REGULATION (EEC) No 2419/74 OF THE COUNCIL

of 23 September 1974

on the opening, allocation and administration of a Community tariff quota for yarn, entirely of silk, other than yarn of noil or other waste silk, not put up for retail sale, falling within heading No ex 50.04 of the Common Customs Tariff for 1975

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, in accordance with the resolution passed at its meeting of 29 to 31 May 1967, the Council, by its Regulation (EEC) No 322/70 [1], reintroduced until 31 December 1976 the 12 % autonomous duty of the Common Customs Tariff for silk yarn, other than yarn of noil or other waste silk, not put up for retail sale, falling within heading No ex 50.04; whereas the conventional duty for that product is 7 %;

Whereas the resolution aforesaid further provides for the opening in respect of that period and for such silk yarn of an annual Community tariff quota with reduced or nil duty where a change in the sources of supply or an insufficient supply within the Community might have adverse results for the processing industries in the Member States;

Whereas silk yarn is produced in the Community; whereas, although that production could cover all the Community requirements by reason of its overall volume, this does not apply with regard to yarn entirely spun from silk; whereas there is, as a result, an insufficient supply in the Community;

Whereas consequently Community supply for those qualities of yarn depends to a considerable extent on imports; whereas full application of the duty under the Common Customs Tariff would result in those products being subjected to a considerable customs charge while products manufactured from silk yarn face powerful competition from similar products manufactured from other material; whereas an insufficient supply, added to competition at finished product level, might have adverse results for the Community's processing industries;

Whereas the duty under the Common Customs Tariff applicable on imports of the silk yarn in question is 7 %; whereas, when fixing the quota duty, it is appropriate to take into account, on the one hand, the situation of the Community silk yarn producing industry and, on the other, that of the silk yarn processing industries with regard to their obtaining supplies on favourable terms; whereas a quota duty of 2·5 % could best satisfy the abovementioned requirements;

Whereas the trend in imports during 1973 suggests that the import requirements of the yarns in question might be in the region of 60 metric tons for 1975; whereas the opening of a Community tariff quota of that volume is unlikely to harm Community production;

Whereas equal and continuous access to the quota should be ensured for all importers and the rate of levy for the tariff quota should be applied consistently to all imports of the product in question until the quota is used up; whereas, utilization of the Community tariff quota in the light of the principles outlined above based on an allocation between the Member States concerned would appear consistent with the Community nature of the quota; whereas to represent as closely as possible the actual trend of the market in the product in question the allocation should follow proportionately the requirements of the Member States calculated both from statistics of imports during a representative reference period and from the economic outlook for the tariff year in question;

Whereas the corresponding imports of the products falling within the tariff heading No 50.04 of each of the Member States concerned during the past three years for which complete statistics are available represent the following percentages of total Community imports of these products:

	1971	*1972*	*1973*
Benelux	0·0	0·7	0·0
Denmark	0·5	0·2	0·0
Germany	35·0	18·6	15·8
France	20·0	17·1	17·1
Ireland	0·7	1·4	0·0
Italy	22·5	50·0	52·6
United Kingdom	21·3	12·0	14·5

Whereas in view of these factors and of the forecasts which it is possible to make the initial percentage,

[1] OJ No L 43, 24. 2. 1970, p. 5.

shares in the quota volume can be expressed approximately as follows :

Benelux	2
Denmark	2
Germany	34
France	24
Ireland	2
Italy	26
United Kingdom	10

Whereas, to take account of future import trends for the product under consideration, the total quota volume should be divided into two successive amounts, the first being allocated and the second held as a reserve to cover at a later date the requirements of Member States who have used up their initial share ; whereas to give importers some degree of certainty the first successive amount of the Community quota should in the event be fixed at 83 % of the total quota ;

Whereas the initial shares may be used up more or less quickly ; whereas, therefore, to avoid disruption of supplies any Member State which has almost used up its initial share, must draw a supplementary share from the reserve ; whereas this must be done by each Member State as each one of its supplementary shares is almost used up, and as many times as the reserve allows ; whereas the initial and supplementary shares must 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 follow the extent to which the quota volume has been used up and inform the Member States thereof ;

