COUNCIL REGULATION (EEC) No 3040/76

of 9 December 1976

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 the Arab Republic of Egypt (1977)

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 the Arab Republic of Egypt [1] and the Protocol laying down certain provisions relating to the Agreement between the European Economic Community and the Arab Republic of Egypt consequent on the accession of new Member States to the European Economic Community [2], provide for the opening of an annual Community tariff quota of 360 000 metric tons for certain petroleum products falling within Chapter 27 of the Common Customs Tariff, refined in the Arab Republic of Egypt; whereas the Protocol provides that the tariff quota should be allocated among the Member States as follows: 200 000 metric tons for the Community as originally constituted, 5 000 metric tons for Denmark, 5 000 metric tons for Ireland and 150 000 metric tons for the United Kingdom; whereas Annex I to the Agreement provides that the duties applicable to the quota shall be equal to 45% of the duties of the Common Customs Tariff; whereas as regards the duties applicable to the quota by the new Member States, the special provisions of the Protocol and of the Act of Accesssion should be complied with; whereas to comply with the special provisions of the Protocol, separate arrangements should be made for the Member States of the Community as originally constituted, on the one hand, and for the new Member States, on the other;

Whereas the Community tariff quotas in question should be opened for the year 1977, and whereas however, because of the possibility of implementing other preferential arrangements as a result of a new Agreement between the European Economic Community and Egypt, it is necessary to confine the period of validity of these tariff quotas to such period as it is not covered by the new Agreement;

Whereas as regards the Community as originally constituted:

— equal and uninterrupted access to the quota should be ensured for all importers and quota duties applied continuously to all imports of the said products until the quota has been used up,

— in the light of the above principles the Community nature of the quota may best be preserved by an arrangement allocating it among the Member States; whereas in order to provide the most accurate reflection of actual market trends for the said products, such allocation should be proportionate to the needs of the Member States, calculated both from the statistics for each Member State's imports from the Arab Republic of Egypt over a representative reference period and from economic prospects for the quota period in question,

— in view of the fact however that over the past three years the said products have been imported into only two Member States and in small quantities, and that no estimates can be made for 1977 and in order to ensure a fair distribution among the Member States concerned, the initial percentage share, having regard to the potential demand for the said products in the various Member States, should be approximately 25% each,

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[1] OJ No L 251, 7. 9. 1973, p. 2.
[2] OJ No L 251, 7. 9. 1973, p. 87.

— in order to take account of import trends for the products in question in the Member States concerned, the quota amount should be divided into two instalments, the first instalment being allocated among the same Member States and the second constituting a reserve intended to cover the later requirements of Member States which have used up their initial quota shares; whereas in order to ensure a certain degree of security to importers in each Member State, the first instalment of the quota should be fixed in this case at approximately 70%,

— the initial quota shares may be used up at different rates; whereas, therefore, to avoid disruption of supplies, any Member State which has almost used up its initial quota share, must draw an additional quota share from the reserve; whereas this must be done by each Member State as each one of its additional quota shares is almost used up, and as many times as the reserve allows; whereas the initial and additional quota shares shall be valid until the end of the quota period; whereas this form of administration requires close collaboration between the Member States concerned 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,

— if, at a given date in the quota period, a considerable quantity of the initial quota share is left over in one of the Member States concerned, it is essential that that State should return a significant proportion to the reserve, to prevent a part of the quota allocated to the Community as originally constituted from remaining unused in one Member State when it could be used in others,

— since the Kingdom of Belgium, the Kingdom of the Netherlands and the Grand Duchy of Luxembourg are united in and represented by the Benelux Economic Union, any measure concerning the administration of the quota shares allocated to that economic union may be carried out by any of its members;

Whereas, as regards the new Member States:

— the quota duties shall be calculated by the new Member States in accordance with Articles 3 and 4 of the Protocol,

— equal and uninterrupted access to the quota should be ensured for all importers and quota duties should be applied continuously to all imports of the products in question until the quota has been used up,

HAS ADOPTED THIS REGULATION:

Article 1

Subject to any measures which may be taken in application of Article 3 (2) and (4) of Annex I to the Agreement between the European Economic Community and the Arab Republic of Egypt, a Community tariff quota of 360 000 metric tons shall be opened from 1 January until the date of entry into force of a new Agreement between the European Economic Community and Egypt, but not later than 31 December 1977, for the products listed below refined in the Arab Republic of Egypt:

CCT heading No	Description
27.10	Petroleum oils and oils obtained from bituminous minerals, other than crude; preparations not elsewhere specified or included, containing not less than 70% by 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
	B. Medium oils:
	III. For other purposes

