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COMMISSION OF THE EUROPEAN COMMUNITIES

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Proposal for a

REGULATION (EEC) OF THE COUNCIL

opening, allocating and providing for the administration of
a Community tariff quota for other woven fabrics of cotton
falling within heading No 55.09 of the Common Customs Tariff,
originating in Spain
(1976)

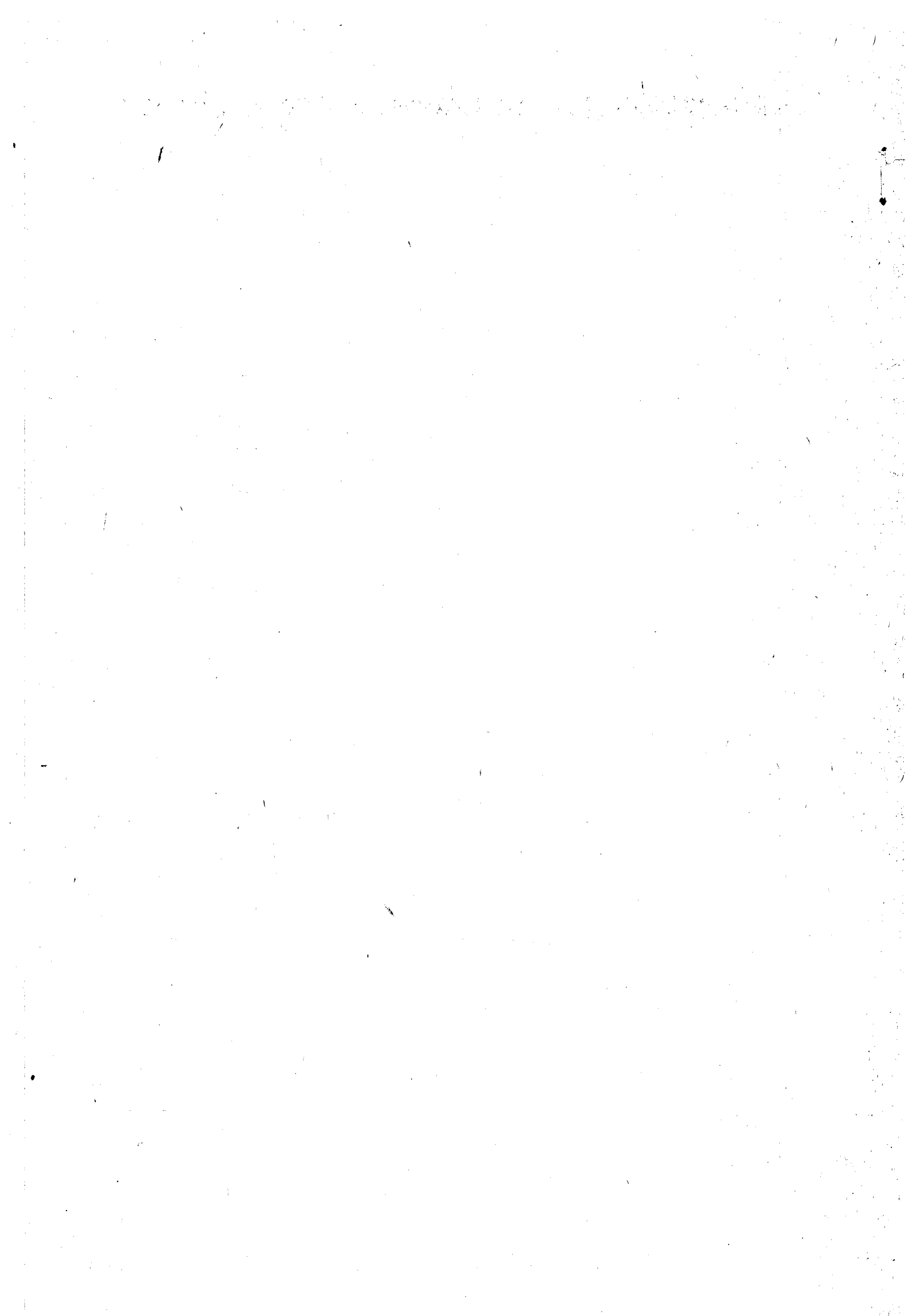
Proposal for a

REGULATION (EEC) OF THE COUNCIL

opening, allocating and providing for the administration of
a Community tariff quota for certain petroleum products fal-
ling within Chapter 27 of the Common Customs Tariff, refined
in Spain
(1976)

(submitted to the Council by the Commission)

COM(75) 367 final.



