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(Acts whose publication is obligatory)

#### COUNCIL REGULATION (EEC) No 2561/77

of 21 November 1977

opening, allocating and providing for the administration of a Community tariff quota for liqueur wines falling within subheading ex 22.05 C of the Common Customs Tariff, originating in Cyprus and marketed under the label of 'Cyprus sherry', and introducing subsidies for similar wine products produced in the Community (1977)

THE COUNCIL OF THE EUROPEAN COMMUNITIES.

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 43 and 113 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament (1),

Whereas the exchange of letters referred to in Article 12 of the Protocol laying down certain provisions relating to the Agreement establishing an Association between the European Economic Community and the Republic of Cyprus consequent on the accession of new Member States to the European Economic Community (2) makes provision for special interim arrangements for the wine product exported under the label of 'Cyprus sherry' and intended for direct human consumption, which involve the non-application of countervailing charges on imports of this wine into Ireland and the United Kingdom, within the limits of an annual quota of 200 000 hectolitres;

Whereas, to that end, Regulation (EEC) No 1253/73 (3), as amended by Regulation (EEC) No 3576/73 (4), as last extended and amended by Regulation (EEC) No 1606/76 (5), introduced arrangements for imports of the wine product exported under the label of 'Cyprus sherry', originating in and coming from Cyprus, and provided for subsidies for similar wine products produced in the Community as originally constituted and exported to Ireland and the United Kingdom; whereas the arrangements in question expired on 30 June 1977;

Whereas, as from 1 July 1977, imports of the product in question into the United Kingdom and Ireland, the traditional markets for the wine marketed under the label of 'Cyprus sherry', should, under the Act of Accession, be subject to the Common Customs Tariff duties:

Whereas, to allow for the disposal of existing stocks, Community arrangements should be introduced for the second half of 1977, in the form of a Community tariff quota exempt from customs duties and the countervailing charge;

Whereas these arrangements should not disturb the market in Community wines similar to liqueur wines originating in Cyprus and covered by this Regulation; whereas, to avoid distortion of the conditions of competition between the said products and similar Community wines, provision should be made, in respect of the latter, for the granting of aids, based on the difference, on the market of the Member States of destination, between the prices of Community liqueur wines and the prices of the liqueur wines in question originating in Cyprus;

Whereas a Community tariff quota should be opened under the conditions set out above and within the limits of 100 000 hectolitres for the period 1. July to 31 December 1977;

Whereas entry under the above Community tariff quota must be conditional on the presentation of the A.CY.1 movement certificate and on the wines being described as 'Cyprus sherry' in the V.I.1 document provided for in Regulation (EEC) No 2115/76 (6);

<sup>(</sup>¹) OJ No C 266, 7. 11. 1977, p. 25. (²) OJ No L 133, 21. 5. 1973, p. 88. (³) OJ No L 133, 21. 5. 1973, p. 115. (⁴) OJ No L 359, 28. 12. 1973, p. 33. (⁵) OJ No L 175, 1. 7. 1976, p. 6.

<sup>(6)</sup> OJ No L 237, 28. 8. 1976, p. 1.

Whereas it is in particular necessary to ensure equal and uninterrupted access to the abovementioned quota for all Community importers and uninterrupted application of the rates laid down for that quota to all imports of the products concerned into all Member States until the quota has been used up; whereas, having regard to the above principles, the Community nature of the quota would be respected by allocating the Community tariff quota among the Member States; whereas, in order to reflect as accurately as possible the actual development of the market in the products concerned, such allocation should be in proportion to the requirements of the Member States, assessed by reference to both the statistics relating to imports of the said products from Cyprus over a representative period and the economic outlook for the quota period concerned;

Whereas in this case, however, neither Community nor national statistics showing the breakdown for each of the types of wines in question are available; whereas, in these circumstances, the quota volume should be allocated in initial shares, taking into account demand for these wines on the markets of the various Member States and the requirements indicated by certain Member States;

Whereas, in order to take into account import trends for the products concerned in the different Member States, the quota amount should be divided into two instalments, the first being allocated among the Member States and the second held as a reserve intended to cover at a later date the requirements of Member States which have used up their initial share; whereas, in order to guarantee some degree of security to importers in each Member State, the first instalment of the Community quota should be fixed at a level which could, in the present circumstances, be 99 % of the quota volume;

Whereas the initial shares of the Member States may be used up at different times; whereas, in order to take this into account and to avoid disruption, any Member State which has used up almost all of its initial share should draw a supplementary share from the reserve; whereas this should be done by each Member State each time one of its supplementary shares is almost used up, and so on as many times as the reserve allows; whereas the initial and supplementary shares should be valid until the end of the quota period; whereas this form of administration requires close collaboration between the Member States and the Commission, and the Commission must be in a

position to follow the extent to which the quota volume has been used up and inform the Member States thereof;

Whereas if, at a given date in the quota period, a Member State has a considerable quantity of the initial share left over, it is essential that it should return a significant proportion thereof to the reserve to prevent a part of the Community quota from remaining unused in one Member State when it could be used in others;

Whereas, since the Kingdom of Belgium, the Kingdom of the Netherlands and the Grand Duchy of Luxembourg are united in and represented by the Benelux Economic Union, all transactions concerning the administration of the shares allocated to that economic union may be carried out by any one of its members,

HAS ADOPTED THIS REGULATION:

#### Article 1

1. Until 31 December 1977, the Common Customs Tariff duties in respect of the following products originating in Cyprus shall be totally suspended within the limits of an overall Community tariff quota of 100 000 hectolitres.

CCT heading No	Description of goods
ex 22.05 C II a) ex 22.05 C II b) ex 22.05 C III a) 2 ex 22.05 C III b) 3 ex 22.05 C IV a) 2 ex 22.05 C IV b) 3	Liqueur wines marketed under the label of 'Cyprus sherry'

- 2. The Protocol on the definition of the concept of 'originating products' and on methods of administrative cooperation annexed to the Agreement between the European Economic Community and Cyprus shall be applicable.
- 3. The entry of these wines under the tariff quota referred to in paragraph 1 shall be conditional on their being described in the V.I.1 document provided for in Regulation (EEC) No 2115/76 as 'liqueur wines to be marketed under the label of "Cyprus sherry".

4. Within the limits of the above tariff quota, the products referred to in paragraph 1 shall be exempt from the countervailing charges provided for in Regulation (EEC) No 816/70 (1), as last amended by Regulation (EEC) No 2211/77 (2).

#### Article 2

- 1. The quota laid down in Article 1 shall be divided into two instalments.
- 2. A first instalment, amounting to 99 000 hectolitres, shall be allocated among the Member States; the shares which, subject to Article 5, shall be valid up to 31 December 1977, shall be as follows:

	(in hectolitres)
Benelux	100
Denmark	100
Germany	100
France	100
Ireland	900
Italy	100
United Kingdom	97 600

3. The second instalment, amounting to 1 000 hectolitres, shall constitute the reserve.

#### Article 3

- 1. If 90 % or more of the initial share of a Member, as specified in Article 2 (2), or of that share less the portion returned to the reserve, where Article 5 has been applied, has been used, that Member State shall, without delay, by notifying the Commission, draw a second share equal to 15 % of its initial share, rounded up where necessary to the next whole number in so far as the amount in the reserve allows.
- 2. If, after the initial share has been used up, 90 % or more of the second share drawn by a Member State has been used up, that Member State shall, in accordance with the conditions laid down in paragraph 1, draw a third share equal to 7.5 % of its initial share, rounded up where necessary to the next whole number, in so far as the amount in the reserve allows.
- 3. If, after its second share has been used up, 90 % or more of the third share drawn by a Member State has been used up, that Member State shall, in accordance with the same conditions, draw a fourth share equal to the third.

This process shall continue to apply until the reserves are used up.

