# COUNCIL REGULATION (EEC) No 4095/87

## of 22 December 1987

**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 codes ex 5004 00 10 and ex 5004 00 90 of the combined nomenclature**

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 proposal from the Commission,

Whereas silk yarn is produced in the Community; whereas, although from the standpoint of overall volume, production might match the total of Community requirements, 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 supplies of the latter qualities of yarn depend 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 customs duty applicable to imports of the silk yarn in question in 1988 is 4,9 %; whereas, when establishing 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, the need to provide the silk yarn processing industries with 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 200 tonnes for 1988; whereas the opening of a Community tariff quota of that volume is unlikely to harm Community production; whereas, therefore, the tariff quota in question should be opened on 1 January 1988 and allocated among Member States;

Whereas the Community has adopted, with effect from 1 January 1988, a combined nomenclature for goods which meets the requirements of the Common Customs Tariff and the nomenclature of goods for the external trade statistics of the Community and statistics of trade between Member States; whereas in order to accommodate specific Community rules, this nomenclature has been expanded into an integrated tariff of the European Communities (TARIC); whereas, with effect from the abovementioned date, the combined nomenclature and, where appropriate, the TARIC code numbers, should be used for the description of the products covered by this Regulation;

Whereas equal and continuous access to the quota should be ensured for all importers and the rate laid down for the 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 among the Member States concerned would, in the light of the principles outlined above, appear consistent with the Community nature of the quota;

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

| | |
|---|---|
| Germany | 7,52 |
| Greece | 1,50 |
| France | 7,52 |
| Italy | 79,70 |
| United Kingdom | 3,76 |

Whereas, to allow for import trends for the product in question in the various Member States, the quota should be divided into two parts, the first being distributed among the Member States which are traditional importers and the second to form a reserve intended to cover any subsequent requirements of these Member States as well as those of the Member States which do not participate in the initial allocation; whereas in order to ensure a certain degree of security for importers of each Member State, the first part of the quota should in this case be set at 66,5 % of the total quota volume;

Whereas the initial shares may be used up at different rates; whereas, therefore, to avoid any break in the continuity of supplies, any Member State which has almost used up its initial share should 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 cooperation between the Member States and the Commission, and the latter must be able to monitor the extent to which the quota volume has been used up and inform the Member States accordingly;

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 the Member State concerned should return a significant percentage thereof to the reserve so as to avoid a part of the Community tariff quota remaining unused in one Member State when 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 quota shares allocated to that economic union may be carried out by any one of its members,

HAS ADOPTED THIS REGULATION:

*Article 1*

1. From 1 January to 31 December 1988, the customs duty applicable to imports of the following products shall be suspended at the level indicated and within the limits of a Community tariff quota as shown herewith:

| Order No | CN code | Description | Quota volume (tonnes) | Rate of duty (%) |
|---|---|---|---|---|
| 09.2705 | ex 5004 00 10<br>ex 5004 00 90 | Yarn, entirely of silk, other than yarn of noil or other waste silk, not put up for retail sale | 200 | 2,5 |

2. Within the limits of the tariff quota referred to in paragraph 1, the Kingdom of Spain and the Portuguese Republic shall apply duties calculated in accordance with the relevant provisions of the 1985 Act of Accession.

*Article 2*

1. The first part of the Community tariff quota, amounting to 133 tonnes, shall be allocated among the Member States; the shares shall, subject to Article 5, be valid until 31 December 1988 and shall be as follows:

| | *(tonnes)* |
|---|---|
| Germany | 10 |
| Greece | 2 |
| France | 10 |
| Italy | 106 |
| United Kingdom | 5 |

2. The second part of 67 tonnes shall constitute the reserve.

3. If an importer notifies an imminent importation of the product in question into a Member State not participating in the initial allocation and applies to use the quota, the Member State concerned shall inform the Commission and draw an amount corresponding to its requirements to the extent that the available balance of the reserve so permits.

*Article 3*

1. If 90 % or more of a Member State's initial share as specified in Article 2 (1), or of that share less the portion returned to the reserve where Article 5 is applied, has been used up, that Member State shall forthwith, by notifying the Commission, and to the extent permitted by the amount of the reserve, draw a second share equal to 10 % of its initial share, rounded up where necessary to the next whole number.

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 forthwith, using the procedure set out in paragraph 1, draw a third share equal to 5 % of its initial share.

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 forthwith, using the same procedure, draw a fourth share equal to the third.

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

4. By way of derogation from paragraphs 1, 2 and 3, Member States may draw lower shares than those specified in those paragraphs if there are grounds for believing that those specified may not be used up. They shall inform the Commission of their reasons for applying this paragraph.

*Article 4*

Supplementary shares drawn pursuant to Article 3 shall be valid until 31 December 1988.

*Article 5*

Member States shall return to the reserve, not later than 1 October 1988, the unused portion of their initial share which, on 15 September 1988, is in excess of 20 % of the initial amount. They may return a larger quantity if there are grounds for believing that it might not be used in full.

Member States shall notify the Commission, not later than 1 October 1988, of the total quantities of silk yarn imported up to and including 15 September 1988 and charged against the Community quota and of any portion of their 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 reserve has been used up.

It shall inform the Member States, not later than 5 October 1988, of the amount still in the reserve following any return of shares pursuant to Article 5.

It shall ensure that the drawing which exhausts the reserve is limited to the balance available and to this end shall specify 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 supplementary drawings of shares pursuant to Article 3 are carried out in such a way that imports may be charged without interruption against their accumulated shares of the Community quota.

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

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

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 Commission's request, Member States shall inform it of the imports actually charged against their quota 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 1988.

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

Done at Brussels, 22 December 1987.

*For the Council*
*The President*
N. WILHJELM