

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(76) 564 final/RG

Brussels, 29 October 1976.

Proposal for

COUNCIL REGULATION (EEC)

increasing the Community tariff quota
opened for 1976 for unwrought magnesium
falling within subheading 77.01 A of the
Common Customs Tariff

(submitted to the Council by the Commission)

COM(76) 564 final.

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EXPLANATORY MEMORANDUM

1. By Regulations (EEC) Nos 126/76 of 20 January 1976 (1) and 1630/76 of 29 June 1976 (2), the Council opened and allocated among the Member States for 1976 a Community tariff quota for unwrought magnesium falling within subheading 77.01 A of the Common Customs Tariff and totalling 9,350 metric tons, which moreover did not preclude adjustments during the quota period. This total comprised 950 metric tons of extra pure magnesium, 1,925 metric tons of unwrought magnesium not in alloy and 6,475 metric tons of unwrought magnesium in alloy.

2. A review of the state of the market in magnesium and of Community requirements for imports from non-member countries was carried out at the meeting of the Economic Tariff Problems Group, held on 24 September 1976, on the basis of the usual estimates for 1976 provided by the Member States in respect of the three qualities of magnesium used for the initial quota. It emerged from this discussion that :

- a) the stocks existing at the end of 1975 in a Member State producing magnesium have remained unchanged until the present (2,700 metric tons);
- b) the estimates put forward by the Member States set the usual factors for calculating the quota at the following approximate levels :

- consumption	55,737 metric tons
- production	21,029 metric tons
- inward processing traffic	2,500 metric tons
- duty-free imports carried out under other preferential tariff treatment (EFTA, associated countries, etc.)	2,758 metric tons
- exports to non-member countries	2,415 metric tons
- unusual stocks existing on 31 December 1975	2,000 metric tons;

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c) on this basis and in view of the quota volume of 9,350 metric tons already opened at the beginning of the year, the Community requirements as regards imports from non-member countries until the end of the current year would be set at about 15,700 metric tons.

3. The Commission considers it necessary however, taking into account the uncertainty as to the level which Community consumption might reach during 1976, and also the quantities available within the Community to confine itself to an increase of 3,750 metric tons in the quota volume.
4. As regards the splitting up for the 3,750 metric tons under consideration into the three qualities of magnesium, it should be noted that the Community requirements for imports from non-member countries of extra-pure magnesium of the order of 1,200 metric tons could be covered to a large extent by the quota already opened (950 metric tons) and by Community production of about 200 metric tons.

An immediate increase of 50 metric tons allocated to this quality of magnesium should cover the short-term requirements of the Community industries.

Moreover, it is proposed that the balance, i.e. 3,700 metric tons, be split up among the other two qualities according to the same percentages as those used under the initial regulation and thus to allocate 1,000 metric tons to unwrought magnesium not in alloy and 2,700 metric tons to unwrought magnesium in alloy.

5. The supplementary volumes of 50 and 2,700 metric tons proposed for extra-pure magnesium and magnesium in alloy are allotted to the Community reserves as set up, whereas the supplementary volume allocated to unwrought magnesium not in alloy is, after deduction of the quantity allotted to the Community reserve, divided among the Member States according to the percentages originally used.

Proposal for

COUNCIL REGULATION (EEC) No 176

increasing the Community tariff quota opened for 1976
for unwrought magnesium falling within subheading 77.01 A
of the Common Customs Tariff

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, for unwrought magnesium falling within subheading 77.01 A
of the Common Customs Tariff, a Community tariff quota for 1976 totalling
9,350 metric tons has been opened by the Council and allocated among the
Member States by Regulations (EEC) Nos 126/76 (1) and 1630/76 (2);

Whereas the economic data at present available with regard to the
consumption, production, exports to non-member countries, imports under
the inward processing or other preferential tariff arrangements and to
the abnormal stocks existing in a Member State on 31 December 1975 enable
it to be estimated that Community requirements for imports from non-
member countries could reach, in the course of 1976, a level of 25,000
tons; whereas in view of the quota volume already opened by the above-
mentioned Regulations, of the uncertainty as to the levels which Community
production and consumption might reach and of the quantities available
within the Community either from stocks accumulating in 1975 or from
production in 1976, it is necessary to limit the increase to 3,750 metric
tons;

(1) OJ No L 14, 23.1.1976, p. 1.

