

COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 25.11.1997 COM(97) 617 final

97/0325 (ACC)

Proposal for a

COUNCIL REGULATION (EC)

opening and providing for the administration of Community tariff quotas for certain fishery products originating in Ceuta

(presented by the Commission)



EXPLANATORY MEMORANDUM

- 1. Article 3(2) of Protocol 2 to the Act of Accession of Spain and Portugal stipulates that certain fishery products originating in Ceuta and Melilla shall qualify for exemption from customs duties when imported into the Community. This Article goes on to specify that exemption shall be granted within the limits of Community tariff quotas calculated by product and on the average quantities actually disposed of during 1982, 1983 and 1984 in that part of Spain which is included in the customs territory of the Community or exported to the Community as constituted in 1985.
- 2. The Spanish administration has asked the Commission by letter dated 2 June 1997 to open tariff quotas for live fry and juveniles of sea bream and bass (CN code ex 0301 99 90), sea bass (CN code 0302 69 95) and sea bream (CN code 0302 69 94), originating in Ceuta.

The Spanish authorities backed their request with social and economic arguments on Ceuta, showing the constraints under which Ceuta's economy is operating and the difficulties faced by the local fishing industry.

3. In the past some fishery products originating in Ceuta enjoyed the benefit of tariff quotas when imported into the Community. Later, exports to the Community fell as a result of a reduction in the volume of fishery catches. The use of these quotas then became negligible and they were not extended after 1992.

Live fry and juveniles of sea bream and bass, sea bream and sea bass, are covered by Article 3 of Protocol 2, but have not been able to enjoy the benefit of the quotas in question because aquaculture is a new activity in Ceuta.

4. A Community tariff quota was opened for 1995 by Council Regulation (EC) No 1326/95 for products of CN code ex 0301 99 90.

For 1996 and 1997, the Council opened tariff quotas for products of CN codes ex 0301 99 90, 0302 69 94 and 0302 69 95.

Fresh tariff quotas for these products for 1998 and thereafter are justified because the economic situation in Ceuta requires the adoption of preferential measures to facilitate its exports to the Community. Also, some non-member countries, in particular the Maghreb countries, are granted preferential tariff treatment by the Community for products of the same CN codes. This warrants the adoption by the Community of similar tariff measures for Ceuta.

The quota period will run from 1 January to 31 December each year. No unused part of the quota may be carried over to the next quota period.

The annual quota volumes are as follows:

fry and juveniles of sea bass and sea bream 3 000 000 units sea bass and sea bream 100 tonnes

These volumes have been calculated on the basis of estimated production of these products, according to information received by the Spanish authorities.

5. These annual Community tariff quotas should therefore be opened.

Such is the purpose of the attached proposal.

Proposal for a Council Regulation (EC) No .../...

of

opening and providing for the administration of Community tariff quotas for certain fishery products originating in Ceuta

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 from the Commission,

Whereas, by virtue of Article 3(2) of Protocol 2 to the Act of Accession of Spain and Portugal, certain fishery products originating in Ceuta and Melilla are eligible, as of 1 January 1993, for exemption from customs duties in the customs territory of the Community; whereas that exemption is granted within the limit of tariff quotas calculated by product with reference to the average quantities actually disposed of during 1982, 1983 and 1984 in that part of Spain which is included in the customs territory of the Community or exported to the Community as constituted in 1985;

Whereas the products originating in Ceuta which have enjoyed the benefit of the tariff arrangements set up by Protocol 2 are no longer exported to the Community because of a decrease in volume of fish catches put on to the market; whereas the tariff quotas opened for Ceuta were not extended beyond 31.12.1992 on this account; whereas live fry and juveniles of sea bream and bass, sea bream and sea bass, henceforth replace these products in trade with the Community;

Whereas Ceuta's location as an enclave on the African continent poses specific problems; whereas the lack of both agriculture and industry leaves fishing as Ceuta's primary industry; whereas since the crisis is occurring in that sector, aquaculture has the potential to offer Ceuta's economic operators an alternative source of income to sea fishing;

Whereas the positive role played in the past by the system of preferential tariff treatment in granting access to the Community markets for certain fishery products originating in Ceuta justifies continuation of such treatment alongside other forms of Community action, in particular assistance from the Community structural funds for Objective 1 regions, of which Ceuta is one;

Whereas the preferential tariff treatment granted to fishery products derived from aquaculture in Ceuta should therefore play a greater part in fostering the development of the region;

