

COMMISSION OF THE EUROPEAN COMMUNITIES

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95/0019 (ACC)

Proposal for a
COUNCIL REGULATION (EC)

95/0019 (ACC)

modifying Regulation (EEC) No 1968/93 opening and providing for the administration of tariff quotas in respect of certain EEC steel products originating in the Czech Republic and the Slovak Republic imported into the Community (1 June 1993 to 31 December 1995)

Draft

DECISION No 2/94 OF THE EC-CZECH REPUBLIC JOINT COMMITTEE

concerning modifications to Decision 1/93 of the EC-Czech Republic and Slovak Republic Joint Committee of 28 May 1993 concerning the export of certain steel products from the Czech Republic to the Community

- Draft common position of the Community -

Draft

DECISION No 3/94 OF THE EC-SLOVAK REPUBLIC JOINT COMMITTEE

concerning modifications to Decision 1/93 of the EC-Czech Republic and Slovak Republic Joint Committee of 28 May 1993 concerning the export of certain steel products from the Slovak Republic to the Community

- Draft common position of the Community -

(presented by the Commission)

EXPLANATORY MEMORANDUM

1. By Decisions No 1/93(C)¹ and 1/93(S)² of the EC-Czech Republic and Slovak Republic Joint Committee of 28 May 1993 a system of tariff quotas was agreed between the Community and the Czech Republic and the Slovak Republic concerning the export of certain steel products to the Community.
2. In its Communication to the Council of 21 October 1994 on Community steel restructuring³, the Commission recommended, *inter alia*, that the tariff quotas applicable to imports from the Czech and Slovak Republics should not be maintained in 1995. At the Council session on 8 November 1994 there was, however, no unanimity for the removal of tariff quotas. In these circumstances, it is necessary to maintain the tariff quotas for 1995 and to amend them to take account, in particular, of the accession of the new Member States. In addition, the attached draft Decisions take account of Germany's request to prolong the transitional measures, i.e. the suspension of tariffs applying to certain products in respect of imports into the territory of the new German Bundesländer for the year 1995.
3. The EC-Czech Republic and EC-Slovak Republic Joint Committees have agreed these amendments, which are recorded in the initialed Joint Committee Decisions No 2/94(C) and 3/94(S) which must be formally signed by the respective parties.
4. The EC customs legislation implementing the Joint Decisions must be amended accordingly.

¹OJ N° L 157, 29.6.1993, p.67

²OJ N° L 157, 29.6.1993, p.59

³COM(94)466/2

modifying Regulation (EEC) N° 1968/93 opening and providing for the administration of tariff quotas in respect of certain EEC steel products originating in the Czech Republic and the Slovak Republic imported into the Community (1 June 1993 to 31 December 1995)

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to the proposal from the Commission,

Whereas a tariff quota system was established by Decisions N° 1/93 (C)¹ and N° 1/93 (S)² of the EC-Czech Republic and Slovak Republic Joint Committee referred to in Article 37 of the Interim Agreement on trade and trade-related matters between the European Economic Community and the European Coal and Steel Community, of the one part, and the Czech and Slovak Federal Republic, of the other part, ('the Interim Agreement'), signed in Brussels on 16 December 1991³;

Whereas, following the dissolution of the Czech and Slovak Federal Republic on 31 December 1992, the Czech Republic and the Slovak Republic assumed all the obligations deriving from the Interim Agreement; whereas this has resulted in the creation of an EC-Czech Republic Joint Committee and an EC-Slovak Republic Joint Committee;

Whereas certain amendments were made by Decisions N° 1/94 and 2/94 of the EC-Czech Republic Joint Committee and Decisions N° 1/94, 2/94 and 3/94 of the EC-Slovak Republic Joint Committee;

Whereas arrangements for the implementation of the above mentioned tariff quota system were laid down by Regulation (EEC) N° 1968/93⁴ and modified by Regulation (EC) N° 2245/94⁵; whereas, following the annual review, it is necessary to further modify Regulation (EEC) N° 1968/93 in order to take account in particular of the accession of new Member States to the EC;

Whereas following the exclusion of certain measures under the common commercial policy from the transitional arrangements in favour of the new German *Bundesländer* by Regulation (EC) N° 665/94⁶ it is appropriate to suspend tariffs in respect of certain products covered by Decisions N° 1/93 (C) and 1/94 (C) and N° 1/93 (S), N° 1/94 (S), 2/94 (S) and 3/94 (S) for imports to the territory of the new *Bundesländer* of the German Federal Republic for the year 1995 and the Czech and Slovak Republics have been informed of this,

¹ OJ N° L 157, 29.6.1993, p. 67.

² OJ N° L 157, 29.6.1993, p. 59.

³ OJ N° L 115, 30.4.1992, p. 2.