(2) OJ No L 181, 7.7.1976, p. 4.

Whereas, in view, moreover, on the one hand of the present requirements in unwrought magnesium with a pure magnesium content of not less than 99.95% and on the other hand of the quantities available in the Community and also the possibility of duty-free imports under agreements concluded by the Community with certain non-acceding EFTA countries, it can be estimated that short-term requirements for imports of unwrought magnesium may, within the limit of the proposed increase, reach 50 metric tons of unwrought magnesium containing 99.95% or more by weight of pure magnesium (extra-pure magnesium), 1,000 metric tons of unwrought magnesium containing 99.8% or more by weight and not exceeding 99.95% of pure magnesium (unwrought magnesium not in alloy), and 2,700 metric tons of unwrought magnesium containing less than 99.8% by weight of pure magnesium (unwrought magnesium in alloy);

Whereas as far as the distribution of the above quota volume between Member States is concerned, it is necessary to allot to the Community reserves all the supplementary volumes allocated to extra-pure magnesium and unwrought magnesium in alloy and also a relatively small part of the supplementary volume allocated to unwrought magnesium not in alloy, the balance of this volume being divided among the Member States in accordance with the percentages originally used,

HAS ADOPTED THIS REGULATION :

Article 1

The volume of the Community tariff quota opened by Regulations (EEC) Nos 126/76 and 1630/76 for unwrought magnesium falling within subheading 77.01 A of the Common Customs Tariff is hereby increased from 9,350 to 13,100 metric tons.

This increase of 3,750 metric tons shall be allocated as follows :

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- (a) 50 metric tons of unwrought magnesium containing 99.95% or more by weight of pure magnesium (extra-pure magnesium), intended for the nuclear industry and under customs supervision or equivalent administrative supervision;
- (b) 1,000 metric tons of unwrought magnesium containing not less than 99.8% but less than 99.95% by weight of pure magnesium (unwrought magnesium not in alloy);
- (c) 2,700 metric tons of unwrought magnesium containing less than 99.8% by weight of pure magnesium (unwrought magnesium in alloy).

Article 2

The volumes of 50 metric tons and 2,700 metric tons referred to in Article 1 (a) and (c) allocated to extra-pure unwrought magnesium intended for the nuclear industry and to unwrought magnesium in alloy shall be allotted to the Community reserves set up under Articles 2 (1) and 3 (2) of Regulation (EEC) No 126/76 amended by Regulation (EEC) No. 1630/76, which shall thus be increased from 950 to 1,000 metric tons and from 3,325 to 6,025 metric tons respectively.

Article 3

1. A first tranche of the amount referred to in Article 1 (b), of 900 metric tons of unwrought magnesium not in alloy, shall be allocated among the Member States as follows :

Benelux	:	150.7	metric tons
Denmark	:	0.35	metric tons
Germany	:	610.2	metric tons
France	:	30	metric tons
Ireland	:	0.35	metric tons
Italy	:	3	metric tons
United Kingdom	:	105.4	metric tons.

2. The second tranche of 100 metric tons shall constitute the reserve.

The amount of the reserve for this type of unwrought magnesium, provided for in Article 3 (2) of Regulation (EEC) No 126/76 amended by Regulation (EEC) No 1630/76, shall be increased from 190 to 290 metric tons.

Article 4

This Regulation shall enter into force on the seventh day following its publication in the Official Journal of the European Communities.

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

Done at Brussels,

For the Council

The President