Proposal for a

COUNCIL REGULATION (EC) No /2008

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. In response to requests from several Member States, the Commission, together with the government experts concerned, considered whether to open, increase or extend autonomous 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 so that Community demand for the products in question could be met under the most favourable conditions. New Community tariff quotas should be opened at zero rates of duty for appropriate amounts, without disturbing the markets for such products. Discussions at meetings of the Economic Tariff Questions Group showed that the Member States were ready to open quotas or increase quotas amounts for the products covered by the proposal for a Regulation, without disturbing the markets for such products.

• Provisions in force in the field covered by the proposal


• Consistency with the other policies and objectives of the Union

The proposal is in line with agricultural, trade, entreprise, development and external relations policies. Especially this proposal is not at the expense of countries enjoying a preferential trading agreement with the EU (e.g. GSP, ACP regime, candidate and potential candidate countries of the Western Balkans).

2. CONSULTATION OF INTERESTED PARTIES AND IMPACT ASSESSMENT

• Consultation of stakeholders

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 reflect the agreement reached by the Group.
• Collection and use of expertise

**Scientific areas or fields of expertise concerned**
Experts representing the Member States in the Economic Tariff Questions Group.

**Methodology used**
Open consultation.

**Main organisations/experts consulted**
Experts designated by each of the Member States.

**Summary of advice received and used**
There was no mention of potentially serious risks with irreversible consequences.

Agreement of the Economic and Tariff Questions Group.

**Methods used to make the results of these expert opinions available to the public**
Publication of the proposal.

• **Impact assessment**

Not applicable.

The proposal is not mentioned in the Commission’s Legislative and Work Programme for 2008.

3. **LEGAL ELEMENTS OF THE PROPOSAL**

• **Summary of the proposed action**

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**

Article 26 of the EC Treaty

• **Subsidiarity principle**

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

• **Proportionality principle**

The proposal complies with the principle of proportionality for the following reasons.
This set of measures is in line with the principles for simplifying the procedures for the operators engaged in foreign trade and with the Commission communication of 1998 concerning autonomous tariff suspensions and quotas (C 128, 25.4.1998, p.2).

- **Choice of instruments**

  Proposed instruments: Regulation

  Other instruments would not be appropriate for the following reasons:

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

4. **BUDGETARY IMPLICATION**

Uncollected customs duties with a total amount of € 3 151 603.

5. **ADDITIONAL INFORMATION**

- **Amendment of existing legislation**

  Adopting this proposal will mean that some legislation is amended.
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 Commission¹,

Whereas:

(1) On 20 December 1996 the Council adopted Regulation (EC) No 2505/96². Community demand for the products to which that Regulation applies should be met under the most favourable conditions. For that purpose with effect from 1 July 2008, new Community tariff quotas should be opened at zero rates of duty for appropriate amounts while avoiding any disturbance to the markets for these products.

(2) The quota amounts for five autonomous Community tariff quotas are insufficient to meet the needs of the Community industry. Consequently, those quota amounts should be increased.

(3) Regulation (EC) No 2505/96 should therefore be amended accordingly.

(4) Since the tariff quotas have to take effect from 1 July 2008, this Regulation should apply from the same date and enter into force immediately,

HAS ADOPTED THIS REGULATION:

Article 1

Annex I to Regulation (EC) No 2505/96 is amended as follows:

(1) The tariff quotas for the products set out in Annex I to this Regulation are inserted.

(2) The rows for the tariff quotas with order numbers 09.2975, 09.2603, 09.2935, 09.2814 and 09.2620 are replaced by the rows set out in Annex II to this Regulation.

¹ OJ C […], […], p. […].
Article 2

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

This Regulation shall apply from 1 July 2008.

