

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(74) 1086 final
Brussels, 15 July 1974

Proposal for a
REGULATION (EEC) OF THE COUNCIL

on the opening, allocation and administration of a
Community tariff quota for certain plywoods of coniferous
species, falling within heading No ex 44.15 of the
Common Customs Tariff (1975)

(submitted to the Council by the Commission)

EXPLANATORY MEMORANDUM

1. Protocol No 11 to the Act concerning the Conditions of Accession and the Adjustments to the Treaties¹ provides for the opening by the Community from 1 January 1974 of autonomous zero duty Community tariff quotas for certain plywoods of coniferous species, the volume thereof to be decided annually when it is established that all possibilities of supply on the internal market of the Community will be exhausted during the period for which the quotas are open. In another context, in the course of the last GATT negotiations, the Community has undertaken to open, for these products, a Community tariff quota of 400 000 cubic metres free from customs duties.
2. This proposed Regulation concerns the Community tariff quotas in question to be opened for 1975 and allocated among Member States.
3. This matter was dealt with at an advisory meeting of experts from the Member States held on 31 May 1974, at which it became clear that taking into account the possibilities of supply on the Community market, which are in fact somewhat limited, and on the basis of estimates submitted by the Member States, the tariff quotas in question could, as in 1974, be grouped under a single quota of 742 000 cubic metres. The size of the quota, fixed on the basis of provisional estimates, remains of course subject to a reexamination of the situation during the quota period.
4. The method of administration proposed is the same as that usually adopted for autonomous Community tariff quotas and consists basically of the following:
 - the setting up of a reserve of 100 000 cubic metres;
 - the allocation of the first tranche in proportion to the needs expressed by Member States;
 - the charging of imports against Member States' shares as and when the products are entered with the customs authorities for home use.

This method of administration was moreover unanimously agreed by the various delegations at the abovementioned meeting.

¹OJ No L 73, 27 March 1972, p. 170.

Proposed

REGULATION (EEC) No /74 OF THE COUNCIL
of

on the opening, allocation and administration of a Community tariff quota for certain plywoods of coniferous species, falling within heading No ex 44.15 of the Common Customs Tariff (1975)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 28 and 113 thereof,

Having regard to the proposed Regulation submitted by the Commission;

Whereas, under Protocol No 11 to the Act of Accession¹, the Community is to open each year two zero duty Community tariff quotas for certain plywoods of coniferous species falling within heading No ex 44.15 of the Common Customs Tariff, the volume thereof to be decided annually when it is established that all possibilities of supply on the internal market of the Community will be exhausted during the period for which the quotas are open; whereas, having regard to the possibilities of supply on the internal market of the Community and on the basis of forecasts of needs made by the Member States. The volume of the tariff quota to be opened for the year 1975 may be fixed at a level of 742 000 m³;

whereas the requirements mentioned above do not include imports to which other preferential tariff treatment may apply, in particular under arrangements in connection with the European Free Trade Association; whereas in view of the relatively small quantities produced in the Community, it is not necessary to apportion this amount between the categories of plywood specified in the abovementioned Protocol No 11; whereas the opening of a tariff quota at the volume stated above also covers the undertaking made by the Community in GATT to concede an annual tariff quota for the same products of 400 000 cubic metres free of duty;

./.

¹OJ No L 73, 27 March 1972, p. 170.

Whereas, to take more precise account of future import trends for the product concerned, the quota should be divided into two tranches, the first being allocated among the Member States and the second held as a reserve to cover subsequently the requirements of Member States which have exhausted their initial shares; whereas, to give importers some degree of certainty, the first tranche of the quota should be fixed at a relatively high level, namely 86% of its full amount; whereas, on the basis of forecasts of needs by the Member States, the shares may be fixed as follows:

	(in cubic metres)
Benelux	75 000
Denmark	85 000
Germany	110 000
France	25 000
Ireland	25 000
Italy	22 000
United Kingdom	300 000

Whereas Member States may exhaust their initial shares at different rates; whereas to avoid disruption of supplies on this account it should be provided that any Member State which has almost used up its initial share should draw an additional share from the reserve; whereas each time its additional share is almost exhausted a Member State should draw a further share, and so on as many times as the reserve allows; whereas the initial and additional shares should be valid until the end of the quota period; whereas this form of administration requires close collaboration between the Member States

./.

and the Commission, and the Commission must be in a position to keep account of the extent to which the quota has been used up and to inform the Member States accordingly;

Whereas if at a given date in the quota period a considerable quantity of a Member State's initial share remains unused it is essential, to prevent a part of the quota from remaining unused in one Member State while it could be used in others, that such State should return a significant proportion thereof to the reserve;

