COMMISSION REGULATION (EC) No 1100/2006

of 17 July 2006

laying down, for the marketing years 2006/07, 2007/08 and 2008/09, detailed rules for the opening and administration of tariff quotas for raw cane-sugar for refining, originating in least developed countries, as well as detailed rules applying to the importation of products of tariff heading 1701 originating in least developed countries

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 980/2005 of 27 June 2005 applying a scheme of generalised tariff preferences (1), and in particular Article 12(6) thereof,

Having regard to Council Regulation (EC) No 318/2006 of 20 February 2006 on the common organisation of the markets in the sugar sector (2), and in particular Articles 23(4) and 40(1) and 40(2)(f) thereof,

Whereas:

- (1) Article 12(4) of Regulation (EC) No 980/2005 lays down that, for products of tariff heading 1701 originating in a country which according to Annex I to that regulation benefits from the special arrangement for least developed countries, the Common Customs Tariff duties are to be reduced by 20 % on 1 July 2006, by 50 % on 1 July 2007, by 80 % on 1 July 2008 and by 100 % on 1 July 2009.
- Pursuant to Article 27 of Regulation (EC) No 318/2006 (2)and to Article 36 of Commission Regulation (EC) No 951/2006 of 30 June 2006 laying down detailed rules for the implementation of Council Regulation (EC) No 318/2006 as regards trade with third countries in the sugar sector (3), additional duties may be imposed on imports where certain conditions are met. Within the framework of the reform of the common market in the sugar sector, analyses have been made on quantities which are likely to be imported from least developed countries pursuant to Article 12(4) of Regulation (EC) No 980/2005. Within these quantitative limits, such imports are unlikely to disturb the Community market. Therefore, the full application of additional duties to such imports would be disproportionate, and any additional duties on such imports should be reduced commensurately with the reductions in Common Customs Tariff

duties provided for in the same Article, particularly given the objective of providing duty-free and quota-free access for such imports in accordance with Regulation (EC) No 980/2005. Imports pursuant to Article 12(5) of Regulation (EC) No 980/2005 are not subject to additional

- Article 12(5) of Regulation (EC) No 980/2005 lays down that, until those Common Customs Tariff duties are entirely suspended, a global tariff quota at zero duty is to be opened every marketing year for raw cane-sugar for refining of CN code 1701 11 10, originating in a least developed country. Such a tariff quota was made available by Commission Regulation (EC) No 1381/2002 of 29 July 2002 laying down detailed rules for the opening and administration of the tariff quotas for raw cane-sugar for refining, originating in least developed countries, for the marketing years 2002/03 to 2005/06 (4), and is to continue to be made available until 30 June 2009. The tariff quota for the marketing year 2006/07 is to be equal to 149 214 tonnes, expressed as 'white-sugar equivalent', for products of CN code 1701 11 10. For each of the following marketing years, the quota is to be increased by 15 % over the quota of the previous marketing year.
- The opening and administration of those tariff quotas should be implemented within the framework of the common trading system established by Regulation (EC) No 318/2006, in particular as regards the system of applications for import licences.
- The quantities of sugar for refining benefiting from the reduced Common Customs Tariff duties or from the global tariff quotas should be imported under conditions which meet the traditional supply needs for refining of the Member States, referred to in Article 29 of Regulation (EC) No 318/2006.
- To ensure an adequate price for the raw sugar exported by least developed countries to the Community, a minimum price to be paid by the refiners should be fixed. The purchase price paid should be at least equal to the guaranteed price referred to in Article 30(1) of Regulation (EC) No 318/2006.

⁽¹) OJ L 169, 30.6.2005, p. 1. (²) OJ L 58, 28.2.2006, p. 1. (³) OJ L 178, 1.7.2006, p. 24.

⁽⁴⁾ OJ L 200, 30.7.2002, p. 14.

