

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(76) 486 final.

Brussels, 20 September 1976.

Proposal for a
COUNCIL REGULATION (EEC)

opening, allocating and providing for the administration
of tariff quotas for certain types of paper and paperboard of sub-
headings ex 48.01 C II and 48.01 E of the Common Customs Tariff
originating in Portugal (1977).

(submitted to the Council by the Commission)

COM(76) 486 final.

EXPLANATORY MEMORANDUM

1. On 20 September 1976 the European Economic Community signed an Interim Agreement with the Portuguese Republic. Article 4 of the Agreement stipulates that for kraft paper and kraft board for wrapping, known as "kraftliner", and for paper and paperboard, other, of tariff subheadings ex 48.01 C II and 48.01 E, originating in Portugal, the Community, as originally constituted, and Ireland, shall open, for the period from 1 January 1976 to 31 December 1983, annual zero-duty tariff quotas of 42 000 tonnes and 1 500 tonnes respectively. The tariff quotas for 1977 should now be opened.

2. The draft regulation opening the tariff quotas provides - as is the rule in this field - for each quota volume to be divided into two instalments, the first being allocated among the Member States in the form of quota shares and the second forming the reserve.

Concerning the allocation of the volume of the first instalment, the usual procedure should be applied, that is the proportion of the total imports of each Member State over the last three years to Community imports over the same period is worked out and the resulting percentages are applied - per Member State - to the volume of the first instalment.

As regards the products falling within subheading 48.01 E, however, this procedure has not been used because certain Member States have not imported such products, or have imported them only occasionally over the years in question.

Since it is necessary to allocate the quota volume fairly, these Member States have been allocated small percentages that represent saleable shares.

3. The method of administration to be used by all the Member States is the "as and when" method.

4. The foregoing is the subject of the proposal for a regulation.



Proposal for
Council Regulation (EEC)

opening, allocating and providing for the administration of tariff quotas for certain types of paper and paperboard of subheadings ex 48.01 C II and 48.01 E of the Common Customs Tariff originating in Portugal (1977).

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 Article 4 of the Interim Agreement between the European Economic Community and the Portuguese Republic⁽¹⁾ stipulates that the Community, as originally constituted, and Ireland, shall open annual zero-duty tariff quotas for paper and paperboard for wrapping, known as "kraftliner" and for paper and paperboard, other, of subheading ex 48.01 C II and 48.01 E of the Common Customs Tariff originating in Portugal, of 42 000 tonnes and 1 500 tonnes respectively; which should be increased yearly by 5% starting on 1st January 1977; whereas the tariff quotas concerned should be opened for 1977;

Whereas it is in particular necessary to guarantee all Community importers equal and uninterrupted access to the abovementioned quotas and uninterrupted application of the rates laid down for these quotas to all imports of the products concerned into all Member States until the quotas have been used up; whereas, having regard to

the principles mentioned above, the Community nature of the quotas can be respected by allocating the Community tariff quota among the Member States; whereas, in order to reflect most accurately the actual development of the market in the products concerned, such allocation should be in proportion to the needs of the Member States, assessed by reference both to the statistics of each State's imports from Portugal over a representative period and to the economic outlook for the quota period concerned;

Whereas over the last three years for which statistics are available the corresponding imports by each of the Member States represent the following percentages of total imports into the Community of the product concerned originating in Portugal:

	tariff subheading ex 48.01 C II			Tariff subheading ex 48.01 E		
	1973	1974	1975	1973	1974	1975
Benelux	-	15.6	20.1	-	-	2.8
France	38.1	22.6	21.4	99.9	99.9	73.1
Germany	-	24.8	34.7	-	0.1	-
Ireland	-	2.9	6.7	0.1	-	24.1
Italy	61.9	34.1	17.1	-	-	-

Whereas, in view of these data and the foreseeable trend of the market in the products concerned during the quota period in question, quota shares may be fixed approximately at the following percentages :

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tariff subheading
ex 48.01 C II

tariff subheading
48.01 E

Benelux	18	4
France	22	76
Germany	30	6
Ireland	6	11
Italy	24	3

Whereas, in order to take into account import trends for the products concerned in the different Member States, each of the quota volumes should be divided into two instalments, the first instalment being allocated among the Member States and the second forming a reserve intended to cover subsequently the requirements of the Member States which have used up their initial quota shares; whereas, in order to guarantee importers in each Member State a certain degree of security, the first instalment of the Community quotas should be determined at a level which, in this case could be 75% of each of the quotas volumes.

