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COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 26.11.2008
COM(2008) 797 final

Proposal for a

COUNCIL REGULATION

amending Regulation (EC) No 2505/96 opening and providing for the administration of autonomous Community tariff quotas for certain agricultural and industrial products

(presented by the Commission)

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

1.1. Grounds for and objectives of the proposal

Autonomous Community tariff quotas are needed for new products or the quota amount for certain autonomous Community tariff quotas is insufficient to meet the needs of the Community industry for the current quota period. In response to requests from several Member States, the Commission, together with the government experts concerned, considered whether to open, increase or extend autonomous tariff quotas for certain industrial products.

1.2. General context

On 20 December 1996 the Council adopted Regulation (EC) No 2505/96 opening and providing for the administration of autonomous Community tariff quotas for certain agricultural and industrial products so that Community demand for the products in question could be met under the most favourable conditions. New Community tariff quotas should be opened at zero rates of duty for appropriate amounts, without disturbing the markets for such products. Discussions at meetings of the Economic Tariff Questions Group showed that the Member States were ready to open quotas or increase quotas amounts for the products covered by the proposal for a Regulation, without disturbing the markets for such products

1.3. Provisions in force in the field covered by the proposal

Regulation (EC) No 2505/96 (OJ L 345, 31.12.1996, p.1), as last amended by Regulation (EC) No 556/2008 (OJ L 160, 19.6.2008, p.1).

1.4. Consistency with the other policies and objectives of the Union

The proposal is in line with agricultural, trade, enterprise, development and external relations policies. Especially this proposal is not at the expense of countries enjoying a preferential trading agreement with the EU (e.g. GSP, ACP regime, candidate and potential candidate countries of the Western Balkans).

2. CONSULTATION OF INTERESTED PARTIES AND IMPACT ASSESSMENT

2.1. Consultation of stakeholders

Consultation methods, main sectors targeted and general profile of respondents

The Economic Tariff Questions Group representing the industries of each Member State was consulted.

Summary of responses and how they have been taken into account

All listed quotas reflect the agreement reached by the Group.

2.2. Collection and use of expertise

Scientific areas or fields of expertise concerned

Experts representing the Member States in the Economic Tariff Questions Group.

Methodology used

Open consultation.

Main organisations/experts consulted

Experts designated by each of the Member States.

Summary of advice received and used

There was no mention of potentially serious risks with irreversible consequences.

Agreement of the Economic and Tariff Questions Group.

Methods used to make the results of these expert opinions available to the public

Publication of the proposal.

2.3. Impact assessment

Not applicable.

The proposal is not mentioned in the Commission's Legislative and Work Programme for 2009.

3. LEGAL ELEMENTS OF THE PROPOSAL

3.1. Summary of the proposed action

Council Regulation amending Regulation (EC) No 2505/96 opening and providing for the administration of autonomous Community tariff quotas for certain agricultural and industrial products.

3.2. Legal basis

Article 26 of the EC Treaty.

3.3. Subsidiarity principle

The subsidiarity principle does not apply, as the proposal falls under the exclusive competence of the Community.

3.4. Proportionality principle

The proposal complies with the principle of proportionality for the following reasons.

This set of measures is in line with the principles for simplifying the procedures for the operators engaged in foreign trade and with the Commission communication of 1998 concerning autonomous tariff suspensions and quotas (C 128, 25.4.1998, p.2).

3.5. Choice of instruments

Proposed instruments: Regulation

Other instruments would not be appropriate for the following reasons:

By virtue of Article 26 of the EC Treaty autonomous tariff quotas are approved by the Council acting on a qualified majority on the basis of a Commission proposal.

4. BUDGETARY IMPLICATION

Uncollected customs duties with a total amount of €- 2 359 739.

5. ADDITIONAL INFORMATION

5.1. Amendment of existing legislation

Adopting this proposal will mean that some legislation is amended.

In the annex to the proposed regulation a consolidated list of autonomous tariff quotas will be published.

