## COMMISSION OF THE EUROPEAN COMMUNITIES

COM(83) 261 final Brussels, 3 May 1983

# Draft <u>DECISION\_OF\_THE\_ACP-EEC\_CUSTOMS\_COOPERATION\_COMMITTEE</u>

derogating from the definition of the concept of "originating products" to take account of the special situation of Malawi and Kenya with regard to certain items of fishing tackle (fishing flies)

COM(83) 261 final

#### EXPLANATORY NOTE

Since 1st June 1977 Malawi and Kenya have benefitted from a series of derogations from the origin rules laid down in Protocol No. 1 to the second Lomé Convention, for artificial fishing flies classified in heading 97.07 of the Common Customs Tariff. The last derogation, granted to Malawi and Kenya, was for one year coinciding with the first year of application of the Lomé II Convention and expired on 31st December 1981.

Under the aforementioned derogations, these ACP States were allowed to use fishing hooks originating in third countries in the production of fishing flies while still retaining preferential treatment on import into the Community.

Since the date of expiry the ACP States have on several occasions requested a renewal of this derogation, the argument being that Malawi and Kenya had made an effort to obtain hooks originating in the Community but that customers in the EEC often have a preference for non-EEC hooks.

It has become evident that the producers of fishing flies in Malawi and Kenya use hooks from both EEC (United Kingdom and France) as well as from non-EEC sources (in particular Norway). It is claimed that it is impossible to use hooks originating in the Community in all cases as most fishing flies are made to order and the manufacturers in Malawi and Kenya are bound by the specifications concerning the brand name, quality, type and size of the hooks to be used, indicated by their customers in the Community.

In addition it is stated that Community producers are not in a position to supply Malawi and Kenya with all the hooks required to manufacture the many different types of fishing flies.

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### Article 4

This Decision shall enter into force on

It shall apply from 1 May 1983 to 28 February 1985.

Done at Brussels,

The Chairmen

For the Customs Cooperation Committee

Whereas Malawi is one of the least developed ACP States and also a land-locked ACP State; whereas, pursuant to Article 30 of Protocol 1, the examination of a request for a derogation should particularly take into account such elements;

Whereas any deflection of trade should be avoided; whereas this can be achieved by fixing a maximum percentage of non-originating products incorporated in the finished product,

Whereas in these circumstances a temporary derogation from the definition of the concept of originating products should be accorded to Malawi and Kenya,

HAS DECIDED AS FOLLOWS :

### Article 1

Notwithstanding Protocol 1 to the Convention, items of fishing tackle manufactured in Malawi or Kenya, falling within heading No. ex 97.07 of the Common Customs Tariff ('fishing flies') shall be considered as originating in Malawi or Kenya provided that the value of the non-originating fish hooks used for their manufacture and falling within heading No. ex 97.07 of the Common Customs Tariff does not exceed 25% of the value of the finished product.

### Article 2

The competent authorities of the Republic of Malawi and the Republic of Kenya shall forward to the Commission every three months a statement of the quantities in respect of which movement certificates EUR.1 have been issued pursuant to this Decision.

#### Article 3

The ACP States, the Member States and the Community shall be bound, each to the extent to which it is concerned, to take measures necessary to implement this Decision.

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