COUNCIL REGULATION (EEC) No 2922/78

of 12 December 1978

opening, allocating and providing for the 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 (1979)

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 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 Common Customs Tariff duty 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 effects on the Community's processing industries;

Whereas the Common Customs Tariff duty applicable to 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 supplies on favourable terms; whereas a quota duty of 2·5% could best meet the abovementioned requirements;

Whereas the trends in imports during recent years suggest that the import requirements for the yarns in question might be in the region of 60 tonnes for 1979; 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 laid down for the tariff quota should be applied consistently to all imports of the product in question until the quota is used up; whereas a system of utilization of the Community tariff quota, based on an allocation between the Member States concerned, would, in the light of the principles outlined above, appear consistent with the Community nature of the quota; whereas, to represent as closely as possible the actual market trends in the product in question, the allocation should be proportionate to the requirements of the Member States calculated with reference to statistical data on imports during a representative reference period and to the economic prospects for the quota period in question;

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

	1975	1976	1977
Benelux	0	0	0
Denmark	0	0·7	0
Germany	43·15	7·0	91·565
France	25·16	10·4	0
Ireland	0·05	0·4	0·332
Italy	21·58	76·0	1·236
United Kingdom	10·06	5·5	6·867

Whereas, in view of these factors and of the forecasts which it is possible to make, the initial percentage shares in the quota volume can be expressed approximately as follows:

Benelux	2·5
Denmark	2·5
Germany	25·0
France	30·0
Ireland	2·5
Italy	27·5
United Kingdom	10·0

Whereas, to take account of future import trends for the products concerned, the quota should be divided into two instalments, the first being allocated and the second held as a reserve to cover any subsequent requirements of Member States which have used up their initial share; whereas, to give importers some degree of certainty, the first instalment of the tariff quota should be fixed at a high level, which in this case could be 67% of the amount of the quota;

Whereas initial shares may be used up at different rates; whereas to avoid disruption of supplies on this account it should be provided that 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 used up 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, and the Commission must be in a position to keep account of the extent to which the quotas have 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 that such State should return a significant proportion thereof to the reserve, in order to prevent a part of the Community tariff 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 united within and 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 any one of its members,

HAS ADOPTED THIS REGULATION:

Article 1

From 1 January until 31 December 1979, 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% within a Community tariff quota of 60 tonnes.

Article 2

1. A first instalment of 40 tonnes shall be allocated among the Member States; the shares, which subject to Article 5 shall be valid until 31 December 1979, shall be as follows:

	(tonnes)
Benelux	1
Denmark	1
Germany	10
France	12
Ireland	1
Italy	11
United Kingdom	4

2. The second instalment of 20 tonnes shall constitute the reserve.

Article 3

1. If a Member State has used 90% or more of its initial share as fixed in Article 2 (1), or of that share minus any portion returned to the reserve pursuant to Article 5, 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 a Member State, after exhausting its initial share, has used 90% or more of the second share drawn by it, that Member State shall forthwith, in the manner and to the extent provided in paragraph 1, draw a third share equal to 5% of its initial share, rounded up as necessary to the next whole number.

3. If a Member State, after exhausting its second share, has used 90% or more of the third share drawn by it, that Member State shall, in the manner and to the extent provided in paragraph 1, 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, a Member State may draw shares lower than those specified in those paragraphs if there are grounds for believing that those specified may not be used in full. Any Member State applying this paragraph shall inform the Commission of its grounds for so doing.

Article 4

Additional shares drawn pursuant to Article 3 shall be valid until 31 December 1979.

Article 5

Member States shall, not later than 1 October 1979, return to the reserve the unused portion of their initial share which, on 15 September 1979, is in excess of 20% of the initial volume. They may return a greater portion if there are grounds for believing that it may not be used in full.

Member States shall, not later than 1 October 1979, notify the Commission of the total quantities of the product in question imported up to and including 15 September 1979 and charged against the Community 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 the information reaches it, inform each State of the extent to which the reserve has been used up.

It shall, not later than 5 October 1979, inform the Member States of the amount still in reserve, following any return of shares pursuant to Article 5.

It shall ensure that the drawing which exhausts the reserve 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. The Member States shall take all appropriate measures to ensure that additional shares drawn pursuant to Article 3 are opened in such a way that importations may be charged without interruption against their accumulated shares of the Community quota.

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

3. The Member States shall charge against their shares imports of the product in question as and when the product is entered with the customs authorities 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

At the request of the Commission, the Member States shall inform it of imports actually charged against their shares.

Article 9

The 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 1979.

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

Done at Luxembourg, 12 December 1978.

For the Council

The President

M. LAHNSTEIN