



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 12.5.2006
COM(2006) 204 final

Proposal for a

COUNCIL REGULATION

**amending Regulation (EC) No 1255/96 temporarily suspending the autonomous
common customs tariff duties on certain industrial, agricultural and fishery products**

(presented by the Commission)

EXPLANATORY MEMORANDUM

1) CONTEXT OF THE PROPOSAL

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

The Commission, assisted by the Economic Tariff Questions Group, has reviewed all the requests for temporary suspension of autonomous common customs tariff duties presented to it by the Member States. The attached proposal concerns certain industrial and agricultural products. Requests for suspension relating to the above products were examined in the light of the criteria set out in the communication from the Commission concerning autonomous tariff suspensions and quotas (see OJ C 128, 25.4.1998, p. 2). Following this review, the Commission considers that the suspension of duties is justified for the products listed in Annex I to the attached proposal for a Regulation. Products for which suspension is no longer in the Community's economic interests have been withdrawn. The annexes to this Regulation list the products for which suspension is proposed, or for which the wording has to be changed, and the products removed from the Annex to Regulation (EC) No 1255/96. The validity period of the measure is 1 July 2006 to 31 December 2008, in order to carry out economic examinations of the individual suspensions in this period. The suspensions, whose cancellation or continuation is considered necessary by the Commission and Economic Tariff Questions Group shall be extended or deleted after this date.

- **General context**

It is in the interest of the Community to suspend partially or totally the autonomous common customs tariff duties for a number of new products not listed in the Annex to Council Regulation (EC) No 1255/96 temporarily suspending the autonomous common customs tariff duties on certain industrial, agricultural and fishery products.

- **Existing provisions in the area of the proposal**

OJ L 158, 29.6.1996, p. 1. Regulation last amended by Regulation (EC) No 300/2006 (OJ L 56, 25.2.2006, p. 1).

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

In line with agricultural, trade, enterprise, development and external relations policies.

2) CONSULTATION OF INTERESTED PARTIES AND IMPACT ASSESSMENT

- **Consultation of interested parties**

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 suspensions correspond to the agreement of the discussions inside the group.

- **Collection and use of expertise**

Scientific/expertise domains concerned

Experts representing the MS on the Economic Tariff Questions Group

Methodology used

Open consultation

Main organisations/experts consulted

Experts designated by each of the MS

Summary of advice received and used

The existence of potentially serious risks with irreversible consequences has not been mentioned.

Means used to make the expert advice publicly available

Publication of the Proposal

- **Impact assessment**

Not applicable

Proposal not included in the Commission's Working and Legislative Programme 2006

3) LEGAL ELEMENTS OF THE PROPOSAL

- **Summary of the proposed action**

Proposal for a Council Regulation amending Regulation (EC) No 1255/96 temporarily suspending the autonomous common customs tariff duties on certain industrial, agricultural and fishery products

- **Legal basis**

Article 26

- **Subsidiarity principle**

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

- **Proportionality principle**

The proposal complies with the proportionality principle for the following reason(s).

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 set out to simplify the procedures for the operators engaged in foreign trade and in accordance with the Commission communication concerning autonomous tariff suspensions and quotas.

- **Choice of instruments**

Proposed instruments: regulation.

Other means would not be adequate for the following reason(s).

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

5) ADDITIONAL INFORMATION

- **Simplification**

The proposal provides for simplification of legislation.

In the annex of the proposed regulation a differential list of all duty suspensions will be published.