4. By way of derogation from paragraphs 1, 2 and 3, Member States may draw smaller shares than those

(1) OJ No L 99, 5. 5. 1970, p. 1. (2) OJ No L 256, 7. 10. 1977, p. 1. fixed in the said paragraphs, if there is reason to believe that those fixed might not be used up. They shall inform the Commission of their reasons for applying this paragraph.

#### Article 4

The additional shares drawn pursuant to Article 3 shall be valid until 31 December 1977.

#### Article 5

Member States shall return to the reserve, not later than 15 December 1977, the unused portion of their initial share which, on 1 December 1977, is in excess of 20 % of the initial amount. They may return a greater portion if there are grounds for believing that such portion might not be used in full.

Each Member State shall, not later than 15 December 1977, notify the Commission of the total imports of the products concerned effected under the Community quota up to and including 1 December 1977 and, where appropriate, the proportion of the initial share returned to the reserve.

#### Article 6

The Commission shall keep account of the shares opened by Member States pursuant to Articles 2 and 3 and, as soon as it has been notified, shall inform each State of the extent to which the reserve has been used.

The Commission shall notify Member Staes not later than 20 December 1977 of the amount in the reserve after the return of shares pursuant to Article 5.

The Commission shall ensure that the drawing which uses up the reserve is limited to the balance available and, to this end, shall specify the amount thereof to the Member State making the final drawing.

#### Article 7

- 1. Member States shall take all measures necessary to ensure that additional shares drawn pursuant to Article 3 are opened in such a way that imports may be charged without interruption against their aggregate shares in the Community quota.
- 2. Each Member State shall ensure that importers of the products concerned established in their territory have free access to the shares allocated to them.
- 3. The extent to which a Member State has used up its shares shall be determined on the basis of the imports of the products in question entered for home use.

#### Article 8

- 1. Subsidies shall be granted for liqueur wines of Community origin similar to the liqueur wines described in the V.I.1 document provided for in Regulation (EEC) No 2115/76 as 'liqueur wines to be marketed under the label of "Cyprus sherry"' which are dispatched by 31 December 1977 from the producer Member States to the other Member States of the Community which have actually imported and marketed under this Regulation products referred to in Article 1
- 2. The subsidies referred to in paragraph 1 shall be calculated on the basis of the difference, on the markets of the importing Member States, between the prices of Community liqueur wines and those of the liqueur wine marketed under the label of 'Cyprus sherry'.

#### Article 9

Detailed rules in respect, particularly, of the amount of the subsidy and of the Community liqueur wine

products eligible for aid, shall be adopted in accordance with the procedure laid down in Article 7 of Regulation No 24 on the progressive establishment of a common organization of the market in wine (1).

#### Article 10

At the request of the Commission, Member States shall inform it of imports actually charged against their shares.

#### Article 11

The Member States and the Commission shall collaborate closely in order to ensure that this Regulation is observed.

#### Article 12

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

It shall apply until 31 December 1977.

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

Done at Brussels, 21 November 1977.

For the Council

The President

H. SIMONET

#### **COMMISSION REGULATION (EEC) No 2562/77**

#### of 22 November 1977

#### fixing the import levies on cereals and on wheat or rye flour groats and meal

THE COMMISSION OF THE EUROPEAN COMMUNITIES.

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 2727/75 of 29 October 1975 on the common organization of the market in cereals (1), as last amended by Regulation (EEC) No 1386/77 (2), and in particular Article 13 (5) thereof,

Whereas the import levies on cereals, wheat and rye flour, and wheat groats and meal were fixed by Regulation (EEC) No 1729/77 (3) and subsequent amending Regulations;

Whereas it follows from applying the provisions contained in Regulation (EEC) No 1729/77 to the offer prices and today's quotations known to the Commission that the levies at present in force should be altered as shown in the Annex to this Regulation,

#### HAS ADOPTED THIS REGULATION:

#### Article 1

The import levies to be charged on products listed in Article 1 (a), (b) and (c) of Regulation (EEC) No 2727/75 are hereby fixed as shown in the table annexed to this Regulation.

#### Article 2

This Regulation shall enter into force on 23 November 1977.

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

Done at Brussels, 22 November 1977.

<sup>(</sup>¹) OJ No L 281, 1. 11. 1975, p. 1. ¹
(²) OJ No L 158, 29. 6. 1977, p. 1. ²
(³) OJ No L 191, 30. 7. 1977, p. 5.

ANNEX

## to the Commission Regulation of 22 November 1977 fixing the import levies on cereals and on wheat or rye flour groats and meal

(u.a/tonne)

CCT heading No	Description of goods	Levies
10.01 A	Common wheat, and meslin	77.57
10.01 B	Durum wheat	115.88 (1) (5)
10.02	Rye	62.68 (6)
10.03	Barley	70.77
10.04	Oats	55.79
10.05 B	Maize, other than hybrid maize for	
	sowing	68.63 (2) (3)
10.07 A	Buckwheat	0
10.07 B	Millet	50.33 (4)
10.07 C	Grain sorghum	66.93 (4)
10.07 D	Canary seed; other cereals	0 (5)
11.01 A	Wheat or meslin flour	119.80
11.01 B	Rye flour	98-94
11.02 A I a)	Durum wheat groats and meal	190.49
11.02 A I b)	Common wheat groats and meal	128.86

- (1) Where durum wheat originating in Morocco is transported directly from that country to the Community, the levy is reduced by 0.50 u.a./tonne.
- (2) Where maize originating in the ACP or OCT is imported into the French overseas departments, the levy is reduced by 6 u.a./tonne as provided for in Regulation (EEC) No 706/76.
- (3) Where maize originating in the ACP or OCT is imported into the Community the levy is reduced by 1-50 u.a./tonne.
- (\*) Where millet and sorghum originating in the ACP or OCT is imported into the Community the levy is reduced by 50 %.
- (5) Where durum wheat and canary seed produced in Turkey are transported directly from that country to the Community, the levy is reduced by 0:50 u.a./tonne.
- (\*) The import levy charged on rye produced in Turkey and transported directly from that country to the Community is laid down in Council Regulation (EEC) No 1180/77 and Commission Regulation (EEC) No 2622/71.

#### **COMMISSION REGULATION (EEC) No 2563/77**

#### of 22 November 1977

#### fixing the premiums to be added to the import levies on cereals, flour and malt

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 2727/75 of 29 October 1975 on the common organization of the market in cereals (1), as last amended by Regulation (EEC) No 1386/77 (2), and in particular Article 15 (6) thereof,

Whereas the premiums to be added to the levies on cereals and malt were fixed by Regulation (EEC) No 1730/77 (3) and subsequent amending Regulations;

Whereas, on the basis of today's cif prices and cif forward delivery prices, the premiums at present in force, which are to be added to the levies, should be altered as shown in the tables annexed to this Regulation.

HAS ADOPTED THIS REGULATION:

#### Article 1

The scale of the premiums to be added, pursuant to Article 15 of Regulation (EEC) No 2727/75, to the import levies fixed in advance in respect of cereals and malt is hereby fixed as shown in the tables annexed to this Regulation.

#### Article 2

This Regulation shall enter into force on 23 November 1977.

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

Done at Brussels, 22 November 1977.

<sup>(</sup>¹) OJ No L 281, 1. 11. 1975, p. 1. (²) OJ No L 158, 29. 6. 1977, p. 1. (³) OJ No L 191, 30. 7. 1977, p. 7.

