COUNCIL REGULATION (EC) No 2744/98

of 14 December 1998

amending Regulation (EC) No 355/94 and extending the temporary derogation applicable to Germany and Austria

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 28 thereof,

Having regard to the Commission proposal [1],

Having regard to the opinion of the European Parliament [2],

Having regard to the opinion of the Economic and Social Committee [3],

Whereas the second subparagraph of Article 2 of Council Regulation (EC) No 355/94 of 14 February 1994 amending Regulation (EEC) No 918/83 setting up a Community system of reliefs from customs duty [4] provided for the application until 31 December 1997 of a temporary derogation to the Federal Republic of Germany and the Republic of Austria concerning the application of a threshold of ECU 75 for the allowance applicable to goods imported by travellers entering German or Austrian territory by a land frontier linking the two Member States to countries other than Member States and EFTA members or, where appropriate, by means of coastal navigation from those countries;

Whereas these provisions take account of the economic difficulties likely to be caused by the amount of the allowances applicable to travellers importing goods into the Community in the situations described above;

Whereas, by letters of 24 June and 23 July 1997, the Federal Republic of Germany and the Republic of Austria requested an extension of the derogation provided for in the second subparagraph of Article 2 of Regulation (EC) No 355/94; whereas their request is based on the fact that the economic difficulties that had prompted adoption of Regulations (EC) No 355/94 and (EC) No 3316/94 had persisted and, in some cases, worsened;

Whereas account should be taken of the situation described by the two Member States;

Whereas an extension of the derogation should, however, be accompanied by the fixing of a deadline for bringing the threshold of the allowance applied by Germany and Austria into line with that in force on that date in the other Member States, the immediate raising of the threshold applicable to the two Member States in order to contribute towards limiting distortions of competition and an undertaking by the Member States that they will gradually and jointly raise the threshold in order to bring it into line with the Community threshold by 1 January 2003,

HAS ADOPTED THIS REGULATION:

Article 1

The second subparagraph of Article 2 of Regulation (EC) No 355/94 shall be replaced by the following:

'However, with regard to the Federal Republic of Germany and the Republic of Austria, this Regulation shall apply as from 1 January 2003 for goods imported by travellers entering German or Austrian territory by a land frontier linking these two Member States to countries other than Member States and the EFTA members or, where applicable, by means of coastal navigation coming from the said countries.

However, those Member States shall apply an allowance of not less than ECU 100 from 1 January 1999 to imports by the travellers referred to in the preceding subparagraph. They shall jointly increase that amount gradually, with a view to applying the threshold in force in the Community to the said imports by 1 January 2003 at the latest.'

Article 2

This Regulation shall enter into force on the day of its publication in the *Official Journal of the European Communities*.

This Regulation shall be applicable from 1 January 1998.

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[1] OJ C 273, 2. 9. 1998, p. 10.
[2] Opinion delivered on 3 December 1998 (not yet published in the Official Journal).
[3] Opinion delivered on 15 October 1998 (not yet published in the Official Journal).
[4] OJ L 46, 18. 2. 1994, p. 5. Regulation as amended by Regulation (EC) No 3316/94 (OJ L 350, 31. 12. 1994, p. 12).

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

Done at Brussels, 14 December 1998.

For the Council
The President
W. MOLTERER