



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 15.6.2005  
COM(2005) 254 final

Proposal for a

**COUNCIL REGULATION**

**amending Regulation (EC) No 2505/96 opening and providing for the administration of autonomous Community tariff quotas for certain agricultural and industrial products**

(presented by the Commission)

## **EXPLANATORY MEMORANDUM**

### **1) CONTEXT OF THE PROPOSAL**

- **Grounds for and objectives of the proposal**

The quota amount for certain autonomous Community tariff quotas is insufficient to meet the needs of the Community industry for the current quota period. Consequently, these quota amounts should be increased. In response to requests from various Member States, the Commission's departments, together with the government experts concerned, considered whether to open, increase and extend tariff quotas for certain industrial products.

- **General context**

On 20 December 1996 the Council adopted Regulation (EC) No 2505/96 opening and providing for the administration of autonomous Community tariff quotas for certain agricultural and industrial products. Community demand for the products in question should be met under the most favourable conditions. New Community tariff quotas should be opened at reduced or zero rates of duty for appropriate volumes while avoiding any disturbance to the markets for these products. Following the discussion, at a meeting of the Economic Tariff Questions Group, the Member States were able to approve new quotas, increases or extensions to quotas for the products covered by the proposal for a Regulation, without disturbing the markets for such products

- **Existing provisions in the area of the proposal**

OJ J 345, 31.12.1996, p.1. Regulation last amended by Regulation (EC) No 2243/2004 (OJ L 381, 28.12.2004, p.1).

- **Consistency with other policies and objectives of the Union**

In line with agricultural, trade, enterprise, development and external relations policies.

### **2) CONSULTATION OF INTERESTED PARTIES AND IMPACT ASSESSMENT**

- **Consultation of interested parties**

*Consultation methods, main sectors targeted and general profile of respondents*

The Economic Tariff Questions Group representing the industries of each Member State was consulted.

*Summary of responses and how they have been taken into account*

All listed quotas correspond to the agreement of the discussions inside the group.

- **Collection and use of expertise**

*Scientific/expertise domains concerned*

Experts representing the MS on the Economic Tariff Questions Group

Methodology used

Open consultation

Main organisations/experts consulted

Experts designated by each of the MS

Summary of advice received and used

The existence of potentially serious risks with irreversible consequences has not been mentioned.

Agreement of the Economic and Tariff Questions Group.

Means used to make the expert advice publicly available

Publication of the Proposal

- **Impact assessment**

Not applicable – Proposal not included in the Commission's Working and Legislative Programme 2005.

### 3) LEGAL ELEMENTS OF THE PROPOSAL

- **Summary of the proposed action**

Proposal for a Council Regulation amending Regulation (EC) No 2505/96 opening and providing for the administration of autonomous Community tariff quotas for certain agricultural and industrial products

- **Legal basis**

Art 26

- **Subsidiarity principle**

The proposal falls under the exclusive competence of the Community. The subsidiarity principle therefore does not apply.

- **Proportionality principle**

The proposal complies with the proportionality principle for the following reason(s).

The proposed measures are in accordance with the objectives of the "Customs 2000" action programme.

This set of measures is in line with the principles set out to simplify the procedures for the operators engaged in foreign trade and in accordance with the Commission

communication concerning autonomous tariff suspensions and quotas (98/C 128/02)<sup>1</sup>.

- **Choice of instruments**

Proposed instruments: regulation.

Other means would not be adequate for the following reason(s).

By virtue of Article 26 of the EC Treaty autonomous tariff suspensions and quotas are approved by the Council acting on a qualified majority on the basis of a Commission proposal.

**4) BUDGETARY IMPLICATION**

uncollected customs duties

**5) ADDITIONAL INFORMATION**

- **Review/revision/sunset clause**

The proposal includes a sunset clause.

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<sup>1</sup> OJ C 128, 25.04.1998, p. 2.