Whereas, since the Kingdom of Belgium, the Kingdom of the Netherlands and the Grand Duchy of Luxembourg are united within and jointly represented by the Benelux Economic Union, any transaction in respect of the administration of the shares allocated to that Economic Union may be carried out by any one of its members;

HAS ADOPTED THIS REGULATION:

Article 1

1. During the period 1 January to 31 December 1975 a Community tariff quota of 742 000 m³ shall be opened in the Community for the following products falling within heading No ex 44.15 of the Common Customs Tariff:
 - (a) plywood of coniferous species, without the addition of other substances, of a thickness greater than 9 mm, the faces of which are not further prepared than the peeling process;
 - (b) plywood of coniferous species, without the addition of other substances, sanded, and of a thickness greater than 18.5 mm.
2. Imports of the product in question may not be charged under this tariff quota if they are already free of customs duties under other preferential tariff treatment applied by certain Member States, in particular under arrangements in connection with the European Free Trade Association.

./.

4

3. The Common Customs Tariff duty and the duties applicable to the new Member States shall be totally suspended in respect of importations under the above quota.

Article 2

1. The quota provided for in Article 1(1) shall be divided into two tranches.
2. A first tranche of 642 000 m³ shall be allocated among the Member States. The shares, which subject to Article 5 shall be valid until 31 December 1975, shall be as follows:

(in cubic metres)

Benelux	75 000
Denmark	85 000
Germany	110 000
France	25 000
Ireland	25 000
Italy	22 000
United Kingdom	300 000

3. The second tranche, of 100 000 m³, shall constitute a reserve.

Article 3

1. As soon as a Member State has used 90% or more of its initial share as fixed in Article 2(2), or of that share minus any portion returned to the reserve pursuant to Article 5, it shall forthwith, by notifying the

./.

Commission, draw a second share, to the extent that the reserve so permits, equal to 10% of its initial share, rounded up where necessary to the next whole number.

2. As soon as a Member State, after exhausting its initial share, has used 90% or more of the second share drawn by it, that Member State shall forthwith, in the manner and to the extent provided in paragraph 1, draw a third share equal to 5% of its initial share.
3. As soon as a Member State, after exhausting its second share, has used 90% or more of the third share drawn by it, that Member State shall, in the manner and to the extent provided in paragraph 1, draw a fourth share equal to the third.

It shall continue in this fashion until the reserve is exhausted.

4. By way of derogation from paragraphs 1, 2 and 3, a Member State may draw shares lower than those specified in those paragraphs if there are grounds for believing that those specified may not be used in full. Any Member State applying this paragraph shall inform the Commission of its grounds for so doing.

Article 4

Additional shares drawn pursuant to Article 3 shall be valid until 31 December 1975.

Article 5

A Member State which on 15 September 1975 has not exhausted its initial share shall not later than 10 October 1975 return to the reserve any unused

portion in excess of 20% of the initial amount. It may return a greater portion if there are grounds for believing that such portion may not be used in full.

Member States shall, not later than 10 October 1975, notify the Commission of the total quantities of the product in question imported up to and including 15 September 1975 and charged against the Community quota and of any portion of their initial shares returned to the reserve.

Article 6

The Commission shall keep an account of the shares opened by the Member States pursuant to Articles 2 and 3 and shall, as soon as the information reaches it, inform each State of the extent to which the reserve has been used up.

It shall, not later than 15 October 1975, inform the Member States of the amount still in reserve following any return of shares pursuant to Article 5.

It shall ensure that when an amount exhausting the reserve is drawn the amount so drawn does not exceed the balance available, and to this end shall notify the amount of that balance to the Member State making the last drawing.

Article 7

1. Every Member State shall take all appropriate measures to ensure that shares drawn pursuant to Article 3 are opened in such a way that importations may be charged without interruption against its accumulated share of the Community quota.

2. Every Member State shall ensure that importers of the product in question established in its territory have free access to the shares allocated to it.
3. Every Member State shall charge importations of the product in question against its share as and when the product is entered with the customs authorities for home use.
4. The extent to which a Member State has used up its share shall be determined on the basis of the importations charged against that share in accordance with paragraph 3.

Article 8

Every Member State shall notify the Commission at regular intervals of the importations charged against its share.

Article 9

The Member States and the Commission shall cooperate closely to ensure that this Regulation is complied with.

Article 10

This Regulation shall enter into force on 1 January 1975.

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

Done at Brussels,

For the Council
The President

8

