COMMISSION OF THE EUROPEAN COMMUNITIES

COM(78) 462 final Brussels, 22 September 1978

Proposal for a COUNCIL REGULATION (EEC)

opening, allocating and providing for the administration of Community tariff quotas for prepared or preserved sardines falling within subheading 16.04 D of the Common Customs

Tariff and originating in Morocco (1979)

Proposal for a COUNCIL REGULATION (EEC)

opening, allocating and providing for the administration of a Community tariff quota for prepared or preserved sardines falling within subheading 16.04 D of the Common Customs Tariff and originating in Tunisia (1979)

(submitted to the Council by the Commission)

COM(78) 462 final

EXPLANATORY MEMORANDUM

The 1976 Agreements between the Community and Morocco and Tunisia provide that prepared and preserved sardines originating in those countries may be admitted duty free into the Community on condition that certain minimum prices are respected. The periods and the technical rules for application of this system must be fixed by exchanges of letters between the contracting parties. Since these exchanges of letters have not taken place the arrangements provided for in the Agreements were not implemented and those arising from the previous Association Agreements between the EEC and Morocco and Tunisia were maintained in force until 31 December 1977.

The former arrangments in question provide for tariff treatment which varies from one Member State to another. This treatment cannot be extended beyond that date, since it is incompatible with the principles of the customs union and the rules of the common commercial policy.

- 2. From 1 January 1978 the Community replaced these arrangements by a Community tariff quota system which takes the interests involved into account pending the conclusion of the exchanges of letters which will enable the provisions of the 1976 Agreements relating to prepared and preserved sardines to come into force.
- 3. As the situation has not changed since 1 January 1978 the Commission is proposing that the Council extend the tariff quota system for 1979 and therefore approve the two attached proposals for Regulations on the opening, allocation and administration of Community tariff quotas in respect of prepared and preserved sardines falling within subheading 16.04 D of the Common Customs Tariff originating in Morocco and Tunisia respectively (1979), i.e.:
 - for Morocco : one tariff quota of 14.000 tonnes, duty free,
 one tariff quota of 6.000 tonnes at 10%;
 - for Tunisia : one tariff quota of 100 tonnes, duty free.

This is the subject of the annexed proposals.

4. The proposals for regulations opening these tariff quotas provide —
as is customary — for the division of each of the quota volumes
into two instalments, the first being allocated among the Member
States as quota shares, the second being held as a reserve.

The allocation of the volume of the first instalment of the quota should be based on the rules generally applied. These involve calculating each Member State's total imports over the last three years as a proportion of total Community imports during the same period and applying, for each Member State the percentages thus obtained to the volume of the first instalment.

IMPORTATIONS OF PREPARED AND CONSERVED SARDINES FROM MOROCCO AND TUNISIA

- in tonnes -

mber ate			TUNISIA		
, ,	1974 1975	1976 1977	1974 , 19	75 1976	1977.
	2.322 1.713	2.107 1.679 Ø = 1.955			
	53 54	58 78 Ø = 61			
	2.642 1.640	4.341 1.147 Ø = 2.442		• • • • • • • • • • • • • • • • • • • •	
	14.501 8.660	10.438 7.321 Ø = 10.230	36	3 14	•
L ·	77	79 26 Ø = 45		•	
	688 223	37 199 Ø = 287		•	
	3.089	1.533 883 Ø = 2.174	•	<u> </u>	, ,
	23.295 15.560	18.593 11.333 77.195		3 14	*
	Ball Harris Start Control		1. S. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1.	, , , , , , , , , , , , , , , , , , ,	- 1 m 1

PROPOSAL FOR A COUNCIL REGULATION (EEC)

opening, allocating and providing for the administration of Community tariff quotas for prepared or preserved sardines falling within subheading 16.04 D of the Common Customs Tariff and originating in Morocco (1979)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

