COMMISSION OF THE EUROPEAN COMMUNITIES

COM(79) 718 final. Brussels, 7 Brussels, 1979

Draft

DECISION OF THE ACP-EEC COUNCIL OF MINISTERS

derogating from the definition of the concept of "originating products" to take into account the special situation of Malawi and Kenya with regard to certain items of fishing tackle (fishing flies)

Proposal for a <u>COUNCIL</u> REGULATION (EEC)

on the application of Decision No /79 of the ACP-EEC Council of Ministers derogating from the definition of the concept of "originating products" to take into account the special situation of Malawi and Kenya with regard to certain items of fishing tackle (fishing flies)

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on the application of Decision No /80 of the ACP-EEC Customs Cooperation Committee derogating from the definition of the concept of "originating products" to take into account the special situation of Malawi and Kenya with regard to certain items of fishing tackle (fishing (flies)

(submitted to the Council by the Commission) COM(79) 718 final.

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EXPLANATORY NOTE

By letter No 672/ACP/79 of 23 July 1979, the Joint-Chairman of the ACP-EEC Customs Cooperation Committee introduced a request on behalf of Malawi and Kenya for a new derogation from the concept of originating products for fishing flies. The period requested for this derogation is two years.

These flies are made from hooks imported from third countries. Hooks and flies are both classified under the same heading in the Customs Cooperation Council Nomenclature so the finished product does not qualify as an originating product as there is no change of tariff heading even though the hooks do not amount to more than about 25% of the value of the finished product.

The two derogations previously accorded were to allow Malawi and Kenya to find new sources of supply for hooks.

But, according to the letter referred to above, it seems that it has not been possible to change the habits of Community users.

This letter requests a new origin rule consisting of the insertion in List B of the Origin Protocol to the Lomé Convention for the products of heading ex 97.07 because of the level of value added in Malawi and Kenya; this being 75% of the value of the finished product.

In order to avoid having a gap in legal cover a new derogation for two years would allow for a detailed study of this question under satisfactory conditions. In addition, it concerns such a small quantity that no disturbance could seem possible.

As the present Convention expires on 1 March 1980 it is necessary to envisage three separate legal acts:

 a Decision of the ACP-EEC Council of Ministers for the period 1 January 1980 until 1 March 1980, with a Council Regulation applying this Decision in the Community,

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- a Council Reculation covering the period in which certain provisions of the new Convention are applied in anticipation,
- a Decision of the ACP-EEC Customs Cooperation Committee for the period between the entry into force of the Convention and 31 December 1981, with a Council Regulation applying this Decision in the Community.

Consequently the Commission recommends the attached drafts,

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DECISION

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derogating from the definition of the concept of "originating products" to take into account the special situation of Malawi and Kenya with regard to certain items of fishing tackle (fishing flies)

OF THE ACP-EEC COUNCIL OF MINISTERS

THE ACP-LEC COUNCIL OF MINISTERS

Having regard to the ACP-EEC Convention of Lome (1), sighed on 28 February 1975 (hereinafter referred to as 'the Convention'), and in particular Article 9 (2) thereof.

whereas Article 27 of Protocol 1 to the Convention, concerning the definition of the concept of "originating products" and methods of administrative cooperation, makes provision for derogations from the rules of origin in particular to facilitate the development of existing industries or the creation of new industries;

Whereas the African, Caribbean and Pacific States (ACP) have submitted a request for a derogation from the definition set out in Protocol 1 for items of fishing tackle manufactured in Malawi and Kenya;

Whereas, in accordance with Article 27 of Protocol 1, the Customs Cooperation Committée has adopted a réport on this request;

Whereas the possibilities offered by the cumulation system on origin do not provide a solution to the origin problem for items of fishing tackle manufactured in Malawi and Kenya;

Whereas a new derogation for two years has been requested by the ACP States for Malawi and Kenya;

Whereas the present Convention expires on 29 February 1980 and it is consequently necessary to limit the period of validity of this Decision so as not to extend beyond that date;

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Whereas any possible deflection of trade should be avoided; whereas this can be achieved by fixing a maximum percentage of non-originating products incorporated in the finished product,

(1) O.J. No. L 25 of 30.1.1976, p.2

HAS DECIDED AS FOLLOWS :

Article 1

By way of derogation from the provisions of Protocol 1, items of fishing tackle manufactured in Malawi and Kenya of CCT heading No ex 97.07,"fishing flies", shall be considered as originating in Malawi and Kenya provided that the value of the non-originating fish-hooks used for their manufacture, falling within CCT heading No ex 97.07, does not exceed 25% of the value of the finished product.

Article 2

The competent authorities of the Republic of Malawi and the Republic of Kenya shall forward to the Commission every three months a statement of the quantities in respect of which movement certificates EUR.1 have been issued pursuant to this Decision, indicating the Member States of destination.

Article 3

The ACP States, the Member States and the Community shall, each within its own area of competence, take the measures required to implement this Decision.

Article 4

This Decision shall enter into force on 1 January 1980.

It shall apply until 29 February 1980.

Done at Brussels,

For the ACP-EEC Council of Ministers

The President

Proposal for a COUNCIL REGULATION (EEC)

on the application of Decision No /79 of the ACP-EEC Council of Ministers derogating from the definition of the concept of "originating products" to take into account the special situation of Malawi and Kenya with regard to certain items of fishing tackle (fishing flies)

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 ACP-EEC Council of Ministers set up under the ACP-EEC Convention of Lomé (1) signed on 28 February 1975, has adopted, pursuant to Article 9 (2) of the Convention, Decision No /79 derogating from the concept of 'originating products' to take into account the special situation of Malawi and Kenya with regard to certain items of fishing tackle (fishing flies);

Whereas it is necessary, in accordance with Article 74(3) of the said Convention, to take the measures required to implement that Decision,

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HAS ADOPTED THIS REGULATION :

Article 1

Decision No /79 of the ACP-EEC Council of Ministers annexed to this Regulation shall apply within the Community.

