



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 05.05.1998  
COM(1998) 284 final

98/ 0161 (ACC)

Proposal for a

COUNCIL REGULATION (EC)

**establishing a concession in the form of a Community tariff quota for Turkey in  
1998 in respect of hazelnuts and suspending certain concessions**

(presented by the Commission)



## EXPLANATORY MEMORANDUM

**Subject:** Draft Council Regulation establishing a concession in the form of a Community tariff quota for Turkey in 1998 in respect of hazelnuts and suspending certain concessions

The purpose of this draft Regulation is to suspend certain autonomous and conventional concessions granted to Turkey by the Community.

In 1996 Turkey banned all imports of live bovines and imposed restrictions on beef imports. It is the Commission's belief that such measures are unjustified and represent a non-tariff barrier to trade.

Bearing in mind the stalemate after three rounds of negotiations with Turkey on the above subject, the negative impact of the ban on our exports and the fact that the Community will not be able to benefit from the concessions granted to it by Turkey under the recently adopted Association Council Decision 1/98, it is proposed that the situation to be counterbalanced by means of the following measures:

- (1) Suspension of the opening of the autonomous quota for hazelnuts (CN codes 08022100 and 08022200);
- (2) Suspension of the opening of two conventional quotas for water melons (CN code ex 08071100) and certain processed tomatoes (CN codes 20029031, 20029039, 20029091 and 20029099).

These measures, intended to protect the Community's commercial interests, will be repealed by the Commission once Turkey has lifted the barriers to the preferential Community exports.

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**establishing a concession in the form of a Community tariff quota for Turkey in  
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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 Act of Accession of Austria, Finland and Sweden,

Having regard to the proposal from the Commission,

Whereas under the Agreement establishing an Association between the European Economic Community and Turkey<sup>1</sup> concessions were granted to that country in respect of certain agricultural products;

Whereas, following the accession of Austria, Finland and Sweden, the concession for hazelnuts should be adjusted to take account of the trade arrangements for that product which existed between Austria, Finland and Sweden, on the one hand, and Turkey, on the other;

Whereas, in accordance with Articles 76, 102 and 128 of the 1994 Act of Accession, the Community is required to adopt the necessary measures to remedy this situation; whereas those measures should take the form of autonomous Community tariff quotas covering the conventional preferential tariff concessions applied by Austria, Finland and Sweden;

Whereas Decision 1/98 of the EC-Turkey Association Council provides for the improvement and consolidation of trade preferences relating to the import into the

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<sup>1</sup> OJ L 217, 29.12.1964, p. 3687/64.

Community of agricultural products originating in Turkey and establishes a series of preferential concessions for Community exports of meat and live animals to Turkey;

Whereas in 1996 Turkey applied a ban on the import of live animals of the bovine species (CN code 0102) and restrictions on the import of beef (CN codes 0201-0202); whereas those measures, being quantitative restrictions, are incompatible with the Agreement and prevent the Community from benefiting from the concessions granted to it under Decision 1/98; whereas, despite talks from November 1997 to February 1998 intended to achieve a negotiated solution with Turkey to the problem, the quantitative restrictions are still in place;

Whereas, as a result of the restrictions, exports to Turkey of the products in question originating in the Community are blocked; whereas, in order to protect the Community's commercial interests, the situation should be counterbalanced by means of equivalent measures; whereas the concessions set out in the Annexes to this Regulation should therefore be suspended,

HAS ADOPTED THIS REGULATION;

#### Article 1

Without prejudice to the import arrangements in the Community applicable to hazelnuts under the Agreement concluded between the Community and Turkey, the existing Community tariff quota shall be increased autonomously for 1998 in accordance with Annex I to this Regulation. Articles 4 to 8 of Regulation (EC) No 1981/94<sup>2</sup> shall apply.

#### Article 2

The autonomous tariff quota of 9 060 tonnes laid down in Annex I and the two tariff quotas laid down in Annex II are hereby suspended.

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<sup>2</sup> OJ L 199, 2.8.1994, p. 1. Regulation last amended by Regulation (EC) No 650/98 of 23 March 1998 (OJ L 88, 24.3.1998, p. 8.).

