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REGULATION (EEC) No 1023/70 OF THE COUNCIL

of 25 May 1970

establishing a common procedure for administering quantitative quotas

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 113 thereof;

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament¹;

Whereas the Community must have a procedure for administering quantitative import and export quotas, whether autonomous or conventional;

Whereas at present this procedure need cover only the allocation, by appropriate means, of Community quotas, and the establishment of a set of rules for the issue of import and export authorisations and for administrative co-operation between national and Community authorities;

HAS ADOPTED THIS REGULATION:

Article 1

The provisions of this Regulation shall apply to the administration of all quantitative import and export quotas, whether autonomous or conventional, established by the Community.

Article 2

1. Quotas, together with the criteria to be applied in allocating them under the procedure laid down in Article 11, shall be established by the Council, acting on a proposal from the Commission. Such criteria may, where necessary, be given in terms of figures.

2. In order that better use may be made of a quota, its allocation may be adjusted by means of the procedure laid down in Article 11, account being taken of any criteria for such adjustment laid down by the Council when establishing the quota and under the procedure there followed when so acting.

3. Where the interests of the Community so require, a quota may be increased, unless the Council, acting at the time of establishing the quota and in accordance with the procedure there followed, has decided otherwise.

This increase shall be effected by means of the procedure laid down in Article 11 (1), (2) and (3) (a) and (b), account being taken of:

- (a) the requirements of economic policy and of commercial policy, whether autonomous or conventional, including the need in certain cases to establish quotas for trade fairs;
- (b) the market situation in the Community for the product in question;
- (c) the importance of not jeopardising achievement of the aim pursued in establishing the quota and to safeguard the proper functioning of the common market.

4. Where a Member State has granted import licences up to the limit of its quota share and finds that its import needs are not fully covered, it shall inform the Commission of the fact. The Commission shall forthwith refer the matter to the Committee provided for in Article 10, which shall consider, in particular, whether the quota should be increased or the allocation thereof adjusted. If within three weeks following referral of the matter to the Committee no Community decision concerning the application for an increase in the amount of imports permitted has been taken under the procedure laid down in Article 11, the Member State concerned may, taking into account the factors set out in paragraph 3 (a), (b) and (c), authorise additional imports of up to 20% of its initial quota share, unless the Council, acting at the time of establishing the quota and in accordance with

¹ OJ No. C 65, 5.6.1970, p. 6.

the procedure there followed, has decided otherwise. The provisions of this paragraph shall apply until 31 December 1972. Before that date, the Council, acting by a qualified majority on a proposal from the Commission, shall decide on the adjustments to be made to these provisions.

Article 3

The quota shares allocated to the Member States shall, unless it is decided otherwise, be published in the *Official Journal of the European Communities*.

Article 4

Not later than three weeks after each quota allocation the Member States shall make known, by official publication, the products which may be imported or exported and the procedure whereby import or export of such products is to be authorised. A different time limit may be set, by means of the procedure laid down in Article 11.

Article 5

1. Without prejudice to the provisions of Article 6, Member States may issue import or export authorisations, within the limits of their quota shares, either as and when applications are received or after examination of all applications together.

2. Where applications are examined as and when they are received, a decision must be taken on an application within three weeks of the date of its receipt.

3. Where all applications are to be examined together, a time limit, which may not exceed one month, shall be fixed for the submission of applications. A decision shall be taken on such applications within two months at the latest of expiry of the time limit.

4. Other time limits may be set for the submission of applications and decisions thereon, by means of the procedure laid down in Article 11.

Article 6

1. A product which is subject to an import quota may be put into free circulation within the meaning of Articles 9 and 10 of the Treaty only on production of an import authorisation.

2. A product which is subject to an export quota may be exported out of the Community only on production of an export authorisation.

3. All imports or exports made under import or export authorisations within the meaning of paragraphs 1 and 2 shall be counted against the quota share of the Member State which issued the authorisations.

The Council, acting at the time of establishing the quota and in accordance with the procedure there followed, may decide that goods brought into the customs territory of the Community under inward processing arrangements as defined in the Council Directive of 4 March 1969¹ shall also be counted against the quota share of the Member State of introduction.

The carrying out of additional inward processing transactions shall not be precluded because the Member State of introduction has taken up all its quota.