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

Done at Brussels,

For the Council
The President
## ANNEX I

### Tariff quotas referred to in Article 1(1)

<table>
<thead>
<tr>
<th>Order number</th>
<th>CN code</th>
<th>TARIC</th>
<th>Description</th>
<th>Quota period</th>
<th>Quota amount</th>
<th>Quota duty</th>
</tr>
</thead>
<tbody>
<tr>
<td>09.2767</td>
<td>ex 2910 90 00</td>
<td>80</td>
<td>Allyl glycidyl ether</td>
<td>1.7.- 31.12.2008</td>
<td>750 tonnes</td>
<td>0 %</td>
</tr>
<tr>
<td>09.2769</td>
<td>ex 2917 13 90</td>
<td>10</td>
<td>Dimethyl sebacate</td>
<td>1.7.- 31.12.2008</td>
<td>650 tonnes</td>
<td>0 %</td>
</tr>
<tr>
<td>09.2977</td>
<td>2926 10 00</td>
<td></td>
<td>Acrylonitrile</td>
<td>1.7.- 31.12.2008</td>
<td>35 000 tonnes</td>
<td>0 %</td>
</tr>
<tr>
<td>09.2763</td>
<td>ex 8501 40 80</td>
<td>30</td>
<td>Electric AC commutator motor, single-phase, with an output exceeding 750 W, an input power of more than 1 600 W but not exceeding 2 700 W, an external diameter of more than 120 mm (± 0,2 mm) but not exceeding 135 mm (± 0,2 mm), a rated speed of more than 30 000 rpm but not exceeding 50 000 rpm, equipped with air-inducting ventilator, for use in the manufacture of vacuum cleaners (1)</td>
<td>1.7.- 31.12.2008</td>
<td>1 150 000 units</td>
<td>0 %</td>
</tr>
<tr>
<td>09.2775</td>
<td>ex 8504 40 81</td>
<td>20</td>
<td>AC/DC converter for use in the manufacture of LCD television reception apparatus (1)</td>
<td>1.7.- 31.12.2008</td>
<td>200 000 units</td>
<td>0 %</td>
</tr>
<tr>
<td>09.2771</td>
<td>ex 8504 40 84</td>
<td>30</td>
<td>Inverter on a printed circuit board not integrated in the power supply unit, for driving external electrode fluorescent lamps (EEFL) or cold cathode fluorescent lamps (CCFL) in a backlight unit and supplying a voltage of not more than 1,33 kV, for use in the manufacture of LCD modules (1)</td>
<td>1.7.- 31.12.2008</td>
<td>800 000 units</td>
<td>0 %</td>
</tr>
</tbody>
</table>

(1) Entry under this subheading is subject to conditions laid down in the relevant Community provisions (see Articles 291 to 300 of Commission Regulation (EEC) No. 2454/93 - OJ L 253, 11.10.1993, p. 1).
## Annex II

Tariff quotas referred to in Article 1(2)

<table>
<thead>
<tr>
<th>Order number</th>
<th>CN code</th>
<th>TARIC</th>
<th>Description</th>
<th>Quota period</th>
<th>Quota amount</th>
<th>Quota duty</th>
</tr>
</thead>
<tbody>
<tr>
<td>09.2975</td>
<td>ex 2918 30 00</td>
<td>10</td>
<td>Benzophenone-3,3',4,4'-tetracarboxylic dianhydride</td>
<td>1.1.-31.12.</td>
<td>1 000 tonnes</td>
<td>0 %</td>
</tr>
<tr>
<td>09.2603</td>
<td>ex 2930 90 85</td>
<td>79</td>
<td>Bis(3-triethoxysilylpropyl)tetrasulfide</td>
<td>1.1.-31.12.</td>
<td>9 000 tonnes</td>
<td>0 %</td>
</tr>
<tr>
<td>09.2935</td>
<td>3806 10 10</td>
<td>10</td>
<td>Rosin and resin acids obtained from fresh oleoresins</td>
<td>1.1.-31.12.</td>
<td>280 000 tonnes</td>
<td>0 %</td>
</tr>
<tr>
<td>09.2814</td>
<td>ex 3815 90 90</td>
<td>76</td>
<td>Catalyst consisting of titanium dioxide and tungsten trioxide</td>
<td>1.1.-31.12.</td>
<td>1 600 tonnes</td>
<td>0 %</td>
</tr>
<tr>
<td>09.2620</td>
<td>ex 8526 91 20</td>
<td>20</td>
<td>Assembly for GPS system having a position determination function</td>
<td>1.1.-31.12.</td>
<td>2 000 000 units</td>
<td>0 %</td>
</tr>
</tbody>
</table>
LEGISLATIVE FINANCIAL STATEMENT FOR PROPOSALS HAVING A BUDGETARY IMPACT EXCLUSIVELY LIMITED TO THE REVENUE SIDE