⁴ OJ N° L 180, 23.7.1993, p. 1.

⁵ OJ N° L 241, 16.9.1994, p. 17.

⁶ OJ N° L 83, 26.3.1994, p. 1.

HAS ADOPTED THIS REGULATION :

Article 1

The limits established under Article 1 of Regulation (EEC) N° 1968/93 for imports into the Community from 1 January to 31 December 1995 from the Czech Republic of the products identified by the CN codes set out in the table therein shall be amended as follows :

	For 1995	(in tonnes)
Seamless tubes	77 774	(increased by 19 702)
Welded tubes	94 601	(increased by 24 601)

The limits established under Article 2 of Regulation (EEC) N° 1968/93 for imports into the Community from 1 January to 31 December 1995 from the Slovak Republic of the products identified by the CN codes set out in the table contained therein shall be amended as follows :

	For 1995	(in tonnes)
Seamless tubes	36 024	(increased by 9 096)

Article 2

1. From 1 January to 31 December 1995 the duties applied to the products set out in the following table originating in the Czech Republic shall be suspended up to the maximum volumes as set out in the said table :

CN code	Description	Volume (tonnes)
ex 7306	Welded tubes (under 406,4 mm)	9 000

2. Paragraph 1 shall apply only if :

- the goods in question are released for free circulation on the territory of the former German Democratic Republic and are consumed there or undergo processing conferring Community origin there, and
- a licence issued by the relevant German authorities stating that the goods in question fall within the scope of the provisions contained in paragraph 1 is submitted in support of the declaration for release for free circulation.

3. The Commission and the competent German authorities shall take whatever measures are needed to ensure that the final consumption of the products in question, or the processing by which they acquire Community origin, takes place on the territory of the former German Democratic Republic.

Article 3

1. From 1 January to 31 December 1995 the duties applied to the products set out in the following table originating in the Slovak Republic shall be suspended up to the maximum volumes as set out in the said table :

CN code	Description	Volume (tonnes)
7304	Seamless tubes	5 000

2. Paragraph 1 shall apply only if :

- the goods in question are released for free circulation on the territory of the former German Democratic Republic and are consumed there or undergo processing conferring Community origin there, and
- a licence issued by the relevant German authorities stating that the goods in question fall within the scope of the provisions contained in paragraph 1 is submitted in support of the declaration for release for free circulation.

3. The Commission and the competent German authorities shall take whatever measures are needed to ensure that the final consumption of the products in question, or the processing by which they acquire Community origin, takes place on the territory of the former German Democratic Republic.

Article 4

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

It shall apply with effect from 1 January 1995.

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

Done at Brussels,.....

For the Council

DECISION No 2/94 OF THE EC-CZECH REPUBLIC JOINT COMMITTEE

concerning modifications to Decision 1/93 of the EC-Czech Republic and Slovak Republic Joint Committee of 28 May 1993 concerning the export of certain steel products from the Czech Republic to the Community

THE JOINT COMMITTEE,

Whereas by Decision N° 1/93 of the EC-Czech Republic and Slovak Republic Joint Committee of 28 May 1993, the Parties agreed on the introduction of a tariff quota system concerning the export of certain products from the Czech Republic to the Community ;

Whereas Article 1 paragraph 1 of that Decision established tariff quotas for certain ECSC and EC products;

Whereas, following the annual review , it is necessary to amend the quotas applicable for the period 1 January to 31 December 1995 to take account in particular of the accession of new Member States to the EC;

Whereas following consultations in the framework of the Joint Committee the Parties consider that Decision N° 1/93 should, therefore, be amended,

HAS DECIDED AS FOLLOWS :

Article 1

The limits established under Article 1 paragraph 1 of Decision N° 1/93 for imports into the Community from the Czech Republic effected between 1 January and 31 December 1995 of the products set out in the table therein shall be amended as follows :

	For 1995	(in tonnes)
Cold-rolled sheet	29 452	(increased by 5 152)
Wire rod	269 820	(increased by 27 820)
Hot-rolled strip and hoop	6 600	(increased by 1 800)
Seamless tubes	77 774	(increased by 19 702)
Welded tubes (under 406,4 mm)	94 601	(increased by 24 601)

Article 2

From the date of entry into force of this Decision imports into the Community of quarto plates produced by a reversible rolling mill process falling within the CN codes set out in the following table shall be subject to the duties applicable under the Interim Agreement and, in addition, to the further rates of duty, in percentage of their customs value, as set out in that table.

The duties applicable to imports of quarto plates produced by reversible rolling mill process which are :

- within the limits of the quotas set out in the table, and
- accompanied by both a movement certificate EUR 1 and a licence issued by the Czech authorities set out in the form set out in Annex I to Decision N° 1970/93/ECSC,

shall be those of the Interim Agreement without the additional rates of duty set out in the following table :

Order N°	CN codes	Description	Volume of quota (tonnes)	Rate of additional duty
09 5065	7208 33 99 7208 43 99 7208 45 10	Quarto plates produced by a reversible rolling mill process	16 000	25 %

Article 3

This Decision shall be binding on both the Community and the Czech Republic which shall take the measures necessary to implement it.