#### **ANNEX**

## to the Commission Regulation of 22 November 1977 fixing the premiums to be added to the import levies on cereals, flour and malt

#### A. Cereals and flour

(u.a./tonne)

CCT heading No	Description of goods	Current	1st period	2nd period	3rd period
140					
10.01 A	Common wheat, and meslin	0	0	0	0
10.01 B	Durum wheat	0	0	0	0
10.02	Rye	0	0	0	0.72
10.03	Barley	0	0	0	0
10.04	Oats	0	0	0	0
10.05 B	Maize, other than hybrid maize for sowing	0	0	0	0
10.07 A	Buckwheat	0	0	0	0
10.07 B	Millet	0	0	0	4.69
10.07 C	Grain sorghum	0	0.72	0.72	0.72
10.07 D	Other cereals	0	0	0	0
1.01 A	Wheat or meslin flour	0	0	0	0

### B. Malt

(u.a./tonne)

CCT heading No	Description of goods	Current 11	1st period 12	2nd period 1	3rd period 2	4th period 3
11.07 A I (a)	Unroasted malt, obtained from wheat, in the form of flour	0	0	0	0	0
11.07 A I (b)	Unroasted malt, obtained from wheat, other than in the form of flour	0	0	0	0	0
11.07 A II (a)	Unroasted malt, other than that obtained from wheat, in the form of flour	0	0	0	0	0
11.07 A II (b)	Unroasted malt, other than that obtained from wheat, other than in the form of flour	0	0	0	0	0
11.07 B	Roasted malt	0	0	0	0	0

#### COMMISSION REGULATION (EEC) No 2564/77

#### of 22 November 1977

#### amending Regulation (EEC) No 1351/72 on the recognition of producer groups for hops

THE COMMISSION OF THE EUROPEAN COMMUNITIES.

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 1696/71 of 26 July 1971 on the common organization of the market in hops (1), as last amended by Regulation (EEC) No 1170/77 (2), and in particular Article 7 (5) thereof,

Whereas Regulation (EEC) No 1170/77 amended the provisions relating to recognized producer groups, particularly in regard to their composition and functions,

Whereas these functions have been extended; whereas provision should therefore be made that, for a group to be recognized, its rules should include all information necessary for members to be fully aware of their obligations within the group;

Whereas Commission Regulation (EEC) No 1351/72 of 28 June 1972 on the recognition of producer groups for hops (3) should therefore be amended accordingly, in particular as regards the policy of such groups for marketing their production and the administration of the production aid;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Hops,

#### HAS ADOPTED THIS REGULATION:

#### Article 1

Article 1 of Regulation (EEC) No 1351/72 is hereby amended to read as follows:

#### 'Article 1

- The common rules referred to in Article 7 (3) (a) and (b) of Regulation (EEC) No 1696/71 shall be laid down in writing. These rules shall comprise at least:
- (a) as regards production:
  - (aa) The use of one or more specified varieties when renewing plantations or creating new ones.
  - (bb) compliance with certain methods of cultivation and plant protection,
  - (cc) harvesting, drying and, where appropriate, preparation for marketing;
- regards marketing, particularly where (b) as concentration and conditions of supply are concerned:
  - (aa) general provisions governing sales by the group,
  - (bb) provisions relating to the quantities which the producers are authorized to sell themselves and the rules governing these sales,
  - (cc) the conditions under which the production aid granted to the group under the first subparagraph of Article 12 (3) of Regulation (EEC) No 1696/71 may be used for market stabilization measures.
- "The first marketing stage" means the sale of hops by the producer himself or, in the case of a producers' group, the sale of hops by its members to the wholesale trade or to the user industries.'

#### 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, 22 November 1977.

<sup>(</sup>¹) OJ No L 175, 4. 8. 1971, p. 1. (²) OJ No L 137, 3. 6. 1977, p. 7.

<sup>(3)</sup> OJ No L 148, 30. 6. 1972, p. 13.

#### **COMMISSION REGULATION (EEC) No 2565/77**

#### of 22 November 1977

authorizing the Kingdom of Denmark to abolish the customs duties applicable to dessert apples in trade between Member States

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to the Act of Accession (1), and in particular Article 59 (4) thereof,

Whereas the said Article 59 (4) provides that, in respect of products covered by a common organization of the market, the new Member States may be authorized to abolish the customs duties on products imported from other Member States at a more rapid rate than that laid down in that Article;

Whereas the Government of Denmark has requested to be allowed to exercise this right in respect of apples, other than cider apples, falling within subheading ex 08-06 A II a) of the Common Customs Tariff;

Whereas such a measure will have a beneficial effect on trade between Member States; whereas the request of Denmark should therefore be granted; Whereas the measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Fruit and Vegetables,

HAS ADOPTED THIS REGULATION:

#### Article 1

The Kingdom of Denmark is hereby authorized, in respect of apples, other than cider apples, falling within subheading ex 08.06 A II a) of the Common Customs Tariff, to abolish totally customs duties applicable to imports from other Member States.

#### Article 2

This Regulation shall enter into force on the seventh 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, 22 November 1977.

#### COMMISSION REGULATION (EEC) No 2566/77

#### of 22 November 1977

authorizing the Kingdom of Denmark to apply in full the Common Customs

Tariff to dessert apples imported from third countries

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to the Act of Accession (1), and in particular Article 59 (4) thereof,

Whereas the said Article 59 (4) provides that, in respect of products covered by a common organization of the market, the new Member States may be authorized to align their tariffs with the Common Customs Tariff at a more rapid rate than that laid down in that Article;

Whereas the Government of Denmark has requested to be allowed to exercise this right in respect of apples, other than cider apples, falling within subheading ex 08.06 A II a) of the Common Customs Tariff;

Whereas such a measures will have a beneficial effect on the supply situation within the Community by facilitating imports of the product concerned from third countries; whereas the request of Denmark should therefore be granted;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Fruit and Vegetables,

HAS ADOPTED THIS REGULATION:

#### Article 1

The Kingdom of Denmark is hereby authorized, in respect of apples, other than cider apples, falling within subheading ex 08.06 A II a) of the Common Customs Tariff, to apply in full the Common Customs Tariff to imports from third countries.

#### Article 2

This Regulation shall enter into force on the seventh 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, 22 November 1977.

#### COMMISSION REGULATION (EEC) No 2567/77

#### of 21 November 1977

reimposing the levying of customs duties applicable to third countries on certain products originating in Sweden

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community.

Having regard to the Agreement between the European Economic Community and the Kingdom of Sweden (1), and in particular Protocol 1 thereto,

Having regard to Council Regulation (EEC) No 3235/76 of 21 December 1976 establishing indicative ceilings and Community supervision for imports of certain products originating in Sweden (1977) (2), and in particular Article 1 thereof,

Whereas Article 3 of the abovementioned Protocol provides that the products listed below, imported under reduced duty rates according to Article 1 (1) to (3) are subject to the annual ceiling indicated below, above which the customs duties applicable to third countries may be re-established:

CCT heading No	Description of goods	Ceiling (tonnes)
48.01	Paper and paperboard (including cellulose wadding), machine-made, in rolls or sheets:	420 942
	C. Kraft paper and Kraft board:	
	II. Other:	
	— Kraftliner	

Whereas imports into the Community of those products, originating in Sweden, have reached that ceiling; whereas the situation on the Community market requires that customs duties applicable to third countries on the products in question be reimposed,

#### HAS ADOPTED THIS REGULATION:

#### Article 1

As from 26 November 1977 and until 31 December 1977, the levying of customs duties applicable to third countries shall be reimposed on imports into the Community of the following products:

CCT heading No	Description of goods	Origin
48.01	Paper and paperboard (including cellulose wadding), machine-made, in rolls or sheets:	Sweden
	C. Kraft paper and Kraft board:	
	II. Other:  — Kraftliner	

#### 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, 21 November 1977.

For the Commission
Étienne DAVIGNON
Member of the Commission

<sup>(</sup>¹) OJ No L 300, 31. 12. 1972, p. 96. (²) OJ No L 367, 31. 12. 1976, p. 25.

#### **COMMISSION REGULATION (EEC) No 2568/77**

of 22 November 1977

re-establishing the levying of the customs duties on thread of asbestos, falling within subheading 68.13 B I, originating in Venezuela to which the preferential tariff arrangements set out in Council Regulation (EEC) No 3021/76 apply

THE COMMISSION OF THE EUROPEAN COMMUNITIES.

