

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(85) 727 final

Brussels, 23 December 1985

Proposal for a

COUNCIL REGULATION (EEC)

opening, allocating and providing for the administration of Community
tariff quotas for new potatoes and avocados falling, within
subheadings 07.01 A II and 08.01 D of the Common Customs Tariff
and originating in the Canary Islands (1986)

(submitted to the Council by the Commission)

COM(85) 727 final

EXPLANATORY MEMORANDUM

1. According to Article 4 of Protocol No 2 and Article 10 of Protocol No 3 annexed to the Act of Accession of Spain and Portugal new potatoes and avocados falling respectively within subheadings 07.01 A II and 08.01 D of the CCT and originating in the Canary Islands shall qualify on the import in the customs territory of the Community for reduced duties within the limit of annual Community tariff quotas. Calculated on the basis of the provisions of Article 4 referred to, the quota volumes amount to :

- 8 170 tonnes for new potatoes falling within subheading 07.01 A II and
- 2 741 tonnes for avocados falling within subheading 08.01 D.

Where the said products are imported into that part of Spain which is included in the customs territory of the Community, they shall qualify for exemption from customs duties.

Where the said products are imported into Portugal the duties applicable are to be calculated according to the provisions in question of the Accession Act.

Where the said products are released for free circulation in the remainder of the customs territory of the Community, they shall qualify for the progressive reduction of customs duties according to the same timetable and under the same conditions as those provided for in Article 75 of the Act of Accession.

Whereas the 1970 Agreement EEC/Spain remains applicable until the end of February 1986 and whereas the first step of tariff dismantling provided for in Article 75 takes place the 1 March 1986 the tariff measures in question take only effect at this date. The tariff quotas should therefore be opened for the period 1 March to 31 December 1986.

2. The proposal for a Regulation opening these tariff quotas provides - as is customary in such cases - for the division of each quota into two instalments, the first being allocated among the Member States as quota shares and the second being held as a reserve.

As regards the distribution of the first instalment of each quota, account was taken of the fact that there were no imports or only occasional imports into certain Member States in recent years. Initial shares have therefore been allocated only to the importing Member States with the other Member States being guaranteed access to the benefit of the tariff quotas once imports by them of the products concerned have been notified.

3. As regards the method of administration to be applied by all the Member States, the Commission proposes the "Greyhound system".
4. Such is the aim of the attached proposal.

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Council Regulation (EEC)

opening, allocating and providing for the administration of Community tariff quotas for new potatoes and avocados falling, within subheadings 07.01 A II and 08.01 D of the Common Customs Tariff and originating in the Canary Islands (1986)

THE COUNCIL OF THE EUROPEAN COMMUNITIES

having regard to the Act of Accession of Spain and Portugal, and in particular Article 4 of Protocol No 2 annexed hereto,

having regard to the proposal from the Commission,

whereas according to Article 4 of Protocol No 2 and Article 10 of Protocol No 3 to the Act of Accession of Spain and Portugal (1) new potatoes and avocados falling ^{respectively} within subheadings 07.01 A II and 08.01 D of the Common Customs Tariff, and originating in the Canary Islands qualify on the import into the customs territory of the Community for reduced duties in the limits of annual Community tariff quotas; whereas calculated on the basis of Article 4 referred to, the quota volumes amount to :

- 8 170 tonnes for new potatoes falling within subheading 07.01 A II
- 2 741 tonnes for avocados falling within subheading 08.01 D

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Whereas the said products are imported into that part of Spain which is included in the customs territory of the Community, they qualify for exemption of customs duties ; whereas where the said products are imported into Portugal the quota duties applicable are to be calculated on the basis of the provisions belonging to the Act of Accession ; whereas when the said products are released for free circulation in the remainder of the customs territory of the Community, they shall qualify for the progressive reduction of customs duties according to the same timetable and under the same conditions as those provided for in Article 75 of the Act of Accession. Whereas to qualify for the tariff quota the products in question have to comply with certain marking and labeling conditions to prove their origin ; whereas according to the provisions belonging to in the Accession Act referred to the tariff measures take only effect from 1 March 1986 ; whereas the tariff quotas in question should therefore be opened for the period 1 March to 31 December 1986.

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 these quotas to all imports of the products concerned into all Member

States until the quotas have been used up ; whereas, having regard to the principles mentioned above, 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 of the products concerned originating in the Canary Islands over a representative reference period and also to the economic outlook for the quota period in question ;

Whereas, during the last three years for which statistics are available, imports into each of the Member States were as follows (in tonnes) :

- 07.01 A II -
new potatoes

- 08.01 D -
avocados

Member States	1982	1983	1984	1982	1983	1984
Benelux	38	4	61	13	16	13
Denmark	-	93	226	-	-	-
Germany	19	-	4	8	2	6
Greece	-	-	-	-	-	-
Spain	2 547	2 368	2 129	964	1 769	3 361
France	-	23	-	94	112	97
Ireland	-	-	-	-	-	-
Italy	-	-	-	-	-	-
Portugal	-	-	-	-	-	-
United Kingdom	3 536	6 754	6 728	373	723	671
EEC	6 121	9 242	9 148	1 452	2 622	4 148

Whereas in the last three years the products in question were only imported regularly by certain Member States and not at all or only occasionally by the other Member States; whereas, under these circumstances, in the first phase, initial shares should be allocated to the real importing Member States and the other Member States should be guaranteed access to the benefit of the tariff quotas when imports take place in the latter ; whereas these arrangements for allocation will equally ensure the uniform application of the Common Customs tariff ;

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 certain Member States and the second constituting a reserve to cover the subsequent requirements of these Member States where they have used up their initial shares and any additional requirements which might arise in the other Member States ; whereas, in order to give importers in each Member State a certain degree of security, the first instalment of the Community quotas should, under the circumstances, be fixed at 80 % respectively of the quota volumes ;

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 quota shares should draw an additional share from the corresponding 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 amounts have been used up and to inform Member States thereof ;

Whereas, if, at a given date in the quota period, a substantial quantity remains unused in any Member State, it is essential that that Member State should return a significant proportion to the corresponding reserve to prevent a part of any tariff 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 within and jointly 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,

Whereas according to Article 2, paragraph 3 of the Act of Accession the Community institutions can adopt before the accession the measures referred to in Article 4 of Protocol No 2.

