# COMMISSION REGULATION (EC) No 2727/1999

## of 20 December 1999

## introducing prior Community surveillance of imports of certain iron and steel products covered by the ECSC and EC Treaties originating in certain third countries

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 3285/94 of 22 December 1994 on common rules for imports and repealing Regulation (EC) No 518/94 [1], as last amended by Regulation (EC) No 2315/96 [2], and in particular Article 11 thereof,

Having regard to Council Regulation (EC) No 519/94 of 7 March 1994 on common rules for imports from certain third countries and repealing Regulations (EEC) No 1765/82, (EEC) No 1766/82 and (EEC) No 3420/83 [3], as last amended by Regulation (EC) No 1138/98 [4], and in particular Article 9(1) thereof,

Consultations having taken place within the committees set up under the Regulations referred to above,

Whereas:

(1) by Commission Regulation (EC) No 2845/98 [5], imports into the Community of certain iron and steel products covered by the Treaty establishing the European Coal and Steel Community and the Treaty establishing the European Community were subject to a *priori* Community surveillance;

(2) in accordance with the provisions of Regulations (EC) No 3285/94 and (EC) No 519/94, products covered by the Treaty establishing the European Coal and Steel Community are subject to the common rules for imports and it is therefore necessary that the arrangements for Community surveillance measures in respect of ECSC products be adopted in accordance with the provisions of those Regulations;

(3) since the beginning of 1998 the steel market has been seriously disturbed by the consequences of the financial and economic crisis that began in South East Asia;

(4) available economic indicators show the following trends:

(A) *Production*. In 1998, production of crude steel in the Community remained with 160 million tonnes at the same level as in 1997. It slowed down between January and September 1999 by approximately 5,8 %. The increase in imports of certain finished steel products in the first semester, the rather slow recovery in individual consuming sectors, the high level of stocks and a further reduction of exports should result in a 1999 crude steel production of about 155 million tonnes. It is expected to increase slightly in 2000, since consumption is expected to increase compared with 1999;

(B) *Imports*. Imports of ECSC products into the Community from all third countries amounted to 18,3 million tonnes in 1998, 50 % above 1997. During the first six months of 1999, imports of ECSC products amounted to 9 million tonnes, a decrease of 12 % compared with the same period in 1998. Imports of flat products decreased by 29 %, long products increased by 20 % and semi-finished products by 8 %;

(C) *Exports*. Exports of ECSC products decreased by 20 % to 16,8 million tonnes in 1998 compared with 1997. In the first six months of 1999, exports of ECSC products amounted to 7,2 million tonnes, an average decrease of 16 % compared with the same period in 1998. For 1999 as a whole, the Community is likely to become for the second year in row a net importer of steel products. In 1997, the Community had a net surplus of 8,5 million tonnes and in 1998 it had a net deficit of 1,5 million tonnes;

(D) Similar trends apply to certain steel products covered by the EC Treaty: in 1998, production of steel tubes and pipes increased by 1,5 % compared with 1997; imports of steel tubes and pipes increased by an average of 17 % in 1998 compared with 1997; for the first six months of 1999, imports of steel tubes and pipes decreased by an average of 11 % compared with the same period in 1998, but over the same period exports decreased by 32 %;

(5) the Community's external trade statistics are not available within the periods established by Commission Regulation No 840/96 [6] and whereas it is necessary that this problem should be addressed urgently;

(6) the interests of the Community require that imports of certain steel products should be subject to prior Community surveillance in order to provide statistical information permitting rapid analysis of import trends;

[1] OJ L 349, 31.12.1994, p. 53.
[2] OJ L 314, 4.12.1996, p. 1.
[3] OJ L 67, 10.3.1994, p. 89.
[4] OJ L 159, 3.6.1998, p. 1.
[5] OJ L 354, 30.12.1998, p. 55.
[6] OJ L 114, 8.5.1996, p. 7.

