

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(86) 611 final

Brussels, 14 November 1986

Proposal for a

## COUNCIL REGULATION (EEC)

derogating from the definition of "originating products"  
to take account of the special situation of  
Saint Pierre and Miquelon with regard to  
certain fishery products

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(submitted to the Council by the Commission)

COM(86) 611 final



## Explanatory note

### Introduction

1. The French Government, in a note received by the Commission on 11 July 1986, has requested on behalf of Saint-Pierre et Miquelon, a derogation from the origin rules of the O.C.T. Decision (1), for certain fishery products processed therein.

### Origin rule

2. The origin rules for the products concerned require that they have to be fully obtained, that is processed from raw fish caught in O.C.T. (or ACP, or EEC) territorial waters or on the high sea by O.C.T. (or ACP, or EEC) vessels.

### Background

3. Saint-Pierre et Miquelon was an O.C.T., according to Annex IV of the EEC Treaty, until this status was changed into D.O.M. (French law of 19.07.1976).

The Treaty was not modified, but in fact the territory was de-facto excluded from the OCT Decision (2) and it was included into the customs territory of the Community (3). As a consequence, preferential origin rules did not apply to its trade with the Community, which was covered by the free circulation provisions.

4. A new change in the status of this territory took place on 11 June 1985, where French law turned it into a "collectivité territoriale de la République Française" following which it was again included in the O.C.T. Decision.

Saint-Pierre et Miquelon is therefore now subject to the preferential origin rules which certain of their fishery products cannot fulfill, given their dependance on third country vessels as sources for the raw fish. The processing which takes place there consists in skinning, filletting, trimming, salting, drying, smoking, packaging, freezing or deep-freezing, etc.

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(1) O.J. n° L 175 of 1 July 1986, p. 47

(2) 80/1186/EEC-O.J. n° L 361 of 31 December 1980

(3) Regulation (EEC) n° 2151/84 - O.J. n° L 197 of 27 July 1984.

5. The available statistics (see annex I) show that a traditional flow of trade exists at least for certain of the products for which the derogation is requested. The available information indicates that by far the most important supplier to the territory of raw fish is Canada, which accounts for roughly 90 % of the total figure.

Economic impact

6. The share of Saint-Pierre et Miquelon in the global imports in the EEC (10) for the products concerned by the derogation for which statistics are known is very limited (4), except for heading 03.01-77 (monkfish), whose quantity exported from this territory to the EEC (10) amounts to 236 tons.

From an economic point of view, the derogation is of minor importance for the Community, while it represents an essential activity for the territory concerned.

Derogation Procedure

7. In respect of the derogation criteria laid down in Article 28 of Annex II to the OCT Decision, the geographical situation of Saint-Pierre et Miquelon, which excludes any practical recourse to alternative OCT, EEC or ACP suppliers, must be taken into account.

It is also clear that the application of origin rules would have a negative effect on an existing industry.

Conclusions

8. Given the exceptional circumstances, even if the processing carried out is limited, the Commission proposes to accept the requested derogation for a period of three years, and for a global quantity of 740 tons per year.

Report from the Origin Committee

9. A report from the Origin Committee, established in conformity with Article 28 (7) of Annex II to the O.C.T. Decision, is attached (Annex II).

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(4) in 1985	: Skate wings	Nimexe heading	03.01-81 =	0,53 % in value
	Monkfish	Nimexe heading	03.01-77 =	16,9 % in value
	Capelin	Nimexe heading	03.02-20 =	2,12 % in value
	Smoked salmon	Nimexe heading	03.02-33 =	0,02 % in value

ANNEX I

Imports in the EEC (12) from Saint Pierre et Miquelon of products covered by the requested derogation.

All products were imported in France.