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

Having regard to the proposal from the Commission,

Whereas the Cooperative Agreement of 1976 between the Community and Morocco provides, that prepared and preserved sardines, subheading 16.04 D of the Common Customs tariff, originating in Morocco, may be imported in the Community free of duties; whereas the rules of this regime must be fixed by an exchange of letters between the Community and Morocco; whereas, since this exchange of letters has not taken place, it is therefore advisable to renew for the year 1979 the Community system which has been applied in 1978; whereas this system provides, for importations in the Community of the products in question, the opening of two Community tariff quotas : one duty free tariff quota of 10.000 tonnes and an other of 6.000 tonnes at a duty rate of 10%; whereas these tariff quotas are to apply from 1 January 1979 until the conclusion of the exchange of letters provided for in Article 19 of the Cooperation Agreement between the Community and Morocco, until such time as Community arrangements for imports of the products in question are applied, or until 31 December 1979, whichever shall be the earliest; whereas these Community tariff quotas should therefore be opened;

whereas it is in particular necessary to ensure for all Community importers equal and uninterrupted access to the abovementioned quotas and uninterrupted application of the rates laid down for that quotas to all imports of the products concerned into all Member States until the quotas has been used up; whereas, having regard to the above principles, the Community nature of the quotas can be respected by allocating the Community tariff quotas among the Member States; whereas, in order to reflect as accurately as possible the true trend of the market in the products in question, such allocation should be in proportion to the requirements of the Member States, calculated by reference to the statistics for imports from Morocco over a representative reference period and also to the economic outlook for the quota period concerned;

Whereas, in respect of the last three years for which statistics are available, the corresponding imports by each of the Member States represent the following percentages of imports into the Community from Morocco of the products concerned:

Member State	1975	1976	1977
Benelux	11,0	11,3	14,8
Denmark	0,3	0,3	0,7
Germany	10,6	23,3	10,1
France	55,7	56,1	64,6
Ireland	0,5	0,5	0,2
Italy	1,4	0,2	1,8
United Kingdom	20,5	8,3	7,8

Whereas, in view of these factors and of the estimates submitted by certain Member States, initial shares may be fixed approximately at the following percentages:

Member State	Of the quota of 14 000 tonnes	Of the quota of 6 000 tonnes ,	
Demeter		\	
Benelux	- 13-49	9.54	
Denmark : `	0.28	0.28	
Germany	13-33	13.33	
France	59-52	42.59	
Ireland	0.36	0.37	
Italy	0.64	1.48	
United Kingdom	12-38	32:41	

Whereas, in order to take into account import trends for the products concerned in the various Member States, each quota should be divided into two instalments, the first being shared among the Member States and the second constituting a reserve to cover at a later date the requirements of Member States which have used up their initial shares; whereas, in order to give importers in each Member State a certain degree of security, the first instalment of the Community quota should, under the present circumstances, be fixed at 80% of the quota volume;

Whereas the Member States' initial shares may be used up at different times; whereas, in order to take this fact into account and avoid any break in continuity, any Member State which has almost used up its initial share, should draw an additional share from the reserve; whereas this must be done by each Member State as and when each of its additional shares is almost used up, and repeated as many times as the reserve allows; whereas the initial and additional shares must be valid until the end of the quota period; whereas this method of administration requires close cooperation between the Member States and the Commission, and the latter must be in a position to monitor the extent to which the quota volume has been used up and to inform the Member States thereof;

Whereas if, at a given date in the quota period, a substantial quantity of an initial share remains unused in any Member State, it is essential that that Member State should return a significant proportion to the reserve, to prevent a part of any Community quota from remaining unused in one Member State when it could be used in others;

Whereas, since the Kingdom of Belgium, the Kingdom of the Netherlands and the Grand Duchy of Luxembourg are united in and represented by the Benelux Economic Union, any operation relating to the administration of the quota shares allocated to that economic union may be carried out by any of its members,

HAS ADOPTED THIS REGULATION:

Article 1

- 1. From 1 January 1979 until the conclusion of the exchange of letters referred to in Article 19 of the Cooperation Agreement between the Community and Morocco, until such time as Community import arrangements are applied or until 31 December 1979, whichever shall be the earliest, a duty-free Community tariff quota of 14 000 tonnes shall be opened for imports into the Community of prepared or preserved sardines falling within subheading 16.04 D of the Common Customs Tariff and originating in Morocco.
- 2. From 1 January 1979 until the conclusion of the exchange of letters referred to in Article 19 of the Cooperation Agreement between the Community and Morocco, until such time as Community import arrangements are applied or until 31 December 1979, whichever shall be the earliest, a Community tariff quota of 6 000 tonnes at a duty rate of 10 % shall be opened for imports into the Community of prepared or preserved sardines falling within subheading 16.04 D of the Common Customs Tariff and originating in Morocco.

