REGULATION (EEC) No 356/74 OF THE COUNCIL

of 4 February 1974

opening, allocating and providing for the administration of a Community tariff quota for certain petroleum products falling within Chapter 27 of the Common Customs Tariff, refined in Spain

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 Agreement between the European Economic Community and Spain, signed at Luxembourg on 29 June 1970, provides in Article 2 (1) together with Article 3 of Annex I, for the opening by the Community of an annual total Community tariff quota of 1 200 000 metric tons of certain petroleum products falling within Chapter 27 of the Common Customs Tariff, refined in Spain; whereas, pursuant to Article 2 of the said Annex, the quota duty is equal to 40% of the Common Customs Tariff duties effectively applied in this year in respect of the product concerned;

Whereas it is in particular necessary to ensure to all Community importers equal and uninterrupted access to the abovementioned quota and uninterrupted application of the rate laid down for that quota to all imports of the product concerned into all Member States until the quota has been used up; whereas, having regard to the principles mentioned above, the Community nature of the quota can be respected by allocating the Community tariff quota among the Member States; whereas, to represent as closely as possible the actual development of the market in the products in question, the allocation should follow proportionately the requirement of the Member States calculated from both statistics of imports from Spain during a representative period and the economic outlook for the tariff period in question.

Whereas, during the past three years for which statistics are available, the corresponding imports by each of the Member States represent the following percentages of the imports into the Community from Spain of the products concerned:

	1970	1971	1972
Germany	53·11	19·80	34·60
Benelux	21·90	25·40	9·10
France	8·05	13·00	8·40
Italy	16·94	41·80	47·90

Whereas, in view of these factors, of the foreseeable development during 1974 of the market for the products in question and in particular of the estimates submitted by certain Member States, initial quota shares may be fixed approximately at the following percentages:

Germany	34·0
Benelux	16·7
France	9·7
Italy	39·6

Whereas, to take account of future trends of imports of the product under consideration, the total quota volume should be divided into two tranches, the first being shared between Germany and the Benelux and the second held as a reserve to cover at a later date the requirements of these Member States, should they use up their new share;

Whereas to give Member State importers some certainty, the first tranche of the Community quota should be fixed at 80% of the quota value;

Whereas the initial shares of Member States 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 Com-

mission 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 of the initial share is left over in a Member State, it is essential that each state should return a significant proportion to the reserve to prevent a part of the Community 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

Until 31 December 1974 and subject to the measures which might be taken pursuant to Article 3 (2) and (4) of Annex I to the Agreement between the Community and Spain, the Common Customs Tariff duties in respect of the products refined in Spain and listed below shall be suspended partially at the levels indicated for each of them, within the limits of a global Community tariff quota of 1 200 000 metric tons:

CCT heading No	Description	Rate of duty %
27.10	Petroleum oils and oils obtained from bituminous minerals, other than crude; preparations not elsewhere specified or included, containing not less than 70 % weight of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations:	
	A. Light oils:	
	III. For other purposes	2·4
	B. Medium oils:	
	III. For other purposes	2·4
	C. Heavy oils:	
	I. Gas oil:	
	c) For other purposes	1·4
	II. Fuel oil:	
	c) For other purposes	1·4
	III. Lubricating oils; other oils:	
	c) To be mixed in accordance with the terms of Additional Note 7 to this Chapter (a)	1·6
	d) For other purposes	2·4
27.11	Petroleum gases and other gaseous hydrocarbons:	
	B. Other:	
	I. Commercial propane and commercial butane:	
	c) For other purposes	0·6
27.12	Petroleum jelly:	
	A. Crude:	
	III. For other purposes	0·8
	B. Other	2·8
27.13	Paraffin wax, micro-crystalline wax, slack wax, ozokerite, lignite wax, peat wax and other mineral waxes, whether or not coloured:	
	B. Other:	
	I. Crude:	
	c) For other purposes	0·8
	II. Other	2·4
27.14	Petroleum bitumen, petroleum coke and other residues of petroleum oils or of oils obtained from bituminous minerals:	
	C. Other:	
	II. Other	0·8

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

Article 2

1. The first tranche, amounting to 1 000 000 metric tons of the Community tariff quota referred to in Article 1, shall be allocated among the Member States; the respective shares which, subject to Article 5, shall be valid until 31 December 1974 shall consist of the following amounts:

Germany	340 000 metric tons
Benelux	170 000 metric tons
France	100 000 metric tons
Italy	390 000 metric tons

2. The second tranche, amounting to 200 000 metric tons shall be held as a reserve.

Article 3

1. If 90% or more of one of a Member State's initial share as 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 equal to 15% of its initial share, rounded up where necessary to the next unit, to the extent permitted by the amount of the reserve.

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, by notifying the Commission, draw a third share equal to 7·5% of its initial share, rounded up to the next unit where necessary, to the extent permitted by the amount of the reserve.

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 in accordance with the same conditions, draw a fourth share equal to the third.

This process shall continue to apply until the reserve is used up.

4. By derogation from paragraphs 1, 2 and 3, the Member States may proceed to draw shares smaller than those fixed therein, if there is reason to believe that those shares might not be used up. They shall inform the Commission of the reasons which led them to apply this paragraph.

Article 4

Additional shares drawn pursuant to Article 3 shall be valid until 31 December 1974.

Article 5

A Member State which on 15 September 1974 has not used up its initial share shall return to the reserve not later than 10 October 1974 the unused portion exceeding 20% of the initial amount. It may return a greater portion if there are grounds for believing that it may not be used up.

Member States shall, not later than 10 October 1974, notify the Commission of the total quantities of the said goods imported up to and including 15 September 1974 and charged against the appropriate 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 reserves have been used up.

It shall inform the Member States not later than 15 October 1974, of the amounts still in reserve after amounts have been returned thereto pursuant to Article 5.

It shall ensure that the drawing which uses up a 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. Member States shall take all measures necessary to ensure that supplementary shares drawn pursuant to Article 3 are opened in such a way that imports may be charged without interruption against their accumulated shares in the Community tariff quotas.

2. Member States shall ensure that importers of the said goods established in their territory have free access to the shares allocated to them.

3. Member States shall charge imports of the said goods against their shares as and when such goods are entered for home use.

Article 8

Member States shall inform the Commission at regular intervals of imports of the said product actually charged against their shares.

Article 9

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

Article 10

The tariff quota laid down in this Regulation shall be opened for 1974.

This Regulation shall enter into force on the third day following 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, 4 February 1974.

For the Council

The President

W. SCHEEL