Proposal for a

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amending Regulation (EC) No 2505/96 opening and providing for the administration of autonomous Community tariff quotas for certain agricultural and industrial products

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 26 thereof

Having regard to the proposal from the Commission¹,

Whereas:

- (1) On 20 December 1996 the Council adopted Regulation (EC) No 2505/96². Community demand for the products to which that Regulation applies should be met under the most favourable conditions. For that purpose with effect from 1 January 2009, one new Community tariff quota should be opened at zero rate of duty for the appropriate amount while avoiding any disturbance to the market of this product.
- (2) The quota amounts for two autonomous Community tariff quotas are insufficient to meet the needs of the Community industry for the current quota period ending at 31 December 2008. Consequently, those quota amounts should be increased with effect from 1 January 2008.
- (3) The quota amount for one autonomous Community tariff quota disturbs the internal market of the Community. Consequently, this quota amount should be reduced.
- (4) It is no longer in the Community interest to continue to grant Community tariff quotas in 2009 for certain products for which such quotas were established for 2008. Those quotas should therefore be closed with effect from 1 January 2009 and the corresponding products should be removed from the list in Annex I to Regulation (EC) No 2505/96.
- (5) In view of the many changes to be made, clarity requires Annex I to Regulation (EC) No 2505/96 to be replaced in its entirety.
- (6) Regulation (EC) No 2505/96 should therefore be amended accordingly.
- (7) Since the tariff quotas have to take effect from 1 January 2009, this Regulation should apply from the same date and enter into force immediately,

HAS ADOPTED THIS REGULATION:

Article 1

Annex I to Regulation (EC) No 2505/96 is replaced by the text set out in the Annex to this Regulation.

¹ OJ C , , p. .

² OJ L 345, 31.12.1996, p.1.

Article 2

With effect from 1 January 2008, in Annex I to Regulation (EC) No 2505/96:

- the quota volume of the tariff quota for order number 09.2812 is fixed at 4 000 tonnes,
- the quota volume of the tariff quota for order number 09.2950 is fixed at 15 000 tonnes.

Article 3

With effect from 1 January 2009, in Annex I to Regulation (EC) No 2505/96:

- the quota volume for the tariff quota for order number 09.2908 is fixed at 40 000 tonnes

Article 4

With effect from 1 January 2009, in Annex I to Regulation (EC) No 2505/96 the row for order number 09.2631 is inserted.

Article 5

With effect from 1 January 2009, in Annex I to Regulation (EC) No 2505/96 the rows for the order numbers 09.2618, 09.2713, 09.2719, 09.2771 and 09.2775 are deleted.

Article 6

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

This Regulation shall apply from 1 January 2009.

However, Article 2 shall apply from 1 January 2008.

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

Done at Brussels,

*For the Council
The President*

ANNEX

"ANNEX I

Order number	CN code	TARIC	Description	Quota period	Quota amount	Quota duty (%)
09.2849	ex 0710 80 69	10	Mushrooms of the species <i>Auricularia polytricha</i> (uncooked or cooked by steaming or boiling), frozen, for the manufacture of prepared meals (1) (2)	1.1.- 31.12.	700 tonnes	0 %
09.2913	ex 2401 10 35 ex 2401 10 70 ex 2401 10 95 ex 2401 10 95 ex 2401 10 95 ex 2401 20 35 ex 2401 20 70 ex 2401 20 95 ex 2401 20 95 ex 2401 20 95	91 10 11 21 91 91 10 11 21 91	Natural unmanufactured tobacco, whether or not cut in regular size, having a custom value of not less than Euro 450 per 100 kg net weight, for use as binder or wrapper for the manufacture of goods falling within subheading 2402 10 00 (1)	1.1.- 31.12.	6 000 tonnes	0 %
09.2841	ex 2712 90 99	10	Blend of 1-alkenes containing 80 % by weight or more of 1-alkenes of a chain-length of 20 and 22 carbon atoms	1.1.- 31.12.	10 000 tonnes	0 %
09.2703	ex 2825 30 00	10	Vanadium oxides and hydroxides exclusively for use in alloys (1)	1.1.- 31.12.	13 000 tonnes	0 %
09.2806	ex 2825 90 40	30	Tungsten trioxide	1.1.- 31.12.	12 000 tonnes	0 %
09.2611	ex 2826 19 90	10	Calcium fluoride having a total content of aluminium, magnesium and sodium of 0.25 mg/kg or less, in the form of powder	1.1.- 31.12.	55 tonnes	0 %
09.2837	ex 2903 49 80	10	Bromochloromethane	1.1.- 31.12.	600 tonnes	0 %
09.2933	ex 2903 69 90	30	1,3-Dichlorobenzene	1.1.- 31.12.	2 600 tonnes	0 %
09.2950	ex 2905 98 10	10	2-Chloroethanol, for the manufacture of liquid thioplasts of subheading 4002 99 90 (1)	1.1.- 31.12.	15 000 tonnes	0 %
09.2851	ex 2907 12 00	10	O-Cresol having a purity of not less than 98.5 % by weight	1.1.- 31.12.	20 000 tonnes	0 %
09.2624	2912 42 00		Ethylvanillin (3-ethoxy-4-hydroxybenzaldehyde)	1.1.- 31.12.	600 tonnes	0 %