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 3021/76 of 13 December 1976 establishing preferential tariffs in respect of certain products originating in developing countries (1), and in particular Article 4 (2) thereof,

Whereas Article 1 (3) and (4) of that Regulation provides that the customs duties may, for each category of products, be suspended up to a Community ceiling, expressed in units of account, which will be equal — with the exception of certain products the value of the ceilings for which is given in Annex A to the Regulation in question — to the sum arrived at by adding together the value of the products in question imported cif into the Community in 1974 and coming from countries and territories covered by those arrangements, but not including products coming from countries and territories already covered by various preferential tariff arrangements established by the Community, and 5 % of the value of 1974 cif imports coming from other countries and from countries and territories already covered by such arrangements; whereas, however, the ceiling resulting from the sum of this addition may in no case exceed 172.5 % of that resulting from the substitution of the year 1971 for the year 1974 in the first term of the addition and of the year 1972 for the year 1974 in the second term of the addition;

Whereas, having regard to that ceiling, the amounts for products originating in any one of the countries or territories listed in Annex B to that Regulation should be within a maximum Community amount representing 50 % of that ceiling, with the exception of certain products for which the maximum amount is to be reduced to the percentage indicated in Annex A to that Regulation; whereas, for these products, this reduced percentage will be 40 %;

Whereas Article 2 (2) of that Regulation provides that the levying of customs duties may be re-established at any time in respect of imports of the products in question originating in any of the said countries or territories — with the exception of those listed in Annex C

to the same Regulation — once the relevant Community amount has been reached;

Whereas, in respect of thread of asbestos, falling within subheading 68.13 B I, the ceiling, calculated as indicated above, should be 860 000 units of account, and therefore the maximum amount is 344 000 units of account; whereas on 14 November 1977 the amounts of imports into the Community of thread of asbestos, falling within subheading 68.13 B I, originating in Venezuela, a country covered by preferential tariff arrangements, reached that maximum amount; whereas, bearing in mind the objectives of Regulation (EEC) No 3021/76 which provides that maximum amounts should not be exceeded, customs duties should be re-established in respect of the products in question in relation to Venezuela,

#### HAS ADOPTED THIS REGULATION:

#### Article 1

As from 26 November 1977, the levying of customs duties, suspended in pursuance of Council Regulation (EEC) No 3021/76, shall be re-established in respect of the following products, imported into the Community and originating in Venezuela:

CCT heading No	Description of goods
68.13	Fabricated asbestos and articles thereof (for example, asbestos board, thread and fabric; asbestos clothing, asbestos jointing), reinforced or not, other than goods falling within heading No 68.14; mixtures with a basis of asbestos and mixtures with a basis of asbestos and mixtures with a basis of asbestos and magnesium carbonate, and articles of such mixtures:  B. Articles of asbestos:  I. Thread

#### Article 2

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

<sup>(1)</sup> OJ No L 349, 20. 12. 1976, p. 23.

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

Done at Brussels, 22 November 1977.

For the Commission
Étienne DAVIGNON
Member of the Commission

#### **COMMISSION REGULATION (EEC) No 2569/77**

#### of 22 November 1977

#### fixing the import levies on white sugar and raw sugar

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 3330/74 of 19 December 1974 on the common organization of the market in sugar (1), as last amended by Regulation (EEC) No 1110/77 (2), and in particular Article 15 (7) thereof,

Whereas the import levies on white sugar and raw sugar were fixed by Regulation (EEC) No 1436/77 (3), as last amended by Regulation (EEC) No 2554/77 (4);

Whereas it follows from applying the rules and other provisions contained in Regulation (EEC) No 1436/77 to the information at present available to the Commission that the levies at present in force should be altered as shown in the Annex to this Regulation,

#### HAS ADOPTED THIS REGULATION:

#### Article 1

The levies referred to in Article 15 (1) of Regulation (EEC) No 3330/74 are, in respect of white sugar and standard quality raw sugar, hereby fixed as shown in the Annex to this Regulation.

#### Article 2

This Regulation shall enter into force on 23 November 1977.

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

Done at Brussels, 22 November 1977.

For the Commission Finn GUNDELACH Vice-President

#### **ANNEX**

#### to the Commission Regulation of 22 November 1977 fixing the import levies on white sugar and raw sugar

		(u.a./100 kg)
CCT heading No	Description of goods	Levy
17.01	Beet sugar and cane sugar, solid: A. White sugar B. Raw sugar	24·82 20·86 (¹)

<sup>(1)</sup> Applicable to raw sugar with a yield of 92 %; if the yield is other than 92 %, the levy applicable is calculated in accordance with the provisions of Article 2 of Regulation (EEC) No 837/68.

<sup>(</sup>¹) OJ No L 359, 31. 12. 1974, p. 1. (²) OJ No L 134, 28. 5. 1977, p. 1. (²) OJ No L 161, 1. 7. 1977, p. 9. (¹) OJ No L 296, 19. 11. 1977, p. 27.

II

(Acts whose publication is not obligatory)

### **COMMISSION**

#### **COMMISSION DECISION**

of 18 May 1977

authorizing the French Republic not to apply Community treatment to electrical measuring, checking, analyzing or automatically controlling instruments and apparatus falling within heading No 90.28 of the Common Customs Tariff, originating in Japan and in free circulation in the other Member States

(Only the French text is authentic)

(77/721/EEC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular the first paragraph of Article 115 thereof,

Having regard to the application under the first paragraph of Article 115 of the Treaty, made on 12 May 1977 by the French Government to the European Communities, for authorization not to apply Community treatment to electrical measuring, checking, analyzing or automatically controlling instruments and apparatus falling within heading No 90.28 of the Common Customs Tariff, originating in Japan and in free circulation in the other Member States,

Whereas according to this application under Article 115 the importation into France of the products in question originating in Japan is subject to a contractual quota, which for 1977 amounts to \$ 1800 000 and is at present being allocated among the importers;

Whereas differences in the commercial policy measures applied in connection with these products

by France and by the other Member States as regards Japan are giving rise to deflection of trade;

Whereas this deflection of trade is obstructing the execution of the above commercial policy measures currently being applied by France as regards Japan in order to protect the industry in question, which is undergoing reorganization,

Whereas it is not possible at the present time to set in motion the machinery for bringing about the necessary cooperation from the other Member States;

Whereas authorization should accordingly be given, for a limited period, for the application of protective measures under the first paragraph of Article 115, subject to the conditions laid down by the Commission Decision of 12 May 1971 (1), and in particular Article 1 thereof;

Whereas uniform arrangements for imports of the products in question may be adopted under a common commercial policy towards Japan; whereas these protective measures should apply until such arrangements are applied,

(1) OJ No L 121, 3. 6. 1971, p. 26.

#### HAS ADOPTED THIS DECISION:

#### Article 1

The French Republic is authorized not to apply Community treatment to electrical measuring, checking, analyzing or automatically controlling instruments and apparatus falling within heading No 90.28 of the Common Customs Tariff, where they originate in Japan and are in free circulation in the other Member States and in respect of which applications for import licences were lodged after the date of this Decision.

#### Article 2

This Decision shall expire when uniform import arrangements are applied under a common commer-.

cial policy towards Japan or on 31 December 1977, whichever is the earlier.

#### Article 3

This Decision is addressed to the French Republic.

Done at Brussels, 18 May 1977.

For the Commission

Guido BRUNNER

Member of the Commission

#### COMMISSION DECISION

#### of 7 November 1977

#### relating to a proceeding under Article 85 of the EEC Treaty (IV/417 - BPICA)

(77/722/EEC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES.