6. NAME OF THE PROPOSAL:

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

7. BUDGET LINES:

Chapter and Article: Chapter 12, Article 120

Amount budgeted for the year 2008: € 16 431 900 000

8. 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)

<table>
<thead>
<tr>
<th>Budget line</th>
<th>Revenue(^3)</th>
<th>12 month period, starting dd/mm/yyyy</th>
<th>[Year 2008]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Article 120</td>
<td>Impact on own resources</td>
<td>1.7.2008</td>
<td>- 3.2</td>
</tr>
</tbody>
</table>

9. ANTI-FRAUD MEASURES

Provisions on the management of tariff quotas include the measures needed to prevent and protect against frauds and irregularities.

10. OTHER REMARKS

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\(^3\) 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.
ANNEX I

Effective from 1. 7.2008:

<table>
<thead>
<tr>
<th>Description of product</th>
<th>Quota amount (unit/tonnes)</th>
<th>Estimated price (€ per unit/ € per tonne)</th>
<th>Duty (%) (2008 CCT)</th>
<th>Quota duty (%)</th>
<th>Expected loss of revenue (in €)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ether 09.2767</td>
<td>750 tonnes</td>
<td>4 500</td>
<td>5.5</td>
<td>0</td>
<td>185 625</td>
</tr>
<tr>
<td>Sebacate 09.2769</td>
<td>650 tonnes</td>
<td>2 600</td>
<td>6</td>
<td>0</td>
<td>101 400</td>
</tr>
<tr>
<td>Acrylonitrile 09.2977</td>
<td>35 000 tonnes</td>
<td>900</td>
<td>6.5</td>
<td>0</td>
<td>2 047 500</td>
</tr>
<tr>
<td>Motor 09.2763</td>
<td>1.150.000 units</td>
<td>4.80</td>
<td>2.7</td>
<td>0</td>
<td>148 419</td>
</tr>
<tr>
<td>Converter 09.2775</td>
<td>200 000 units</td>
<td>6.66</td>
<td>3.3</td>
<td>0</td>
<td>43 956</td>
</tr>
<tr>
<td>Inverter 09.2771</td>
<td>800 000 units</td>
<td>21.72</td>
<td>3.3</td>
<td>0</td>
<td>573 408</td>
</tr>
</tbody>
</table>

Total loss of revenue:
(€ 3 100 308 – € 775 077 ) € 2 325 231 net.
ANNEX II

Effective from 1.7.2008:

<table>
<thead>
<tr>
<th>Description of product</th>
<th>Variation in quota amount (unit/tonnes)</th>
<th>Estimated price (€ per unit/ € per tonne)</th>
<th>Duty (%) (2008 CCT)</th>
<th>Quota duty (%)</th>
<th>Expected variation in the loss of revenue in relation to the previous quota period (in €)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dianhydride 09.2975</td>
<td>+ 400 tonnes (initial amount: 600 tonnes)</td>
<td>11 135</td>
<td>6.5</td>
<td>0</td>
<td>289 510</td>
</tr>
<tr>
<td>Tetrasulfide 09.2603</td>
<td>+ 2 500 tonnes (initial amount: 6 500 tonnes)</td>
<td>400</td>
<td>6.5</td>
<td>0</td>
<td>65 000</td>
</tr>
<tr>
<td>Rosin 09.2935</td>
<td>+ 80 000 tonnes (initial amount: 200 000 tonnes)</td>
<td>32.50</td>
<td>5</td>
<td>0</td>
<td>130 000</td>
</tr>
<tr>
<td>Catalyst 09.2814</td>
<td>+ 800 tonnes (initial amount: 800 tonnes)</td>
<td>4 500</td>
<td>6.5</td>
<td>0</td>
<td>234 000</td>
</tr>
<tr>
<td>GSP 09.2620</td>
<td>+ 1 000 000 units (initial amount: 1 000 000 units)</td>
<td>10.36</td>
<td>3.7</td>
<td>0</td>
<td>383 320</td>
</tr>
</tbody>
</table>

Total loss of revenue in relation to previous quota period: (€ 1 101 830 – € 2754 457) € 826 372 net.