Order number	CN code	TARIC	Description	Quota period	Quota amount	Quota duty (%)
09.2767	ex 2910 90 00	80	Allyl glycidyl ether	1.1.- 31.12.	1 500 tonnes	0 %
09.2972	2915 24 00		Acetic anhydride	1.1.- 31.12.	20 000 tonnes	0 %
09.2769	ex 2917 13 90	10	Dimethyl sebacate	1.1.- 31.12.	1 300 tonnes	0 %
09.2808	ex 2918 22 00	10	<i>o</i> -Acetylsalicylic acid	1.1.- 31.12.	120 tonnes	0 %
09.2975	ex 2918 30 00	10	Benzophenone-3,3':4,4'-tetracarboxylic dianhydride	1.1.- 31.12.	1 000 tonnes	0 %
09.2602	ex 2921 51 19	10	<i>o</i> -Phenylenediamine	1.1.- 31.12.	1 800 tonnes	0 %
09.2977	2926 10 00		Acrylonitrile	1.1.- 31.12.	30 000 tonnes	0 %
09.2030	ex 2926 90 95	74	Chlorothalonil	1.1.- 31.12.	1 500 tonnes	0 %
09.2002	ex 2928 00 90	30	Phenylhydrazine	1.1.- 31.12.	1 000 tonnes	0 %
09.2917	ex 2930 90 13	90	Cystine	1.1.- 31.12.	600 tonnes	0 %
09.2603	ex 2930 90 85	79	Bis(3-triethoxysilylpropyl)tetrasulphide	1.1.- 31.12.	9 000 tonnes	0 %
09.2810	2932 11 00		Tetrahydrofuran	1.1.- 31.12.	20 000 tonnes	0 %
09.2955	ex 2932 19 00	60	Flurtamone (ISO)	1.1.- 31.12.	300 tonnes	0 %
09.2812	ex 2932 29 85	77	Hexan-6-olide	1.1.- 31.12.	4 000 tonnes	0 %
09.2615	ex 2934 99 90	70	Ribonucleic acid	1.1.- 31.12.	110 tonnes	0 %

