COMMISSION REGULATION (EEC) No 3755/86

of 9 December 1986

re-establishing the levying of customs duties applicable to stearic acid, falling within subheading 15.10 A, originating in Malaysia, to which the preferential tariff arrangements set out in Council Regulation (EEC) No 3601/85 apply

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 3601/85 of 17 December 1985 applying generalized tariff preferences to certain agricultural products originating in developing countries (1), and in particular Article 33 thereof,

Whereas, pursuant to Article 1 of Regulation (EEC) No 3601/85, stearic acid, with a tariff subheading of 15.10 A, originating in Malaysia, is permitted to be imported into the Community exempt from duty; whereas, by the terms of Article 32 of the said Regulation, the customs duties applied in the Community can be re-established if the imports of the abovementioned products are made into the Community in such quantities or at such prices that they bring or threaten to bring a serious prejudice against producers in the Community of similar or directly competitive products;

Whereas the preferential imports of stearic acid from Malaysia into the Community have gone from 494 tonnes in 1984 to 2 143 tonnes in 1985 and have reached 2 394 tonnes as at 30 October 1986; the production capacity utilization of the product in question in the Community is about 60 %;

Whereas stearic acid from Malaysia is sold in the Community at a price of less than 30 % of that of Community production, that the low price of the Malaysian product keeps to a system of export taxes practised by that country, by which the basic material (palm oil) is subject to a tax of 25 % while the final product (stearic acid) is exempted from it;

Whereas, by this fact, the Malaysian producers get their materials at a price much lower than that of Community producers for the manufacture of stearic acid;

Whereas this situation carries a serious prejudice against Community producers,

HAS ADOPTED THIS REGULATION:

Article 1

From 11 December 1986, the levying of customs duties suspended in pursuance of Regulation (EEC) No 3601/85 shall be re-established for the imports into the Community of the following product originating in Malaysia:

CCT heading No	Description
15.10 A	Stearic acid

Article 2

This Regulation shall enter into force on the 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, 9 December 1986.

For the Commission

COCKFIELD

Vice-President

(1) OJ No L 352, 30. 12. 1985, p. 192.