(7) the completion of the internal market requires that the formalities to be accomplished by Community importers be identical wherever the goods may be cleared;

(8) release for free circulation of the products covered by this Regulation should be made subject to presentation of a surveillance document meeting uniform criteria;

(9) that document should on simple application by the importer, be endorsed by the authorities of the Member States within a certain period but without the importer thereby acquiring any right to import; the document should therefore be valid only during such period as the import rules remain unchanged;

(10) the surveillance documents issued for the purposes of Community surveillance must be valid throughout the Community, regardless of the Member State of issue;

(11) the Member States and the Commission should exchange the information resulting from Community surveillance as fully as possible;

(12) the issue of surveillance documents, while subject to standard conditions at Community level, is to be the responsibility of the national authorities;

(13) it should be recalled that the delivery of a surveillance document for certain iron and steel products is subject to presentation of an export document in accordance with arrangements established within the framework of double-checking agreements with certain third countries, and whereas the present Regulation does not apply to the products originating in those countries which are subject to such a double-checking system,

HAS ADOPTED THIS REGULATION:

*Article 1*

1. From 1 January 2000, the release for free circulation in the Community of iron and steel products covered by the ECSC and EC Treaties listed in Annex I shall be subject to prior Community surveillance in accordance with Articles 11 and 12 of Regulation (EC) No 3285/94 and Articles 9 and 10 of Regulation (EC) No 519/94. This applies to imports originating in all non-member countries other than in respect of products originating in countries of the European Free Trade Association (EFTA), in countries which are parties to the Agreement on the European Economic Area (EEA), and in Turkey. Products which are subject to a double-checking surveillance agreement established between a non-member country and the Community shall be subject to the conditions established by that agreement and not to the present Regulation.

2. The classification of the products covered by this Regulation is based on the tariff and statistical nomenclature of the Community (hereinafter called the 'Combined Nomenclature', or in abbreviated form 'CN'). The origin of the products covered by this Regulation shall be determined in accordance with the rules in force in the Community.

*Article 2*

1. The release for free circulation in the Community of the products referred to in Article 1 shall be subject to presentation of a surveillance document issued by the relevant authorities of a Member State.

2. The surveillance document referred to in paragraph 1 shall be issued automatically by the competent authority in the Member States, without charge for any quantities requested, within five working days of presentation of an application by any Community importer, wherever established in the Community. This application shall be deemed to have been received by the competent national authority no later than three working days after submission, unless it is proven otherwise.

3. A surveillance document issued by one of the authorities listed in Annex II shall be valid throughout the Community.

4. The surveillance document shall be made out on a form corresponding to the model at Annex I to Regulation (EC) No 3285/94 [1]. The importer's application shall include the following elements:

(a) the name and full address of the applicant (including telephone and fax numbers, and possible identification number used by the competent national authorities) and VAT registration number, if subject to VAT;

(b) if applicable, the name and full address of the declarant or representative of the applicant (including telephone and fax numbers);

(c) the full name and address of the exporter;

(d) the exact description of the goods, including
- their trade name,
- the Combined Nomenclature (CN) code(s),
- the country of origin,
- the country of consignment;

(e) the net weight, expressed in kg and also quantity in the unit prescribed where other than net weight, by Combined Nomenclature heading;

(f) the cif value of the goods in euro at the Community frontier by Combined Nomenclature heading;

(g) whether the products concerned are seconds or of substandard quality [2];

(h) the proposed period and place of customs clearance;

(i) whether the application is a repeat of a previous application concerning the same contract;

[1] as modified by Council Regulation (EC) No 139/96 (OJ L 21, 27.7.1996, p.7), and taking into account the provisions of Article 2 of Council Regulation (EC) No 1103/97 on certain provisions relating to the introduction of the euro (OJ L 162, 19.6.1997, p.l).

[2] Under the criteria given in OJ C 180, 11.7.1991, p. 4.

(j) the following declaration, dated and signed by the applicant with the transcription of his name in capital letters:

'I, the undersigned, certify that the information provided in this application is true and given in good faith, and that I am established in the Community.'

