

II

(Acts whose publication is not obligatory)

COUNCIL

COUNCIL DIRECTIVE

of 20 July 1976

on the application of Directive 69/73/EEC with regard to inward processing authorizations for certain products originating in EFTA States and the Faroe Islands

(76/616/EEC)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Directive 69/73/EEC of 4 March 1969 on the harmonization of provisions laid down by law, regulation or administrative action in respect of inward processing⁽¹⁾, as last amended by Directive 76/119/EEC⁽²⁾, and in particular Article 29 thereof,

Having regard to the proposal from the Commission,

Whereas, under the terms of Article 5 (1) of Directive 69/73/EEC, the granting of the benefit of inward processing arrangements presupposes that such processing will contribute towards providing the most favourable conditions for the export of goods resulting from such processing without conflicting with essential interests of producers within the Community;

Whereas undertakings in Denmark and the United Kingdom can obtain products originating in EFTA States free of duty without having to resort to the inward processing arrangements;

Whereas, on the other hand, undertakings established within the Community as originally constituted and

in Ireland must resort to the inward processing arrangements in order to obtain these products with suspension of duties; whereas recourse to these arrangements involves examining whether the conditions referred to in Article 5 (1) of Directive 69/73/EEC are fulfilled; whereas this examination must relate to the Community as currently constituted;

Whereas, in accordance with the timetable for tariff dismantling, products originating in EFTA States benefit, as a general rule, from a reduction to 20 % of the basic rate of customs duty upon importation into the Community as from 1 January 1976; whereas these customs duties are to be abolished by 1 July 1977 for most of these products; whereas this tariff dismantling results from the Agreements concluded between the European Economic Community and the EFTA States; whereas these Agreements were concluded with the said States by the following Regulations:

- Austria: Regulation (EEC) No 2836/72⁽³⁾,
- Sweden: Regulation (EEC) No 2838/72⁽⁴⁾,
- Switzerland: Regulation (EEC) No 2840/72⁽⁵⁾,
- Iceland: Regulation (EEC) No 2842/72⁽⁶⁾,
- Portugal: Regulation (EEC) No 2844/72⁽⁷⁾,
- Norway: Regulation (EEC) No 1691/73⁽⁸⁾,
- Finland: Regulation (EEC) No 3177/73⁽⁹⁾;

⁽³⁾ OJ No L 300, 31. 12. 1972, p. 1.

⁽⁴⁾ OJ No L 300, 31. 12. 1972, p. 96.

⁽⁵⁾ OJ No L 300, 31. 12. 1972, p. 188.

⁽⁶⁾ OJ No L 301, 31. 12. 1972, p. 1.

⁽⁷⁾ OJ No L 301, 31. 12. 1972, p. 164.

⁽⁸⁾ OJ No L 171, 27. 6. 1973, p. 1.

⁽⁹⁾ OJ No L 328, 28. 11. 1973, p. 1.

⁽¹⁾ OJ No L 58, 8. 3. 1969, p. 1.

⁽²⁾ OJ No L 24, 30. 1. 1976, p. 58.

Whereas as a result of this reduction in basic duties recourse to the inward processing arrangements cannot conflict with the essential interests of producers within the Community; whereas it appears advisable to grant to undertakings in the Community as originally constituted and in Ireland treatment equivalent to that available to undertakings in the United Kingdom and Denmark; whereas, to that end, the conditions of Article 5 (1) of Directive 69/73/EEC should be considered as being fulfilled;

Whereas the goods concerned are those falling within Chapters 25 to 99 of the Common Customs Tariff in so far as the rate of import duty is reduced as from 1 January 1976 to 20 % of the basic rate of customs duty defined in the abovementioned Agreements;

Whereas this Directive must apply to products originating in the Faroe Islands which, by virtue of Council Regulation (EEC) No 2051/74 of 1 August 1974 on the customs procedure applicable to certain products originating in and coming from the Faroe Islands⁽¹⁾, as amended by Regulation (EEC) No 1048/76⁽²⁾, benefit from arrangements similar to those from which products originating in the EFTA States benefit upon importation into the Community;