Article 2

- 1. The tariff quotas laid down in Article 1 shall be divided into two instalments.
- 2. A first instalment of each quota shall be shared among the Member States; the respective shares which, subject to Article 5, shall be valid until the end of the period specified in Article 1, shall be as follows:

(tonnes)

Member State	Article 1 (1)	Article 1(2)
Benelux	1 700	51.5
Denmark	35	1.5
Germany	1 680	720
Prance	7 500	2 300
Ireland	45	20
Italy	' 80	80
United Kingdom	1 560	1 750
Total	12 600	5 400 ,

3. The second instalment of each quota, 1 400 tonnes and 600 tonnes respectively, shall constitute the corresponding reserve.

- 1. If 90% or more of a Member State's initial share as specified in Article 2(2), or 90% of that share minus the portion returned to the reserve where Article 5 is applied, has been used up, then, to the extent permitted by the amount of the reserve, that Member State shall forthwith, by notifying the Commission, draw a second share equal to 15% of its initial share, rounded up where necessary to the next unit.
- 2. If, after one of its initial share has been used up, 90% or more of the second share drawn by a Member State has been used up, then, to the extent permitted by the amount of the reserve, that Member State shall, in accordance with the conditions laid down in raragraph 1, draw a third share equal to 7,5% of its initial share, rounded up where necessary to the next unit.
- 3. If, after its second share has been used up, 90% or more of the third share drawn by a Member State has been used up, that Member State shall, in accordance with the conditions laid down in paragraph 1, draw a fourth share equal to the third.

This process shall continue until the reserve is used up.

4. By way of derogation from paragraphs 1 to 3, a Member State may draw shares smaller than those fixed in those paragraphs if there is reason to believe that those might not be used up. It shall inform the Commission of its reasons for applying this paragraph.

Additional shares drawn pursuant to Article 3 shall be valid until the end of the period specified in Article 1.

Article 5

The Member States shall return to the reserve, not later than 1 October 1979, such unused portion of their initial share as, on 15 September 1979, is in excess of 20% of the initial volume. They may return a larger quantity if there are grounds for believing that it may not be used.

The Member States shall, not later than 1 October 1979, notify the Commission of the total quantities of the products in question imported up to 15 September 1979 and charged against the Community quota, and of any quantities of the initial shares returned to the reserve.

Article 6

The Commission shall keep an account of the shares opened by the Member States pursuant to Articles 2 and 3 and shall, as soon as it is notified, inform each Member State of the extent to which the reserve has been used up.

It shall inform the Member States, not later than 5 October 1979, of the amount in the reserve after quantities have been returned pursuant to Article 5.

The Commission shall ensure that any drawing which uses up the reserve is limited to the balance available, and to this end shall indicate the amount thereof to the Member State which makes such last drawing.

- 1. The Member States shall take all measures necessary to ensure that additional shares drawn pursuant to Article 3 are opened in such a way that imports may be charged without interruption against their accumulated shares of the Community quota.
- 2. The Member States shall ensure that importers of the products in question established in their territory have free access to the shares allocated to them.
- 3. The extent to which a Member State has used up its share shall be determined on the basis of imports of the products in question originating in Morocco and entered with the customs authorities for home use.

Article 8

At the request of the Commission, the Member States shall inform it of imports of the products concerned actually charged against their shares.

Article 9

The Member States and the Commission shall cooperate closely in order to ensure compliance with this Regulation.

<u> Article 10</u>

This Regulation shall enter into force on 1 January 1979.