### Article 3

In accordance with the procedure laid down in Article 29 of Regulation (EC) No 2200/96<sup>3</sup> or, as the case may be, in the corresponding Articles of the other regulations on the common organisation of markets in agricultural products, or in Articles 6 and 7 of Regulation (EC) No 1981/94, the Commission shall repeal the measures referred to in Article 2 once the barriers to preferential exports from the Community to Turkey have been lifted.

### Article 4

This Regulation shall enter into force on the day following 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,

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<sup>3</sup> OJL 297, 21.11.1996, p. 1.

Annex I						
Serial number	CN code	Description of goods	Size of conventional quota (in tonnes) (1)	Size of Autonomous quota (in tonnes)	Rate of duty applicable	
09.0201	08022100 08022200	Hazelnuts ( <i>Corylus spp.</i> ), fresh or dried, in shell or shelled	25000	9060	Free	
(1) Quota opened under Community preferential agreements.						

## Annex II

Serial number	CN code	Description of goods	Size of quota per year or per period indicated (tonnes)	Rate of duty applicable
90.217	ex 0807 11 00	Water melons, fresh: from 16 June to 31 March	14 000	Free
90.209	2002 90 31 2002 90 39 2002 90 91 2002 90 99	Tomatoes prepared or preserved otherwise than by vinegar or acetic acid, other than whole or in pieces, with a dry matter content of 12% or more by weight: from 1 July to 31 December	15 000, with a dry matter content of 28/30% by weight	Free



# FINANCIAL STATEMENT

1. BUDGET HEADING: Chapter 10 - Agricultural duties		APPROPRIATIONS: ECU 623,8m		
2. TITLE: Draft Council Regulation establishing a concession in the form of a Community tariff quota for Turkey in 1998 in respect of hazelnuts and suspending certain concessions				
3. LEGAL BASIS: Article 113 of the Treaty				
4. AIMS OF PROJECT: Provisionally to adapt the Community tariff quotas granted to Turkey following the enlargement of the Union.				
5.	FINANCIAL IMPLICATIONS	PERIOD OF 12 MONTHS ECU million	CURRENT FINANCIAL YEAR (1998) ECU million	FOLLOWING FINANCIAL YEAR 1999 ECU million
5.0.	EXPENDITURE - CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTION) - NATIONAL ADMINISTRATION - OTHER			
5.1.	REVENUE - OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES) - NATIONAL		- 172049 (1) + 3193101 (2)	
		1998	1999	2000
5.0.1.	ESTIMATED EXPENDITURE			
5.1.1.	ESTIMATED REVENUE	ECU 3m		
5.2.	METHOD OF CALCULATION: (See Annex)			
6.0.	CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET?			YES
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?			NO
OBSERVATIONS:				

1. Concession covering hazelnuts

This concession is an extension of the measure adopted in 1997 (Council Regulation (EC) No 1555/97).

Existing duty: 3.5%      Proposed duty: 0%

Autonomous quota: 9 060 t

Unit value cif: USD 4.5/kg or ECU 4.1/kg

Losses:  $9\,060\text{ t} \times 0.035 \times \text{ECU } 4.1/\text{kg} \times 90\% \times 1\,000 = -1\,170\,099$

Change in import flows or impact as compared with 1997:  $998\,050 - 1\,170\,099 = -172\,049$

2. Suspended concessions

Theoretical rise in own resources as a result of concessions suspended, assuming imports remain unchanged

Hazelnuts:  $9\,060\text{ t} \times 0.035 \times \text{ECU } 4.1/\text{kg} \times 90\% \times 1\,000 = 1\,170\,099$

Tomatoes:  $15\,000\text{ t} \times \text{ECU } 723/\text{t} \times 16.2\% = 1\,756\,890$

Watermelons:  $14\,000\text{ t} \times \text{ECU } 192/\text{t} \times 9.9\% = 266\,112$

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Total	+ 3 193 101

3. Should there be a fall in imports as a result of the concession suspended, the theoretical increase in own resources would fall by the same amount.



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# DOCUMENTS

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