- (7) The general rules as regards import licences, provided in Commission Regulation (EC) No 1291/2000 of 9 June 2000 laying down common detailed rules for the application of the system of import and export licences and advance fixing certificates for agricultural products (¹), as well as the special detailed rules for the sugar sector, established by Regulation (EC) No 951/2006, apply. For the management of imports and in order to ensure that annual limits are respected, there is a need for detailed rules concerning the issue of import licences for raw sugar.
- (8) Since the global tariff quotas do not provide for a margin to exceed those quantities, the Common Customs Tariff duty, reduced in accordance with Article 12(4) of Regulation (EC) No 980/2005, should apply to all quantities imported in excess of those figuring on the import licence. In order to avoid an excess of imported raw sugar in the Community from least developed countries, provisions are necessary to ensure that the imported quantities of sugar are effectively refined by the end of the marketing year or before a certain date set by the Member State.
- (9) Because of the traditional supply need set per Member State in the sector for sugar refining and of the need to maintain strict control of the sharing out of quantities of sugar to be imported, it is desirable to provide that the issue, as well as the transfer, of import licences be restricted to full-time refiners.
- (10) Since the marketing year for 2006/07 will last for 15 months and that the marketing years for 2007/08 and 2008/09 will run from October of the first year to September of the following year, the volumes of the annual tariff quotas provided for in Article 12(5) of Regulation (EC) No 980/2005 should be adjusted in consequence.
- (11) In order to respect the annual quota quantity as set out by Regulation (EC) No 980/2005, Member States should communicate to the Commission the quantities of raw sugar expressed as 'white-sugar equivalent'.
- (12) In order to manage the imports effectively, Member States should keep a record of the relevant data and notify them to the Commission.
- (13) For control purposes, imports should be subject to the surveillance referred to in Article 308(d) of Commission Regulation (EEC) No 2454/93 of 2 July 1993 laying down provisions for the implementation of Council
- $(^1)$ OJ L 152, 24.6.2000, p. 1. Regulation as last amended by Regulation (EC) No 410/2006 (OJ L 71, 10.3.2006, p. 7).

- Regulation (EEC) No 2913/92 establishing the Community Customs Code (²).
- (14) The provisions concerning the proof of origin, set out in Articles 67 to 97 of Commission Regulation (EEC) No 2454/93, establish the definition of the concept of originating products, to be used for the purposes of generalised tariff preferences.
- (15) The Management Committee for Sugar has not delivered an opinion within the time-limit set by its chairman.
- (16) The measures provided for in this Regulation are in accordance with the opinion of the Generalised Preferences Committee,

HAS ADOPTED THIS REGULATION:

Article 1

This Regulation lays down, for the marketing years 2006/07, 2007/08 and 2008/09:

- the rules for the opening and administration of the global tariff quotas for raw cane-sugar for refining of CN code 1701 11 10, referred to in Article 12(5) of Regulation (EC) No 980/2005, and
- the rules applying to the importation of products of tariff heading 1701, for the purposes of Article 12(4) and (5) of Regulation (EC) No 980/2005.

Article 2

For the purposes of this Regulation:

- 'marketing year' means the marketing year referred to in Article 1(2) of Regulation (EC) No 318/2006, beginning on 1 October and ending on 30 September of the following year, except for the marketing year 2006/07 which shall begin on 1 July 2006 and end on 30 September 2007,
- 'full-time refiner' means a production unit:
 - the sole activity of which consists of refining imported raw cane-sugar,

or

⁽²⁾ OJ L 253, 11.10.1993, p. 1. Regulation as last amended by Regulation (EC) No 402/2006 (OJ L 70, 9.3.2006, p. 35).

- which, in the marketing year 2004/05, refined a quantity of at least 15 000 tonnes of imported raw cane-sugar,
- 'tel quel' weight means the weight of the sugar in the natural

Article 3

- 1. The following global tariff quotas at zero duty, expressed as 'white-sugar equivalent', shall be opened for imports of raw cane-sugar for refining of CN code 1701 11 10, originating in a country which, according to Annex I to Regulation (EC) No 980/2005, benefits from the special arrangement for least developed countries:
- 192 113 tonnes for the marketing year from 1 July 2006 to 30 September 2007;
- 178 030,75 tonnes for the marketing year from 1 October 2007 to 30 September 2008;
- 148 001,25 tonnes for the marketing year from 1 October 2008 to 30 June 2009.

The quotas shall bear the order numbers 09.4360, 09.4361 and 09.4362, respectively.

Each quota shall be opened on the first day of the marketing year concerned and shall remain open until the last day of that marketing year.