Having regard to the Treaty establishing the European Economic Community, and in particular Article 85 thereof,

Having regard to Regulation No 17 of 6 February 1962 (1), and in particular Articles 2, 5, 6, 7 and 8 thereof,

Having regard to the application for negative clearance and the notification made in connection therewith on 29 October 1962, as required by Regulation No 17, by Mr. P. Lemaigre, Chairman of the International Permanent Bureau of Motor Manufacturers (BPICA), Paris, concerning the regulations governing the display of motor vehicles at international exhibitions.

Having regard to the publication of a summary of the notification, in accordance with Article 19 (3) of Regulation No 17, in Official Journal No C 72 of 23 March 1977.

Having regard to the opinion delivered on 13 July 1977 by the Advisory Committee on Restrictive Practices and Dominant Positions in accordance with Article 10 of Regulation No 17,

Whereas:

#### I. The facts

The facts are the following:

#### A.

1. BPICA is a non-profit-making association which was formed in 1919 in accordance with the French Law of 1 July 1901. The following national associations are currently members:

Verband der Automobilindustrie e.V. (VDA), Westendstraße 61, 6000 Frankfurt/Main 17 (Federal Republic of Germany);

Fachverband der Fahrzeugindustrie Österreichs, Lugeck 1/I/32, 1011 Wien 1 (Austria);

Fédération Belge des Industries de l'Automobile et du Cycle (FEBIAC),

Boulevard de la Woluwe 46, 1200 Bruxelles (Belgium);

Sammenslutningen af Automobil-Fabrikanter og Importører,

Ryvangs Allé 68, 2900 Hellerup (Denmark);

Agrupacion Nacional de Fabricantes de Automoviles y Camiones (ANFAC),

Cea Bermudez 6, Madrid 3 (Spain);

Motor Vehicle Manufacturers Association of the United States, Inc. (MVMA),

320 New Center Building, Detroit, Michigan 48202 (United States);

Chambre Syndicale des Constructeurs d'Automobiles (CSCA),

2, Rue de Presbourg, 75008 Paris (France);

MOGÜRT, Société Hongroise pour le Commerce d'Automobile,

Benczur U 13, Budapest VI (Hungary);

Associazione nazionale fra industrie automobilistiche (ANFIA),

Corso Galileo Ferraris 61, Torino (Italy);

Japan Automobile Manufacturers Association (JAMA), Otemachi Building 6—1, Otemachi, 1-chome, Chiyoda-ku, Tokyo 100 (Japan);

Automobilimportørens Førening,

Hauchsgt. 1, Oslo 1 (Norway);

Nederlandse Vereniging de Rijwiel- en Automobiel-Industrie (RAI),

Europaplein 2, Amsterdam 1010 (Netherlands);

The Society of Motor Manufacturers & Traders Ltd (SMMT),

Forbes House, Halkin Street, London SW1X 7DS (United Kingdom);

Sveriges Bilindustri- och Bilgrossistförening,

Industrihuset, Storgaten 19, S 114 85 Stockholm (Sweden);

Chambre Syndicale Suisse de l'Automobile et branches annexes,

18, Quai Ernest Ansermet, 1211 Genève 4 (Switzerland);

MOTOKOV (2),

Olsanska 1, 130 81 Praha 3 (Czechoslovakia);

V.O. AVTOEXPORT (2),

Volkhonka ul. 14, 119902 Moscow G-19 (USSR);

Biro Proizvodaja Motornih Vozila,

Bulevar Vojvode Misica 14, Beograd (Yugoslavia);

ul. Stalingradzka 23, 00-987 Warszawa (Poland);

Autotuojat r.y.,

Annankatu 31-33 d 59, 00100 Helsinki 10 (Finland).

<sup>(1)</sup> OJ No 13, 21. 2. 1962, p. 204/62.

<sup>(2)</sup> Motokov and V.O. Avtoexport are the official bodies responsible in Czechoslovakia and the USSR respectively for external trade in motor vehicles.

- The national associations include among their members all the motor vehicle manufacturers within their respective countries. In certain cases assemblers and importers are also represented. Associations representing manufacturers and assemblers are admitted to full membership. Those representing only importers may belong to BPICA only if their country has no association representing manufacturers and assemblers; but they will only be associate members of BPICA, unless the general assembly decides to admit them, at their own request, as full members. Associations representing manufacturers and assemblers who feel that BPICA does not really concern them directly, for example because of their geographical distance, may, if they so request, be admitted as correspondent members. Only one association per country is admitted. Full members each have one vote. Associate members have no more than a consultative function, though they may vote on resolutions concerning exhibitions organized in their own country. Applications for admission to membership are brought before the assembly, which decides by a majority of two-thirds of the votes of the full members (1).
- 3. The principal objects of BPICA, as set out in its statutes, are:
- to collect and circulate among members all information on matters of common interest in the development of the motor industry and to promote joint studies on such matters,
- to work out the most appropriate line of conduct in relation to such matters and to address recommendations to members,
- to represent and defend the interests of the motor industry on all occasions and before all bodies where joint action is felt to be appropriate,
- to regulate the display of motor vehicles at shows and exhibitions, in accordance with regulations approved by the assembly.

The application for negative clearance and notification presented by BPICA relates to the last of these objects and to the regulations adopted in pursuance thereof. The present proceeding is without prejudice to any assessment which the Commission may make within the framework of EEC rules on competition, of any measures taken or arrangements made by BPICA for the purpose of achieving the objectives set out in its statutes.

B.

- 4. The 'regulations concerning the display of motor vehicles at international exhibitions' (hereinafter referred to as 'the regulations'), in the form currently in force, were adopted on 17 May 1976. They are broadly the same as the original regulations of 1960, amended in 1971, which were the subject of the application for negative clearance and of the notification.
- 5. The main points of the current regulations are as follows:
- They apply to any display of motor vehicles at international motor exhibitions (motor shows), international fairs and international specialized exhibitions including racing and sports car shows (Article 1 (1)). No BPICA authorization is necessary for the display of motor vehicles at national sections within a universal exhibition or at national exhibitions in a foreign country (Article 1 (2)), nor for national, regional and local exhibitions, which fall under the responsibility of the national associations (Article 1 (3)).
- BPICA recognizes as international exhibitions all those recognized as such by the respective governments and/or those fairs in membership with UFI (Union of International Fairs) and all exhibitions generally recognized as international, in consideration of the location of the exhibition and/or the number of exhibitors and/or the countries of origin and/or the number of visitors (Article 2 (1)).

BPICA recognizes as international specialized exhibitions those international exhibitions where equipment for a special purpose or specific types of motor vehicles are displayed (Article 2 (2)).

It recognizes as universal exhibitions those exhibitions designed for the presentation on a national basis of the products of several nations (Article 2 (3)).

BPICA recognizes as national exhibitions in another country those exhibitions the purpose of which is to publicize the products of the nation concerned in another country (Article 2 (4)).

BPICA recognizes as national, regional and local exhibitions those exhibitions in which the interests of exhibitors and visitors concern respectively those of a country, a region or a locality and its neighbouring area (Article 2 (5)).

<sup>(1)</sup> Certain countries are not represented in BPICA, the trade associations in those countries not having applied for membership (Luxembourg and Ireland are two cases in point).

