



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 24.06.1997
COM(97) 318 final

97/0175 (ACC)

Proposal for a

COUNCIL REGULATION (EC)

laying down certain rules for the application of the special arrangements for imports of olive oil originating in
Morocco

(presented by the Commission)

EXPLANATORY MEMORANDUM

1. Article 17 of the Cooperation Agreement between the European Community and Morocco grants certain reductions in the levy on imports into the Community of olive oil other than that which has undergone a refining process. Those reductions consist of a flat-rate deduction of ECU 0.7245/100 kg and a deduction of ECU 14.60/100 kg provided that Morocco levies an export charge of an equal amount.

Annex B to that Agreement stipulates that the amount to be deducted from the amount of the levy may be increased by an additional amount under the same conditions and arrangements as laid down in Article 17. That additional amount was set by an exchange of letters between the parties on 21 October 1996 for the duration of the Cooperation Agreement currently in force.

2. Article 18 of the Agreement provides for exemption from payment of the fixed component of the levy on imports into the Community of olive oil having undergone a refining process, wholly obtained in Morocco and transported direct from that country to the Community.
3. As part of the Uruguay Round of multilateral trade negotiations, the Community has undertaken to calculate tariff equivalents for the variable levies and replace them by fixed customs duties.
4. This could have prevented application of the concessions under the current arrangements. Pending the introduction of new rules by the Council, the Commission adopted transitional rules (Regulation (EC) No 2146/95, as last amended by Regulation (EC) No 2388/96), providing for deductions from the customs duties. This transitional arrangement expires on 30 June 1997.

In order to meet the Community's commitments, it is therefore necessary to introduce a new Council Regulation to implement the concessions in their updated form.

5. In addition, for the sake of administrative simplification, the Commission proposes that the Council should grant it authority to make amendments required to adapt to any future changes made to the agreements by the Council under the Management Committee procedure.

Council Regulation (EC) No/97

of

**laying down certain rules for the application
of the special arrangements for imports of olive oil
originating in Morocco**

The Council of the European Union,

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

Having regard to the proposal from the Commission,

Whereas Articles 17 and 18 of, and Annex B to, the Cooperation Agreement between the European Economic Community and the Kingdom of Morocco¹ provide for special arrangements for imports of olive oil falling within CN codes 1509 and 1510, wholly obtained in Morocco and transported direct from that country to the Community;

Whereas, for olive oil falling within CN codes 1509 10 10, 1509 10 90 and 1510 00 10, the special arrangements provide for a flat-rate deduction of ECU 0.7245 per 100 kilograms from the applicable levy, representing the reduction provided for in Article 17(1)(a) of the Agreement; whereas, provided that Morocco levies an export charge, those arrangements provide for a further reduction of that levy corresponding to the amount of the special charge, but not exceeding ECU 14.60 per 100 kilograms, representing the reduction provided for in Article 17(1)(b) of the Agreement and a deduction of ECU 14,60 per 100 kilograms, representing the additional amount provided for in Annex B to the Agreement;

Whereas the Community has concluded an agreement in the form of an exchange of letters with Morocco extending the special arrangements after 1 January 1994 and for the duration of the Cooperation Agreement, on the basis of a flat-rate reduction in the customs duties²;

Whereas the Agreement on Agriculture concluded during the Uruguay Round of multilateral trade negotiations³ provides that the variable levies applied to imports of agricultural products are to be replaced by fixed customs duties from 1 July 1995;

¹ OJ No L 264, 27.09.1978, p. 2.

² OJ No L 277, 30.10.1996, p. 35.

Whereas continuation of the arrangements makes it necessary to adopt new implementing rules and repeal Council Regulation (EEC) No 1521/76⁴;

Whereas, in accordance with the Agreement, the special export charge should be reflected in the price of the olive oil upon importation into the Community; whereas, to ensure the correct application of the arrangements in question, the necessary measures should be adopted to ensure that the charge is paid at the latest when the oil is imported;

Whereas, if the present conditions of the special arrangements provided for in the Cooperation Agreement are amended, in particular as regards the amounts, or if a new agreement is concluded, it will be necessary to adjust this Regulation to incorporate those changes; whereas provision should be made for those adjustments to be adopted by the Commission in accordance with the procedure laid down in Article 38 of Council Regulation No 136/66/EEC of 22 September 1966 on the establishment of a common organisation of the market in oils and fats⁵, as last amended by Regulation (EC) No 1581/96⁶;

Whereas, by Regulation (EC) No 2146/95,⁷ the Commission introduced an autonomous system as a transitional measure expiring on 30 June 1997; whereas this Regulation should therefore apply from 1 July 1997,

HAS ADOPTED THIS REGULATION:

Article 1

This Regulation lays down certain rules for the application of the special arrangements for imports of olive oil originating in Morocco.