CCT heading No	Description
27.10 *(cont'd)*	C. Heavy oils: I. Gas oil: c) For other purposes II. Fuel oil: c) For other purposes III. Lubricating oils; other oils: c) To be mixed in accordance with the terms of Additional Note 7 to Chapter 27 (a) d) For other purposes
27.11	Petroleum gases and other gaseous hydrocarbons: B. Other: I. Commercial propane and commercial butane: c) For other purposes
27.12	Petroleum jelly: A. Crude: III. For other purposes B. Other
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 II. Other
27.14	Petroleum bitumen, petroleum coke and other residues of petroleum oils or of oils obtained from bituminous minerals: C. Other

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

The quota shall be allocated and administered in accordance with the following provisions.

SECTION I

Provisions applicable to the Community as originally constituted

Article 2

Common Customs Tariff duties shall be partially suspended at the rates indicated below for 200 000 metric tons of the quota referred to in Article 1:

CCT heading No	Rate of duty (%)
27.10 A III	2·7
27.10 B III	2·7
27.10 C I c)	1·5
27.10 C II c)	1·5
27.10 C III c)	1·8
27.10 C III d)	2·7
27.11 B I c)	0·6
27.12 A III	0·9
27.12 B	3·1
27.13 B I c)	0·9
27.13 B II	2·7
27.14 C II	0·9

Article 3

1. A first instalment, amounting to 140 000 metric tons of the amount mentioned in Article 2, shall be allocated among the Member States; the shares, which subject to Article 6 are valid until the date defined in Article 1, are as follows:

Germany	35 000 metric tons,
Benelux	30 000 metric tons,
France	35 000 metric tons,
Italy	40 000 metric tons.

2. The second instalment of 60 000 metric tons shall constitute the reserve.

Article 4

1. If 90% or more of a Member State's initial quota share specified in Article 3 (1), or of that share less the portion returned to the reserve where Article 6 is applied, has been used up, that Member State shall without delay, by notifying the Commission, draw a second quota share, to the extent that the reserve is sufficient, equal to 15% of its initial quota share, rounded up to the next unit where necessary.

2. If, after its initial quota share has been used up, 90% or more of the second quota share drawn by a Member State has been used up, that Member State shall, in the manner provided for in paragraph 1, draw a third quota share, equal to 7·5% of its initial quota share, rounded up where necessary to the next unit.

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

This process shall be applied until the reserve is exhausted.

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

Article 5

Each of the additional shares drawn pursuant to Article 4 shall be valid until the date defined in Article 1.

Article 6

The Member States shall return to the reserve, not later than 1 October 1977, the unused portion of their initial share which, on 15 September 1977, is in excess of 20% of the initial amount. They may return a greater portion if there are grounds for believing that such portion may not be used in full.

The Member States shall, not later than 1 October 1977, notify the Commission of the total imports of the said goods effected up to and including 15 September 1977, and charged against the Community quota and, where appropriate, the proportion of their initial share that is being returned to the reserve.

Article 7

The Commission shall keep account of the shares opened by Member States in accordance with Articles 3 and 4 and shall inform each State of the extent to which the reserve has been used up as soon as it receives the notifications.

The Commission shall, not later than 5 October 1977, notify the Member States of the amount in reserve after the return of shares pursuant to Article 6.

The Commission shall ensure that any drawing which uses up the reserve is limited to the balance available and, for this purpose, shall specify the amount thereof to the Member State which makes the last drawing.

Article 8

The Member States shall take all appropriate measures to ensure that when additional shares are drawn pursuant to Article 4 it is possible for imports to be counted without interruption against their accumulated shares of the Community tariff quotas.

SECTION II

Provisions applicable to the new Member States

Article 9

Within the tariff quota referred to in Article 1, the new Member States shall apply duties calculated in accordance with the relevant provisions of the Act of Accession, the Agreement and the Protocol.

Article 10

Under the quota, 160 000 metric tons shall be allocated among the new Member States as follows:

Denmark	5 000	metric tons,
Ireland	5 000	metric tons,
United Kingdom	150 000	metric tons.

SECTION III

General provisions

Article 11

1. Every Member State shall take all measures necessary to ensure that importers of the products in question established in their territory have free access to the shares allocated to it.

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

Article 12

On receipt of a request from the Commission, Member States shall notify it of imports of products refined in the Arab Republic of Egypt actually charged against their quota shares.

Article 13

Member States and the Commission shall collaborate closely in order to ensure that this Regulation is respected.

Article 14

This Regulation shall enter into force on 1 January 1977.

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

Done at Brussels, 9 December 1976.

For the Council

The President

P. J. J. MERTENS