Order number	CN code	TARIC	Description	Quota period	Quota amount	Quota duty (%)
09.2619	ex 2934 99 90	71	2-Thienylacetonitrile	1.1.- 31.12.	80 tonnes	0 %
09.2945	ex 2940 00 00	20	D-Xylose	1.1.- 31.12.	400 tonnes	0 %
09.2908	ex 3804 00 90	10	Sodium lignosulphonate	1.1.- 31.12.	40 000 tonnes	0 %
09.2889	3805 10 90		Sulphate turpentine	1.1.- 31.12.	20 000 tonnes	0 %
09.2935	3806 10 10		Rosin and resin acids obtained from fresh oleoresins	1.1.- 31.12.	280 000 tonnes	0 %
09.2814	ex 3815 90 90	76	Catalyst consisting of titanium dioxide and tungsten trioxide	1.1.- 31.12.	1 600 tonnes	0 %
09.2829	ex 3824 90 97	19	Solid extract of the residual, insoluble in aliphatic solvents, obtained during the extraction of rosin from wood, having the following characteristics: — a resin acid content not exceeding 30 % by weight, — an acid number not exceeding 110 and — a melting point of 100 °C or more	1.1.- 31.12.	1 600 tonnes	0 %
09.2914	ex 3824 90 97	26	Aqueous solution containing not less than 40 % by weight of dry betaine-extract and between 5 % and 30 % by weight of organic or inorganic salts	1.1.- 31.12.	5 000 tonnes	0 %
09.2986	ex 3824 90 97	76	Mixture of tertiary amines containing: — 60 % by weight of dodecyldimethylamine, or more — 20 % by weight of dimethyl(tetradecyl)amine, or more — 0.5 % by weight of hexadecyldimethylamine, or more, for use in the production of amine oxides (1)	1.1.- 31.12.	14 315 tonnes	0 %
09.2907	ex 3824 90 97	86	Mixture of phytosterols, in the form of powder, containing by weight: — 75 % or more of sterols, — not more than 25 % of stanols for use in the manufacture of stanol/sterol esters (1)	1.1.- 31.12.	2 500 tonnes	0 %

Order number	CN code	TARIC	Description	Quota period	Quota amount	Quota duty (%)
09.2140	ex 3824 90 97	98	Mixture of tertiary amines containing by weight: — 2.0-4.0 % of N,N-dimethyl-1-octanamine — 94 % minimum of N,N-dimethyl-1-decanamine — 2 % maximum of N,N-dimethyl-1-dodecanamine	1.1.- 31.12.	4 500 tonnes	0 %
09.2992	ex 3902 30 00	93	Propylene-butylene copolymer, containing by weight 60 % or more but not more than 68 % of propylene and 32 % or more but not more than 40 % of butylene, of a melt viscosity of not more than 3 000 mPa at 190° C, as determined by the ASTM D 3236 method, for use as an adhesive in the manufacture of products falling within subheading 4818 40 (1)	1.1.- 31.12.	1 000 tonnes	0 %
09.2947	ex 3904 69 90	95	Poly(vinylidene fluoride), in powder form, for the preparation of paint or varnish for coating metal (1)	1.1.- 31.12.	1 300 tonnes	0 %
09.2604	ex 3905 30 00	10	Poly(vinyl alcohol) partially acetalized with 5-(4-azido-2-sulphobenzylidene)-3-(formylpropyl)-rhodanine, sodium salt	1.1.- 31.12.	100 tonnes	0 %
09.2616	ex 3910 00 00	30	Polydimethylsiloxane with a degree of polymerisation of 2800 monomer units (± 100)	1.1.- 31.12.	1 300 tonnes	0 %
09.2816	ex 3912 11 00	20	Cellulose acetate flakes for use in the manufacture of cellulose acetate filament tow (1)	1.1.- 31.12.	45 500 tonnes	0 %
09.2818	ex 6902 90 00	10	Refractory bricks with — an edge length of more than 300 mm and — a TiO ₂ content of not more than 1 % by weight and — a Al ₂ O ₃ content of not more than 0.4 % by weight and — a change in volume of less than 9 % at 1700° C	1.1.- 31.12.	75 tonnes	0 %
09.2628	ex 7019 52 00	10	Glass web woven from glass fibre coated in plastic, of a weight of 120 g/m ² (± 10 g/m ²), of a type used in rolling insect screens with fixed frames	1.1.- 31.12.	350 000 m ²	0 %
09.2799	ex 7202 49 90	10	Ferro-chromium containing 1.5 % or more but not more than 4 % by weight of carbon and not more than 70 % of chromium	1.1.- 31.12.	50 000 tonnes	0 %
09.2629	ex 7616 99 90	85	Aluminium telescopic handle for use in the manufacture of luggage (1)	1.1.- 31.12.	240 000 units	0 %
09.2763	ex 8501 40 80	30	Electric AC commutator motor, single-phase, with an output of more than 750 W, an input power of more than 1 600 W but not more than 2 700 W, an external diameter of more than 120 mm ($\pm 0,2$ mm) but not more than	1.1.- 31.12.	2 000 000 units	0 %