Proposal for a

## **COUNCIL REGULATION**

**amending Regulation (EC) No 2505/96 opening and providing for the administration of autonomous Community tariff quotas for certain agricultural and industrial products**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 26 thereof,

Having regard to the proposal from the Commission<sup>2</sup>,

Whereas:

- (1) On 20 December 1996 the Council adopted Regulation (EC) No 2505/96 opening and providing for the administration of autonomous Community tariff quotas for certain agricultural and industrial products<sup>3</sup>. Community demand for the products in question should be met under the most favourable conditions. For that purpose new Community tariff quotas should be opened at reduced or zero rates of duty for appropriate volumes while avoiding any disturbance to the markets for these products.
- (2) The quota amount for certain autonomous Community tariff quotas is insufficient to meet the needs of the Community industry for the current quota period. Consequently, these quota amounts should be increased.
- (3) Regulation (EC) No 2505/96 should therefore be amended accordingly,
- (4) Having regard to the economic importance of this Regulation, it is necessary to rely on the grounds of urgency provided for in point 1.3 of the Protocol annexed to the Treaty on European Union and to the Treaties establishing the European Community on the role of national parliaments in the European Union,

HAS ADOPTED THIS REGULATION:

### *Article 1*

The quotas listed in the Annex to this Regulation are added to Annex I to Regulation (EC) No 2505/96 with effect from 1 July 2005.

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<sup>2</sup> OJ C , , p. .

<sup>3</sup> OJ J 345, 31.12.1996, p.1. Regulation last amended by Regulation (EC) No 2243/2004 (OJ L 381, 28.12.2004, p.1).

## *Article 2*

For the quota period from 1 January to 31 December 2005, in Annex I to Regulation (EC) No 2505/96, the quota amount of tariff quota 09.2626 is fixed at 1 600 000 units.

## *Article 3*

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

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

Done at Brussels,

*For the Council*  
*The President*

## ANNEX

Order No	CN code	Taric sub-division	Description	Quota volume	Quota duty %	Quota period
09.2002	2928 00 90	30	Phenylhydrazine	300 tonnes	0	1.7.-31.12.2005
09.2003	8543 89 95	63	Voltage controlled frequency generator, consisting of active and passive elements mounted on a printed circuit, contained in a housing whose exterior dimensions do not exceed 30 x 30 mm	700 000 units	0	1.7.-31.12.2005
09.2004	2926 10 00	10	Acrylonitrile	40 000 tonnes	0	1.7.-31.12.2005
09.2009	8504 90 11	30	Ferrite cores with the following dimensions: - an inner diameter at the top of 48 mm and a height of 42 mm; - an inner diameter at the top of 48 mm and a height of 44 mm; - an inner diameter at the top of 49 mm and a height of 42 mm; - an inner diameter at the top of 51 mm and a height of 40 mm for use in the manufacture of deflection yokes (a)	650 000 units	0	1.7.-31.12.2005
09.2018	2932 11 00	10	Tetrahydrofuran, containing not more than 40 mg per litre in total of tetrahydro-2-methylfuran and tetrahydro-3-methylfuran, for the manufacture of $\alpha$ -4-hydroxybutyl- $\omega$ -hydroxypoly(oxytetramethylene) (a)	30 000 tonnes	0	1.7.-31.12.2005
09.2026	2903 30 80	70	1,1,1,2 Tetrafluoroethane, certified odourless containing a maximum : - 600 ppm by weight of 1,1,2,2-Tetrafluoroethane - 2 ppm by weight of pentafluoroethane - 2 ppm by weight of chlorodifluoromethane - 2 ppm by weight of chloropentafluoroethane - 2 ppm by weight of dichlorodifluoromethane For use in the manufacture of pharmaceutical grade propellant for medical metred dose inhalers (a)	2 000 tonnes	0	1.7.-31.12.2005
09.2028	8545 19 90	10	Carbon rods (carbon electrodes) for use in the manufacture of zinc-carbon batteries (a)	400 000 000 units	0	1.7.-31.12.2005
09.2030	2926 90 95	74	Chlorothalonil	350 tonnes	0	1.7.-31.12.2005
09.2976	ex 8407 90 10	10	Four-stroke petrol engines of a cylinder capacity not exceeding 250 cm <sup>3</sup> for use in the manufacture of lawnmowers of sub-heading 8433 11 (a) or mowers with motor of subheading 8433 2010 (a)	750 000 units	0	1.7.2005-30.06.2006

(a) Checks on this prescribed end use shall be carried out pursuant to the relevant Community provisions.