The importer shall also submit a copy of the contract of sale or purchase and of the pro forma invoice. If so requested, for example in cases where the goods are not directly purchased in the country of production, the importer shall present a certificate of production issued by the producing steel mill.

5. Surveillance documents may be used only for such time as arrangements for liberalisation of imports remain in force in respect of the transactions concerned. Without prejudice to possible changes in the import regulations in force or decisions taken in the framework of an agreement or the management of a quota:

— the period of validity of the surveillance document is hereby fixed at four months,

— unused or partly used surveillance documents may be renewed for an equal period.

6. The importer shall return surveillance documents to the issuing authority at the end of their period of validity.

7. The competent authorities may, under the conditions fixed by them, allow the submission of declarations or requests to be transmitted or printed by electronic means. However, all documents and evidence must be available to the competent authorities.

8. The surveillance document may be issued by electronic means as long as the customs offices involved have access to this document across a computer network.

*Article 3*

1. A finding that the unit price at which the transaction is effected varies from that indicated in the surveillance document by less than 5 % in either direction or that the total quantity of the products presented for import exceeds the quantity given in the surveillance document by less than 5 % shall not preclude the release for free circulation of the products in question.

2. Applications for surveillance documents and the documents themselves shall be confidential. They shall be restricted to the competent authorities and the applicant.

*Article 4*

1. The Member States shall communicate to the Commission:

(a) on as regular and up-to-date a basis as possible and at least by the last day of each month, details of the quantities and values (calculated in euro) for which surveillance documents have been issued;

(b) within six weeks of the end of each month, details of imports during that month, in accordance with Article 26 of Regulation No 840/96.

The information provided by Member States shall be broken down by product, CN code and by country.

2. The Member States shall give notification of any anomalies or cases of fraud which they discover and, where relevant, the basis on which they have refused to grant a surveillance document.

*Article 5*

Any notices to be given hereunder shall be given to the Commission of the European Communities and shall be communicated electronically within the integrated network set up for this purpose, unless for imperative technical reasons it is necessary to use other means of communication temporarily.

*Article 6*

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

This Regulation shall apply from 1 January to 31 December 2000.

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

Done at Brussels, 20 December 1999.

*For the Commission*

Pascal LAMY

*Member of the Commission*

*ANNEX I*

**LIST OF PRODUCTS SUBJECT TO PRIOR SURVEILLANCE (2000)**

7208 10 10
7208 25 00
7208 26 00
7208 27 00
7208 36 00
7208 37 10
7208 37 90
7208 38 10
7208 38 90
7208 39 10
7208 39 90
7208 40 10
7208 40 90
7208 51 10
7208 51 30
7208 51 50
7208 51 91
7208 51 99
7208 52 10
7208 52 91
7208 52 99
7208 53 10
7208 53 90
7208 54 10
7208 54 90
7208 90 10

7209 15 00
7209 16 10
7209 16 90
7209 17 10
7209 17 90
7209 18 10
7209 18 91
7209 18 99
7209 25 00
7209 26 10
7209 26 90
7209 27 10
7209 27 90
7209 28 10
7209 28 90
7209 90 10

7210 11 10
7210 12 11
7210 12 19
7210 20 10
7210 30 10
7210 41 10
7210 49 10
7210 50 10
7210 61 10
7210 69 10
7210 70 31
7210 70 39
7210 90 31
7210 90 33
7210 90 38

7211 13 00
7211 14 10
7211 14 90
7211 19 20
7211 19 90
7211 23 10
7211 23 51
7211 23 91 (*)
7211 23 99 (*)
7211 29 20
7211 29 50 (*)
7211 29 90 (*)
7211 90 11
7211 90 90 (*)

7212 10 10
7212 10 91
7212 20 11
7212 30 11
7212 40 10
7212 40 91
7212 50 31
7212 50 51
7212 60 11
7212 60 91

7213 10 00
7213 20 00
7213 91 10
7213 91 20
7213 91 41
7213 91 49
7213 91 70
7213 91 90
7213 99 10
7213 99 90