This Decision shall enter into force on the date of signature.

Done at on

For the Community

For the Czech Republic

DECLARATION

In the context of Decision N° 1/93 (C) of the EC/Czech Republic and Slovak Republic Joint Committee of 28 May 1993 concerning trade problems in respect of certain steel products the parties agreed that the Czech Republic would use its best endeavours to prevent sudden and prejudicial changes in trade flows resulting in regional concentrations in imports to the Community and to ensure an even rate of delivery of such exports.

In the context of Decision N° 2/94 of the EC/Czech Republic Joint Committee of concerning modifications to Decision N° 1/93 (C) the parties agreed to increase the limits of the said tariff quotas to take account of the accession of new Member States.

The Czech Republic declares that based on traditional trade flows and the assessment by the new Member States of demand in 1995 for the products covered by Decision N° 1/93 (C) (which respective estimates are annexed hereto), it does not foresee deliveries of the said amounts outside new Member States in 1995.

The Czech Republic further declares that it will use its best endeavours to avoid concentration on certain regional markets of the Community of exports of the products covered by Decision N° 1/93 (C).

Community Tariff Quotas for the Czech Republic, 1995

	<i>Requested by new Member States (tonnes)</i>				
	<i>Sweden</i>	<i>Austria</i>	<i>Finland</i>	<i>EU (12)</i>	<i>Total EU (15)</i>
1. ECSC products					
Cold-rolled sheet	700	4062	390	24300	29452
Hot-rolled strip and hoop	100	1200	500	4800	6600
Wire rod	10000	15312	2508	242000	269820
Total 1	10800	20574	3398	271100	305872
2. EC products					
Seamless tubes	970	16324	2408	58072	77774
Welded tubes	4855	11810	7936	70000	94601
Total 2	5825	28134	10344	128072	172375
TOTAL 1 + 2	16625	48708	13742	399172	478247

NOTE VERBALE

The Directorate General for External Economic Relations of the Commission of the European Communities presents its compliments to the Mission of the Czech Republic to the European Communities and has the honour to refer to the export of certain steel products from the Czech Republic to the New Bundesländer of Germany.

The Directorate General for External Economic Relations of the Commission of the European Communities has the honour to inform the Czech Republic that further amounts for such exports to the new Bundesländer, at zero-duty subject to the terms and conditions hitherto applicable to the said system, have been set for 1995 as shown on the table annexed hereto. The Commission will in the near future make proposals for the legislation necessary to implement the said decision within the Community.

The Directorate General for External Economic Relations of the Commission of the European Communities avails itself of this opportunity to renew to the Mission of the Czech Republic to the European Communities the assurance of its highest consideration.

Brussels,

CZECH REPUBLIC - New Bundesländer 1995

1. ECSC Products	(Tonnes)
Wire rod	45000
Cold-rolled sheet	10000
Hot-rolled strip and hoop	20000
Total 1	75000
2. EC Products	
Welded tubes	9000
Total 2	9000
TOTAL 1 + 2	84000

DECISION N° 3/94 OF THE EC-SLOVAK REPUBLIC JOINT COMMITTEE

concerning modifications to Decision 1/93 of the EC-Czech Republic and Slovak Republic Joint Committee of 28 May 1993 concerning the export of certain steel products from the Slovak Republic to the Community

THE JOINT COMMITTEE :

Whereas by Decision N° 1/93(S) of the EC-Czech Republic and Slovak Republic Joint Committee of 28 May 1993, the Parties agreed on the introduction of a tariff quota system concerning the export of certain products from the Slovak Republic to the Community ;

Whereas Article 1 paragraph 1 of that Decision established tariff quotas for certain ECSC and EC products;

Whereas, following the annual review, it is necessary to amend the quotas applicable for the period 1 January to 31 December 1995 to take account in particular of the accession of new Member States to the EC;

Whereas following consultations in the framework of the Joint Committee the Parties consider that Decision N° 1/93 should, therefore, be amended,

HAS DECIDED AS FOLLOWS :

Article 1

The limits established under Article 1 paragraph 1 of Decision N° 1/93(S) for imports into the Community from the Slovak Republic effected between 1 January and 31 December 1995 of the products set out in the table therein shall be amended as follows :

	For 1995	(in tonnes)
Hot-rolled coils	267 000	(increased by 67 000)
Cold-rolled sheet	132 552	(increased by 21 852)
Hot-rolled strip and hoop	43 862	(increased by 662)
Cut lengths	152 340	(increased by 40 340)
Seamless tubes	36 024	(increased by 9 096)

Article 2

This Decision shall be binding on both the Community and the Slovak Republic which shall take the measures necessary to implement it.

