

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(91) 40 final

Brussels, 15 February 1991

Proposal for a
COUNCIL REGULATION (EEC)
on the tariff arrangements applicable to imports
into the Community of products originating
in the occupied territories

(presented by the Commission)

EXPLANATORY MEMORANDUM

At its meeting of 23 and 24 June 1990 in Dublin, the European Council reviewed the various measures introduced by the Community and its Member States to halt the deterioration in the economic and social situation in the occupied territories. Where the Community's preferential trading arrangement for these territories is concerned, the European Council called on the Community institutions to take whatever steps were necessary to bring about a rapid improvement in conditions of access to the Community market for Palestinian agricultural exports, in which a certain increase had already been noticed.

Agriculture is the biggest productive sector in the Palestinian economy and has suffered particularly from the deterioration in the economic situation in the West Bank and the Gaza Strip. To this should be added the fact that inputs into this sector cost more here than in most other Mediterranean countries because the occupation of the territories makes it difficult to obtain supplies from the world market. The Gulf crisis has further aggravated the situation because all agricultural exports to Iraq have been stopped and there has been a major drop in exports to Jordan. This would result in a loss of revenue of the order of USD 40 million over a full year.

Increasing exports to the Community might be an effective way of giving agriculture a new impetus. Experience gained during two seasons of direct exports to the Community has shown that, because of the limited quantities exported, Palestinian exporters lie just below the threshold of profitability. A special effort should therefore be made by the Community to stimulate such exports even further.

The Commission therefore proposes the following:

- the immediate elimination of residual customs duties applied to products listed in Annex II of the Treaty which come under the preferential arrangement currently applicable to the occupied territories;

- application of the same arrangements to strawberries since an export potential exists;
- for sensitive products, reference quantities will be fixed in the light of exports already effected or of export openings. If imports of any product exceed the reference quantity, the Community reserves the right to impose a tariff quota. Where this applies, the customs duty charged under the current preferential arrangement will be applied to any large quantities in excess of the quota.

Reference quantities could also be fixed subsequently for the remaining products, if necessary.

It goes without saying that the reference quantities will have to be subject to the annual increases provided for the period 1992-1995 under the new Mediterranean policy.

The Commission considers that, except in the case of citrus fruits, a solution of this kind should not pose any particular problems in view of the limited export potential of the occupied territories. It would also be a particularly appropriate way of bringing about a rapid improvement in the conditions of access to the Community market for products which are of the greatest importance in the Palestinian economy, as requested by the European Council.

The Commission therefore submits a proposal for a Council Regulation aimed at modifying the preferential arrangements currently applied to imports of agricultural products originating in the occupied territories.

Proposal for a
COUNCIL REGULATION (EEC)
on the tariff arrangements applicable to imports
into the Community of products originating
in the occupied territories

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

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

Having regard to the proposal from the Commission,

Whereas products originating in the West Bank of the River Jordan or the Gaza Strip (called the 'occupied territories'), both occupied by Israel, enjoy preferential treatment with regard to access to the Community market under Council Regulation (EEC) No 3363/86;¹

Whereas the preferential arrangements provide for free access to the Community market for industrial goods and preferential tariff treatment for certain agricultural products;

Whereas it is appropriate to introduce measures to bring about a rapid improvement in the conditions of access to the Community market for agricultural products originating in the occupied territories and that, to achieve this objective, Regulation (EEC) No 3363/86 should be replaced by a new Regulation,

HAS ADOPTED THIS REGULATION:

Article 1

1. Products other than those listed in Annex II to the Treaty and originating in the occupied territories shall be imported into the Community without quantitative restrictions or measures having equivalent effect and free of customs duties and charges having equivalent effect.

2. In the case of products listed in the Annex to Council Regulation (EEC) No 3033/80², which list is set out in Annex 1 hereto, paragraph 1 shall apply only to the fixed component of the charge imposed on such goods imported into the Community.

Article 2

The customs duties on imports into the Community of the agricultural products set out in Annex 2 hereto and originating in the occupied territories shall cease to apply on the entry into force of this Regulation for the periods indicated.

Article 3

1. A reference quantity is set out in Annex 2 hereto for certain products.

Where imports of any of these products exceed the reference quantity, the product concerned may be made subject to a Community tariff quota which shall apply to a volume equivalent to the reference quantity, if the amounts imported appear likely to cause difficulties in the Community market.

