COMMISSION DECISION

of 31 July 1986

derogating from High Authority recommendation No 1/64 concerning an increase in the protective duty on iron and steel products at the external frontiers of the Community (123rd derogation)

(86/430/ECSC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Coal and Steel Community, and in particular Article 71, paragraph 3 thereof,

Having regard to High Authority recommendation No 1/64 of 15 January 1964 to the Governments of the Member States concerning an increase in the protective duty on iron and steel products at the external frontiers of the Community [1], as last amended by recommendation 81/772/ECSC [2], and in particular Article 3 thereof,

Whereas certain iron and steel products indispensable to the manufacture of certain goods and having very special physical and chemical characteristics are not produced in the Community, or produced in insufficient quantities ; whereas for a number of years insufficiency has been countered by the granting of duty-free tariff quotas ; whereas Community producers are still not in a position to comply with the present quality requirements put forward by the users ; whereas the granting of duty-free quotas at a level securing the supply of users is consequently required ;

Whereas import of these products on preferential terms is not injurious to iron and steel undertakings in the Community which produce directly competing products ;

Whereas neither this suspension of duties nor these tariff quotas are likely to jeopardize the objectives of recommendation No 1/64, but will help to maintain existing trade flows between Member States and non-member countries ;

Whereas these are special cases in the commercial policy field justifying the authorization of derogations pursuant to Article 3 of recommendation No 1/64 ;

Whereas provision should be made to ensure that the quotas granted will be used solely to supply the needs of industries in the importing countries and that re-exportation in the unaltered state to other Member States of imported iron and steel products will be prevented ;

Whereas the Governments of the Member States have been consulted on the tariff quotas set out below,

HAS ADOPTED THIS DECISION :

Article 1

1. Member States are hereby authorized to derogate from the obligations arising under Article 1 of High Authority recommendation No 1/64 to the extent necessary to suspend at the levels indicated the customs duties on the products set out below, within tariff quotas of the amounts indicated for the Member States concerned :

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[1] OJ No 8, 22. 1. 1964, p. 99/64.
[2] OJ No L 285, 7. 10. 1981, p. 33.

CCT heading No	Description	Member State	Quota (tonnes)	Duty %
ex 73.15 A V b) 1 and ex 73.15 B V b) 1	Special wire rod for the manufacture of valve springs : (a) Of high carbon steel, not further worked than hot-rolled, between 5,5 and 13 mm in diameter with the following characteristics : — Carbon : 0,60 to 0,70 % — Silicon : not more than 0,25 % — Manganese : 0,50 to 0,90 % — Sulphur : not more than 0,020 % — Phosphorus : not more than 0,030 % — Copper : not more than 0,060 % (b) Of chrome-vanadium alloy steel, not further worked than hot-rolled, between 5,5 and 13 mm in diameter, with the following characteristics : — Carbon : 0,60 to 0,70 % — Silicon : 0,15 to 0,30 % — Manganese : 0,60 to 0,90 % — Sulphur : not more than 0,025 % — Phosphorus : not more than 0,025 % — Chromium : 0,50 to 0,80 % — Vanadium : 0,10 to 0,25 % (c) Of chrome-silicon alloy steel, not further worked than hot-rolled between 5,5 and 13 mm in diameter, with the following characteristics : — Carbon : 0,50 to 0,60 % — Silicon : 1,20 to 1,70 % — Manganese : 0,40 to 0,80 % — Sulphur : not more than 0,025 % — Phosphorus : not more than 0,025 % — Chromium : 0,50 to 0,80 %	Germany Benelux France	450 650 670	0 0 0

2. The abovementioned products must, in addition, comply with the following physical specifications :

1. **Decarburization**

Depth of decarburization measured without defects :

— high carbon and chrome-vanadium wire rod : 0,05 mm maximum

— chrome-silicon wire rod : 0,07 mm maximum

2. **Surface condition**

Maximum depth of defects (tears, fissures or folds) measured perpendicular to the surface : 0,05 mm

3. **Non-metallic inclusions**

Examination to be carried out in accordance with the AFNOR standard (ref. A 04/106) of July 1972 and with Stahl-Eisen-Blatt 1570/71.

Typical maximum value figure 1 from the surface to two-thirds of the radius.

Typical maximum value figure 2 beyond two-thirds of the radius to the core.

The values indicated are valid for any type of inclusion.

Article 2

1. Member States accorded quotas under Article 1 shall ensure, in liaison with the Commission, that such quotas are apportioned among third countries on a non-discriminatory basis.

2. They shall take all necessary steps to preclude the possibility of iron and steel products imported under the said tariff quotas being re-exported to other Member States in the unaltered state.

3. Community provisions on the matter shall apply for the purpose of verifying that the products in question are used for the particular purpose prescribed.

Article 3

This Decision shall apply with effect from 1 July 1986 and shall remain in force until 31 December 1986.

Article 4

This Decision is addressed to the Member States.

Done at Brussels, 31 July 1986.

For the Commission

Willy DE CLERCQ

Member of the Commission