- The regulations apply to international exhibitions held in all European countries, whether or not they are represented in BPICA (1) (Article 3 (1)). They apply, through the national associations, to motor vehicle manufacturers and through the latter to their representatives (Article 3 (2)). They apply to new motor vehicles designed for normal operation on public roads and provided no contrary national legal provisions exist to motor vehicles registered for less than six months (Article 3 (3)).
- The authorization to display motor vehicles at international specialized exhibitions is only granted for the display of special purpose motor vehicles, corresponding to the type of exhibition concerned (Article 4).
- Each year the BPICA secretariat, with the support of the national associations, prepares a list of the international exhibitions for which BPICA authorization is required (Article 5). From this list the assembly annually approves the calendar of international exhibitions for which participation of motor vehicles is authorized for the following year (Article 6).
- Applications for authorization to display at international exhibitions are submitted to the BPICA secretariat, either by the member association in the country concerned, or failing this, by the association representing automobile construction and/or trade in that country, or by the member association of another country, or by the organizers of the relevant exhibition (Article 7). The secretariat informs those concerned of the outcome of their application (Article 8 (2)).
- The secretariat circulates the calendar of international exhibitions at which the display of motor vehicles is authorized for the member associations (Article 8 (1)); the associations communicate the calendar to their members (Article 9 (1)). Each association is required to give adequate publicity to BPICA decisions so that those concerned cannot claim to be unaware of them (Article 9 (2)).
- In the event of infringement of the regulations by a manufacturer, BPICA decides what sanctions will be imposed. These sanctions may consist in the allotment of less favourable or reduced stands at the motor show of the country where the infringement has been reported (Article 10). No sanction has ever been applied.
- (1) Of the EEC countries, Ireland and Luxembourg are not represented in BPICA (see footnote on page 19 of this Official Journal).

- 6. On 21 November 1960 additional provisions were added to the BPICA regulations, dealing with the display of specialized vehicles at international exhibitions. The main provisions are as follows:
- The vehicles and exhibitions concerned are those governed by the BPICA regulations (Article 1).
- Specialized vehicles are taken to mean vehicles which are designed and constructed or fitted with special equipment in such a way that they can be used only for special purposes (Article 2 (1)).
- International specialized exhibitions are taken to mean exhibitions where only the products of one industry or of one field of activities are displayed. Specialized sections within international fairs are regarded as international specialized exhibitions (Article 3).
- Specialized vehicles may be displayed only at international specialized exhibitions authorized by BPICA (Article 5 (1)).

Spezialized vehicles displayed at an international specialized exhibition or at a specialized section within an international fair may also be exhibited in motor shows authorized by BPICA (Article 5 (2)).

- Three categories of specialized exhibitions (or of specialized sections at international fairs) were determined at the time these provisions were adopted:
  - (a) public works and building exhibitions;
  - (b) municipal exhibitions;
  - (c) fire protection exhibitions (Article 4).

Other categories of international specialized exhibitions were subsequently included, thus extending the number of events at which motor vehicles may be displayed.

C.

7. The national associations organize the motor shows held in their respective countries.

Each year several motor shows are held at which cars and/or trucks and buses and the like are displayed. They are generally held in Amsterdam, Barcelona, Belgrade, Brussels, Copenhagen, Frankfurt, Geneva, London, Paris and Turin.

The international fairs where BPICA authorizes the display of motor vehicles are those held each year in Brno, Budapest, Izmir, Leipzig, Poznan and Plovdiv.

International specialized exhibitions normally organized by fair organizers or by the relevant trade associations.

It must be remembered that the vehicles which may be displayed at these exhibitions are specialized vehicles corresponding to the relevant type of exhibition (Article 4 of the BPICA regulations).

The main international specialized exhibitions currently recognized by BPICA are the following:

- public works and building exhibitions (1). These are generally held twice a year in the Community. The main centres are Brussels, Hanover, Luxembourg, Munich and Paris-Le Bourget in the EEC, and Basle, Madrid and Vienna outside the EEC;
- municipal exhibitions (2). These are generally held twice annually in the Community, chiefly in Amsterdam, Brussels, London and Paris;
- camping exhibitions (3), which are usually held annually, at Amsterdam and Essen;
- fire-fighting exhibitions (4). These were held at Amsterdam in 1970, Frankfurt in 1972, and Amsterdam and London in 1975 (6);
- container exhibitions were held at Genoa and Munich in 1970, London, Paris and Rotterdam in 1971, Hamburg in 1972 and Munich in 1974 (6);
- racing and sports car shows (5) are generally held annually, at Paris, Brussels and/or London, Copenhagen, Malmö, Göteborg and Stockholm;
- airport equipment exhibitions were held at Paris-Le Bourget in 1971, Geneva in 1972 and Brussels in 1975 (6).
- (1) The vehicles displayed include site and quarry skips, concrete mixers, mobile crushing and screening plant, cranes, excavators, dumpers, spreaders, bitumen heaters and grit spreaders. This list is not exhaustive.

(2) The vehicles displayed include vehicles for emptying and cleaning sewers, refuse collection vehicles, sprayers, road sweepers, snow ploughs, ambulances, etc. The list is not

exhaustive

- The vehicles displayed consist solely of powered caravans. (4) The vehicles displayed include tankers, fire engines, pump wagons, airport fire engines, emergency rescue vehi-cles, mechanical ladders, forestry fire-fighting tankers, emergency breakdown vehicles and ambulances. The list is not exhaustive.
- (5) The cars displayed are formula racing cars and sports cars having won a race in the preceding year.

  (6) Includes only exhibitions held between 1970 and 1975.

D.

- Either at the Commission's request or of its own accord, BPICA has made the following changes to the regulations earlier in force:
- The field of application of the regulations has been defined more clearly; it is now stated that they apply to any display of motor vehicles at international exhibitions.
- The clause which gave BPICA almost total freedom to decide whether an exhibition was international or not and to authorize or prohibit the display of motor vehicles there has been deleted. The international exhibitions currently concerned by the BPICA regulations are those exhibitions which are recognized as international by the appropriate national authorities, those which are members of UFI and those which are generally recognized as international. BPICA will no longer be able to declare arbitrarily that a purely national or regional exhibition is to be considered as international, and to enter it on the list of international exhibitions at which it prohibits the display of motor vehicles.
- No authorization is now required from BPICA for the display of motor vehicles at national exhibitions held in foreign countries.
- The clause under which applications for authorization for international exhibitions organized in a country represented in BPICA had to be submitted to the BPICA secretariat solely by the member association in the relevant country has been so amended that such applications may also be submitted by the member association in another country or by the organizers of the relevant exhibition.
- The clause which required BPICA authorization to display vehicles as 'supports' of other materials or of other products at international exhibitions not included in the calendar has been deleted.
- BPICA has also deleted the clause under which it was generally prohibited, unless so authorized by the relevant national association, to hold several specific exhibitions at the same time in the same place (7); to organize special exhibitions in countries which had a motor show, during a period beginning two months before that motor show

<sup>(7) &#</sup>x27;Special exhibitions' are events organized outside his normal business premises by a manufacturer or his representative for the display of vehicles of the make or makes which he manufactures, assembles, represents or distributes.

and ending at the same time as it; to display vehicles of different manufacture at the same special exhibition.

- The penalties imposed for breaches have been reduced. A person in breach may no longer be excluded from one or more exhibitions but may be given less favourable or reduced stands at the motor show in the country where the breach was committed.

E.

- In assessing this case account must be taken of certain factors which are characteristic of fairs and exhibitions in general; these were highlighted by the Commission in Cases IV/93 (European Machine Tool Exhibition — EEMO) (1) and IV/181 (European Committee of Textile Materials Manufacturers -CEMATEX) (2); they concern:
- the importance of fairs and exhibitions as a source of market information both in respect of suppliers and in respect of actual or potential customers;
- the preference for specialized exhibitions over general exhibitions. This is due, first, to the requirements both of exhibitors and of visitors that there be the broadest and fullest range of products of an industry on display and, secondly, to the fact that non-specialized exhibitions are finding it increasingly difficult to display an adquately representative range products in the space available.

It should also be noted that, of the 400 or so international fairs held each year within the EEC, the vast majority are specialized events dealing with the goods of specific industries. Only 30 or so are general international fairs, most of which take place in France and Italy (about 10 per year in each country). In the United Kingdom and Denmark, on the other hand, these exhibitions are not normally held. In the other EEC countries they are generally divided as follows: five in the Federal Republic of Germany, three in Belgium, two in the Netherlands, one in Ireland and one in Luxembourg. These general international fairs might entail the display of motor vehicles in the absence of a prohibition in the BPICA regulations. However, most of them either have no interest in including the motor industry among those represented or else do not have the space to display a full

range of motor vehicles in addition to the products already exhibited. Hence the motor industry would be inadequately represented and this would harm both the manufacturers and the consumer.

