# COMMISSION OF THE EUROPEAN COMMUNITIES

OM(74) 1073 Final Brussels, 11 July 1974

#### DRAFT

## REGULATION (EEC) OF THE COUNCIL

indreasing the Community tariff quota opened for 1974 by Regulation (EEC) No 3593/73 of 28 December 1973 for certain plywoods of coniferous species falling within heading No ex 44.15 of the Common Customs Tariff

(submitted to the Council by the Commission)

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#### EXPLANATORY MEMORANDUM

1. A duty free Community tariff quota, the amount of which has been fixed at an initial level of 500 000 cubic metres, was opened for 1974 for certain plywoods of coniferous species falling within heading No ex 44.15 of the Common Customs Tariff by Council Regulation (EEC) No 3593/73 of 28 December 1973 (OJ No L 365, p.4).

It emerged at a meeting of the Working Party on "Tariff Economy" held on 31 May 1974 that the above mentioned quota will not cover total Community import requirements of the products concerned from third countries. It was decided therefore to increase the quota by an appropriate amount and to constitute a Community reserve containing the same amount as the increase. From information supplied at the meeting it seemed appropriate to fix the increase at 100 000 cubic metres. The fact that the increase has been fixed at this amount does not preclude the possibility of its being adjusted again at a later date.

2. The object of this Regulation is to provide for an increase of 100 000 cubic metres in the initial amount of the tariff quota, to set up a Community reserve of the same amount and, as is customary in the administration of tariff quotas, to oblige Member States which have exhausted their initial shares, to draw on the reserve and to return to the reserve any unused portion in excess of the usual 20%.

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REGULATION (EEC)

OF THE COUNCIL

increasing the Community tariff quota opened for 1974 by Regulation (EEC) No 3593/73 of 28 December 1973 for certain plywoods of coniferous species falling within heading No ex 44.15 of the Common Customs Tariff.

#### THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 28 thereof;

Having regard to the draft Regulation submitted by the Commission;
Whereas, for certain plywoods of coniferous species falling within heading
No ex 44.15 of the Common Customs Tariff, a duty free Community tariff
quota, the amount of which has been fixed at an initial level of
500 000 cubic metres, has been opened and allocated among the Member
States by Regulation (EEC) No 3593/73 of 28 December 1973;

Whereas the economic data relative to the consumption and production of these products do not yet permit Community requirements of imports from non-member countries to be evaluated with absolute certainty; wwhereas it appears that certain Member States have additional requirements which cannot be met by Community production; whereas the tariff quota concerned should therefore be increased by an appropriate amount, approximately 100 000 cubic metres;

Whereas, to take account of future import trends for the products concerned owing to the uncertainty of the additional requirements of Member States, a Community reserve consisting of the proposed increase should be set up;

Whereas the initial shares allocated to Member States may be exhausted at different rates; whereas to avoid disruption of supplies on this account it should be provided that any Member State which has almost used up its initial share should draw an additional share from the reserve; whereas each time its additional share is almost exhausted a Member State should draw a further share, and so on as many times as the reserve allows; whereas the initial and additional shares should be valid until the end of the quota period; whereas this form of administration requires close collaboration between the Member States and the Commission, and the Commission must be in a position to keep account of the extent to which the quotas have been used up and to inform the Member States accordingly;

Whereas if at a given date in the quota period a considerable quantity of a Member State's initial share remains unused it is essential, to prevent a part of a quota from remaining unused in one Member State while it could be used in others, that such State should return a significant proportion thereof to the reserve;;

HAS ADOPTED THIS REGULATION: .

# Article 1

1. The volume of 500 000 cubic metres of the Community tariff quota opened for certain plywoods of coniferous species falling within heading No ex 44.15 of the Common Customs Tariff by Regulation (EEC) No 3593/73 of 28 December 1973, is hereby increased by 100 000 cubic metres to 600 000 cubic metres.

2. This increase of 100 000 cubic metres shall constitute a Community reserve.

## Article 2

- 1. As soon as a Member State has used 90% or more of its share as fixed in Article 2 of Regulation (EEC) No 3593/73, that share minus any portion returned to the reserve pursuant to Article 4, it shall forthwith, by notifying the Commission, draw a second share, to the extent that the reserve so permits equal to 10% of its initial share rounded up as necessary to the next whole number.
- 2. As soon as a Member State, after exhausting its initial share, has used 90% or more of the second share drawn by it, that Member State shall forthwith, in the manner and to the extent provided in paragraph 1, draw a third share equal to 5% of its initial share.
- 3. As soon as a Member State, after exhausting its second share, has used 90% or more of the third share drawn by it, that Member State shall in the manner and to the extent provided in paragraph 1, draw a fourth share equal to the third.
- It shall continue in this fashion until the reserve is exhausted.
- 4. By way of derogation from paragraphs1, 2, and 3, the Member States may draw shares lower than those specified in those paragraphs if there are grounds for believing that those specified may not be used in full. Any Member State applying this paragraph shall inform the Commission of its grounds for so doing.

## Article 3

Additional shares drawn pursuant to Article 2 shall be valid until 31 December 1974.

#### Article 4

Any Member State which on 15 September 1974 has not exhausted its share allocated pursuant to Article 2 of Regulation (EEC) No 3593/73 shall, not later than 10 October 1974, return to the reserve the unused portion in excess of 20% of the initial amount. It may return a greater portion if there are grounds for believing that such portion may not be used in full.

Member States shall, not later than 10 October 1974, notify the Commission of the total quantities of the products in question imported up to and including 15 September 1974 and charged against the Community quota and of any portion of their shares returned to the reserve.

## Article 5

The Commission shall keep an account of the shares opened by the Member States pursuant to Article 2 of Regulation (EEC) No 3593/73 and Article 2 of this Regulation and shall, as soon as the information reaches it, inform each State of the extent to which the reserves have been used up. It shall, not later than 15 October 1974, inform the Member State of the amounts still in reserve following any return of shares pursuant to Article 4.

It shall ensure that when an amount exhausting the reserve is drawn the amount so drawn 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 6

- 1. Every Member State shall take all appropriate measures to ensure that additional shares drawn pursuant to Article 2 are opened in such a way that importations may be charged without interruption against its accumulated share of the relevant Community quota.
- 2. The administration of the additional shares shall be carried out in accordance with the provisions of Article 3 of Regulation (EEC) No 3593/73, referred to above

#### Article 7

This Regulation shall enter into force on the seventh 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