Whereas if, at a given date in the quota period, a considerable quantity is left over in a Member State, it is essential that such State should return a substantial proportion to the reserve, to prevent part of the total quota from remaining unused in one Member State while it could be used in others ;

Whereas since the Kingdom of Belgium, the Kingdom of the Netherlands and the Grand Duchy of Luxembourg are jointly represented by the Benelux Economic Union, any measure concerning the administration of the shares allocated to that Economic Union may be carried out by one of its members,

HAS ADOPTED THIS REGULATION :

Article 1

1. From 1 January to 31 December 1975, the autonomous duty of the Common Customs Tariff for yarn entirely of silk, other than yarn of noil or other waste silk, not put up for retail sale, falling within heading No ex 50.04 shall be suspended at 2·5 % in respect of a Community tariff quota of 60 metric tons.

2. Within the limits of the tariff quota, the new Member States shall apply the duties calculated in accordance with the relevant provisions of the Act of Accession.

Article 2

1. A first successive amount of 50 metric tons of this Community tariff quota shall be allocated among the Member States ; the shares shall, subject to Article 5, be valid until 31 December 1975 and shall be as follows :

Benelux	1 metric ton
Denmark	1 metric ton
Germany	17 metric tons
France	12 metric tons
Ireland	1 metric ton
Italy	13 metric tons
United Kingdom	5 metric tons

2. The second successive amount, of 10 metric tons, shall be held in reserve.

Article 3

1. If 90 % or more of a Member State's initial share specified in Article 2 (1), or of that share minus the portion returned to the reserve where Article 5 is applied, has been used up, that Member State shall without delay, by notifying the Commission, draw a second share, to the extent that the reserve is sufficient, equal to 10 % of its initial share, rounded up where necessary to the next unit.

2. If, after its initial share has been used up, 90 % or more of the second share drawn by a Member State has been used up, that Member State shall without delay, under the conditions laid down in paragraph 1, draw a third share equal to 5 % of its initial share.

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 without delay, under the same conditions, draw a fourth share equal to the third.

This process shall apply until the reserve is used up.

4. By way of derogation from paragraphs 1, 2 and 3, the Member States may draw shares lower than those fixed in those paragraphs if there are grounds for considering that those fixed may not be used up. They shall inform the Commission of their reasons for applying this paragraph.

Article 4

Supplementary shares drawn pursuant to Article 3 shall be valid until 31 December 1975.

Article 5

A Member State which on 15 September 1975 has not used up its initial share shall return to the reserve not later than 10 October 1975 the unused portion

exceeding 20 % of the initial amount. It may return a greater portion if there are grounds for considering that it may not be used up.

The Member States shall, not later than 10 October 1975 notify to the Commission the total quantities of silk yarn imported up to and including 15 September 1975 and charged against the Community tariff quota and any quantities of the initial share 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 shall, as soon as it has been notified, inform each State of the extent to which the reserve has been used up.

It shall inform the Member States not later than 15 October 1975 of the amount held in reserve after amounts have been returned thereto pursuant to Article 5.

It shall ensure that the drawing which finally uses up the reserve is limited to the balance available and to this end shall specify the amount thereof to the Member State making the last drawing.

Article 7

1. The Member States shall take all appropriate measures to ensure that supplementary shares drawn pursuant to Article 3 are opened in such a way that charges may be made, without interruption, against their cumulative shares of the Community quota.

2. Each Member State shall ensure that importers of the said product established in its territory have free access to the shares allocated to it.

3. The Member States shall charge against their shares imports of the said product, when the product is entered for home use.

4. The extent to which a Member State has used up its share shall be determined on the basis of the imports charged in accordance with paragraph 3.

Article 8

The Member States shall regularly inform the Commission of imports actually charged against their shares.

Article 9

The Member States and the Commission shall cooperate closely to ensure that this Regulation is observed.

Article 10

This Regulation shall enter into force on 1 January 1975.

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

Done at Brussels, 23 September 1974.

For the Council

The President

Ch. PONCELET