COMMISSION OF THE EUROPEAN COMMUNITIES



Brussels, 24.07.1996 COM(96)378 final

Proposal for a

COUNCIL REGULATION (EC)

opening and providing for the administration of Community tariff quota for certain industrial products

(presented by the Commission)



EXPLANATORY MEMORANDUM

- 1. Subsequent to requests made by various Member States, the Services of the Commission have examined, in conjunction with the Government experts concerned, the question of opening for the rest of 1996 tariff quotas for polyethylene terephthalate film and for hard disk drive.
- 2. Following this examination, which took place during the "Economic Tariff Questions" group meetings, it has been determined that the increase of tariff quotas for this product could have the Agreement of the Member States without disturbing the markets for such products.

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THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to the proposal from the Commission,

Whereas production in the community of certain industrial products will remain in the course of 1996 unable to meet the specific requirements of the user industries in the Community; whereas, consequently, Community supplies of products of this type will depend to a considerable extent on imports from third countries; whereas the most urgent Community requirements for the products in question should be met immediately on the most favourable terms;

Whereas by Regulation (EC)n°3059/95¹, as amended by Regulation (EC) No1253/96², the Council opened, for 1996 Community tariff quotas for certain industrial products; whereas the volume of the quota should be opened from the date of entry intro force of this regulation within the limits of appropriate volumes taking into account of the need not to disturb the markets for such products nor the starting out or development of Community production;

Whereas it is necessary, in particular, to ensure for all Community importers equal and uninterrupted access to the said quotas and to ensure the uninterrupted application of the rates laid down for the quotas to all imports of the products concerned into all Member States until the quotas have been used up;

Whereas the decision for the opening of autonomous tariff quotas should be taken by the Community; whereas, to ensure the efficiency of a common administration of these quotas, there is no reasonable obstacle to authorising the Member States to draw from the quotavolumes the necessary quantities corresponding to actual imports; whereas, however, this method of administration requires close cooperation between the Member States and the Commission and the latter must in particular be able to monitor the rate at which the quotas are used up and inform the Member States accordingly;

HAS ADOPTED THIS REGULATION:

Article 1

From the date of entry into force of this regulation until 31 December 1996, the customs duties

¹ O.J. n° L 326, 30.12.1995, p 19.

² O.J. n° L 161, 29.6.1996, p 144.

Article 2

The tariff quotas referred to in Article 1 shall be managed by the Commission, which may take all appropriate administrative measures in order to ensure effective administration thereof.

Article 3

If an importer presents in a Member State an entry for release for free circulation, including a request for preferential benefit for a product covered by this Regulation and if this entry for release is accepted by the customs authorities, the Member States concerned shall inform the Commission and draw an amount corresponding to its requirements from the corresponding quota amount.

The drawing request, with indication of the date of acceptance of the said entries, must be transmitted to the Commission without delay.

The drawings are granted by the Commission by reference to the date of acceptance of the entries for release for free circulation by the customs authorities of the Member States concerned to the extent that the available balance so permits.

If a Member State does not use the quantities drawn it shall return them as soon as possible to the corresponding quota amount.

If the quantities requested are greater than the available balance of the quota amount, allocation shall be made on a *pro rata* basis with respect to the requests. Member States shall be informed by the Commission of the drawings made.

Article 4

Each Member State shall ensure that importers of the products concerned have equal and uninterrupted access to the quotas for such time as the residual balance of the quota volumes so permits.

Articles 5

The Member States and the Commission shall cooperate closely to ensure that this Regulation is complied with.

Article 6

This Regulation shall enter into force on the 7th 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

ANNEX

Order Number	CN Code	Taric Code	Description	Amount of Quota	Quota Duty (%)
09.2940	ex 3920 62 10	85	Polyethylene terephthalate film, 9 micrometers thick (+/- 0.3 micrometres) for the manufacture of products falling within subheading 8523 (a)	25 0 T	0
09.2941	ex 8471 70 53	60	Hard disk drive of the 3.5 or 5.25 inch type, with a storage capacity, formatted, not exceeding 18 gigabytes, for use in the manufacture of other products falling within subheading 8471 (a)	5.330.00 0 unit	0

(a) Control of the use for this special purpose shall be carried out pursuant to the relevant Community provisions.

FINANCIAL RECORD

1. Budget line concerned: Chap. 12 Art. 120

2. <u>Legal basis</u>: Art. 28 of the Treaty

- 3. <u>Title of the tariff measure concerned</u>: Proposal for a Council Regulation opening and providing for the administration of Community tariff quota for certain industrial products.
- 4. <u>Objective</u>: To ensure an adequate supply for Community processing-industries.
- 5. Method of calculation:

Description	Variation on Quantities (Unit/tonne)	Variation of the estimate price (Ecus/unit)	Variation on normal Duty rate	Variation on Quota duty (%)	Assessed variation on Duty loss against the preceding Quota period (Ecus)
Polyethylene terphthalate	0 (initial volume: 250 T)	0 (initial price: 1 875 000	0 initial duty :11.1%	0	208 125
Hard disk drive	(initial volume : 5 330 000 Unit	0 (initial price - estimated average 300/Unit	0 initial duty: 1.6%	0	25 584 000

Total loss of duty against the preceding Quota period: 25 792 125 Ecu

<u>Fight against fraude</u>: The provisions concerning the management of tariff quotas stipulate the necessary measures to assure prevention and protection against fraude and irregularities.

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