Whereas the initial quota shares of the Member States may be used up at different times; whereas, in order to take this fact into account and avoid any break in continuity, any Member State having used up almost the whole of one of its initial quota shares should draw an additional quota share from the corresponding reserve; whereas this must be done by each Member State when each of its additional quota shares is almost entirely used up, and repeated as many times as the reserve allows; whereas the initial and additional quota shares must be available for use until the end of the quota period; whereas this method of administration calls for close cooperation between Member States and the Commission, which must, in particular, be able to observe the extent to which the quota volumes are used and inform Member States thereof;

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Whereas, if at a specified date in the quota period there remains in one of other Member States a considerable balance of one of the initial quota shares, it is essential that that Member State return a substantial proportion of it to the corresponding reserve, in order to avoid a part of one or other of the Community quotas remaining unused in one Member State when it could be used in others;

Whereas, since the Kingdom of Belgium, the Kingdom of the Netherlands and the Grand Duchy of Luxembourg are united in and represented by the Benelux Economic Union, all transactions concerning the administration of shares allocated to the abovementioned economic union may be carried out by any of its members.

HAS ADOPTED THIS REGULATION:

Article 1

For the period 1 January to 31 December 1977 zero-duty tariff quotas shall be opened in the European Economic Community, as originally constituted, and in Ireland, for the following products originating in Portugal within the limits indicated:

CCT heading No.	Description	Quota volume
48.01	Paper and paperboard (including cellulose wadding), machine-made, in rolls or sheets:	
	C. Kraft paper and kraft board:	
	ex II. Other:	
	- Kraft paper and kraft board for wrapping, known as "kraftliner"	44.100 mt
	E. Other	1.575 mt

Article 2

1. The tariff quotas laid down in Article 1 shall be divided into two instalments.
2. A first instalment shall be shared among the Member States; the shares which, subject to Article 5, shall be valid until 31 December 1977, shall consist of the following amounts:

- in mt -

Member State	Products of subheadings	
	ex 48.01 C II	48.01 E
Benelux	5.954	48
France	7.276	896
Germany	9.922	72
Ireland	1.985	130
Italy	7.978	36

3. The second instalment of each quota, 11.025 and 393^{mt} respectively, shall constitute the reserve.

Article 3

1. If 90 % or more of one of the initial shares of a Member State, as laid down in Article 2 (2), or 90 % or more of that share less the amount returned to the reserve, where the provisions of Article 5 have been applied, has been used, that Member State shall draw, without delay and by notifying the Commission a second share equal to 15 % of its initial share, rounded up to the next unit where appropriate, to the extent that the amount in the reserve allows.

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2. If, after one or other of its initial shares has been used up 90 % or more of the second share drawn by a Member State has been used, that Member State shall draw in the manner specified in paragraph 1 a third share equal to 75 % of its initial share, rounded up to the next unit where appropriate, to the extent that the amount in the reserve allows.
3. If, after one or other, of its second shares has been used up, 90 % or more of the third share drawn by a Member State has been used, that Member State shall draw in the manner specified in paragraph 1, a fourth share equal to the third.

This process shall be applied until the reserve is used up.

4. Notwithstanding paragraphs 1, 2 and 3, the Member States may draw shares smaller than those fixed in the said paragraphs if there is any reason to believe that those shares might not be used up. They shall inform the Commission of the reasons which led them to apply this paragraph.

Article 4

Each of the additional shares drawn pursuant to Article 3 shall be valid until 31 December 1977.

Article 5

The Member States shall return to the reserve, not later than 1 October 1977, the unused portion of their initial share which, on 15 September 1977, is in excess of 20 % of the initial amount. They may return a larger quantity if there are reasons to believe that such quantity might not be used.

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The Member States shall, not later than 1 October 1977, notify the Commission of the total imports of the products concerned effected up to 15 September 1977 inclusive and charged against the Community quotas and, where appropriate, the proportion of their initial shares that is being returned to each reserve.

Article 6

The Commission shall keep account of the shares opened by Member States in accordance with Articles 2 and 3 and shall inform each of them of the extent to which the reserves have been used as soon as it receives notifications.

The Commission shall, not later than 5 October 1977, notify Member States of the amount in each reserve after the return of quantities pursuant to Article 5.

The Commission shall ensure that any drawing which uses up any reserve is limited to the balance available, and for this purpose shall specify the amount thereof to the Member State which makes the final drawing.

Article 7

1. The Member States shall take all appropriate measures to ensure that, when additional shares are drawn pursuant to Article 3, it is possible for charges to be made without interruption against their accumulated shares of the Community quota.
2. The Member States shall ensure that importers of the said goods established in their territory have free access to the shares allocated to them.
3. The Member States shall charge the imports of the products concerned 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 shares shall be determined on the basis of the imports charged under the conditions stipulated in paragraph 3.

Article 8

At the request of the Commission, Member States shall inform it of imports of the products concerned actually; charged against their shares.

Article 9

The Member States and the Commission shall cooperate closely in order to ensure that the provisions of this Regulation are observed.

Article 10

This Regulation shall enter into force on 1 January 1977.

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

Done at Brussels,

For the Council,

The President