7214 20 00
7214 30 00
7214 91 10
7214 91 90
7214 99 10
7214 99 31
7214 99 39
7214 99 50
7214 99 61
7214 99 69
7214 99 80
7214 99 90

7215 90 10

7216 10 00
7216 21 00
7216 22 00
7216 31 11
7216 31 19
7216 31 91
7216 31 99
7216 32 11
7216 32 19
7216 32 91
7216 32 99
7216 33 10
7216 33 90
7216 40 10
7216 40 90
7216 50 10
7216 50 91
7216 50 99
7216 99 10

7225 11 00
7225 19 10
7225 19 90
7225 20 20
7225 30 00
7225 40 80

7226 11 10
7226 11 90 (*)
7226 19 10
7226 19 30
7226 19 90 (*)

7228 10 10
7228 10 30
7228 20 11
7228 20 19
7228 20 30
7228 30 20
7228 30 41
7228 30 49
7228 30 61
7228 30 69
7228 30 70
7228 30 89
7228 60 10
7228 70 10
7228 70 31
7228 80 10
7228 80 90

7301 10 00

Complete CN heading 7304 (*)

Complete CN heading 7306 (*)

7307 93 11 (*)
7307 93 19 (*)
7307 99 30 (*)
7307 99 90 (*)

(*) Products covered by the EC Treaty

*ANEXO II — BILAG II — ANHANG II — ΠΑΡΑΡΤΗΜΑ II — ANNEX II — ANNEXE II — ALLEGATO II — BIJLAGE II — ANEXO II — LIITE II — BILAGA II*

**LISTA DE LAS AUTORIDADES NACIONALES COMPETENTES**
**LISTE OVER KOMPETENTE NATIONALE MYNDIGHEDER**
**LISTE DER ZUSTÄNDIGEN BEHÖRDEN DER MITGLIEDSTAATEN**
**ΔΙΕΥΘΥΝΣΕΙΣ ΤΩΝ ΑΡΧΩΝ ΕΚΔΟΣΗΣ ΑΔΕΙΩΝ ΤΩΝ ΚΡΑΤΩΝ ΜΕΛΩΝ**
**LIST OF THE COMPETENT NATIONAL AUTHORITIES**
**LISTE DES AUTORITÉS NATIONALES COMPÉTENTES**
**ELENCO DELLE COMPETENTI AUTORITÀ NAZIONALI**
**LIJST VAN DE BEVOEGDE NATIONALE INSTANTIES**
**LISTA DAS AUTORIDADES NACIONAIS COMPETENTES**
**LUETTELO TOIMIVALTAISISTA KANSALLISISTA VIRANOMAISISTA**
**LISTA ÖVER KOMPETENTA NATIONELLA MYNDIGHETER**

**Belgique/België**

Ministère des affaires économiques
Administration des relations économiques
Services 'licences'
Rue Général Leman 60
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Fax (32-2) 230 83 22

Ministerie van Economische Zaken
Bestuur van de Economische Betrekkingen
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**Danmark**

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Søndergade 25
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**Ελλάς**

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(34) 913 49 38 31

**France**

Service des industries manufacturières
Digitip
12, rue Villiot — Bâtiment Le Bervil
F-75572 Paris Cedex 12
Fax: (33) 153 44 91 93

**Ireland**

Licensing Unit
Department of Enterprise, Trade and Employment
Kildare Street
Dublin 2
Ireland
Fax: (353-1) 631 28 26

**Italia**

Ministero del Commercio con l'estero
Direzione generale per la politica commerciale
e per la gestione del regime degli scambi
Viale America 341
I-00144 Roma
Fax: (39) 06 59 93 22 35/06 59 93 26 36

**Luxembourg**

Ministère des affaires étrangères
Office des licences
BP 113
L-2011 Luxembourg
Téléfax: (352) 46 61 38

**Nederland**

Centrale Dienst voor In- en Uitvoer
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Engelse Kamp 2
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**Österreich**

Bundesministerium für wirtschaftliche Angelegenheiten
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**Portugal**

Ministério da Economia
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**United Kingdom**

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