

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(94) 499 final
Brussels, 18.11.1994

Proposal for a

COUNCIL REGULATION (EC)

**amending Regulation (EC) No 3610/93 relating to the continuing of the import
of New Zealand butter into the United Kingdom on special terms**

(presented by the Commission)

EXPLANATORY MEMORANDUM

1. Council Regulation (EC) No. 3610/93 of 22 December 1993, relating to the continued import of New Zealand butter into the United Kingdom on special terms, was adopted following the submission by the Commission firstly, of its report on the functioning of these arrangements and secondly, of its proposal on access for the period 1 January to 31 December 1994 both contained in Com (93) 639 final dated 1 December 1993. Taking into account the report and the state of the negotiations in the context of the Uruguay Round, the Council agreed to maintain for 1994 the same volume and reduced levy as in 1993.
2. Article 2(3) of Regulation (EC) No. 3610/93 provides that before 1 October 1994 the Council acting unanimously on a proposal from the Commission, accompanied by a report, shall take a decision on the maintenance of the exceptional arrangements from 1 January 1995. During the period between the submission of the Commission's proposal in Com (93) 639 and its adoption by the Council, agreement was reached on the Uruguay Round of multilateral trade negotiations which included agreement on access for New Zealand butter to the European Union from 1995. However, tariffication for this product will only enter into force with effect from the beginning of the 1995/96 marketing year i.e. on 1 July 1995 thereby necessitating the extension of the existing New Zealand butter arrangements in order to avoid a rupture in this trade.
3. There are no new significant elements to report to the Council on the functioning of these arrangements beyond those outlined in the report in Com (93) 639. It is expected that the full volume provided for in Regulation (EC) No. 3610/93 will be imported in 1994 without disrupting the UK market. Imports under this regime since 1973 are summarized in the attached annex.
4. The Council is urged to adopt the attached proposal to amend Council Regulation (EC) 3610/93 to enable the continuation of the import of New Zealand butter into the United Kingdom in the period 1 January to 30 June 1995.

Annex

**QUANTITIES OF NEW ZEALAND BUTTER ELIGIBLE
UNDER PROTOCOL N° 18 AND VARIOUS IMPLEMENTING
REGULATIONS AND THE QUANTITIES ACTUALLY IMPORTED (1)
INTO THE UNITED KINGDOM OVER 22 YEARS**

<u>Year</u>	<u>QUANTITY</u>			<u>CHANGE COMPARED TO PREVIOUS YEARS</u>	
	<u>Quota (tonnes)</u>	<u>Imported (tonnes)</u>	<u>of which under IPAs(2)</u>	<u>Quota (tonnes)</u>	<u>Imports (tonnes)</u>
1973	165 811	131 957	n.a.		
1974	158 902	131 805	n.a.	6 909	- 151
1975	151 994	123 460	n.a.	6 908	- 8 345
1976	145 085	122 626	n.a.	6 909	834
1977	138 176	116 973	n.a.	6 909	- 5 653
1978	125 000	122 003	7	13 176	+ 5 030
1979	120 000	115 789	23	5 000	- 6 214
1980	95 000	100 495	33	25 000	- 15 294
1981	94 000	101 912	410	1 000	+ 1 417
1982	92 000	87 847	279	2 000	- 14 065
1983	87 000	91 206	2 555	5 000	+ 3 349
1984	83 000	85 145	1 442	2 000	- 6 061
1985	81 000	77 439	6	2 000	- 7 706
1986	79 000	82 576	-	2 000	+ 5 137
1987	76 500	76 508	-	2 500	- 6 518
1988	74 500	73 647	-	2 000	- 2 861
1989	64 500	61 778	-	10 000	- 11 869
1990	61 340	62 148	17	3 160	+ 370
1991	58 170	57 819	-	3 170	- 4 329
1992	55 000	45 740	-	3 170	- 12 079
1993	51 830	57 483	n.a.	3 170	+ 11 743
1994	51 830	n.a.	-	0	n.a.

(1) In the early years the import allowance was not fully utilized partly due to a shortage of supply and partly because New Zealand wanted to maintain outlets other than the United Kingdom.