Order number	CN code	TARIC	Description	Quota period	Quota amount	Quota duty (%)
			135 mm (\pm 0,2 mm), a rated speed of more than 30 000 rpm but not more than 50 000 rpm, equipped with air-inducting ventilator, for use in the manufacture of vacuum cleaners (1)			
09.2620	ex 8526 91 20	20	Assembly for GPS system having a position determination function	1.1.- 31.12.	2 000 000 units	0 %
09.2003	ex 8543 70 90	63	Voltage controlled frequency generator, consisting of active and passive elements mounted on a printed circuit, contained in a housing with dimensions of not more than 30 x 30 mm	1.1.- 31.12.	1 400 000 units	0 %
09.2631	ex 9001 90 00	80	Unmounted glass lenses, prisms and cemented elements for use in the manufacture of goods of CN codes 9005, 9013 and 9015 (1)	1.1.- 31.12.	5 000 000 units	0 %

(1) Entry under this subheading is subject to conditions laid down in the relevant Community provisions (see Articles 291 to 300 of Commission Regulation (EEC) No. 2454/93 - OJ L 253 11.10.1993 p. 1).

(2) However, the measure is not allowed where processing is carried out by retail or catering undertakings.

**LEGISLATIVE FINANCIAL STATEMENT FOR PROPOSALS HAVING A
BUDGETARY IMPACT EXCLUSIVELY LIMITED TO THE REVENUE SIDE**

1. NAME OF THE PROPOSAL:

Council Regulation amending Regulation (EC) No 2505/96 opening and providing for the administration of autonomous Community tariff quotas for certain agricultural and industrial products

2. BUDGET LINES:

Chapter and Article: Chapter 12, Article 120

Amount budgeted for the year 2008: **€16 431 900 000**

Amount budgeted for the year 2009: **€17 655 800 000**

3. FINANCIAL IMPACT

Proposal has no financial impact on expenditure but has a financial impact on revenue – the effect is as follows:

(€million to one decimal place)

Budget line	Revenue ³	12 month period, starting dd/mm/aaaa	[Year 2008 and 2009]
Article 120	<i>Impact on own resources</i>	01/01/2008	- 0.2
Article 120	<i>Impact on own resources</i>	01/01/2009	+ 2.6

4. ANTI-FRAUD MEASURES

Provisions on the management of tariff quotas include the measures needed to prevent and protect against frauds and irregularities.

³ Regarding traditional own resources (agricultural duties, sugar levies, customs duties) the amounts indicated must be net amounts, i.e. gross amounts after deduction of 25% of collection costs.

ANNEX I

Effective from 1. 1.2008:

Description of product	Quota amount (unit/tonnes)	Estimated price (€per unit/ €per tonne)	Duty (%) (2009 CCT)	Quota duty (%)	Expected loss of revenue (in €)
Olide 09.2812	+ 1 000 t (initial volume: 3 000 t)	2.040	6.5	0	+ 132 600
Ethanol 09.2950	+ 3.000 t (initial volume: 12 000 t)	733	5.5	0	+ 120 945

Total loss of revenue:
(€253 545 – €63 386) €+190 159net.

ANNEX II

Effective from 1.1.2009:

Description of product	Quota amount (unit/tonnes)	Estimated price (€per unit/ €per tonne)	Duty (%) (2009 CCT)	Quota duty (%)	Expected variation in the loss of revenue in relation to the previous quota period (in €)
Chloro-mandelic acid 09.2618	0 t (initial volume: 100 t)	90 000	6.5	0	- 585 000
Lenses + prisms 09.2631	+ 5 000 000 units	2.50	2.9	0	+ 362 500
Sweet cherries 09.2713	0 t (initial volume: 2 000 t)	2 500	25.6	0	- 1 280 000
Sour cherries 09.2719	0 t (initial volume: 2 000 t)	2 500	25.6	0	- 1 280 000

Inverter 09.2771	0 u (initial volume: 800 000 u)	21.72	3.3	0	- 573 408
Converter 09.2775	0 u (initial volume: 200 000 u)	6.66	3.3	0	- 43 956

Total loss of revenue in relation to previous quota period:
(€3 399 864 – €849 966) €- 2 549 898 net.