All Common Customs Tariff duties, as well as any additional duties referred to in Article 27 of Regulation (EC) No 318/2006 and subject to Article 36 of Regulation (EC) No 951/2006, shall not apply to imports under these quotas.

2. For imports, other than those referred to in paragraph 1, of products of tariff heading 1701 originating in least developed countries, the Common Customs Tariff (CCT) duties, as well as the additional duties referred to in Article 27 of Regulation (EC) No 318/2006 and subject to Article 36 of Regulation (EC) No 951/2006, shall be reduced in accordance with Article 12(4) of Regulation (EC) No 980/2005, by 20 % on 1 July 2006, by 50 % on 1 July 2007 and by 80 % on 1 July 2008; they shall be suspended entirely as from 1 July 2009.

Such imports shall be ascribed a reference number in accordance with the import period and the rate of reduction that shall apply.

The reference numbers and the rates of CCT and additional duties that apply shall be as follows:

- (a) for the import period from 1 July 2006 to 30 June 2007, the reference number shall be 09.4370 and the fraction of CCT and additional duties to be paid shall be 80 %;
- (b) for the import period from 1 July 2007 to 30 June 2008, the reference number shall be 09.4371 and the fraction of CCT and additional duties to be paid shall be 50 %;
- (c) for the import period from 1 July 2008 to 30 June 2009, the reference number shall be 09.4372 and the fraction of CCT and additional duties to be paid shall be 20 %;
- (d) for the import period from 1 July 2009 to 30 September 2009, the reference number shall be 09.4373 and the fraction of CCT and additional duties to be paid shall be 0 %.

The reference numbers shall apply to a quantity not limited in volume.

Article 4

Imports referred to in Article 3(1) and (2) shall require an import licence issued in accordance with Regulation (EC) No 1291/2000 and Regulation (EC) No 951/2006, subject to the provisions of this Regulation.

Article 5

- 1. Applications for import licences shall be submitted to the competent body in the importing Member State concerned.
- 2. Within the limits referred to in Article 6(2), applications for import licences for sugar for refining within the framework of the traditional supply need referred to in Article 29(1) and (2) of Regulation (EC) No 318/2006, may be submitted, for the marketing year concerned, only to the competent bodies in the Member States, by:
- the full-time refiners of the Member State concerned, until 30 June of the marketing year,
- any full-time Community refiner, as from 30 June until the end of the marketing year.

3. In the case of the imports referred to in Article 3(1), applications for import licences may be submitted from the first day of the marketing year until the date of limiting the issue of import licences referred to in Article 6(2).

In the case of the imports referred to in Article 3(2), applications for import licences may be submitted from the first day of the import period to which they relate.

- 4. Applications for import licences shall be submitted to the competent body in the Member State in which the applicant is registered for VAT purposes.
- 5. Only one application for an import licence per order number per week per applicant shall be allowed. Where, in a particular week, more than one application is submitted by an applicant for a particular order number, all of the applicant's applications for that order number for that week shall be rejected and the securities lodged therefore shall accrue to the Member State concerned.
- 6. Applications for import licences shall indicate the marketing year to which they relate, and whether the sugar is for refining or for purposes other than refining.
- 7. Applications for import licences shall be accompanied by:
- (a) proof that the applicant has lodged a security of EUR 20 per tonne of the quantity of sugar indicated in Box 17 of the application for an import licence;
- (b) the original of the export licence (conforming to the specimen appearing in the Annex), issued by the authorities in the exporting beneficiary country, for an amount equal to that given in the application for an import licence;
- (c) in the case of sugar for refining, a declaration by the operator approved in accordance with Article 17 of Regulation (EC) No 318/2006 that the quantity will be refined before the end of the three-month period following the end of the period of validity of the import licence;
- (d) the approved operator's pledge to make sure that the purchase price paid is at least equal to the guaranteed price referred to in Article 30(1) of Regulation (EC) No

318/2006, as well as a copy of a binding document relating to the transaction and signed by both the buyer and the supplier.

A copy, certified by the competent authorities in the exporting beneficiary country, of the certificate of origin Form A provided for in Article 9(1) may be used in place of the export licence referred to in (b).