Article 2

1. The rate of customs duty applicable to imports into the Community of olive oil other than that which has undergone a refining process, falling within CN codes 1509 10 10, 1509 10 90 and 1510 00 10, wholly obtained in Morocco and transported direct from that country to the Community, shall be reduced by ECU 0.7245 per 100 kilograms.
2. Where Morocco levies a special export charge on that olive oil, wholly obtained in Morocco and transported direct from that country to the Community, the rate of customs duty shall be further reduced by an amount equal to the special charge but not exceeding ECU 14.60 per 100 kilograms, plus ECU 14.60 per 100 kilograms.
3. The reduction in the rate of customs duty provided for in paragraph 2 shall apply to all imports for which the importer provides proof, when importing the olive oil, that the special export charge is reflected in the import price.

³ OJ No L 336, 23.12.1994, p. 1.

⁴ OJ No L 169, 28.6.1976, p. 43.

⁵ OJ No 172, 30.9.1966, p. 3025.

⁶ OJ No L 206, 16.8.1996, p. 11.

⁷ OJ No L 215, 9.9.1995, p. 1.

Article 3

1. The rate of customs duty applicable to imports into the Community of olive oil having undergone a refining process falling within CN code 1509 90 00, wholly obtained in Morocco and transported direct from that country to the Community, shall be reduced by ECU 4,661 per 100 kilograms.
2. The rate of customs duty applicable to imports into the Community of olive oil having undergone a refining process falling within CN code 1510 00 90, wholly obtained in Morocco and transported direct from that country to the Community, shall be reduced by ECU 8,754 per 100 kilograms.

Article 4

Detailed rules for the application of this Regulation shall be adopted by the Commission in accordance with the procedure laid down in Article 38 of Council Regulation No 136/66/EEC.

Article 5

Where the present conditions of the special arrangements provided for in the Cooperation Agreement are amended, in particular as regards the amounts, or where a new agreement is concluded, the Commission shall adopt the resultant adjustments necessary for this Regulation in accordance with the procedure laid down in Article 38 of Council Regulation No 136/66/EEC.

Article 6

Council Regulation (EEC) No 1521/76 is hereby repealed.

Article 7

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

It shall apply from 1 July 1997.

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

Done at Brussels,

For the Council

The President

FINANCIAL STATEMENT

1. BUDGET HEADING: Article 120 (customs duties and other duties) APPROPRIATIONS: ECU 13 559.10m

2. TITLE: Proposal for a Council Regulation laying down certain rules for the application of the special arrangements for imports of olive oil originating in Morocco

3. LEGAL BASIS: Article 113 of the Treaty

4. AIMS OF MEASURE:
Definitive introduction of the concessions granted in their updated form.

5. FINANCIAL IMPLICATIONS (in ECU million)	PERIOD OF 12 MONTHS	CURRENT FINANCIAL YEAR (96)	FOLLOWING FINANCIAL YEAR (97)
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5.0. EXPENDITURE CHARGED TO:
- EC BUDGET
(REFUNDS/INTERVENTION)
- NATIONAL BUDGETS
- OTHER SECTORS

5.1. REVENUE
- OWN RESOURCES OF THE EC
- (LEVIES/CUSTOMS DUTIES)
- NATIONAL

	1998	1999	2000	2001
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5.0.1. ESTIMATED EXPENDITURE

5.1.1. ESTIMATED REVENUE

5.2. METHOD OF CALCULATION:

6.0. CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET? YES/NO

6.1. CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET?

6.2. IS A SUPPLEMENTARY BUDGET NECESSARY? NO

6.3. WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY?

OBSERVATIONS:

This measure brings into force on a definitive basis the transitional arrangements introduced by the Commission under Regulation No 2146/95, as last amended by Regulation No 2388/96. There are no additional financial implications.

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DOCUMENTS

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