Whereas the Community accords some non-member countries, in particular the Maghreb countries, preferential tariff treatment in the form of exemption from customs duties for products of CN codes ex 0301 99 90, 0302 69 94 and 0302 69 95; whereas steps should be taken to ensure that the tariff treatment of such products originating in Ceuta and imported into the Community is comparable to that accorded to these non-member countries; whereas the tariff arrangements applied to Ceuta need to be adjusted accordingly;

Whereas by Regulation (EC) No 1326/95,¹ the Council opened a Community tariff quota (09.0321) for 1995 for live fry and juveniles of sea bream and bass originating in Ceuta; whereas, by Regulation (EC) No 1822/96,² the Council opened new zero-duty Community tariff quotas for 1996-97 for live fry and juveniles of sea bream and bass, sea bream and sea brass, originating in Ceuta (order nos 09.0321 and 09.0322);

OJ No L 128, 13.6.1995, p. 6.

² OJ No L 241, 21.9.1996, p. 10.

Whereas the Kingdom of Spain has asked that the Commission open the quotas referred to in Regulation (EC) No 1822/96 for 1998 and thereafter;

Whereas zero-duty Community tariff quotas should therefore be opened for the products in question and the volumes fixed on the basis of annual production at 3 million individual fish (fry and juveniles of sea bream and sea bass) and 100 tonnes (sea bream and sea bass); whereas the quota period must run from 1 January to 31 December each year; whereas application of the quota duty is subject to compliance with the rules laid down for the common organisation of the markets;

Whereas Commission Regulation (EC) No 1427/97³ amending Regulation (EEC) No 2454/93⁴ laying down provisions for the implementation of the Community Customs Code sets out rules for the management of tariff quotas designed to be used following the chronological order of dates of acceptance of declarations;

Whereas eligibility for the tariff quotas introduced by this Regulation is subject to the definition of preferential origin specified in Article 27 of Regulation (EEC) No 2913/92,5

HAS ADOPTED THIS REGULATION:

Article 1

The customs duties applicable on importation into the Community of the products in question, originating in Ceuta, shall be suspended at the level and within the limits of the annual Community tariff quotas shown below:

Order No	NC Code	Taric Sub- division	Description	Amount of quota	Quota duty (in %)
09.0321	ex 0301 99 90	* 20	Live fry and juveniles of sea bream (Sparus aurata) and bass (Dicentrarchus labrax)	3 000 000 units	Free
09.0322	0302 69 94 0302 69 95		Sea bass (Dicentrarchus labrax), gilt- headed sea bream (Sparus aurata), fresh or chilled	100 tonnes	Free

³ OJ No L 196, 24.7.1997, p. 31.

⁴ OJ No L 253, 11.10.1993, p. 1.

⁵ OJ No L 302, 19.10.1992, p. 1.

Article 2

The products' originating status shall be proven in accordance with Article 6 of Council Regulation (EEC) No 1135/88.6

Article 3

The tariff quota referred to in Article 1 shall be administered by the Commission, pursuant to Articles 308a to 308c of Regulation (EEC) No 2454/93, which may take all appropriate measures to ensure efficient administration thereof.

Article 4

This Regulation shall enter into force on the seventh day following that of its publication in the Official Journal of the European Communities.

It shall apply from 1 January 1998.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at, ...

For the Council The President

⁶ OJ No L 114, 2.5.1988, p. 1.

FINANCIAL STATEMENT

- 1. <u>Budget heading involved</u>: Chapter 12, Article 120
- 2. <u>Legal basis</u>: Article 113 of the Treaty.
- 3. <u>Title of tariff measure</u>: Proposal for a Council Regulation (EC) opening and providing for the administration of Community tariff quotas for certain fishery products originating in Ceuta.
- 4. <u>Aim</u>: To promote Ceuta's economic development
- 5. Method of calculation:

Description of products	Variation in quota volume	Variation in estimated price (ECU/unit)	Variation in normal duty (%)	Variation in quota duty (%)	Expected variation in the loss of revenue in relation to the previous quota period (in ECU)	Loss of revenues for the period from 1.1.98-31.12.98 (in ECU)
Fry and juveniles of sea bass and sea bream	500 000 (previous vol.: 2 500 000 units)	-0.036 (previous price: 0.31)	0 (previous duty: 16)	0	21 920 (previous loss: 124 000)	131 520
Sea bass and sea bream	100 T	-1003 (previous price: 4 650)	0 (previous duty: 15)	0	-15.045 (previous loss: 69 750)	54 705

6. Loss of revenue

The expected variation in the loss of revenue in relation to the previous quota period amounts to ECU 6 875 for each quota period.

The loss of revenues for the period from 1.1.1998 to 31.12.1998 amounts to 186 225 ECU.

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DOCUMENTS

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