its share shall be determined on the basis of the imports charged in accordance with paragraph 3.

Article 11

At the Commission's request, Member States shall inform it of imports actually charged against their shares.

Article 12

Member States and the Commission shall cooperate closely to ensure that Articles 2 to 11 are complied with.

Article 13

This Regulation enter into force on 1 January 1978. It shall apply until the entry into force of a supplementary protocol to the Agreement of association or until 30 June 1978, whichever is the earlier.

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

Done in Brussels,

For the Council
The President

1. Ligne budgétaire concernée : Titre I "Ressources propres"

2. Intitulé de l'action : Projet de règlement du Conseil concernant le régime applicable aux échanges dans le secteur agricole entre la Communauté et Chypre/

3. Base juridique : article 43 et 113 du Traité CEE

4. Objectifs de l'action : Le régime commercial entre la Communauté et Chypre à partir du 1er janvier 1978

5. Incidences financières : exercice 1978

5.0 Dépenses

- à la charge du budget de la CE (restitutions interventions)
- à la charge administ. nationales
- à la charge d'autres secteurs nationaux

5.1 Recettes

- ressources propres CE (prélèvements/droits de douane) néant (1)
- sur le plan national

5.0.1. Echéancier pluriannuel dépenses

5.1.1 Echéancier pluriannuel recettes

5.2 Mode de calcul

(1) Il s'agit de remplacer le régime "Commonwealth" (droits zero ou très faibles) sur les marchés britannique et irlandais, débouchés exclusifs de Chypre, par un régime communautaire de désarmement tarifaire partiel.

Dans ces conditions, le régime autonome aurait comme conséquence un relèvement des droits de douane par le Royaume Uni et l'Irlande.