

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(94) 304 final
Brussels, 12.07.1994

Proposal for a

COUNCIL REGULATION (EC)

amending the arrangements applying to imports
into the Community of certain agricultural products
originating in Cyprus

(presented by the Commission)

Explanatory Memorandum

1. The Agreement establishing an Association between the European Community and the Republic of Cyprus, supplemented by the Protocol laying down the conditions and procedures for implementing the second stage of the Agreement, provides for the opening of a tariff quota for fresh table grapes originating in Cyprus (7 500 t) and for an annual increase in the said quota, which will reach 11 000 tonnes in 1997. The period laid down for importing these products free of customs duties runs from 8 June to 4 August.

Exports to the Community of table grapes originating in Cyprus have covered only between 40% and 70% of the quotas granted in recent years because the grapes had not ripened by the date mentioned. At the request of the Cypriot authorities, an extension to the timetable is proposed which will take account of the way the Community's own production is staggered.

2. The Agreement and Protocol also provide for a tariff quota for concentrated grape juice and musts. This quota, which stood at 3 000 t initially, will reach 4 500 t in 1997, based on an annual increase of 5%.

Actual exports to the Community of these products from Cyprus have amounted to 5 500 t on average in recent years and the Cypriot authorities want the quota to be raised to 7 000 t.

Given the traditional trade flows in these products and the special sensitivity of the sector within the Community, it is proposed to increase the quota for these products by 1 000 tonnes.

3. Imports of prepared (tinned) grapes originating in Cyprus have traditionally formed the largest share of total imports into the Community (more than 70%) and amount to between 5 000 and 6 000 tonnes. Community industry undertakes further processing (fruit salads). Intra-Community trade in prepared grapes is limited (300 - 400 tonnes annually) and Community exports to third countries do not exceed 300 t a year.

The Association Agreement concluded between the European Community and Cyprus does not provide for any concessions as regards prepared grapes. To maintain traditional trade flows and to reduce the significant trade deficit Cyprus has with the Community a Community tariff quota of 3 000 tonnes at zero duty is proposed as an autonomous measure. This will go some way to meeting the request of the Cypriot authorities.

These are the aims of the attached proposal.

Council Regulation (EC) No /94
of 1994
amending the arrangements applying to imports into the Community
of certain agricultural products originating in Cyprus

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 113 thereof,

Having regard to the proposal of the Commission,

Whereas the Agreement establishing an Association between the European Economic Community and the Republic of Cyprus (hereinafter referred to as Cyprus)⁽¹⁾, as supplemented by the Protocol laying down the conditions and procedures for the implementation of the second stage of the Agreement establishing an Association between the European Economic Community and the Republic of Cyprus and adapting certain provisions of the Agreement⁽²⁾, provides for the opening of, and annual increases in, Community tariff quotas for certain agricultural products;

Whereas some of the concessions granted to Cyprus should be increased; whereas imports from Cyprus only partly cover the tariff quota laid down for fresh table grapes because the product has not ripened by the date fixed in the Protocol; whereas Article 1 of Council Regulation (EC) No 298/94 of 7 February 1994 opening and providing for the administration of Community tariff quotas for certain agricultural products originating in Cyprus (1994)⁽³⁾ lays down that the products in question can be imported into the Community free of customs duties between 8 June and 4 August; whereas the timetable should be adjusted to allow Cyprus to benefit fully from this concession;

Whereas for several years now the annual increase in the tariff quota for concentrated grape juice and musts laid down in the Protocol has not been sufficient to cover the actual imports into the Community of these products; whereas Article 1 of Council Regulation (EC) No 298/94 of 7 February 1994 lays down that the products in question may be imported into the Community free of customs duties up to a quota limit of 4 050 tonnes; whereas this quota should therefore be increased by 1 000 tonnes;

Whereas imports of prepared grapes originating in Cyprus do not benefit from preferential treatment pursuant to the Protocol concluded with that country; whereas imports of grapes originating in Cyprus account for more than 70% of total Community imports of this product; whereas, to maintain traditional trade flows and reduce the trade deficit Cyprus has with the Community a zero-duty Community tariff quota should be opened for prepared grapes originating in that country; whereas for administering this quota the provisions laid down by Community legislation for the other tariff quotas should be applied,

(1) OJ No L 133, 21. 5.1973, p. 2.

(2) OJ No L 393, 31.12.1987, p. 2.

(3) OJ No L 40, 11. 2.1994, p. 10.

HAS ADOPTED THIS REGULATION:

Article 1

The tariff quota for fresh table grapes falling within CN codes 08061015 and 08061019 of the Common Customs Tariff laid down in Article 18(2) of the Protocol laying down the conditions and procedures for the implementation of the second stage of the Agreement establishing an Association between the European Economic Community and the Republic of Cyprus shall apply from 8 June to 10 August.

Article 2

The tariff quota for grape juice and musts falling within CN codes 20096051, 20096071, ex 20096090 and ex 22043091 of the Common Customs Tariff laid down in Article 19(5) of the Protocol laying down the conditions and procedures for the implementation of the second stage of the Agreement establishing an Association between the European Economic Community and the Republic of Cyprus is hereby increased by 1 000 tonnes.

Article 3

1. A total annual Community tariff quota of 3 000 tonnes is hereby opened in respect of prepared grapes originating in Cyprus and falling within CN codes 20089943 and 20089953.
2. The annual quantity referred to in the preceding paragraph shall be adjusted proportionally for 1994.
3. Articles 2, 3 and 4 of Council Regulation (EC) No 298/94 shall apply.

Article 4

This Regulation shall enter into force on the day of 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

Financial Statement

Date : [REDACTED]

1. BUDGET HEADING : 1000

Appropriations: ECU 1 023.4 million

2. TITLE :

Draft Council Regulation amending the arrangements applying to imports into the Union of certain agricultural products originating in Cyprus

3. LEGAL BASIS : Article 113 of the Treaty

4. AIMS

To increase the Community tariff quotas for certain agricultural products

5. FINANCIAL IMPLICATIONS

PERIOD OF 12 MONTHS

CURRENT FINANCIAL YEAR
(1994)

FOLLOWING FINANCIAL YEAR
(1995)

5.0 EXPENDITURE

- CHARGED TO THE EC BUDGET
(REFUNDS/INTERVENTIONS)

- NATIONAL AUTHORITIES

- OTHER

5.1 REVENUE

- OWN RESOURCES OF THE EC
(LEVIES/CUSTOMS DUTIES)

- NATIONAL

1996

1997

1988

1999

5.0.1 EXPENDITURE FORECAST

5.0.2 REVENUE FORECAST

5.2 METHOD OF CALCULATION

Loss of revenue

- Table grapes

Zero duty

- Juice and musts

1 000 t x 590 ECU/t x 28% x 1.207 (DR) = 0.2

Seedless grapes

3 000 t x 750 ECU/t x 22% x 1.207 (DR) = 0.6

ECU — 0.8 million (B)

6.0 CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET ?

YES

6.1 CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET ?

YES

6.2 WILL A SUPPLEMENTARY BUDGET BE NECESSARY ?

XXXXX

6.3 WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY ?

YES

COMMENTS :

5

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DOCUMENTS

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