This Decision shall enter into force on the date of signature.

Done at on

For the Community

For the Slovak Republic

DECLARATION

In the context of Decision N° 1/93 (S) of the EC/Czech Republic and Slovak Republic Joint Committee of 28 May 1993 concerning trade problems in respect of certain steel products the parties agreed that the Slovak Republic would use its best endeavours to prevent sudden and prejudicial changes in trade flows resulting in regional concentrations in imports to the Community and to ensure an even rate of delivery of such exports.

In the context of Decision N° 3/94 of the EC/Slovak Republic Joint Committee of concerning modifications to Decision N° 1/93 (S) the parties agreed to increase the limits of the said tariff quotas to take account of the accession of new Member States.

The Slovak Republic declares that based on traditional trade flows and the assessment by the new Member States of demand in 1995 for the products covered by Decision N° 1/93 (S) (which respective estimates are annexed hereto), it does not foresee deliveries of the said amounts outside new Member States in 1995.

The Slovak Republic further declares that within the estimate for Finland set out in the annexed tables it foresees deliveries of 20,000 tonnes of hot-rolled coils directly from Kosice to Rautarukki in Finland and that this amount shall not be utilised for any other deliveries.

Community Tariff Quotas for the Slovak Republic, 1995

	Requested by new Member States (tonnes)				
	Sweden	Austria	Finland	EU (12)	Total EU (15)
1. ECSC products					
Cold-rolled sheet	10000	11500	352	110700	132552
Hot-rolled strip and hoop	50	0	612	43200	43862
Hot-rolled coils	20000	25000	22000	200000	267000
Cut lengths	25000	14000	1340	112000	152340
Total 1	55050	50500	24304	465900	595754
2. EC products					
Seamless tubes	558	7263	1275	26928	36024
Total 2	558	7263	1275	26928	36024
TOTAL 1 + 2	55608	57763	25579	492828	631778

ECSC products requested by Finland: 4304 tonnes, to which could be added the direct delivery of 20000 tonnes of coils from Kosice to Rautarukki

NOTE VERBALE

The Directorate General for External Economic Relations of the Commission of the European Communities presents its compliments to the Mission of the Slovak Republic to the European Communities and has the honour to refer to the export of certain steel products from the Slovak Republic to the New Bundesländer of Germany.

The Directorate General for External Economic Relations of the Commission of the European Communities has the honour to inform the Slovak Republic that further amounts for such exports to the new Bundesländer, at zero-duty subject to the terms and conditions hitherto applicable to the said system, have been set for 1995 as shown on the table annexed hereto. The Commission will in the near future make proposals for the legislation necessary to implement the said decision within the Community.

The Directorate General for External Economic Relations of the Commission of the European Communities avails itself of this opportunity to renew to the Mission of the Slovak Republic to the European Communities the assurance of its highest consideration.

Brussels,

SLOVAK REPUBLIC - New Bundesländer 1995

1. ECSC Products	(Tonnes)
Hot-rolled coils	80000
Cold-rolled sheet	20000
Hot-rolled strip and hoop	60000
Total 1	160000
2. EC Products	
Seamless tubes	5000
Total 2	5000
TOTAL 1 + 2	165000

FINANCIAL STATEMENT

1. Budget heading involved:
Chapter 12, Article 120.
2. Legal Basis:
Article 95 ECSC (Decision)
Article 113 EC (Regulation).
3. Title of tariff measure:
Draft Commission Decision (ECSC) and draft proposal for a Council Regulation amending respectively Commission Decision 1970/93/ECSC and Council Regulation (EEC) No 1968/93 concerning the administration of tariff quotas in respect of certain steel products originating in the Czech Republic and Slovak Republic imported into the Community (1 June 1993 to 31 December 1995).
4. Purpose:
To amend the customs implementing legislation to take account of subsequent decisions of the EC-Czech Republic Joint Committee and EC-Slovak Republic Joint Committee concerning the operation of the tariff quota system in 1995. The main amendments concern an increase in the tariff quotas to take account of the accession of new Member States and the suspension of duties for certain products in respect of imports into the territory of the new German Bundesländer for the year 1995.
5. Method of calculation:
On the basis of the average prices for ECSC and EC products imported into the Community in 1993, the amended tariff quotas applicable for 1995 and the average level of tariff duty (additional rate less normal rate), the theoretical estimated loss of duty to the Community arising from EC enlargement is approximately 13.200.000 ECU. The suspension of duties for the new German Bundesländer has already been taken into account in the financial statement concerning the renewal of the decision to suspend duties for import into the NBL from the ex-COMECON countries for 1995.

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