These measures enter into force under reserve of and at the date of the entry into force of the said Act,

HAS ADOPTED THIS REGULATION :

Article 1

- 1 a) From 1 March until 30 June 1986 a Community tariff quota of 8 170 tonnes shall be opened in the Community for new potatoes, falling within subheading 07.01 A II of the Common Customs Tariff and originating in the Canary Islands :
- b) From 1 March until 31 December 1986 a Community tariff quota of 2 741 tonnes shall be opened in the Community for avocados falling within subheading 08.01 D of the Common Customs Tariff and originating in the Canary Islands.
- 2 a) Where the said products are imported into that part of Spain which is included in the Customs territory of the Community, they shall qualify for exemption from customs duties.
- b) In the limits of these tariff quotas Portugal applies customs duties calculated according to the provisions referred to in the Act of Accession.
- c) Where the said products are released for free circulation in the remainder of the customs territory of the Community, the quota duties indicated below for each of the tariff subheadings shall be applied :

Subheading of
the Common
Customs Tariff

quota duty

07.01 A II :

- From 1 March to 15 May : 13,1 %

- From 16 May to 30 June : 18,8 %

08.01 D : 3,5 %

3. Without prejudice to the provisions applicable as regards quality standards, products covered by this Regulation cannot qualify under the tariff quotas unless, at the time of their presentation to the authorities responsible for the import formalities for the purposes of release into free circulation in the customs territory of the Community, their origin is shown on the packaging in clear and legible characters.

The words used on the packaging to indicate the origin must be "Canary Islands" or the equivalent thereof in another Community language.

Article 2

1. The tariff quotas laid down in Article 1 shall be divided into two instalments.

2. A first instalment of each tariff quota shall be shared among certain Member States, the respective shares which, subject to Article 5, shall be valid
until 30 June 1986 for new potatoes,
until 31 December 1986 for avocados,
amount for each of these Member States to the quantities indicated below :

a) new potatoes falling within subheading 07.01 A II :

Benelux	25 tonnes
Denmark	85 tonnes
Spain	1 880 tonnes
United Kingdom	4 540 tonnes

b) avocados falling within subheading 08.01 D :

Benelux	10 tonnes
Germany	5 tonnes
Spain	1 625 tonnes
France	80 tonnes
United Kingdom	470 tonnes

3. The second instalment of each quota, i.e. respectively

- 1 640 tonnes for new potatoes falling within subheading
07.01 A II,
- 551 tonnes for avocados falling within subheading 08.01 D

shall constitute the corresponding Community reserve.

4. If an importer notifies the imminent import of the product in question into the other Member States and requests the benefit of the quota, the Member State concerned shall inform the Commission and draw an amount corresponding to these requirements to the extent that the available balance of the reserve so permits.

Article 3

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 corresponding reserve where Article 5 has been 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 10 % of its initial share, rounded up where necessary to the next unit.

2. If, after one of its initial shares has been used up, 90 % or more of the second share drawn by a Member State has been used up, then that Member State shall,

in accordance with the conditions laid down in paragraph 1, draw a third share equal to 5 % of its initial share, rounded up where necessary to the next unit.

3. If, after one of its second shares 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, 2 and 3, a Member State may draw shares smaller than those fixed in those paragraphs if there is reason to believe that they might not be used up. It shall inform the Commission of its reasons for applying this paragraph.

Article 4

The 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

- 15 May 1986 for new potatoes,
- 1 October 1986 for avocados

such unused portion of their initial share as on respectively 1 May 1986 and 15 September 1986

is in excess of 20 % of the initial volume. They may return a larger quantity if there are grounds for believing that this quantity may not be used.

The Member States shall notify the Commission, not later than respectively 15 May 1986 and 1 October 1986 of the total of the quantities of the products in question imported up to respectively 1 May 1986 and 15 September 1986 and

charged against the tariff quota and of any quantity 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, as soon as it is notified, shall inform each

State of the extent to which the reserves have been used up.

It shall inform the Member States, not later than respectively 20 May 1986 and 5 October 1986 of the amount in each reserve after quantities have been returned thereto pursuant to Article 5.

It shall ensure that the drawing which exhausts any reserve does not exceed the balance available and, to this end, shall notify the amount of that balance to the Member State making the last drawing.

Article 7

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 tariff quota.

2. The Member States shall ensure that importers of the products in question have free access to the shares allocated to them.

3. The Member States shall charge the imports of the products concerned against their shares as and when the products are entered with customs authorities for free circulation.

4. The extent to which a Member States has used up its share shall be determined on the basis of the imports charged in accordance with paragraph 3.

Article 8

At the Commission's request, 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 to ensure that this Regulation is complied with.

Article 10

This Regulation shall enter into force on 1 January 1986 under reserve of the entry into force of the Act of Accession of Spain and Portugal.
It is applicable from 1 March 1986.

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

Done at Brussels,

For the Council
The President