- 8. Applications for import licences, as well as the licences issued, shall include the following entries:
- (a) in Box 8: the country or countries of origin (the country or countries included in the special arrangement for least developed countries, according to column D of Annex I to Regulation (EC) No 980/2005),
- (b) in Boxes 17 and 18: the quantity of sugar, expressed as 'white-sugar equivalent',
- (c) in Box 20:
 - in the case of the imports referred to in Article 3(1):

'Raw cane-sugar for refining, imported pursuant to Article 12(5) of Regulation (EC) No 980/2005. Order No ...'

(the order number indicated in Article 3(1) for the marketing year concerned)

(or at least one of the equivalent phrases in another official Community language).

— in the case of the imports referred to in Article 3(2):

'Sugar imported pursuant to Article 12(4) of Regulation (EC) No 980/2005. Reference No ...'

(the reference number indicated in Article 3(2) for the import period concerned)

(or at least one of the equivalent phrases in another official Community language).

Article 6

- 1. Member States shall keep a record of the applications for import licences submitted for sugar for refining.
- 2. When a Member State for a particular marketing year has received applications for import licences for sugar for refining equal to or exceeding the limit referred to in Article 29(3) of Regulation (EC) No 318/2006, the Member State shall notify the Commission that the level of its traditional supply need has been reached. Where appropriate, the Member State shall specify the percentage allocation in proportion to the remaining balance to be given to each application for an import licence for sugar for refining.
- 3. Where applications for import licences for sugar for refining for a particular marketing year are equal to the total quantity referred to in Article 29(3) of Regulation (EC) No 318/2006, the Commission shall notify the Member States that the limit for the traditional supply need at the level of the Community has been reached.

From the date of notification referred to in the first subparagraph and until the end of the marketing year concerned, the restriction provided for in Article 5(2) shall no longer apply.

Article 7

- 1. Member States shall notify the Commission, no later than the first working day of the following week, of the quantities of raw or white-sugar (where necessary, expressed as 'white-sugar equivalent'), for which applications for import licences after applying the percentage allocation provided for in Article 6(2) have been submitted during the preceding week. Member States shall specify the marketing year concerned, the quantities by country of origin and by eight-digit CN code, and whether the sugar is for refining or for purposes other than refining. If no application for an import licence has been submitted, the Member States shall likewise notify the Commission.
- 2. The Commission shall draw up a weekly total of the quantities for which applications for import licences have been submitted.
- 3. In the case of the global tariff quotas referred to in Article 3(1), where applications for import licences exceed the quota quantity for the current marketing year, the Commission shall set a percentage allocation in proportion to the balance remaining for the Member States to apply to each application for an import licence, and shall notify the Member States that the maximum quantity of the quota concerned has been reached and no further application for an import licence is admissible.
- 4. Where the weekly total referred to in paragraph 2 reveals the existence of available quantities of sugar for which the

maximum quantity had been reached previously, the Commission shall inform the Member States that the maximum quantity is no longer attained.

Article 8

- 1. The import licences shall be issued on the third working day following that of the notification referred to in Article 7(1). The quantities issued shall take account of the limitation imposed by the Commission in accordance with Article 7(3).
- 2. For imports referred to in Article 3(1), the import licences shall be valid until the end of the marketing year to which they relate.

For imports referred to in Article 3(2), the import licences shall be valid until the end of the import period to which they relate.

- 3. Member States shall notify the Commission of the quantities of sugar for which import licences were issued during the previous week, and shall specify the country of origin and whether the sugar is for refining or for purposes other than refining.
- 4. Where an import licence is transferred in accordance with Article 9 of Regulation (EC) No 1291/2000, the titular holder shall immediately inform the competent authorities in the Member State which issued the original certificate.
- 5. By way of derogation from Article 35(2) of Regulation (EC) No 1291/2000, if the import licence for sugar for purposes other than refining is returned to the issuing body:
- (a) in the first 60 days of its validity, the security forfeit shall be reduced by 80 %;
- (b) between the 61st day of its validity and the 15th day following the end of its validity in accordance with paragraph 2, the security forfeit shall be reduced by 50 %.
- 6. Member States shall simultaneously notify the Commission of the quantities for which import licences have been returned since the date of their previous notification to this effect. The quantities set out in the licences returned in accordance with paragraph 5 may be reallocated.

Article 9

1. Proof of the originating status of the imports referred to in Article 3(1) and (2) shall be furnished by means of a certificate of origin Form A issued in accordance with Articles 67 to 97 of Regulation (EEC) No 2454/93.