2. In the case of products listed in Annex 2, other than those in paragraph 1, reference quantities may be set if the amounts imported appear likely to create difficulties in the Community market.

These products may subsequently be made subject to tariff quotas under the conditions indicated in paragraph 1.

3. The rates of reduction set out in Annex 2 shall apply to imports in excess of the quotas.

Article 4

The rules of origin to be applied shall be those laid down in Commission Regulation (EEC) No 4129/86;³

2 OJ No L 323, 29.11.1980, p. 1.

3 OJ No L 381, 31.12.1986, p. 1.

Article 5

Regulation (EEC) No 3363/86 is hereby repealed.

Article 6

This Regulation shall enter into force on the fifteenth day following that of 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,

For the Council
The President

ANNEX 1

CN code	Description
ex 0403	Buttermilk, curdled milk and cream, yoghurt, kephir and other fermented or acidified milk and cream, concentrated, whether or not; containing added sugar or other sweetening matter or flavoured or containing added fruit, nuts or cocoa:
0403 10 51 to 0403 10 99	— Yoghurt, flavoured or containing added fruit or cocoa
0403 90 71 to 0403 90 99	— Other, flavoured or containing added fruit or cocoa
0710 40 00	Sweet corn (uncooked or cooked by steaming or boiling in water), frozen
0711 90 30	Sweet corn provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption
ex 1517	Margarine; edible mixtures or preparations of animal or vegetable fats or oils or of fractions of different fats or oils of this chapter, other than edible fats or oils or their fractions of heading No 1516:
1517 10 10	— Margarine, excluding liquid margarine containing more than 10 % but not more than 15 % by weight of milk fats
1517 90 10	— Other, containing more than 10 % but not more than 15 % by weight of milk fats
ex 1704	Sugar confectionery (including white chocolate), not containing cocoa; excluding liquorice extract containing more than 10 % by weight of sucrose but not containing other added substances, falling within subheading No 1704 90 10
1806	Chocolate and other food preparations containing cocoa
1901	Malt extract; food preparations of flour, meal, starch or malt extract, not containing cocoa powder or containing cocoa powder in a proportion by weight of less than 50 %, not elsewhere specified or included; food preparations of goods of heading Nos 0401 to 0404, not containing cocoa powder or containing cocoa powder in a proportion by weight of less than 10 %, not elsewhere specified or included
ex 1902	Pasta, whether or not cooked or otherwise prepared excluding stuffed pasta falling within subheadings 1902 20 10 and 1902 20 30
1903	Tapioca and substitutes therefor, prepared from starch in the form of flakes, grains, pearls, siftings or similar forms
1904	Prepared foods obtained by the swelling or roasting of cereals or cereal products (for example corn flakes); cereals, other than maize (corn), in grain form, pre-cooked or otherwise prepared
1905	Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa, communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products
2001 90 30	Sweet corn (<i>Zea mays</i> var. <i>saccharata</i>) prepared or preserved by vinegar or acetic acid
2001 90 40	Yams, sweet potatoes and similar edible parts of plants containing 5 % or more by weight of starch, prepared or preserved by vinegar or acetic acid
2004 90 10	Sweet corn (<i>Zea mays</i> var. <i>saccharata</i>) prepared or preserved otherwise than by vinegar or acetic acid; frozen
2005 80 00	Sweet corn (<i>Zea mays</i> var. <i>saccharata</i>) prepared or preserved otherwise than by vinegar or acetic acid; not frozen

CN code	Description
2008 99 85	Maize other than sweet corn (<i>Zea mays</i> var. <i>saccharata</i>), otherwise prepared or preserved, not containing added spirit or added sugar
2008 99 91	Yams, sweet potatoes and similar edible parts of plants containing 5 % or more by weight of starch, otherwise prepared or preserved, not containing added spirit or added sugar
2101 30 19	Roasted coffee substitutes excluding roasted chicory
2101 30 99	Extracts, essences and concentrates of roasted coffee substitutes excluding those of roasted chicory
2102 10 31 to 2102 10 39	Bakers' yeast
2105	Ice cream and other edible ice, whether or not containing cocoa
ex 2106	Food preparations not elsewhere specified or included other than those falling within subheadings 2106 10 10 and 2106 90 91 and other than flavoured or coloured sugar syrups
2202 90 91	Non-alcoholic beverages, not including fruit or vegetable juices of heading No 2009, containing products of Nos 0401 to 0404 or obtained from products of heading Nos
2202 90 95	0401 to 0404
2202 90 99	
2905 43	Mannitol
2905 44	D-Glucitol (sorbitol)
ex 3501	Caseins caseinates and other casein derivatives
ex 3505 10	Dextrins and other modified starches, excluding esterified or etherified starches of subheading 3505 10 50
3505 20	Glues based on starches or on dextrins or other modified starches
3809 10	Prepared glazings and prepared dressings with a basis of amylaceous substances
3823 60	Sorbitol other than of subheading 2905 44