EXPLANATORY MEMORANDUM

1. Article 2 of the Agreement at present in force between the European Economic Community and Spain, read with Articles 2, 3 and 4 of Annex I thereto, provides for the opening of Community tariff quotas for the importation into the Community of the following products, originating in Spain, at the quota duties specified below:

CCT Heading No	Product	Annual Volume	Quota Duty
Chapter 27	Certain petroleum products	1 200 000 t)	40% of the CCT duties
55.09	Other cotton fabrics	1 800 t)	

2. In July 1973, the Community opened negotiations with Spain with a view to concluding, by 1 January 1974, a new Agreement to replace the 1970 Agreement. However, in view of the present state of these negotiations, it is by no means certain that the Agreement could enter into force on 1 January 1976 but rather on a later date which might well be within the first half of 1976.

3. In view of the foregoing, the Commission believes that the possible necessity should be provided for of opening tariff quotas, for 1976, under the current Agreement, in favour of Spain. Consequently, the relevant tariff quotas should be opened by 1 January 1976 and therefore approved by the Council before 1 December 1975.

to ensure, in view of the possible entry into force of a new Agreement, it is proposed to ensure the continuity of validity of these Community tariff quotas for the year 1976 in the period not-covered by the new Agreement.

This is the object of the proposals annexed hereto.

It is therefore necessary to initiate immediately the procedures for opening the following tariff quotas.

4. The Regulations provide, in the usual way, for the splitting up of the tariff volumes into two parts, of which the first will be allocated among the Member States as quota shares and the second will be kept as a reserve.
5. The allocation of the first part of each quota has been undertaken according to the rules generally applied hitherto. The total imports of each Member State for 1972 to 1974 have been expressed as a proportion of total Community imports over the same period. The resulting percentages have been applied State by State to the volume of the first part, the last digit of the number of metric tons being rounded off.
6. The proposed Regulation on other cotton fabrics provides for a single method of administration, to be applied by all Member States, namely the "as and when" method.

However it is at present impossible to provide for a single method of administration ("as and when" or advance allocation) of the quota for certain petroleum products. The rules governing the market in these products vary from one Member State to another, with the effect that the Member States regard the application of a single method of administration as impossible. In contrast to general practice, therefore, each Member State will be empowered to administer its own share of the quota according to its own rules, while ensuring that all importers of the relevant products have free access to the quota.

7. The Member States' experts who participated in the consultative meeting of the "Economic Tariff Problems" Group (14/18 April 1975) expressed agreement in principle to the scheme for allocation of shares proposed by the Commission in the framework of the regulations annexed.
8. If the case should arise that the negotiations with Spain result in a new Agreement coming into effect on 1 January 1976, the Commission would present new proposals.

Proposal

REGULATION (EEC) No .../75 OF THE COUNCIL

of

opening, allocating and providing for the administration of a Community tariff quota for other woven fabrics of cotton falling within heading No 55.09 of the Common Customs Tariff, originating in Spain
(1976)

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 the Agreement between the European Economic Community and Spain, signed at Luxembourg on 29 June 1970, provides in Article 2 (1), together with Article 4 of Annex I, for the opening by the Community of an annual Community tariff quota of 1 800 metric tons of other woven fabrics of cotton falling within heading No 55.09 of the Common Customs Tariff, originating in Spain; whereas, pursuant to Article 2 of the said Annex, the quota duty is equal to 40% of the Common Customs Tariff duty in respect of the product concerned; whereas the Community tariff quota contains quota duties of 5.2%, 5.6%, 5.6% and 6% for the products falling within subheadings 55.09 A I, A II, B I and B II;

Whereas the Community tariff quota in question should be opened for the year 1976, and whereas, however, because of the possibility of implementing other preferential arrangements as a result of a new Agreement between the European Economic Community and Spain, it is necessary to limit the quota period to the date on which the new Agreement enters into force;

