

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(91) 460 final

Brussels, 20 November 1991

Proposal for a

COUNCIL REGULATION (EEC)

amending Regulation (EEC) No 3420/83

In order to liberalize or suspend quantitative restrictions
in respect of Albania; extending the suspension of certain
quantitative restrictions in respect of countries of Eastern and
Central Europe and laying down the import arrangements applicable
to products originating in the Baltic States.

(presented by the Commission)

EXPLANATORY MEMORANDUM

1. This proposal has a threefold purpose:

- to lay down the import arrangements to be applied to products originating in the Baltic States;
- to extend to products originating in Albania and the said Baltic States the access to the Community market already granted to the countries of Eastern and Central Europe;
- to extend until 31 December 1991 the suspension of non-specific quantitative restrictions currently applicable to the Eastern and Central European countries until 31 December this year.

2. There is an urgent need to lay down the trade arrangements applicable to imports originating in the Baltic States. Since the restoration of independence, the Community has adopted no practical measures in respect of these countries and there could be real problems, particularly at the level of Member States' customs administrations, regarding the treatment to be given to products originating in these countries. The Commission's proposed solution would grant the Baltic States the same treatment currently reserved for the other countries of Eastern and Central Europe. This appears to be the only way to meet the double requirement of according the Baltic States treatment no less favourable than that accorded to the Soviet Union and no more favourable than that accorded to the countries with which the Community is in the process of negotiating association agreements (Hungary, Poland and Czechoslovakia). This solution also concords with the Council's agreement of 30 September and 1 October on the principle of including these countries in the G-24 programme of coordinated assistance, of which increased market access for the relevant countries' products is a major component.

There is a separate proposal regarding the treatment to be accorded to textile products originating in the Baltic States.

3. The extension to Albania of the same access to the Community market as that already granted to the countries of Central and Eastern Europe also follows upon the Council's agreement of 30 September and 1 October on the principle of including this country in the G-24 programme of coordinated assistance. The removal or suspension of quantitative restrictions is covered by the trade component of the PHARE programme.
4. The extension until 31 December 1992 of the suspension of non-specific quantitative restrictions also seems advisable in order to permit future growth in the exports of the countries concerned and so contribute to the modernization of their economic fabric. In the cases of Hungary, Poland and Czechoslovakia this measure will automatically be incorporated into the corresponding association agreements, with effect from their entry into force.

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Europe and laying down the import arrangements applicable
to products originating in the Baltic States.

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 Council Regulation (EEC) No 3420/83 of 14 November 1983 on import arrangements for products originating in State-trading countries, not liberalized at Community level,¹ as last amended by Regulation (EEC) No 2158/91,² applies to products originating in, inter alia, Albania and the Union of Soviet Socialist Republics (USSR), of which Estonia, Latvia and Lithuania, hereinafter referred to as "the Baltic States", were part until the restoration of their sovereignty and independence; whereas the Baltic States should therefore be included in the list of countries in Annex I to the said Regulation (EEC) No 3420/83;

Whereas the Community and its Member States, at the extraordinary meeting on European political cooperation held in Brussels on 27 August 1991, have confirmed their decision to establish diplomatic relations with the Baltic States and emphasized their commitment to support the said States in their economic and political development;

Whereas, in view of the above, there is a need to define the import arrangements applicable to products originating in the Baltic States;

Whereas Council Regulation (EEC) No 1765/82 of 30 June 1982 on common rules for imports from the State-trading countries,³ as last amended by Regulation (EEC) No 1434/90,⁴ provides that imports of the products mentioned in the Annex thereto shall not be subject to quantitative restrictions;

Whereas the Council, at its meeting in Brussels on 30 September and 1 October 1991, has agreed in principle to the inclusion of the Baltic States and Albania in the G-24 programme of coordinated assistance; whereas this programme provides facilities for the access of products from the countries of Central and Eastern Europe to the Community market;

1 OJ No L 346, 8.12.1983, p.6.

2 OJ No L 201, 24.7.1991, p.5.

3 OJ No L 195, 5.7.1982, p.1.

4 OJ No L 138, 31.5.1990, p.1.

Whereas, in order to contribute to the modernization of the economic fabric of these countries through, in particular, an increase in their exports, specific quantitative restrictions should therefore be removed and "non-specific" quantitative restrictions applicable to the release for free circulation in the Community of certain products originating in these countries suspended; whereas the Community has already adopted similar measures with regard to Bulgaria, Hungary, Poland, Romania and Czechoslovakia; whereas the suspension of quantitative restrictions has been granted to these countries only until 31 December 1991;

Whereas it seems appropriate to extend the suspension until 31 December 1992 and to extend its application to the Baltic States and Albania on the same conditions;

Whereas this Regulation is adopted without prejudice to any present or future Community measures regarding the trade in textile products,

HAS ADOPTED THIS REGULATION:

Article 1

Article 2(1) of Regulation (EEC) No 3420/83 is replaced by the following text:

" 1. The release for free circulation of the products listed in Annex III originating in State-trading countries shall be subject to quantitative restrictions in the Member States as indicated in that Annex against those products.

However, in respect of Albania, Bulgaria, Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, and the Soviet Union, Member States may maintain quantitative restrictions only on products listed in Annex I, as amended by Regulation (EEC) No 196/91,⁵ to Regulation (EEC) No 288/82,⁶ as last amended by Regulation (EEC) No 2978/91.⁷ Notwithstanding this, the application of these quantitative restrictions to the release for free circulation of products originating in any of these countries other than the Soviet Union is hereby suspended in all Member States but Spain and Portugal until 31 December 1992. The suspension is not applicable to textile products reimported into the Community after undergoing processing or working in Albania, Estonia, Latvia or Lithuania. In the event of any one of the products in question causing or threatening to cause economic difficulties in the Community or a region thereof, the relevant quantitative restriction may be reintroduced under the procedure laid down in Title IV."

5 OJ No L 21, 26.1.1991, p.1.

6 OJ No L 35, 9.2.1982, p.1.

7 OJ No L 284, 12.10.1991, p.1.

Article 2

Estonia, Latvia and Lithuania are hereby added to the list of countries contained in Annex I to Regulation (EEC) No 3420/83 and the Annex to Regulation (EEC) No 1765/82.

Article 3

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

It shall be applicable from 1 December 1991.

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

Done at Brussels,

For the Council
The President

FICHE

IMPACT DE LA PROPOSITION SUR LES P.M.E.

ET SUR LE MARCHÉ DE L'EMPLOI

Sur le plan économique, les produits albanais qui font l'objet de la mesure de libération des restrictions quantitatives sont actuellement très peu importés. De ce fait, la mesure envisagée a un impact économique minime.

Pour ce qui est des Etats baltes, du fait que ces pays étaient incorporés dans l'URSS, l'absence de toutes données statistiques fiables et le peu d'informations dont on dispose sur le potentiel de ces pays, ne permettent pas à ce stade de procéder à une évaluation quelconque de l'impact économique des mesures envisagées. On peut néanmoins escompter que ces mesures auront plus un impact politique qu'économique.

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