ANNEX 2

CN code	Description	Rate of reduction in customs duties (%) ¹
0702 00 10	Tomatoes, fresh or chilled: From 1 December to 31 March ²	60
0703 10	Onions: From 15 February to 15 May	60
0709 30 00	Aubergines (egg-plants) From 15 January to 30 April ³	60
0709 60 10	Sweet peppers ⁴	40
0709 90 70	Courgettes From 1 December to end of February ⁵	60
0805 10	Oranges, fresh ⁶	60
0805 20	Mandarins (including tangerines and satsumas); clementines, wilkings and similar citrus hybrids, fresh	60
0805 30	Lemons (Citrus limon, Citrus Limonum), fresh	40
0805 40 00	Grapefruit and pomelos	80
0807 10 90	Melons From 1 November to 31 May	50
0810 10 90	Strawberries From 1 November to 31 March ⁷	0
0812 90 20	Oranges, comminuted	80
0904 20 39	Peppers other than sweet peppers, dried, neither crushed nor ground	80

- 1 For imports in excess of the quota.
- 2 Reference quantity: 1 000 tonnes.
- 3 Reference quantity: 15 000 tonnes.
- 4 Reference quantity: 1 000 tonnes.
- 5 Reference quantity: 300 tonnes.
- 6 Reference quantity: 25 000 tonnes.
- 7 Reference quantity: 500 tonnes.

FICHE FINANCIERE

DATE :

1. LIGNE BUDGETAIRE : CHAP. 12 - Art. 120

CREDITS :

2. INTITULE DE LA MESURE : Projet de proposition de règlement (CEE) n° /91 du Conseil concernant le régime tarifaire applicable aux importations dans La Communauté de produits originaires des territoires occupés

3. BASE JURIDIQUE : Article 113

4. OBJECTIFS DE LA MESURE : Démantèlement tarifaire pour certains produits agricoles provenant des territoires occupés

5. INCIDENCES FINANCIERES	PERIODE DE 12 MOIS	EXERCICE EN COURS (91)	EXERCICE SUIVANT (92)
5.0 DEPENSES A LA CHARGE - DU BUDGET DES CE (CRESTITUTIONS/INTERVENTIONS) - DES BUDGETS NATIONAUX - D'AUTRES SECTEURS			
5.1 RECETTES - RESSOURCES PROPRES DES CE (PRELEVEMENTS/DROITS DE DOUANE) - SUR LE PLAN NATIONAL		- 203.000 Ecus	- 203.000 Ecus
5.0.1 PREVISIONS DES DEPENSES			
5.1.1 PREVISIONS DES RECETTES			

5.2 MODE DE CALCUL :

Valeur des exportations 1989/90 : 3.387.276 Ecus

dont

Perte des recettes : $3.387.276 \times 6\% = 203.236$ Ecus

Les territoires occupés bénéficient déjà des réductions tarifaires en fonction du règlement (CEE) 3363/86 du Conseil

6.0 FINANCEMENT POSSIBLE PAR CREDITS INSCRITS AU CHAPITRE CONCERNE DU BUDGET EN COURS D'EXECUTION XXXXXX

6.1 FINANCEMENT POSSIBLE PAR VIREMENT ENTRE CHAPITRES DU BUDGET EN COURS D'EXECUTION XXXXXX

6.2 NECESSITE D'UN BUDGET SUPPLEMENTAIRE XXXXXX

6.3 CREDITS A INSCRIRE DANS LES BUDGETS FUTURS XXXXXX

OBSERVATIONS :

COM(91) 40 final

DOCUMENTS

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Catalogue number : CB-CO-91-057-EN-C
ISBN 92-77-69337-1

PRICE	1 - 30 pages: 3.50 ECU	per additional 10 pages: 1.25 ECU
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Office for Official Publications of the European Communities
L-2985 Luxembourg