Whereas it is in particular necessary to ensure to all Community importers equal and uninterrupted access

to the abovementioned quota and uninterrupted application of the rate laid down for that quota to all imports of the product concerned into all Member States until the quota has been used up; whereas, having regard to the principles mentioned above, the Community nature of the quota can be respected by allocating the Community tariff quota among the Member States; whereas, to represent as closely as possible the actual trend of the market in the products in question, the allocation should follow proportionately the requirements of the Member States calculated from both statistics of imports from Spain during a representative period and the economic outlook for the tariff period in question;

Whereas, during the last three years for which statistics are available, the corresponding imports by each of the Member States represent the following percentages of the imports into the Community from Spain of the products concerned:

	1972	1973	1974
Germany	6.4	2.4	4.2
Benelux	2.8	9.8	21.8
France	78.0	47.1	67.2
Italy	12.8	40.7	6.8

Whereas, in view of these factors of the foreseeable development of the market for the products in question and in particular of the estimates submitted by certain Member States, initial quota shares may be fixed approximately at the following percentages:

Germany	6
Benelux	6
France	68
Italy	20

Whereas, to take account of future import trends in the various Member States of the product under consideration, the total quota volume should be divided into two tranches, the first being shared among the Member States and the second held as a reserve to cover at a later date the requirements of those Member States having used up their initial share; whereas to give Member State importers some certainty, the first of the Community quota might be fixed at 75% of the quota volume;

Whereas the initial shares of Member States may be used up more or less quickly; whereas, therefore, to avoid disruption of supplies any Member State which has almost used up its initial share must draw a supplementary share from the reserve; whereas this must be done by each Member State as each one of its supplementary shares is almost used up, and as many times as the reserve allows; whereas the initial and supplementary shares must 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 follow the extent

to which the quota volume has been used up and inform the Member States thereof;

Whereas if, at a given date in the quota period, a considerable quantity of the initial share is left over in a Member State, it is essential that each State should return a significant proportion to the reserve to prevent a part of the Community quota from 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 jointly represented by the Benelux Economic Union any measure concerning 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

From 1 January 1976 until the date of entry into force of a new Agreement between the European Economic Community and Spain but not later than 31 December 1976, the Common Customs Tariff duties in respect of the products originating in Spain and listed below shall be partially suspended at the levels indicated for each of them within the limits of a global Community tariff quota of 1 800 metric tons:

CCF heading No	Description	Rate of duty %
55.09	Other woven fabrics of cotton:	
	A. Containing 85% or more by weight of cotton	
	I. Of a width of less than 85 cm	5.2
	II. Other	5.6
	B. Other:	
	I. Of a width of less than 85 cm	5.6
	II. Other	6

Article 2

1. A first tranche amounting to 1 350 metric tons of the Community tariff quota referred to in Article 1 shall be allocated among the Member States; the share which, subject to Article 5, shall be valid until the end of the period specified in Article 1 shall be as follows:

Germany	80 metric tons
Benelux	80 metric tons
France	920 metric tons
Italy	270 metric tons

2. The second tranche, of 450 metric tons, shall constitute the reserve.

Article 3

1. If 90% or more of the initial share of a Member State, as laid down in Article 2 (1), or 90% of that share less the amount returned into the reserve, where the provisions of Article 5 have been applied, has been exhausted, that Member State shall proceed without delay, by notifying the Commission, to draw 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.
2. If, after its initial share has been exhausted, 90% or more of the second share drawn by a Member State has been used, that Member State shall proceed without delay, by notifying the Commission, to draw a third share equal to 7.5% 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 its second share has been exhausted, 90% or more of the third share drawn by a Member State has been used up, that Member State shall in accordance with the same conditions draw a fourth share equal to the third.

This process shall be applied until the reserve is exhausted.

4. Notwithstanding the provisions of paragraphs 1, 2 and 3, the Member States may proceed to draw shares smaller than those fixed in those paragraphs, if there is 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 the end of the period stipulated in Article 1.

Article 5

The Member States shall return to the reserve, not later than 1 October 1976, the unused portion of their initial share which on 15 September 1976, is in excess of 20% of the initial amount. They shall return a larger quantity if there are reasons for considering that such quantity might not be used.