(1) OJ NO L 25 of 30.1.1976, p.2

Article 2

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

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It shall apply from 1 January 1980 until 29 February 1980.

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)

derogating from the definition of the concept of "originating products" to take into account the special situation of Malawi and Kenya with regard to certain items of fishing tackle (fishing flies)

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 ACP-EEC Lomé Convention between the African, Caribbean and Pacific States and the European Economic Community was signed on 31 October 1979 (1);

Whereas at the time of signature the Community and the ACP States agreed, by an exchange of letters, to apply in an autonomous fashion with effect from 1 March 1980 certain provisions of the Convention concerning trade;

Whereas Article 30 of Protocol 1 to the Convention, concerning the definition of the concept of "originating products" and methods of administrative cooperation, makes provision for derogations from the rules of origin in particular to facilitate the development of existing industries or the creation of new industries;

Whereas the African, Caribbean and Pacific States have submitted a request for a derogation from the definition set out in Protocol 1 for items of fishing tackle manufactured in Malawi and Kenya;

Whereas the possibilities offered by the cumulation system on origin do not provide a solution to the origin problem for items of fishing tackle manufactured in Malawi and Kenya;

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(1) O.J. No. L of ,p.

Whereas a new derogation for two years has been requested by the ACP States for Malawi and Kenya;

Whereas it is necessary to provide a derogation for the period between 1 March 1980 and the date of entry into force of the Convention;

Whereas any possible deflection of trade should be avoided; whereas this,

can be achieved by fixing a maximum percentage of non-originating products incorporated in the finished product;

HAS ADOPTED THIS REGULATION:

Article 1

Article 2

The competent authorities of the Republic of Malawi and the Republic of Kenya shall forward to the Commission every three months a statement of the quantities in respect of which movement certificates EUR.1 have been issued pursuant to this Decision, indicating the Member States of destination.

Article 3

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

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It shall apply from 1 March 1980 until the entry into force of the Lomé Convention, but in any case not after 31 December 1981.

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

Done at Brussels,

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For the Council The President

Draft.

DECISION OF THE ACP-EEC CUSTOMS COOPERATION COMMITTEE derogating from the definition of the concept of 'originating products' to take into account the special situation of Malawi and Kenya with regard to certain items of fishing tackle (fishing flies)

THE CUSTOMS COOPERATION COMMITTEE,

Having regard to the ACP-EEC Convention of Lomé, signed on 31 October 1979, hereinafter referred to as 'the Convention' (1),

Whereas Article 30 of Protocol 1 to the Convention, concerning the definition of the concept of 'originating products' and methods of administrative cooperation, makes provision for derogations from the rules of origin in particular to facilitate the development of existing industries or the creation of new industries;

Whereas the African, Caribbean and Pacific States (ACP) have submitted a request for a derogation from the definition set out in Protocol 1 for items of fishing tackle manufactured in Malawi and Kenya;

Whereas the possibilities offered by the cumulation system on origin do not provide a solution to the origin problem for items of fishing tackle manufactured in Malawi and Kenya;

Whereas a new derogation for two years has been requested by the ACP States for Malawi and Kenya;

Whereas any possible deflection of trade should be avoided; whereas this

can be achieved by fixing a maximum percentage of non-originating products incorporated in the finished product;

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(1) O.J. No. L

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of

HAS DECIDED AS FOLLOWS :

Article 1

By way of derogation from the provisions of Protocol 1, items of fishing tackle manufactured in Malawi or Kenya and falling within CCT heading No ex 97.07 'fishing flies', shall be considered as originating in Malawi or Kenya provided that the value of the non-originating fish-hooks used for their manufacture, falling within CCT heading No ex 97.07, does not exceed 25% of the value of the finished product.

Article 2

The competent authorities of the Republic of Malawi and the Republic of Kenya shall forward to the Commission every three months a statement of the quantities in respect of which movement certificates EUR.1 have been issued pursuant to this Decision, indicating the Member States of destination.

Article 3

The ACP States, the Member States and the Community shall, each within its own area of competence, take the measures required to implement this Decision.

Article 4

This Decision shall enter into force on

It shall apply until 31 December 1981.

Done at Brussels,

For the Customs Cooperation Committee

The President

Proposal for a COUNCIL REGULATION (EEC)

on the application of Decision No /80 of the ACP-EEC Customs Cooperation Committee derogating from the definition of the concept of 'originating products' to take into account the special situation of Malawi and Kenya with regard to certain items of fishing tackle (fishing) flies)

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 ACP-EEC Customs Cooperation Committee set up under the ACP-EEC Convention of Lomé signed on 31 October 1979 (1) adopted pursuant to Article 28 (3) of Protocol No 1 to the Convention Decision No /80 derogating from the concept of 'originating products' to take into account the special situation of Malawi and Kenya with regard to certain items of fishing tackle (fishing flies);

Whereas it is necessary in accordance with Article 33 of the said Protocol No 1 to take the measures required to implement that Decision;

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HAS ADOPTED THIS REGULATION :

Article 1

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Decision No /80 of the ACP-EEC Customs Cooperation Committee annexed to this Regulation shall apply within the Community.

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(1) O.J. No. L of

Article 2

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

It shall apply from until 31 December 1981.

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

Done at Brussels, For the Council The President

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