(2) IPA : Inward Processing Arrangements; n.a. = not available.

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of

amending Regulation (EC) No 3610/93 relating to the continuing of the import
of New Zealand butter into the United Kingdom on special terms

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Act of Accession of Denmark, Ireland and the United Kingdom, and in particular Articles 5(2) of the Protocol 18 thereto,

Having regard to the proposal from the Commission,

Whereas Regulation (EC) No 3610/93⁽¹⁾ authorized the United Kingdom to import certain quantities of New Zealand butter on special terms during calendar year 1994.

Whereas the agreement on agriculture concluded in the Uruguay Round of the GATT provides for continued access for New Zealand butter to the European Union; Whereas, since certain changes to the arrangements under the said agreement for this product will not enter into force until the beginning of the 1995/96 marketing year on 1 July 1995, it is opportune to extend the existing arrangements for the access of New Zealand butter on special terms for the period 1 January to 30 June 1995.

Whereas the exceptional arrangements should continue in order to enable uninterrupted imports from New Zealand,

HAS ADOPTED THIS REGULATION:

(1) OJ No L 328, 29.12.1993 p.5

Article 1

Regulation (EC) No 3610/93 is hereby amended as follows:

1. Article 2(1) is replaced by the following:

'1. These arrangements shall apply during the period 1 January 1994 to 30 June 1995.

The quantities which may be imported shall be as follows:

- 51 830 tonnes in 1994,
- 25 915 tonnes for the period 1 January 1995 to 30 June 1995."

2. Article 2(3) is deleted.

Article 2

This Regulation shall enter into force on the third 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

FINANCIAL STATEMENT

Date: [REDACTED]

1. BUDGET HEADING: Chapter B1-20

APPROPRIATIONS:
(LA 94) ECU 4 244 million

2. TITLE:
Draft Council Regulation relating to the continued import of New Zealand butter on special terms.

3. LEGAL BASIS:
Article 5 of Protocol 18 to the 1972 Act of Accession.

4. AIMS:
To permit the import of certain quantities of New Zealand butter between 1 January 1995 and 30 June 1995 on special terms, particularly as regards the levy.

5. FINANCIAL IMPLICATIONS:	PERIOD OF 12 MONTHS	CURRENT FINANCIAL YEAR (94)	FOLLOWING FINANCIAL YEAR (95)	
5.0. EXPENDITURE - CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTION) - NATIONAL AUTHORITIES - OTHER		-	+ ECU 49 million	
5.1. REVENUE - OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES) - NATIONAL		-	+ ECU 10 million	
	1996	1997	1998	1999
5.0.1. ESTIMATED EXPENDITURE	-	-	-	-
5.1.1. ESTIMATED REVENUE	-	-	-	-

5.2. METHOD OF CALCULATION:

See Annex

6.0. CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET? YES/NO

6.1. CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET? YES/NO

6.2. WILL A SUPPLEMENTARY BUDGET BE NECESSARY? YES/NO

6.3. WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY? YES/NO

OBSERVATIONS

It has already been assumed in the draft budget for 1995 that 51 830 tonnes of New Zealand butter will be imported on special terms during the 12-month period concerned (i.e. 25 915 tonnes over six months). (See comments on page III/335 of the 1995 draft budget, Vol. 4).



ANNEX

1. The calculations are based on the following hypotheses:
 - (a) The proposed Regulation extends the agreements with New Zealand for the period 1 January 1995 to 30 June 1995.
 - (b) If the normal levy were applied, there would be no imports of New Zealand butter.
 - (c) If the reduced levy is applied, the quantities imported will be the quantity laid down; there will be receipts from the levy but, given the surpluses on the market, an equal quantity of Community butter will have to be exported.
 - (d) The special levy is ECU 328.10/tonne and the export refund ECU 1 580/tonne.
2. Calculation of receipts from the levy:
1995 (6 months): 25 915 t x ECU 328.1/t x 1.207 (DR) = + ECU 10.3 million (B)
3. Calculation of the cost of exporting equal quantities of Community butter:
1995 (6 months): 25 915 t x ECU 1.580/t x 1.207 (DR) = + ECU 49.4 million (B)

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7