



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 26.4.2006
COM(2006) 176 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

- **Grounds for and objectives of the proposal**

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's departments, together with the government experts concerned, considered whether to open, increase or extend autonomous tariff quotas for certain industrial products.

- **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 reduced or zero rates of duty for appropriate volumes, 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, increase or extend quotas for the products covered by the proposal for a Regulation, without disturbing the markets for such products.

- **Provisions in force in the field covered by the proposal**

Regulation (EC) No 2505/96 (OJ L 345, 31.12.1996) as last amended by Regulation (EC) No 151/2006 (OJ L 25, 28.1.2006).

- **Consistency with the other policies and objectives of the Union**

The proposal is in line with agricultural, trade, enterprise, development and external relations policies.

2) CONSULTATION OF INTERESTED PARTIES AND IMPACT ASSESSMENT

- **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.

- **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.

- **Impact assessment**

Not applicable.

The proposal does not figure in the Commission's Legislative and Work Programme for 2006.

3) LEGAL ELEMENTS OF THE PROPOSAL

- **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

- **Legal basis**

Article 26 of the EC Treaty

- **Subsidiarity principle**

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

- **Proportionality principle**

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

The proposed measures are in accordance with the objectives of the "Customs 2007" action programme.

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 concerning autonomous tariff suspensions and quotas (98/C 128/02).

- **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 suspensions and 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 € 1 845 073.

5) ADDITIONAL INFORMATION

- **Repeal of existing legislation**

Adopting this proposal will mean that Regulation (EC) No 151/2006 must be repealed.

- **Review/revision/sunset clause**

The proposal includes a sunset clause for all or part of the act.

- **Recasting**

The proposal involves recasting existing legislation.

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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 2505/96 opening and providing for the administration of autonomous Community tariff quotas for certain agricultural and industrial products². Community demand for the products in question should be met under the most favourable conditions. For that purpose new Community tariff quotas should be opened at reduced or zero rates of duty for appropriate volumes while avoiding any disturbance to the markets for these products.
- (2) The quota amount for an autonomous Community tariff quota is insufficient to meet the needs of the Community industry for the current quota period. Consequently, this quota amount should be increased.
- (3) Regulation (EC) No 2505/96 should therefore be amended accordingly.
- (4) Having regard to the economic importance of this Regulation, it is necessary to rely on the grounds of urgency provided for in point 1.3 of the Protocol on the role of national parliaments in the European Union annexed to the Treaty on European Union and to the Treaties establishing the European Community.
- (5) Since this Regulation is to apply from 1 July 2006, it should enter into force immediately,

¹ OJ C , , p. .

² OJ L 345, 31.12.1996, p.1. Regulation as last amended by Regulation (EC) No 151/2006 (OJ L 25, 28.1.2006, p.1).

HAS ADOPTED THIS REGULATION:

Article 1

The quotas listed in the Annex to this Regulation shall be added to Annex I to Regulation (EC) No 2505/96.

Article 2

For the quota period from 1 January to 31 December 2006, in Annex I to Regulation (EC) No 2505/96 the quota amount of tariff quota 09.2986 is fixed at 14 315 tonnes.

Article 3

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

This Regulation shall apply from 1 July 2006.

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

Done at Brussels,

*For the Council
The President*

ANNEX

Order No	CN code	Taric sub-division	Description	Quota volume	Quota duty %	Quota period
09.2967	7011 20 00	30	Glass face plate with a diagonal measurement of 63 cm (± 0.2 cm) from the outer edge to the outer edge and having a light transmission of 56.8% ($\pm 3\%$) by a glass thickness of 10.16 mm	150 000 units	0	1.7.-31.12.2006
09.2976	ex 8407 90 10	10	Four-stroke petrol engines of a cylinder capacity not exceeding 250 cm ³ for use in the manufacture of lawnmowers of sub-heading 8433 11 or mowers with motor of subheading 8433 2010 (a)	750 000 units	0	1.7.2006 – 30.6.2007
09.2977	2926 10 00		Acrylonitrile	40 000 tonnes	0	1.7.-31.12.2006
09.2986	ex 3824 90 99	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 (a)	14 315 tonnes	0	1.1.-31.12

(a) Checks on this prescribed end use shall be carried out pursuant to the relevant Community provisions.

**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 2006: € **12 905 400**

3. FINANCIAL IMPACT

- Proposal has no financial implications
- 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/yyyy	[Year n]
Article 120	<i>Impact on own resources</i>	1/1/2006	- 1.8

4. ANTI-FRAUD MEASURES

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

5. OTHER REMARKS

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. 1.2006:

Description of product	Variation in quota volume (unit/tonnes)	Variation in estimated price (€ per unit/€ per tonne)	Quota duty (%) (2005 CCT)	Quota duty (%)	Expected variation in the loss of revenue in relation to the previous quota period (in €)
Mixture of tertiary amines 09.2986	+ 315 t (initial volume: 14 000 t)	1 470	6.5	0	30 098

**Total loss of revenue in relation to previous quota period:
(€30 098 – €7 525) € 22 573 net.**

ANNEX II

Effective from 1.7.2006:

Description of product	Variation in quota volume (unit/tonnes)	Variation in estimated price (€ per unit/€ per tonne)	Quota duty (%) (2004 CCT)	Quota duty (%)	Expected variation in the loss of revenue in relation to the previous quota period (in €)
Glass face plate 09.2967	+ 150 000 units (initial volume: 0 units)	15	4	0	90 000
Acrylonitrile 09.2977	+ 40 000 tonnes (initial volume: 0 tonnes)	900	6.5	0	2 340 000

**Total loss of revenue in relation to previous quota period:
(€2 430 000 – €607 500) €1 822 500 net.**