REGULATION (EEC) No 2660/74 OF THE COUNCIL

of 15 October 1974

opening, allocating and providing for the administration of a Community tariff quota for newsprint falling within subheading 48.01 A of the Common Customs Tariff and extending this quota to include certain types of paper falling within subheading 48.01 E thereof (1975)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 28 and 113 thereof;

Having regard to the proposal from the Commission;

Whereas the Community has undertaken to open an annual duty-free Community tariff quota of 1 500 000 metric tons of newsprint falling within subheading 48.01 A;

Whereas, in view of present Community production capacity, that quantity is insufficient to meet anticipated import requirements; whereas provision should therefore be made for an autonomous supplementary quota which, according to the estimates submitted, may be fixed at present at 1 500 000 metric tons; whereas the fact that this figure has been adopted for the autonomous supplementary quota does not rule out a readjustment during the quota period; whereas a Community tariff quota should therefore be opened for 1975 for a total quantity of 3 000 000 metric tons of the product in question;

Whereas, since the present world shortage of paper meets all the requirements set out in the supplementary note to Chapter 48, in particular that relating to watermarks, provision should be made for temporarily extending the tariff quota in question to include certain types of paper fulfilling all requirements except that relating to watermarks and falling at present within subheading 48.01 E;

Whereas equal and continuous access to the quota should be ensured for all Community importers and the rate of duty for the tariff quota should be applied without interruption to all imports of the product in question until the quota is exhausted; whereas in the light of these principles, arrangements for the utilization of the Community tariff quota based on an allocation among Member States would seem to be consistent with the Community nature of the quota; whereas, in order that it may correspond as closely as possible to the actual trend of the market in the product in question, allocation of the quota should be in proportion to the requirements of the Member States as calculated by reference to statistics on imports from third countries during a representative reference period and to the economic outlook for the year covered by the quota in question;

Whereas, for the past three years for which complete statistics are available; the imports of each of the Member States amounted to the following percentages of total imports of the products in question:

	1971	*1972*	*1973*
Benelux	11·74	11·53	12·18
Denmark	4·66	7·02	6·92
Germany	29·12	26·65	27·03
France	6·86	7·64	9·45
Ireland	1·55	1·95	0
Italy	0·07	0·06	0·34
United Kingdom	46·00	45·15	44·08;

Whereas, in order to arrive at a proper assessment of those statistics, however, it should be borne in mind that the opening of a Community tariff quota for the enlarged Community may alter the pattern of trade of Member States with third countries; whereas, in view of the above and of the foreseeable trend on the market in newsprint, in general, and of production in particular, the first tranche of the 1975 quota may be allocated approximately in the following percentages:

Benelux	13·40
Denmark	6·80
Germany	25·80
France	11·00
Ireland	0·72
Italy	1·43
United Kingdom	40·85;

Whereas, to take account of import trends for the product concerned, the quota should be divided into two tranches, the first being allocated among the Member States and the second held as a reserve to cover subsequently the requirements of Member States which have exhausted their initial shares; whereas, to give importers some degree of certainty and yet enable Community production to be disposed of on satisfactory terms, the first tranche of the quota should be fixed at about 97 % of the full amount;

Whereas Member States may exhaust their initial shares at different rates; whereas to provide for this eventuality and avoid disruption of supplies 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, which latter must be in a position to keep account of the extent to which the quota has 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 the Community tariff 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;

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

HAS ADOPTED THIS REGULATION:

Article 1

1. During the period from 1 January to 31 December 1975, a Community tariff quota of 3 000 000 metric tons shall be opened in respect of newsprint falling within subheading 48.01 A of the Common Customs Tariff (1).

2. During this period, Member States shall be authorized to charge against this tariff quota paper falling within subheading 48.01 E and corresponding to the definition of newsprint contained in the Additional Note to Chapter 48, except as regards the criteria governing watermarks.

3. Imports of newsprint shall not be charged against this tariff quota if they are already free of customs duties under other preferential tariff treatment. Furthermore, imports of paper falling within subheading 48.01 E enjoying duty-free exemption under the said tariff quota shall not be charged against the guide ceilings fixed under certain free trade agreements.

4. The Common Customs Tariff duty shall be totally suspended within the limits of the above quota.

5. New Member States shall apply duties calculated in accordance with the relevant provisions of the Act of Accession to imports within the limits of the above quota.

Article 2

1. The Community tariff quota referred to in Article 1 shall be divided into two tranches.

2. A first tranche of 2 889 000 metric tons shall be allocated among the Member States. Member States shares, which subject to Article 5 shall be valid from 1 January until 31 December 1975, shall be as follows:

	in metric tons
Benelux	374 000
Denmark	190 000
Germany	720 000
France	400 000
Ireland	20 000
Italy	45 000
United Kingdom	1 140 000.

3. The second tranche, of 111 000 metric tons, shall constitute the reserve.

Article 3

1. If 90 % or more of a Member State's initial share as fixed in Article 2 (2), or of that share minus the portion returned to the reserve where Article 5 has been applied, 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. If, after its initial share has been exhausted, 90 % or more of the second share drawn by a Member State has been used up, that Member State shall, in the manner and to the extent provided in paragraph 1, draw a third share equal to 5 % of its initial share.

3. If, after its second share has been exhausted, 90 % or more of the third share drawn by a Member State has been used up, that Member State shall, in the manner and to the extent provided in paragraph 1, draw a fourth share equal to the third.

This procedure shall apply until the reserve is exhausted.

4. Notwithstanding paragraphs 1, 2 and 3, Member States may draw lesser shares than those specified in those paragraphs if there are grounds for believing that those specified may not be used in full. They shall inform the Commission of their reasons for applying this provision.

Article 4

Additional 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 any unused portion in excess of 20 % of the initial amount. It may return a

(1) Entry under this subheading is subject to conditions to be determined by the competent authorities.

greater portion if there are grounds for believing that it may not be used up.

Member States shall, not later than 10 October 1975, notify the Commission of the total quantities of the products in question imported up to and including 15 September 1975 and charged against the Community tariff quota and of any portion of their initial shares 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 Member 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 still in reserve after amounts have been returned thereto pursuant to Article 5.

It shall ensure that when a quantity 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 7

1. Member States shall take all appropriate measures to ensure that additional shares drawn pursuant to Article 3 are opened in such a way that imports may be charged without interruption against their accumulated share of the Community quota.

2. Member States shall take all measures necessary to ensure that paper falling within subheading 48.01 E included in this tariff quota is in fact intended for the printing of newspapers, weekly papers or other periodicals of heading No 49.02, published at least 10 times per year.

3. Member States shall ensure that importers of the products in question established in their territory have free access to the shares allocated to it.

4. The extent to which a Member State has used up its shares shall be determined on the basis of imports of the products in question entered with the customs authorities for home use.

Article 8

Member States shall notify the Commission at regular intervals of the imports charged against their shares.

Article 9

Member States and the Commission shall cooperate closely to ensure that this Regulation is complied with.

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 Luxembourg, 15 October 1974.

For the Council

The President

B. DESTREMAU