

COMMISSION REGULATION (EEC) No 1981/88**of 5 July 1988****amending Regulation (EEC) No 296/86 on the implementation of the arrangements for inward processing, outward processing and processing under customs control in trade between Member States of the Community as constituted on 31 December 1985 and Spain and Portugal and also trade between the two new Member States for such time as customs duties are levied in such trade**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to the Act of Accession of Spain and Portugal, and in particular Articles 50 (3) and 210 (3) thereof, and Article 8 (3) of Protocol 3 thereto,

Whereas trade with third countries under the inward processing relief arrangements is governed by Council Regulation (EEC) No 1999/85 of 16 July 1985 on inward processing relief arrangements⁽¹⁾; whereas Council Regulation (EEC) No 3677/86⁽²⁾, as last amended by Regulation (EEC) No 1754/88⁽³⁾, lays down certain provisions for the implementation of the said Regulation;

Whereas trade with third countries under the outward processing relief arrangements is governed by Council Regulation (EEC) No 2473/86 of 24 July 1986 on outward processing relief arrangements and standard exchange arrangements⁽⁴⁾; whereas Commission Regulation (EEC) No 2458/87⁽⁵⁾, as last amended by Regulation (EEC) No 4151/87⁽⁶⁾, lays down certain provisions for the implementation of the said Regulation;

Whereas save as otherwise provided in the Act of Accession or in Protocol 3 thereto, customs legislation in force for trade with third countries must, in accordance with Articles 51 (1) and 211 (1) of the abovementioned Act and Article 9 (1) of the said Protocol, apply on the same terms to trade within the Community for such time as customs duties are levied in such trade;

Whereas Commission Regulation (EEC) No 296/86⁽⁷⁾ provides for certain adjustments to Council Directive 69/73/EEC of 4 March 1969 on the harmonization of provisions laid down by law, regulation or administrative

action in respect of inward processing⁽⁸⁾ and Council Directive 76/119/EEC of 18 December 1975 on the harmonization of provisions laid down by law, regulation or administrative action in respect of outward processing⁽⁹⁾; whereas Article 33 of Regulation (EEC) No 1999/85 and Article 29 of Regulation (EEC) No 2473/86 repealed Directive 69/73/EEC and Directive 76/119/EEC respectively; whereas the said Articles stipulate, however, that references to the Directives are to be construed as references to the respective Regulations;

Whereas the present division of labour among Member States involves processing Community goods within the Community under Regulations (EEC) No 1999/85 and (EEC) No 2473/86; whereas, however, these Regulations will cease to be used for processing of Community goods from 1 January 1993, when customs duties on imports are due to be finally abolished under the Act of Accession;

Whereas it is necessary to provide for certain adaptations to the inward processing relief arrangements in order to allow for the use of the suspension system and the release for free circulation of the compensating products obtained in all cases;

Whereas, for the sole purposes of the present Regulation, the restrictions provided for in Section II of Chapter 1 of Title II of the Fourth Part of the Act of Accession of Spain and Portugal may be treated as specific commercial policy measures provided for in Article 23 (1) of Regulation (EEC) No 2458/87; whereas in accordance with that Article these measures are not applied where the compensating products obtained under the outward processing arrangements and released for free circulation originate in the Community; whereas it is necessary to define more clearly the scope of this rule where the arrangements are applied within the Community, so that processing carried out in third countries is not given more advantageous treatment than that carried out within the Community,

⁽¹⁾ OJ No L 188, 20. 7. 1985, p. 1.

⁽²⁾ OJ No L 351, 12. 12. 1986, p. 1.

⁽³⁾ OJ No L 156, 23. 6. 1988, p. 1.

⁽⁴⁾ OJ No L 212, 2. 8. 1986, p. 1.

⁽⁵⁾ OJ No L 230, 17. 8. 1987, p. 1.

⁽⁶⁾ OJ No L 391, 31. 12. 1987, p. 1.

⁽⁷⁾ OJ No L 36, 12. 2. 1986, p. 5.

⁽⁸⁾ OJ No L 58, 8. 3. 1969, p. 1.

⁽⁹⁾ OJ No L 24, 30. 1. 1976, p. 58.

HAS ADOPTED THIS REGULATION:

Article 1

The following Articles 2a and 9a are hereby inserted in Regulation (EEC) No 296/86:

Article 2a

The suspension system as defined in Article 1 (3) (n) of Regulation (EEC) No 1999/85 shall be applicable in all cases.

The release for free circulation of compensating products obtained is justified in all cases;

Article 9a

For the purpose of Article 23 of Regulation (EEC) No 2458/87⁽¹⁾, "products not originating in the Community" shall mean those not originating in the part of the Community (new Member State or Community of Ten) in which the outward processing authorization was issued.

⁽¹⁾ OJ No L 230, 17. 8. 1987, p. 1.

Article 2

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

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

Done at Brussels, 5 July 1988.

For the Commission

COCKFIELD

Vice-President