**LEGISLATIVE FINANCIAL STATEMENT FOR PROPOSALS HAVING A  
BUDGETARY IMPACT EXCLUSIVELY LIMITED TO THE REVENUE SIDE**

**1. NAME OF THE PROPOSAL :**

Proposition de règlement (CE) du Conseil modifiant le règlement (CE) n° 2505/96 portant ouverture et mode de gestion de contingents tarifaires communautaires autonomes pour certains produits agricoles et industriels

**2. BUDGET LINES :**

Chapter and Article: Chap. 12 art. 120

Amount budgeted for the year concerned: millions

**3. FINANCIAL IMPACT**

☐ Proposal has no financial implications

x Proposal has no financial impact on expenditure but has a financial impact on revenue – the effect is as follows:

(€ million to one decimal place)

Budget line	Revenue <sup>4</sup>	12 month period, starting dd/mm/yyyy	[Year n]
Article 120	<i>Impact on own resources</i>	01/01/2005	- 11,4

**4. ANTI-FRAUD MEASURES**

Provisions on the management of these tariff quotas include the measures necessary for preventing frauds and irregularities and protecting against them.

**5. OTHER REMARKS**

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<sup>4</sup> Regarding traditional own resources (agricultural duties, sugar levies, customs duties) the amounts indicated must be net amounts, i.e. gross amounts after deduction of 25 % of collection costs.



Effective from 1.1.2005:

Description	Variation in quota volume (unit/tons)	Variation in estimated price (€ per unit/€ per tonne)	Variation in normal duty (%) (2004 CCT)	Variation in quota duty (%)	Expected variation in the loss of revenue in relation to the previous quota period (in €)
Pieces of embossed grain bovine leather 09.2626	+ 1.200.000 u (initial volume: 400.000 u)	0 (initial price: 26)	0 (initial duty: 2,5)	2,5	+ 780 000

**Total loss of revenue in relation to previous quota period:  
(780 000 – 195 000) € 585 000 net.**

Effective from 01.07.2005:

Description	Variation in quota volume (unit/tons)	Variation in estimated price (€ per unit/€ per tonne)	Quota duty (%) (2004 CCT)	Variation in quota duty (%)	Expected variation in the loss of revenue in relation to the previous quota period (in €)
Phenylhydrazine 09.2002	+ 300 t (initial volume: 0 t)	3 875	0 (initial duty: 6,5)	6,5	+ 75 563
Voltage controlled frequency generator 09.2003	+ 700 000 u (initial volume: 0 u)	9,57	0 (initial duty: 3,7)	3,7	+ 247 863
Acrylonitrile 09.2004	+ 40 000 t (initial volume: 0 t)	800	0 (initial duty: 6,5)	6,5	+ 2 080 000
Ferrite cores with the following dimensions 09.2009	+ 650 000 u (initial volume: 0 u)	0,77	0 (initial duty: 2,2)	2,2	+ 11 011
Tetrahydrofuran, containing not more than 40 mg 09.2018	+ 30 000 t (initial volume: 0 t)	2 200	0 (initial duty: 6,5)	6,5	+ 4 290 000
1,1,1,2 Tetrafluoroethane, certified odourless 09.2026	+ 2 000 t (initial volume: 0 t)	2 889	0 (initial duty: 5,5)	5,5	+ 317 790
Carbon rods (carbon electrodes) 09.2028	+ 400 000 000 u (initial volume: 0 u)	0,0026	0 (initial duty: 2,7)	2,7	+ 28 080
Chlorothalonil (ISO) 09.2030	+ 350 t (initial volume: 0 t)	6 000	0 (initial duty: 6,5)	6,5	+ 136 500

**Total loss of revenue in relation to previous quota period:  
(7 186 807 – 1 796 702) 5 390 105 € net.**