The Member States shall, not later than 1 October 1976, notify the Commission of the total imports of

the products concerned effected up to 15 September 1976 inclusive and charged against the Community quota and, where appropriate, the proportion of their initial share that is being returned to the 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 reserve has been used as soon as it receives the notifications.

The Commission shall, not later than 5 October 1976, notify Member States of the amount in the reserve after the return of shares pursuant to Article 5.

The Commission shall ensure that any drawing which uses up the 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 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 8

Member States shall inform the Commission at regular intervals of imports of the said product actually charged against their shares.

Article 9

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

Article 10

This Regulation shall enter into force on 1 January 1976.

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

Done at Brussels,

For the Council

The President

a supplementary share from the reserve; whereas this must be done by each Member State as each one of its supplementary shares is almost used up, and as many times as the reserve allows; whereas the initial and supplementary shares must 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 follow the extent to which the quota volume has been used up and inform the Member States thereof;

Whereas if, at a given date in the quota period, a considerable quantity of the initial share is left over in a Member State, it is essential that each State should return a significant proportion to the reserve to prevent a part of the Community quota from 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 jointly represented by the Benelux

Economic Union any measure concerning 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

From 1 January 1976 until the date of entry into force of a new Agreement between the European Economic Community and Spain but not later than 31 December 1976 and subject to the measures which might be taken pursuant to Article 3 (2) and (4) of Annex I to the Agreement between the Community and Spain, the Common Customs Tariff duties in respect of the products refined in Spain and listed below shall be suspended partially at the levels indicated for each of them, within the limits of a global Community tariff quota of 1 200 000 metric tons:

CCT heading No	Description	Rate of duty %
27.10	Petroleum oils and oils obtained from bituminous minerals, other than crude; preparations not elsewhere specified or included, containing not less than 70% by weight of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations:	
	A. Light oils:	
	III. For other purposes	2.4
	B. Medium oils:	
	III. For other purposes	2.4
	C. Heavy oils:	
	I. Gas oil:	
	c) For other purposes	1.4
	II. Fuel oil:	
	c) For other purposes	1.4
	III. Lubricating oils; other oils:	
	c) To be mixed in accordance with the terms of Additional Note 7 to this Chapter (a)	1.6
	d) For other purposes	2.4
27.11	Petroleum gases and other gaseous hydrocarbons:	
	B. Other:	
	I. Commercial propane and commercial butane:	
	c) For other purposes	0.6

(a) Entry under this subheading is subject to conditions to be determined by the competent authorities.

Proposal
REGULATION (EEC) No .../75 OF THE COUNCIL

of

opening, allocating and providing for the administration of a Community tariff quota
for certain petroleum products falling within Chapter 27 of the Common Customs
Tariff, refined in Spain
(1976)

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 the Agreement between the European Economic Community and Spain, signed at Luxembourg on 29 June 1970, provides in Article 2 (1), together with Article 3 of Annex I, for the opening by the Community of an annual total Community tariff quota of 1 200 000 metric tons of certain petroleum products falling within Chapter 27 of the Common Customs Tariff, refined in Spain; whereas, pursuant to Article 2 of the said Annex, the quota duty is equal to 40% of the Common Customs Tariff duties effectively applied in this year in respect of the product concerned;

Whereas the Community tariff quota in question should be opened for the year 1976; and whereas, however, because of the possibility of implementing after preferential arrangements as a result of a new Agreement between the European Economic Community and Spain, it is necessary to limit the quota period to the date the new Agreement enters into force.

Whereas it is in particular necessary to ensure to all Community importers equal and uninterrupted access to the abovementioned quota and uninterrupted application of the rate laid down for that quota to all imports of the product concerned into all Member States until the quota has been used up; whereas, having regard to the principles mentioned above, the Community nature of the quota can be respected by allocating the Community tariff quota among the Member States; whereas, to represent as closely as possible the actual development of the market in the products in question, the allocation should follow proportionately the requirement of the Member States calculated from both statistics of imports from Spain during a representative period and the economic outlook for the tariff period in question;

Whereas, during the last three years for which statistics are available, the corresponding imports by each of the Member States represent the following percentages of the imports into the Community from Spain of the products concerned:

	1972	1973	1974
Germany	34.60	49.0	56,0
Benelux	9.10	15.3	27,2
France	8.40	11.2	11,1
Italy	47.90	24.5	5,7

Whereas, in view of these factors of the foreseeable development of the market for the products in question and in particular of the estimates submitted by certain Member States, initial quota shares may be fixed approximately at the following percentages:

Germany	39
Benelux	17
France	11
Italy	33

Whereas, to take account of future import trends in the various Member States of the product under consideration, the total quota volume should be divided into two tranches, the first being shared among the Member States and the second held as a reserve to cover at a later date the requirements of those Member States having used up their initial share; whereas, to give Member State importers some certainty, the first tranche of the Community quota might be fixed at 80% of the quota volume;

Whereas the initial shares of Member States may be used up more or less quickly; whereas, therefore, to avoid disruption of supplies any Member State which has almost used up its initial share must draw

CCT heading No	Description	Rate of duty %
27.12	Petroleum jelly: A. Crude: III. For other purposes B. Other	0.8 2.8
27.13	Paraffin wax, micro-crystalline wax, slack wax, ozokerite, lignite wax, peat wax and other mineral waxes, whether or not coloured: B. Other: I. Crude: c) For other purposes II. Other	0.8 2.4
27.14	Petroleum bitumen, petroleum coke and other residues of petroleum oils or of oils obtained from bituminous minerals: C. Other: II. Other	0.8

Article 2

1. The first tranche, amounting to 1 000 000 metric tons of the Community tariff quota referred to in Article 1, shall be allocated among the Member States; the respective shares which, subject to Article 5, shall be valid until the end of the period stipulated in Article 1 shall consist of the following amounts:

Germany	390 000 metric tons
Benelux	170 000 metric tons
France	110 000 metric tons
Italy	330 000 metric tons

2. The second tranche, amounting to 200 000 metric tons, shall constitute a reserve.

Article 3

1. If 90% or more of a Member State's initial share as specified in Article 2 (1), or of that share minus the portion returned to the reserve where Article 5 is applied, has been used up, that Member State shall without delay, by notifying the Commission, draw a second share equal to 15% of its initial share, rounded up where necessary to the next unit, to the extent permitted by the amount of the reserve.

2. If, after its initial share has been used up, 90% or more of the second share drawn by a Member State has been used up, that Member State shall, by notifying the Commission, draw a third share

equal to 7.5% of its initial share, rounded up to the next unit where necessary, to the extent permitted by the amount of the reserve.

3. If, after its second share has been used up, 90% or more of the third share drawn by a Member State has been used up, that Member State shall in accordance with the same conditions, draw a fourth share equal to the third.

This process shall continue to apply until the reserve is used up.

4. By derogation from paragraphs 1, 2 and 3, the Member States may proceed to draw shares smaller than those fixed therein, if there is 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

Additional shares drawn pursuant to Article 3 shall be valid until the end of the period stipulated in Article 1.

Article 5

The Member States shall return to the reserve, not later than 1 October 1976, the unused portion of their initial share which, on 15 September 1976, is in excess of 20% of the initial amount. They shall return a greater

portion if there are grounds for believing that it may not be used up.

Member States shall, not later than 1 October 1976, notify the Commission of the total quantities of the said goods imported up to and including 15 September 1976 and charged against the appropriate Community tariff quota and any quantities of the initial share 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 it has been notified, inform each State of the extent to which the reserves have been used up.

It shall inform the Member States not later than 5 October 1976 of the amounts still in reserve after amounts have been returned thereto pursuant to Article 5.

It shall ensure that the drawing which uses up a reserve is limited to the balance available and to this end shall specify the amount thereof to the Member State making the last drawing.

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

Done at Brussels,

Article 7

1. Member States shall take all measures necessary to ensure that supplementary shares drawn pursuant to Article 3 are opened in such a way that imports may be charged without interruption against their accumulated shares in the Community tariff quotas.

2. Member States shall ensure that importers of the said goods established in their territory have free access to the shares allocated to them.

3. Member States shall charge imports of the said goods against their shares as and when such goods are entered for home use.

Article 8

Member States shall inform the Commission at regular intervals of imports of the said product actually charged against their shares.

Article 9

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

Article 10

This Regulation shall enter into force on 1 January 1976.

For the Council

The President