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

Done at Brussels.

For the Council
The President

PROPOSAL FOR A

COUNCIL REGULATION (EEC)

opening, allocating and providing for the administration of a Community tariff quota for prepared or preserved sardines falling within subheading 16.04 D of the Common Customs Tariff and originating in Tunisia (1979)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

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

Having regard to the proposal from the Commission,

Whereas the Cooperative Agreement of 1976 between the Community and Tunisia provides, that prepared and preserved sardines, subheading 16.04 D of the Common Customs Tariff, originating in Tunisia, may be imported in the Community free of duties; whereas the rules of this regime must be fixed by an exchange of letters between the Community and Tunisia; whereas, since this exchange of letters has not taken place, it is therefore advisable to renew for the year 1979 the Community system which has been applied in 1978; whereas this system provides for importations in the Community of the products in question, the opening of a duty free Community tariff quota of 100 tonnes; whereas this tariff quota is to apply from 1 January 1979 until the conclusion of the exchange of letters provided for in Article 18 of the Cooperation Agreement between the Community and Tunisia, until such time as Community arrangements for imports of the products in question are applied or until 31 December 1979, whichever shall be the earliest; whereas this Community tariff quota should therefore be opened;

Whereas it is in particular necessary to ensure for all Community importers equal and uninterrupted access to the abovementioned quota and uninterrupted application of the rates laid down for that quota to all imports of the products concerned into all Mamber States until the quota has been used up; whereas, having regard to the above principles, the Community nature of the quota same be respected by allocating the Community tariff quota among the Mamber States; whereas, in order to reflect as accurately as possible the true trend of the market in the products in question, such allocation should be in proportion to the requirements of the Member States, calculated by reference to the statistics for imports from Tunisia over a representative reference period and also to the economic outlook for the quota period concerned;

Whereas, in respect of the last three years for which statistics are available, the corresponding imports by each of the Member States represent the following percentages of imports into the Community from Tunisia of the products concerned:

Member State	1975	1976	1977
Benelux		1 1/4	
Denmark		_	
Germany			
France	100	ton	
******	100 (=33 t)	(- 14 +)	
Ireland	(-55 ()	100 (= 14 t)	
Italy			
United Kingdont			-

Whereas these data cannot be considered as representative and cannot serve as a basis for the allocation of the quota energy the Member States; whereas it is difficult to forecast the Member States imports in 1979 because of the absence of any pattern in previous years; whereas in order that the quota may be allocated fairly, the initial quota shares may be fixed approximately at the following percentages:

Benelux	10 %
Denmark	3 %
Germany	15 %
France	50 %
Ireland	3 %
Italy	4 %
United Kingdom	15 %

Whereas, in order to take into account import trends for the products concerned in the various Member States, the quota volume should be divided into two instalments, the first being shared among the Member States and the second constituting a reserve to cover at a later date the requirements of Member States which have used up their initial quota shares; whereas, in order to give importers in each Member State a certain degree of security, the first instalment of the Community quota should, under the present circumstances, be fixed at 80% of the quota volume;

Whereas the Member States' initial shares may be used up at different times; whereas, in order to take this fact into account and avoid any break in continuity, any Member States which has almost used up its initial share should draw an additional share from the reserve; whereas this must be done by each Member State as and when each of its additional shares is almost used up, and repeated as many times as the reserve allows; whereas the initial and additional shares must be valid until the end of the quota period; whereas this method of administration requires close cooperation between the Member States and the Commission, and the latter must be in a position to monitor the extent to which the quota volume has been used up and to inform the Member States thereof;

Whereas if, at a given date in the quota period, a substantital quantity of an initial share remains unused in any Member State, it is essential that that Member State should return a significant proportion to the reserve, to prevent a part of any Community quota from remaining unused in one Member State when it could be used in others;

Whereas, since the Kingdom of Belgium, the Kingdom of the Netherlands and the Grand Duchy of Luxembourg are united in and represented by the Benelux Economic Union, any operation relating to the administration of the quota shares allocated to that economic union may be carried out by any of its members,

HAS ADOPTED THIS REGULATION :

Article 1

From 1 January 1979 until the conclusion of the exchange of letters referred to in Article 18 of the Cooperation Agreement between the Community and Tunisia, until such time as Community import arrangements are applied, or until 31 December 1979, whichever is the earliest, a duty-free Community tariff quota of 100 tonnes shall be opened for imports into the Community of prepared or preserved sardines falling within subheading 16.04 D of the Common Customs Tariff and originating in Tunisia.