- Turning to the specific example of motor vehicle exhibitions, where the customers consist of private individuals for cars and of trade associations and/or public authorities for most of the vehicles displayed at specialized exhibitions, the following points must be considered:
- in addition to the motor shows and international specialized exhibitions set out in the BPICA calendar, motor vehicles may be presented at the following exhibitions, where no BPICA authorization is required:
  - (a) national sections in universal exhibitions, national exhibitions held in foreign countries and national exhibitions. Such exhibitions are, however, rather infrequent;
  - (b) regional and/or local or special exhibitions. There are large numbers of these in the EEC countries:
  - (c) international exhibitions not entered in the BPICA calendar, when the vehicles are displayed as 'supports' for other materials or other products;
- BPICA does not prohibit manufacturers and/or their representatives from advertising their vehicles at international exhibitions not entered in the calendar;
- the mass-circulation and specialized press is of particular importance as a source of advertising and information to consumers, particularly as regards private cars, and is in a position to keep the consumer adequately informed both of new models which will be placed on the market and of technical improvements made to existing vehicles.

F.

A notice summarizing the contents of the notifi-12. cation and inviting comments from third parties was published in the Official Journal of the European Communities pursuant to Article 19 (3) of Regulation No 17. The comments received concerned in particular the fact that, by forbidding manufacturers and their representatives to display motor vehicles at international exhibitions not authorized by BPICA the

<sup>(1)</sup> OJ No L 69, 20. 3. 1969, p. 13.

<sup>(2)</sup> OJ No L 227, 8. 10. 1971, p. 26.

regulations restrict the freedom of these manufacturers to take part in such exhibitions and thereby deprive the exhibitions of the added bonus of motor vehicles as a means of attracting visitors. As the essential contents of these observations had already been made known to the Commission in the course of its investigation, the assessment of the BPICA regulations remains unchanged.

G.

13. This proceeding does not cover the regulations concerning the display of motor vehicles at national, regional and local exhibitions, nor the rules of procedure for motor shows and international specialized exhibitions.

#### II. Applicability of Article 85 (1)

Article 85 (1) of the Treaty prohibits as incompatible with the common market all agreements between undertakings, decisions of associations of undertakings and concerted practices which may affect trade between Member States and which have as their object or effect the prevention, restriction or distortion of competition within the common market.

- 1. The BPICA regulations constitute a decision by an association of associations of undertakings, in that BPICA represents the national federations, which in their turn represent the manufacturers, assemblers or importers of motor vehicles.
- 2. The BPICA regulations currently in operation extended solely to international exhibitions held in Europe and contain the following provisions which have the object or effect of restricting competition within the common market:
- the manufacturers of motor vehicles and, through them, their representatives are prohibited from taking part in international exhibitions and fairs which are not in the BPICA calendar;
- the author of an infringement may be given a less favourable or reduced stand at the motor shown in the country where the breach was committed.
- 3. These provisions cause the following restrictions on competition within the common market:

- As regards the organization of fairs and exhibitions, the fact that motor shows and international specialized exhibitions authorized by BPICA are attended by most if not all motor vehicle manufacturers in the Community and elsewhere and by their representatives means that other international fairs and exhibitions cannot display motor vehicles as a means of attracting visitors. The result is a restriction of competition in a service industry, namely the organization of fairs and exhibitions.
- Competition between motor manufacturers is also restricted for they are confined to events authorized by the BPICA. While it is true that such events, and especially motor shows, are important enough for the manufacturers to regard participation as essential, the fact remains that they cannot display their vehicles at other international fairs or exhibitions.
- Competition between intermediaries in the motor industry is also restricted, for they cannot take part in any international event which is not authorized by BPICA, even though it would be advantageous for them to display their vehicles at least at those events which take place in their area of activity.
- 4. These restrictions of competition are liable to affect trade between Member States, for on the one hand the organizers of international fairs and exhibitions not authorized by BPICA cannot display motor vehicles as a means of attracting visitors and, on the other hand, the motor manufacturers and their commercial intermediaries cannot freely exercise their advertising and sales activity by taking part in such fairs and exhibitions.

These obstacles to trade in services by organizers of fairs and exhibitions and to dealings in motor vehicles between EEC countries are liable to jeopardize freedom of trade between Member States and to impede the objective of creating a single market for all those States.

5. Article 85 (1) is consequently applicable to the BPICA regulations and the negative clearance applied for by BPICA cannot be given.

#### III. Applicability of Article 85 (3)

Under Article 85 (3), the provisions of Article 85 (1) may be declared inapplicable in the case of any decision by an association of undertakings which contributes to improving the production or distribution of goods or to promoting technical or economical progress, while allowing consumers a fair share of the resulting benefit, and which does not:

- (a) impose on the undertakings concerned restrictions which are not indispensable to the attainment of these objectives;
- (b) afford such undertakings the possibility of eliminating competition in respect of a substantial part of the products in question.
- 1. The need for the rationalization of international fairs and exhibitions already alluded to by the Commission (1) entails the concentration of international events where motor vehicles are displayed; the advantages of this type of concentration are as follows:
- (a) The full range, or nearly the full range, of supply from the motor vehicle industry can be brought together and compared, which has the effect of stimulating technical progress, giving better guidance to the consumer through the presentation of a full, up-to-date display of the products of the relevant industry, while providing favourable circumstances for the negotiation and conclusion of business transactions. These benefits more than offset the disadvantage to fair organizers posed by the restriction on the freedom of manufacturers to display their vehicles. But it must be remembered that this restriction itself concerns only international exhibitions.
- (b) It also promotes the marketing of motor vehicles. Since exhibitors may display their motor vehicles only at events authorized by BPICA which are considered important enough to necessitate participation even though the expense involved is high the prohibition on participation in all other international events results in a considerable reduction in the costs of taking part in fairs and exhibitions; this is turn reduces the cost price of each motor vehicle.

It can therefore be concluded that the BPICA regulations contribute to improving the distribution of the relevant products and to promote economic progress, so that they satisfy the first condition for the application of Article 85 (3) of the Treaty.

2. It may also be concluded that a fair share of this improvement in distribution and economic progress accrues to the consumer. The periodic concentration of supply enables prospective purchasers to gain a full picture of the range of products available and to decide on what they will buy without having to travel about; furthermore, in view of the keen competition existing in the motor industry, it is likely that the manufacturers' selling prices will, to some extent at least, reflect the savings made as a result of their participation in a smaller number of events. In any case, motor vehicles may be displayed at national, regional, local and special exhibitions.

The regulations consequently satisfy the second condition for the application of Article 85 (3).

3. The BPICA regulations impose no restrictions which are not indispensable to the attainment of these objectives. The restriction which flows from the obligation for motor manufacturers and their representatives to refrain from taking part in international exhibitions other than those authorized by BPICA may be regarded as indispensable to the attainment of the benefit achieved through rationalization of the display of motor vehicles at such events.

The regulations consequently satisfy the third condition for the application of Article 85 (3).

4. The BPICA regulations do not eliminate competition between fair organizers, for they are entitled to seek the participation of motor manufacturers at any exhibition other than those which are not authorized by BPICA. In any case, the display of motor vehicles at an exhibition is only one form of attraction among many others.

The regulations do not eliminate competition between manufacturers or distributors of motor vehicles, for the display of a product at an exhibition is only one of many methods of marketing. In order to promote sales for manufacturers of motor vehicles and their representatives have at their disposal all the facilities of the mass media for attracting the largest possible number of consumers, not to mention the additional promotion made by the manufacturers' representatives in their direct contact with potential customers.