Whereas it is necessary to exclude from the scope of this Directive those processed agricultural products on which a variable component is levied on the basis of Article 5 (1) (b) of Council Regulation (EEC) No 1059/69 of 28 May 1969 laying down the trade arrangements applicable to certain goods resulting from the processing of agricultural products⁽³⁾, as last amended by Regulation (EEC) No 3058/75⁽⁴⁾; whereas these products must be treated in the same way as the products falling within Chapters 17 to 24 of the Common Customs Tariff to which this Directive does not apply;

Whereas the products listed in the Annex should also be excluded from the proposed rules,

HAS ADOPTED THIS DIRECTIVE:

Article 1

1. When goods falling within Chapters 25 to 99 of the Common Customs Tariff originating in Austria, Sweden, Switzerland, Iceland, Portugal, Norway, Finland or the Faroe Islands are introduced into the

Community in order to be processed there under inward processing arrangements, these operations shall be deemed, for the purposes of Article 5 (1) of Directive 69/73/EEC, to contribute towards the most favourable conditions for exports without conflicting with essential interests of Community producers, provided that the rate of import duty was reduced as from 1 January 1976 to 20 % of the basic rate of customs duty applicable in the Member State in which the processing takes place.

The origin of the goods shall be determined by Protocol 3 annexed to each Agreement concluded between the European Economic Community and the States referred to in this paragraph, or by Commission Regulation (EEC) No 3184/74 of 6 December 1974 concerning the definition of the concept of 'originating products' and methods of administrative cooperation for the application of the customs procedure applicable to certain products originating in and coming from the Faroe Islands⁽⁵⁾.

2. Paragraph 1 shall not apply to goods on which a variable component is levied on the basis of Article 5 (1) (b) of Regulation (EEC) No 1059/69 nor to the products listed in the Annex.

Article 2

1. Member States shall bring into force the measures necessary to comply with this Directive not later than 1 September 1976 and shall forthwith inform the Commission thereof.

2. The Commission shall communicate this information to the other Member States.

Article 3

This Directive shall apply until 30 June 1977.

Article 4

This Directive is addressed to the Member States.

Done at Brussels, 20 July 1976.

For the Council

The President

M. van der STOEL

(1) OJ No L 212, 2. 8. 1974, p. 33.

(2) OJ No L 120, 7. 5. 1976, p. 1.

(3) OJ No L 141, 12. 6. 1969, p. 1.

(4) OJ No L 306, 26. 11. 1975, p. 3.

(5) OJ No L 344, 23. 12. 1974, p. 1.

ANNEX

LIST OF PRODUCTS TO WHICH THE DIRECTIVE DOES NOT APPLY

(Article 1 (2))

CCT heading No	Description
CHAPTER 39	ARTIFICIAL RESINS AND PLASTIC MATERIALS, CELLULOSE ESTERS AND ETHERS AND ARTICLES THEREOF
50.09	Woven fabrics of silk or of waste silk other than noil
51.04	Woven fabrics of man-made fibres (continuous), including woven fabrics of monofil or strip of heading No 51.01 or 51.02
ex 53.11	Woven fabrics of sheep's or lambs' wool
55.07	Cotton gauze
73.10	Bars and rods (including wire rod), of iron or steel, hot-rolled, forged, extruded, cold-formed or cold-finished (including precision-made); hollow mining drill steel
73.12	Hoop and strip, of iron or steel, hot-rolled or cold-rolled
73.15	Alloy steel and high carbon steel in the forms mentioned in heading Nos 73.06 to 73.14
76.04	Aluminium foil (whether or not embossed, cut to shape, perforated, coated, printed, or backed with paper or other reinforcing material), of a thickness (excluding any backing) not exceeding 0.20 mm
76.06	Tubes and pipes and blanks therefor, of aluminium; hollow bars of aluminium
76.07	Tube and pipe fittings (for example, joints, elbows, sockets and flanges), of aluminium
84.06	Internal combustion piston engines
84.62	Ball, roller or needle roller bearings
85.18	Electrical capacitors, fixed or variable