Article 2

- 1. The tariff quota referred to in Article 1 shall be divided into two instalments.
- 2. A first instalment, amounting to 80 tonnes, of the Community tariff quota referred to in Article 1 shall be allocated among the Member States; the respective shares, which subject to Article 5 shall be valid until the end of the period specified in Article 1, shall be as follows:

			O. A.	(tonnes)
Benelux	17	١.		8
Denmark	,,,	ř	1. 1. 1	2
Germany		• :	1	12
France '			•	40
Ireland		3		
Italy		٠.	. 4	. 2
United Kir	igdom	•		- 4 - 12

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Sally Comment

3. The second instalment of 20 tonnes shall constitue the Teserve.

Article 3

- 1. If 90% or more of a Member States' initial share as specified in Article 2 (2), or 90% of that share minus the portion returned to the reserve where Article 5 is applied, has been used up, then, to the extent permitted by the amount of the reserve, that Member State shall forthwith, by notifying the Commission, draw a second share equal to 15% of its initial share, rounded up where necessary to the next unit.
- If, after one of its initial share has been used up, 90% or more of the second share drawn by a Member State has been used up, then, to the extent permitted by the amount of the reserve, that Member State shall, in accordance with the conditions laid down in paragraph 1, draw a third share equal to 7,5% of its initial share, rounded up where necessary to the next unit.
- If, after its second share has been used up, 90% or more of the third share drawn by a Member State has been used up, that Member State shall, in accordance with the conditions laid down in paragraph 1, draw a fourth share equal to the third.

This process shall continue until the reserve is used up.

By way of derogation from paragraphs 1 to 3, a Member State may draw shares smaller than those fixed in those paragraphs if there is reason to believe that those might not be used up. It shall inform the Commission of its reasons for applying this paragraph.

Additional shares drawn pursuant to Article 3 shall be valid until the end of the period specified in Article 1.

Article 5

The Member States shall return to the reserve, not later than 1 October 1979, such unused portion of their initial share as, on 15 September 1979, is in excess of 20% of the initial volume. They may return a larger quantity if there are grounds for believing that it may not be used.

The Member States shall, not later than 1 October 1979, notify the Commission of the total quantities of the products in question imported up to 15 September 1979 and charged against the Community quota, and of any quantities of the initial shares returned to the reserve.

Article 6

The Commission shall keep an account of the shares opened by the Member States pursuant to Articles 2 and 3 and shall, as soon as it is notified, inform each Member State of the extent to which the reserve has been used up.

It shall inform the Member States, not later than 5 October 1979, of the amount in the reserve after quantities have been returned pursuant to Article 5.

The Commission shall ensure that any drawing which uses up the reserve is limited to the balance available, and to this end shall indicate the amount thereof to the Member State which makes such last drawing.

- 1. The Member States shall take all measures necessary to ensure that additional shares drawn pursuant to Article 3 are opened in such a way that imports may be charged without interruption against their accumulated shares of the Community quota.
- 2. The Member States shall ensure that importers of the products in question established in their territory have free access to the shares allocated to them.
- 3. The extent to which a Member State has used up its share shall be determined on the basis of imports of the products in question originating in Tunisia entered with the customs authorities for home use.

Article 8

At the request of the Commission, the Member States shall inform it of imports of the products concerned actually charged against their shares.

<u>Article 9</u>

The Member States and the Commission shall cooperate closely in order to ensure compliance with this Regulation.

Article 10

This Regulation shall enter into force on 1 January 1979.

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

Done at Brussels,

For the Council
The President