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amending Regulation (EC) No 1255/96 temporarily suspending the autonomous common customs tariff duties on certain industrial, agricultural and fishery 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) It is in the interest of the Community to suspend partially or totally the autonomous common customs tariff duties for a number of new products not listed in the Annex to Council Regulation (EC) No 1255/96².
- (2) A number of products which are referred to in the said Regulation should be withdrawn from the list in the Annex because it is no longer in the Community's interest to maintain suspension of autonomous common customs tariff duties or because the description needs to be altered in order to take account of technical product developments and economic trends on the market.
- (3) Accordingly, products whose description needs to be altered should be regarded as new products.
- (4) The validity period of the measure should be 1 July 2006 to 31 December 2008, in order to be able to carry out economic examinations of the individual suspensions in this period. Eight years of experience have shown the necessity to provide for an expiry date to the suspensions listed in to this Regulation to ensure account is taken of technological and economic changes. This should not exclude the premature termination of certain measures or their continuation beyond this period, if economic reasons are submitted, in accordance with the principles laid down in the Commission Communication concerning autonomous tariff suspensions and quotas³.
- (5) Regulation (EC) No 1255/96 should therefore be amended accordingly.
- (6) Since this Regulation is to apply from 1 July 2006, it should enter into force immediately,

¹ OJ C[], [], p.[]

² OJ L 158, 29.6.1996, p. 1. Regulation as last amended by Regulation (EC) No 300/2006 (OJ L 56, 25.2.2006, p. 1).

³ OJ C 128, 25.4.1998, p.2.

HAS ADOPTED THIS REGULATION:

Article 1

The Annex to Regulation (EC) No 1255/96 is amended as follows:

- (1) The text set out in Annex I to this Regulation is inserted;
- (2) The products for which the codes are set out in Annex II to this Regulation are deleted.

Article 2

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

It shall apply from 1 July 2006.

However, for products with TARIC codes 5205 31 00 10 and 8414 30 89 20 it shall apply from 1 January 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 I

CN code	TARIC	Description	Rate of autonomous duty	Validity period
ex 2904 90 85	40	3-Bromo-5-nitro-trifluoromethyl benzene	0 %	1.7.2006- 31.12.2008
ex 2909 19 00	40	Bis(2-ethoxyethyl)ether	0 %	1.7.2006- 31.12.2008
ex 2912 29 00	20	<i>p</i> -Phenylbenzaldehyde	0 %	1.7.2006- 31.12.2008
ex 2916 12 90	40	2,4-Di- <i>tert</i> -pentyl-6-[1-(3,5-di- <i>tert</i> -pentyl-2-hydroxyphenyl)ethyl]phenylacrylate	0 %	1.7.2006- 31.12.2008
ex 2921 42 10	35	2-Nitroaniline	0 %	1.7.2006- 31.12.2008
ex 2921 42 10	45	2,4,5-Trichloroaniline	0 %	1.7.2006- 31.12.2008
ex 2921 43 00	40	4-Aminotoluene-3-sulphonic acid	0 %	1.7.2006- 31.12.2008
ex 2921 51 19	30	2-Methyl- <i>p</i> -phenylenediamine sulphate	0 %	1.7.2006- 31.12.2008
ex 2922 29 00	25	5-Amino- <i>o</i> -cresol	0 %	1.7.2006- 31.12.2008
ex 2922 49 95	50	D-(-)-Dihydrophenylglycine	0 %	1.7.2006- 31.12.2008
ex 2927 00 00	60	4,4'-Dicyano-4,4'-azodivaleric acid	0 %	1.7.2006- 31.12.2008
ex 2930 90 70	76	2,2'-Dithiodi(benzoic acid)	0 %	1.7.2006- 31.12.2008
ex 2930 90 70	77	4-[4-(2-Propenyloxy)phenylsulphonyl]phenol	0 %	1.7.2006- 31.12.2008
ex 2931 00 95	96	3-(Hydroxyphenylphosphinoyl)propionic acid	0 %	1.7.2006- 31.12.2008
ex 2931 00 95	97	Potassium 4-tolylphosphinate, in the form of an aqueous solution	0 %	1.7.2006- 31.12.2008
ex 2932 29 85	80	Gibberellic acid with a minimum purity by weight of 88 %	0 %	1.7.2006- 31.12.2008
ex 2933 19 90	50	Fenpyroximate (ISO)	0 %	1.7.2006- 31.12.2008
ex 2934 99 90	85	Aprepitant (INN)	0 %	1.7.2006- 31.12.2008

