### COMMISSION OF THE EUROPEAN COMMUNITIES

COM(89) 453 final

Brussels, 25 September 1989

# Proposal for a COUNCIL REGULATION (EEC)

increasing the volume of the Community tariff quota opened for 1989 for ferro-chromium containing more than 6% by weight of carbon

(presented by the Commission)

#### EXPLANATORY MEMORANDUM

and No 1877/89 of 21 June 1989 (2),

1. Council Regulations(EEC) No 4187/88 of 16 December 1988 popened for the

year 1989 a duty-free Community tariff quota for ferro-chromium

containing more than 6% by weight of carbon. The volume of the tariff

quota was fixed provisionally at 450 000 tonnes.

- 2. The possibility of increasing the quota volume was examined at a meeting of the "Economic Tariff" Groupe held on 19 June 1989. Their discussions revealed that:
  - (a) there is a shortage of ferro-chromium on the world market and this
    is leading to disturbances in traditional supplies, price increases
    and increased openings for Community production;
  - (b) the user industries are still prepared to respect the agreement reached earlier concerning the provision of a satisfactory outlet for Community production;
  - (c) more ferro-chromium is likely to be needed in 1989 than in 1988, although exact figures cannot be given at present;
  - (d) therefore, in accordance with the agreements reached earlier, there is no reason why the expected additional needs between now and the end of the year should not be covered by a zero-duty tariff quota.

<sup>1 0</sup>J No L368 , 31.12.1988 p. 26.

<sup>2</sup> OJ No L 182, 29.6.1989, p. 1.

3. In view of the undertakings previously given, the need to avoid disturbing market equilibrium and the extension of the agreements concluded earlier, the Commission proposes that the quota volume be increased by the amount needed to cover additional needs until the 31.12.1989 , estimated on the basis of the statistics/of imports from non-member countries in the early part of 1989.

/ of the effective use of the quota in 1988 and

This proposal would clearly need to be amended or even withdrawn if it became clear during the Council's discussions that further developments in the situation meant that the undertakings entered into could not be fulfilled in 1989.

## Proposal for COUNCIL REGULATION (EEC)

increasing the volume of the Community tariff quota opened for 1989 for ferro-chromium containing more than 6% by weight of carbon

THE COUNCIL OF THE EUROPEAN COMMUNITIES.

Having regard to the Treaty establishing the European Economic Community, and in particular Article 28 thereof.

Having regard to the proposal from the Commission,

and 1877/89 2
Whereas Council Regulations(EEC) No 4187/88 opened for the year 1989
a zero-duty Community tariff quota for ferro-chromium containing more than 6% by weight of carbon; whereas the quota volume was fixed provisionally at 450 000 tonnes;

Whereas it can be estimated from the economic data now available on consumption, production and imports under other preferential tariff arrangements that immediate Community requirements for imports of this product from non-member countries could during the current year reach levels higher than the volume laid down by abovementioned regulations; whereas, in order not to disturb the equilibrium of the market for this product and to ensure both an outlet for Community production and sufficiently secure supplies for user industries, the quota volume should be increased by a quantity corresponding to the needs of user industries until 31 December 1989 i.e. by 150 000 tonnes;

HAS ADOPTED THIS REGULATION:

Article 1

The volume of the Community tariff quota opened by Regulations (EEC) No 4187/88/for ferro-chromium containing more than 6 % by weight of carbon shall be increased from 450 000 tonnes to 600 000 tonnes.

/and No 1877/89

<sup>1 0</sup>J No L 368, 31.12.1988, p. 26.

<sup>2 0</sup>J No L 182, 29. 6.1989, p. 1.

#### Article 2

Iseventh/
This Regulation shall enter into force on the 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

For the Council The President

#### FICHE FINANCIERE

- 1. Ligne budgétaire concernée : Chap. 12 art.120
- 2. Base juridique : art. 28 du traité
- 3. <u>Intitulé de la mesure tarifaire</u> : Proposition de règlement du Conseil portant augmentation du volume du contingent tarifaire communautaire ouvert pour certaines qualités de ferrochrome
- 4. <u>Objectif</u>: Assurer un approvisionnement satisfaisant des industries utilisatrices communautaires

#### 5. Mode de calcul:

Code NC: 7202 41 90

Volume de l'augmentation :150.000 tonnes

Droits à appliquer : 0 %
Droits applicable : 8 %

#### 6. Perte de recettes :

Valeur d'une tonne : 1 100 écus

Valeur des 150 000 tonnes : 165 000 000 écus

Perte de recettes: 13.200.000 écus

Par rapport au contingent ouvert en 1988 :

	Contingent initial	augmentations	Total
1988	15 624 000 écus	15 840 000 écus 15 840 000 écus	47 304.000 écus
1989	26 400 000 écus	13 200 000 écus 13 200 000 écus	√2800 000 écus

Augmentation des pertes de 5.496.000 écus

#### FICHE D'IMPACT SUR LA COMPETITIVITE ET L'EMPLOI

La présente proposition vise l'augmentation d'un contingent tarifaire communautaire autonome destiné à couvrir, à des conditions favorables, les besoins des industries utilisatrices. Elle aura pour effet de permettre à ces industries de concurrencer celles des pays tiers sur les marchés de la Communauté et des pays tiers et de maintenir ou même d'améliorer l'emploi dans la Communauté.

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## **DOCUMENTS**

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