The provisions of the second subparagraph shall not apply to goods to be processed in performance of contracts to make up work from materials supplied which has been entered into with persons established in third countries.

4. Where a product subject to an export quota is carried through the territory of a Member State other than that in which the export formalities were performed, in order to be exported to a third country, the provisions of Council Regulation (EEC) No 542/69² of 18 March 1969 on Community transit, and of the instruments adopted or to be adopted in implementation thereof, shall apply.

Article 7

Any difficulties arising in connection with the implementation of Articles 4, 5 and 6, in particular in relation to the issuing of import or export authorisations, shall be resolved in accordance with the procedure laid down in Article 11.

Article 8

1. In respect of each quota, Member States shall notify the Commission within the first twenty days of each month of:

- (a) the total quantity or value of goods for which import or export authorisations were issued during the preceding month;
- (b) the total quantity and value of imports and exports during the month preceding that referred to in (a).

¹ OJ No L 58, 8.3.1969, p. 1.

² OJ No L 77, 29.3.1969, p. 1.

2. Member States shall supply the Commission, in such circumstances and manner as may be laid down, under the procedure set out in Article 11, with such additional information as may be adjudged under the same procedure necessary to an assessment of the use made of the quota.

3. The information given by Member States shall be broken down by product and by exporting country. The Commission shall inform the other Member States forthwith.

Article 9

Information received in pursuance of this Regulation may be used only for the purpose for which it was requested.

Article 10

1. A Quota Administration Committee (hereinafter called the 'Committee') is hereby set up and shall consist of representatives of the Member States with a representative of the Commission as Chairman.

2. The Committee shall adopt its own rules of procedure.

Article 11

1. Where the procedure laid down in this Article is to be followed, matters shall be referred to the Committee by the Chairman, either on his own initiative or at the request of the representative of a Member State.

2. The representative of the Commission shall submit to the Committee a draft of the measures to be adopted. The Committee shall deliver its opinion on the draft within a time limit set by the Chairman having regard to the urgency of the matter. Opinions shall be delivered by a majority of twelve votes, the votes of the Member States being weighted as provided in Article 148 (2) of the Treaty. The Chairman shall not vote.

3. (a) The Commission shall adopt the measures envisaged where they are in accordance with the opinion of the Committee.

(b) Where the measures envisaged are not in accordance with the opinion of the Committee, or if no opinion is delivered, the Commission shall without delay propose to the Council the measures to be adopted. The Council shall act by a qualified majority.

(c) If, within three months of the proposal being submitted to it, the Council has not acted, the proposed measures shall be adopted by the Commission.

Article 12

1. The Committee may consider any other question relating to the operation of this Regulation raised by its Chairman, either on his own initiative or at the request of the representative of a Member State.

2. The Committee shall regularly examine the effects of, and the economic and commercial justification for, the quotas administered under this Regulation. If the Commission considers that it is necessary to abolish, increase, or otherwise alter such quotas, it shall submit an appropriate proposal to the Council forthwith.

Article 13

This Regulation shall not apply to agricultural products in respect of which an organisation of the market has been established. If the Council decides to introduce quotas for such products, it shall at the same time adopt provisions for the administration of such quotas.

Article 14

1. By 31 December 1972 at the latest, the Council, acting by a qualified majority on a proposal from the Commission, shall decide on the adjustments to be made to this Regulation in order, in particular, to ensure fully that import or export transactions within the limits of the quotas established may be carried out at one and the same time in all parts of the Community.

2. In the interim:

— any Member State may refuse to issue import or export authorisations to persons not established in its territory. This provision shall be without prejudice to obligations arising under Directives concerning freedom of establishment or freedom to provide services;

— without prejudice to the provisions of Article 6 (4), import and export authorisations shall be valid only in the Member State which issues them;

— the provisions of Article 6 (1) and (2) shall not apply to any imports or exports of a special nature which under national laws are exempt

from the formalities required under foreign trade regulations, provided that such restrictions are placed upon the value, quantity, or use of those imports or exports as will ensure that the aim pursued in establishing quotas is not jeopardised.

Article 15

Council Regulation (EEC) No 2043/68¹ of 10 December 1968 on the progressive establishment of a

common procedure for administering quantitative quotas on imports into the Community is hereby repealed.

Article 16

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, 25 May 1970.

For the Council

The President

L. MAJOR

¹ OJ No L 303, 18.12.1968, p. 39.