<sup>(</sup>¹) Commission Decisions in EEMO and CEMATEX (cited in this Official Journal) and Commission Decision of 17 July 1975 in case IV/28.775 — UNIDI (OJ No L 228, 29. 8. 1975, p. 17).

In the present case the following points must be borne in mind:

- several motor shows are held each year in the EEC:
- the main international specialized exhibitions currently on the BPICA calendar are generally held once or twice yearly in the Community territory. If some of them are held at longer intervals, this is chiefly because the manufacturers themselves or the fair organizers are not interested in organizing them annually as the BPICA regulations would allow. It must also be borne in mind that 'specialized' vehicles may also be displayed at ordinary motor shows;
- manufacturers and their representatives may take part in national, regional, local and special exhibitions, and do not require BPICA authorization to do so.

The regulations consequently satisfy the fourth condition for the application of Article 85 (3), so that all the tests for exemption are satisfied.

## IV. Applicability of Articles 6, 7 (1) and 8 (1) of Regulation No 17

1. The version of the BPICA regulations which operated until 17 May 1976 did not qualify for exemption under Article 85 (3), for BPICA's discretionary power to decide whether this or that event was international or not, with the corollary power to authorize or prohibit the displays of motor vehicles there, gave it the possibility of deciding that events which were in reality national or regional only were to be regarded as international and to prohibit the display of motor vehicles at such events. This placed it in a position to prevent the organizers of fairs and exhibitions in general from displaying motor vehicles, and competition between these organizers was therefore liable to be eliminated.

In response to Commission objections the regulations were so amended on 17 May 1976 that BPICA no longer has absolute discretionary power to declare that a given fair or exhibition is international. The anticompetitive clauses which excluded the operation of Article 85 (3) were dropped and the exemption under that paragraph may therefore have effect from 17 May 1976.

- Article 7 (1) of Regulation No 17 requires the Commission to determine the period during which the prohibition in Article 85 (1) of the Treaty is to be applicable. The conditions precedent to the application of that Article are met in this case, for the BPICA regulations were adopted before Regulation No 17 came into force and were notified within the time limits set by Article 5 (1) of that Regulation. Since the regulations gave BPICA full discretionary power to decide whether an event was international or not, they did not qualify for Article 85 (3) exemption; but they were amended to satisfy the requirements of Article 85 (3) within a reasonable period in response to Commission objections. The prohibition in Article 85 (1) of the Treaty should therefore be inapplicable as from 13 March 1962, when Regulation No 17 entered into force, to 17 May 1976, when the new BPICA regulations came into force.
- 3. In determining the duration of its decision under Article 8 (1) of Regulation No 17, the Commission must take account of the specific nature of the area covered by this case and of the frequency of the events authorized by BPICA; a period of six years would seem appropriate.
- Conditions must be attached to this Decision pursuant to Article 8 (1) of Regulation No 17, so as to enable the Commission to verify whether, as a result of any change in the facts which were basic to the making of the Decision, the exemption should be revoked under Article 8 (3) of Regulation No 17, or whether specific acts on the part of those concerned should be prohibited. To this end, BPICA must be required to send to the Commission each year the calendar of fairs and exhibitions which it regards as international and of those where the display of motor vehicles is authorized, together with copies of the requests for authorization of international specialized exhibitions lodged with the BPICA secretariat and copies of the letters from that secretariat refusing such requests,

HAS ADOPTED THIS DECISION:

#### Article 1

It is hereby declared, pursuant to Article 85 (3) of the Treaty establishing the European Economic Community, that the provisions of Article 85 (1) are inapplicable to the BPICA regulations.

#### Article 2

This Decision shall have effect from 17 May 1976 until 17 May 1982. The prohibition in Article 85 (1) of the Treaty is declared inapplicable for the period from 13 March 1962 to 17 May 1976.

#### Article 3

Each year BPICA shall furnish to the Commission:

- a list of the international exhibitions at which the display of motor vehicles is subject to its authorization;
- the calendar of international exhibitions at which the display of motor vehicles is authorized;
- copies of requests for authorization of international specialized exhibitions addressed to the BPICA secretariat and copies of all the letters whereby BPICA informs the applicant organizations that their request is refused.

#### Article 4

This Decision is addressed to the International Permanent Bureau of Motor Manufacturers (BPICA), 4, rue de Berri, Paris, France, and to the following member national associations, to which BPICA is required to forward the Decision:

Verband der Automobilindustrie E.V. (VDA), Westendstraße 61, 6000 Frankfurt/Main 17 (Federal Republic of Germany);

Fachverband der Fahrzeugindustrie Österreichs, Lugeck 1/I/32, 1011 Wien 1 (Austria);

Fédération Belge des Industries de l'Automobile et du Cycle (FEBIAC),

Boulevard de la Woluwe 46, 1200 Bruxelles (Belgium);

Sammenslutningen af Automobil-Fabrikanter og Importører,

Ryvangs allé 68, 2900 Hellerup (Denmark);

Agrupación Nacional de Fabricantes de Automoviles y Camiones (ANFAC),

Cea Bermudez 6, Madrid 3 (Spain);

Motor Vehicle Manufacturers Association of the United States, Inc. (MVMA),

320 New Center Building, Detroit, Michigan 48202 (United States);

Chambre Syndicale des Constructeurs d'Automobiles (CSCA),

2, rue de Presbourg, 75008 Paris (France);

MOGURT, Société Hongroise pour le Commerce d'Automobile,

Benczur U13, Budapest VI (Hungary);

Associazione nazionale fra industrie automobilistiche (ANFIA),

Corso Galileo Ferraris 61, Torino (Italy);

Japan Automobile Manufacturers Association (JAMA), Otemachi Building 6—1, Otemachi, 1—chome, Chiyoda-ku, Tokyo 100 (Japan);

Automobilimportørenes Förening,

Hauchsgt. 1, Oslo 1 (Norway);

Nederlandse Vereniging de Rijwiel- en Automobiel-Industrie (RAI),

Europaplein 2, Amsterdam 1010 (Netherlands);

The Society of Motor Manufacturers & Traders Ltd (SMMT).

Forbes House, Halkin Street, London SW1X 7DS (United Kingdom);

Sveriges Bilindustri- och Bilgrossistförening,

Industrihuset, Storgatan 19, S 114 85 Stockholm (Sweden);

Chambre Syndicale Suisse de l'Automobile et branches annexes,

18, Quai Ernest Ansermet, 1211 Genève 4 (Switzerland);

MOTOKOV,

Olsanska 1, 130 81 Praha 3 (Czechoslovakia);

V.O. AVTOEXPORT,

Volkhonka ul. 14, 119902 Moscow G-19 (USSR);

Biro Prozvodaja Motornih Vozila,

Bulevar Vojvode Misica 14, Beograd (Yugoslavia);

ul. Stalingradzka 23, 00-987 Warszawa (Poland); Autotuojat r.y.

Annankatu, 31-33 d 59, 00100 Helsinki 10 (Finland).

Done at Brussels, 7 November 1977.

For the Commission
Raymond VOUEL

Member of the Commission

#### **CORRIGENDA**

Corrigendum to Council Directive 72/306/EEC of 2 August 1972 on the approximation of the laws of the Member States relating to the measures to be taken against the emission of polutants from diesel engines for use in vehicles

(Official Journal of the European Communities No L 190 of 20 August 1972)

Page 16, Annex VII, item 3.7.1:

for: '... on removal ...',

read: '... on insertion ...'.

#### NOTICE TO READERS

As from 1 January 1978 a Supplement to the Official Journal of the European Communities will be published.

This Supplement will appear daily and will contain public works contracts notices and invitations to tender of the European Development Fund (EDF), which until now have been published in edition C of the Official Journal. At a later date public supplies contracts notices will also be published in this new Supplement.

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