- 2. At import and in addition to the proof of origin referred to in paragraph 1, a supplementary document shall be presented to the customs authorities, bearing:
- (a) the serial number of the certificate of origin Form A referred to in paragraph 1, and the beneficiary country in which it was issued;
- (b) as appropriate:

the phrase 'Order No ... — Regulation (EC) No 1100/2006'

(i.e., the order number indicated in Article 3(1) for the marketing year concerned),

or

the phrase 'Reference No \dots — Regulation (EC) No 1100/2006'

(i.e., the reference number indicated in Article 3(2) for the import period concerned)

(or at least one of the equivalent phrases in another official Community language);

- (c) the date of loading of the sugar in the exporting beneficiary country, and the marketing year in respect of which the delivery is being made;
- (d) the eight-digit CN code of the sugar.
- 3. The interested party shall provide the competent authority in the Member State of release for free circulation, for control purposes of at least the quantities, a copy of the supplementary document referred to in paragraph 2 containing information relating to the import operation, in particular the degree of polarisation indicated, and the 'tel quel' quantities by weight actually imported.
- 4. Where import licences are transferred pursuant to Article 8(4), the Member State shall collect the completed certificates of origin Form A and send a copy of the certificates to the Member State which initially issued the import licence.

Article 10

- 1. Each Member State shall keep a record of the quantities of raw and white-sugar actually imported with the certificates of origin referred to in Article 9(1), where necessary converting the quantities of raw sugar into 'white-sugar equivalent' on the basis of the polarisation stated, applying the methods set out in Point III of Annex I to Regulation (EC) No 318/2006.
- 2. Pursuant to Article 50(1) of Regulation (EC) No 1291/2000, the Common Customs Tariff duties, reduced in

accordance with Article 12(4) of Regulation (EC) No 980/2005 and applicable on the date of release for free circulation, shall apply to all quantities of white 'tel quel' sugar by weight, or raw sugar converted into 'white-sugar equivalent', imported in excess of those shown on the import licence referred to in Article 5.

- 3. The undertaking which applied for the import licence for refining shall, within the three months following the end of the time-limit for refining according to Article 5(7)(c), show acceptable proof of refining to the Member State which issued the licence.
- 4. Except in the event of *force majeure*, if the sugar is not refined within the time limit, the undertaking which applied for the licence shall pay an amount of EUR 500 per tonne for the quantities concerned.

Article 11

The Member States referred to in Article 29 of Regulation (EC) No 318/2006 shall communicate to the Commission:

- (a) before the end of each month, the quantities of sugar expressed by weight 'tel quel' and as 'white-sugar equivalent', actually imported the third month before;
- (b) before 1 March, for the previous marketing year:
 - (i) the total quantity actually imported for that marketing year:
 - in the form of sugar for refining, expressed by weight 'tel quel' and as 'white-sugar equivalent',
 - in the form of sugar other than for refining, expressed by weight 'tel quel' and as 'white-sugar equivalent'
 - (ii) the quantity of sugar, expressed by weight 'tel quel' and as 'white-sugar equivalent', actually refined.

Article 12

- 1. The notifications referred to in Article 7(1), Article 8(6) and Article 11 shall be effected by electronic means in accordance with the format provided by the Commission to the Member States.
- 2. At the Commission's request, Member States shall provide details on the quantities of sugar released for free circulation under the preferential tariff arrangements during any particular months, pursuant to Article 308(d) of Regulation (EEC) No 2454/93.

Article 13

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

It shall apply from 1 July 2006.

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

Done at Brussels, 17 July 2006.

For the Commission
Peter MANDELSON
Member of the Commission

ANNEX

Specimen of the export licence referred to in Article 5(7)(b)

Exporter (name, full address, country)	ORIGINAL	2. No
	Marketing year or delivery period	
4. Importer (name, full address, country) (optional)	EXPORT LICENCE SUGAR	
Place and date of loading — means of transport (optional)	6. Country of origin	7. Country of destination
	8. Additional details	
9. Description of goods		10. CN code (8-digit) 11. Quantity (kg)
12. Certification by competent authority		
13. Competent authority (name, full address, country)	At:	on:
	(signature)	(stamp)