

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(81) 793 final

Brussels, 14 December 1981

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 (1982)

(submitted to the Council by the Commission)

COM(81) 793 final

EXPLANATORY MEMORANDUM

1. The 1978 Agreement between the Community and Morocco provide that prepared and preserved sardines originating in this country 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 an exchange of letters between the contracting parties. Since this exchange of letters has never taken place the arrangements provided for in the Agreement have not been implemented and those arising from the previous Association Agreement between the EEC and Morocco were maintained in force until 31 December 1977.

The former arrangements in question provided for a tariff treatment which varied from one Member State to another. They cannot be extended, since they are incompatible with the principles of the customs union and the rules of the Common commercial policy.

2. From 1 January 1978 therefore the Community replaced these arrangements by a Community tariff quota system which takes the interests involved into account pending the conclusion of the exchange of letters which will enable the provisions of the 1978 Agreement relating to prepared and preserved sardines to come into force.
3. Pending the imminent entry into force of the exchange of letters in question for which negotiations are in progress, the Commission is proposing that the Council should extend the tariff quota system and should therefore approve the attached proposal for Regulation on the opening, allocating and administering 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, i.e. :
 - one tariff quota of 4.666 tonnes, duty free,
 - one tariff quota of 2.000 tonnes at 10 %.

These tariff quotas shall apply from the day of entry into force of the regulation until 30 April 1982.

This is the subject of the annexed proposals.

4. The proposal for regulation 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 of the last three years as a proportion of total Community imports during the same period and applying, for each Member State the percentage thus obtained to the volume of the first instalment.

IMPORTATION OF PREPARED AND CONSERVED SARDINES

ORIGINATING IN MOROCCO

- in tonnes -

MEMBER STATE	(in tonnes)		
	1978	1979	1980
BX	1 335	1 190	1 310
DK	105	3	4
D	1 626	2 022	1 335
GR	578	196	0
F	6 603	7 100	8 020
IRL	42	5	1
IT	88	33	38
UK	1 531	3 173	2 971
CE	11 908	13 722	13 679

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PROPOSAL FOR A

COUNCIL REGULATION (EEC) No.

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 (1982)

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 Cooperation Agreement between the Community and Morocco (1), supplemented by the Council Regulation (EEC) No. laying down the arrangements to the trade between Greece and Morocco (2)

provides that prepared and preserved sardines, falling within subheading 16.04 D of the Common Customs Tariff and originating in Morocco, may be imported into the Community free of duties; whereas the detailed arrangements must be fixed by an exchange of letters between the Community and Morocco; whereas, since this exchange of letters has not yet taken place, it is advisable to renew until 30 April 1982 the Community arrangements which were applied in 1981; whereas it is advisable

to open two Community tariff quotas for importations into the Community of the products in question, one duty-free tariff quota of 4 666 tonnes and the other of 2 000 tonnes at a rate of duty of 10 %; whereas these tariff quotas are to apply from the date of entry into force of this Regulation 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 30 April 1982, whichever shall be the earliest;

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 from Morocco over a representative reference period and also to the economic outlook for the quota period in question;

(1) OJ no L 264 of 27.9.1978, p. 2
(2) OJ no - - -

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

Member States	1978	1979	1980
Benelux	11.21	8.67	9.58
Denmark	0.88	0.02	0.03
Germany	13.66	14.73	9.76
Greece	4.85	1.43	0.00
France	55.45	51.74	58.63
Ireland	0.35	0.04	0.01
Italy	0.74	0.24	0.27
United Kingdom	12.86	23.13	21.72

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 :

Benelux	9.75
Denmark	0.28
Germany	12.68
Greece	1.97
France	55.26
Ireland	0.12
Italy	0.40
United Kingdom	19.54

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 the 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 quotas should, under the circumstances, be fixed at 70 % 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,

HAS ADOPTED THIS REGULATION :

Article 1

1. From the date of entry into force of this Regulation 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 30 April 1982, whichever shall be the earliest, a duty-free Community tariff quota of 4 666 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 the date of entry into force of this Regulation 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 30 April 1982, whichever shall be the earliest, a Community tariff quota of 2 000 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.

3. Within the limits of these tariff quotas, Greece shall apply duties calculated in accordance with the relevant provisions in the 1979 Act of Accession and the Regulation (EEC) No.....

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 States	Article 1 (1)	Article 1 (2)
Benelux	318	136
Denmark	10	4
Germany	414	177
Greece	64	28
France	1 805	773
Ireland	4	2
Italy	13	6
United Kingdom	638	274
Total	3 266	1 400

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

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 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, 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

Each of the additional shares drawn pursuant to Article 3 shall be valid until the end of the period laid down in Article 1.

Article 5

The Member States shall return to the reserve, not later than 1 April 1982, such unused portion of their initial share as, on 15 March 1982, 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 1 April 1982, of the total quantities of the products in question imported up to 15 March 1982 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 5 April 1982, 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 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 shares shall be determined on the basis of the imports of the products concerned originating in Morocco and entered with customs authorities for free circulation.

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 the 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