Product CCCN	Code Nimexe	1983		1984		1985	
		000 ECU	Tons	000 ECU	Tons	000 ECU	Tons
03.02 B II b	33	17	1	3	not available	13	1
03.02 A I f	20	8	1	26	3	31	5
03.01 B I y	81	184	169	140	123	366	236
03.01 B I w2	77	184	169	140	123	366	236

(Source : Eurostat)

REPORT  
from the Origin Committee  
to the Council

(established in conformity with Article 28 (7), of Annex II to Council Decision 86/283/EEC of 30 June 1986 (1)).

Subject: Request for derogation from the origin rules entered by France for certain fishery products manufactured in Saint-Pierre et Miquelon.

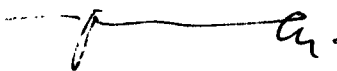
1. The Origin Committee discussed the request referred to above in its 156th Meeting, which took place in Brussels from 22 to 24 September 1986.
2. The German and the Dutch delegation were in favour of the derogation request. The other delegations reserved their position.
3. The Chairman expressed the view that it would be advisable for reasons of simplification to envisage a derogation expressed for a global quantity covering all the beneficiary products, instead of listing individual figures, given the limited quantities concerned.

The Chairman

P.B. KNUDSEN

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(1) O.J. No. L 175, 1 July 1986, p.47

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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 French Government, on behalf of Saint Pierre and Miquelon, has  
requested a derogation from the rules of origin to take into account the par-  
ticular problems of that territory in respect of certain fishery products  
processed there;

Whereas Saint Pierre and Miquelon was included in the customs territory of  
the Community until 30 June 1986; whereas its trade until that date was governed  
by the provisions on the free movement of goods within the Customs Union;

Whereas Council Decision 86/283/EEC of 30 June 1986 on the association of the  
overseas countries and territories with the European Economic Community<sup>1</sup> has  
applied to Saint Pierre and Miquelon since 1 July 1986;

Whereas Annex II to that Decision lays down the rules of origin applicable in  
preferential trade between overseas countries and territories and the European  
Economic Community; whereas those rules provide for the use of originating raw  
fish, which cannot be obtained at the present stage by the processing industry  
in Saint Pierre and Miquelon;

Whereas Article 28 of the said Annex II sets out the conditions which must be  
fulfilled in order for a derogation to be granted; whereas these conditions are  
satisfied insofar as the geographical situation of Saint Pierre and Miquelon  
prevents the utilization of raw materials wholly obtained or processed in other  
overseas countries and territories, in the ACP States or in the Community, and the  
application of the rules of origin would prevent an existing industry continuing  
to export its product to the Community,

HAS ADOPTED THIS REGULATION:

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<sup>1</sup>OJ No L 175, 1.7.1986, p. 1.

Article 1

By way of derogation from the rules of origin in Annex II to Decision 86/283/EEC, the fishery products listed in the Annex manufactured in Saint Pierre and Miquelon from non-originating raw fish and crustaceans shall be considered as originating in Saint Pierre-et-Miquelon under the conditions set out in this Regulation.

Article 2

The derogation provided for in Article 1 shall relate to an annual global quantity of 740 tons of the finished products listed in the Annex, exported from Saint Pierre and Miquelon between 1 December 1986 and 30 November 1989.

Article 3

The competent authorities of Saint Pierre and Miquelon shall carry out quantitative checks on exports as referred to in Article 2 and shall forward to the Commission every three months a statement of the quantities in respect of which movement certificates EUR-1 have been issued on the basis of this Regulation.

Article 4

This Regulation shall enter into force on the day of 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



ANNEX

PRODUCT	TARIFF SUBHEADING	NIMEXE CODE
a) smoked salmon	03.02 B II	33
b) smoked eel	03.02 B VII	51
c) smoked cod roes	03.02 C	60
d) halibut	03.02 B IV	41
e) smoked mackerel	03.02 B V	43
f) dried or smoked capelin	03.02 A I f	20
	03.02 A II d	29
	03.02 B VIII	59
g) skate wings	03.01 B I y	81
h) monkfish	03.01 B I W 1	76
	03.01 B I W 2	77
i) crab flesh	03.03 A III	35-36-39