CN code	TARIC	Description	Rate of autonomous duty	Validity period
ex 2935 00 90	81	4-Amino- <i>N</i> -(4-aminophenyl)benzenesulphonamide	0 %	1.7.2006- 31.12.2008
ex 2935 00 90	82	<i>N</i> -(5,7-Dimethoxy[1,2,4]triazolo[1,5-a]pyrimidin-2-yl)-2-methoxy-4-(trifluoromethyl)pyridine-3-sulphonamide	0 %	1.7.2006- 31.12.2008
ex 3204 15 00	60	Dyestuff C.I. Vat Blue 4	0 %	1.7.2006- 31.12.2008
ex 3204 19 00	81	6,11-Difluoro-3,3-di-(4-methoxyphenyl)-13,13-dimethyl-3,13-dihydrobenzo[<i>h</i>]indeno[2,1- <i>f</i>]chromene	0 %	1.7.2006- 31.12.2008
ex 3204 19 00	82	3-(4-Fluorophenyl)-3-(4-piperidinophenyl)-13,13-dimethyl-3,13-dihydrobenzo[<i>h</i>]indeno[2,1- <i>f</i>]chromene	0 %	1.7.2006- 31.12.2008
ex 3204 19 00	83	6,7-Dimethoxy-11-cyano-3,3-di-(4-methoxyphenyl)-13,13-dimethyl-3,13-dihydrobenzo[<i>h</i>]indeno[2,1- <i>f</i>]chromene	0 %	1.7.2006- 31.12.2008
ex 3207 30 00	10	Preparation containing : — not more than 85% by weight of silver, — not less than 2% by weight of palladium, — barium titanate, — terpineol, and — ethyl cellulose, used for screen printing in the manufacture of multilayer ceramic capacitors (1)	0 %	1.7.2006- 31.12.2008
ex 3402 13 00	10	Vinyl copolymer surface active agent based on polypropylene glycol	0 %	1.7.2006- 31.12.2008
ex 3506 91 00	30	Two component microencapsulated epoxy adhesive dispersed in a solvent	0 %	1.7.2006- 31.12.2008
ex 3707 10 00	30	Preparation based on photosensitive acrylic containing polymer, containing colour pigments, 2-methoxy-1-methylethylacetate and cyclohexanone and whether or not containing ethyl-3-ethoxypropionate	0 %	1.7.2006- 31.12.2008
ex 3811 90 00	10	Dinonylnaphthylsulphonic acid salt, in a mineral oil solution	0 %	1.7.2006- 31.12.2008
ex 3815 90 90	16	Initiator based on dimethylaminopropyl urea for the manufacture of polyurethane foam systems (1)	0 %	1.7.2006- 31.12.2008
ex 3819 00 00	20	Fire resistant hydraulic fluid based on phosphate ester	0 %	1.7.2006- 31.12.2008
ex 3824 90 99	12	Oligomer of tetrafluoroethylene, having one iodoethyl end-group	0 %	1.7.2006- 31.12.2008

CN code	TARIC	Description	Rate of autonomous duty	Validity period
ex 3824 90 99	27	Preparation based on: 2-pentanone, 4-methyl-O,O',O"- (methylsilylidine)trioxime and 4-methyl-2-butanone-O, O',O" ,O"-silane tetrayl tetraoxime	0 %	1.7.2006- 31.12.2008
ex 3824 90 99	34	Mixture of phytosterols in the form of a crystalline waxy powder, containing by weight: — 36 % or more, but not more than 79 % of sitosterols, — 15 % or more, but not more than 34 % of sitostanols, — 4 % or more, but not more than 25 % of campesterols, — 0 % or more, but not more than 14 % of campestanols	0 %	1.7.2006- 31.12.2008
ex 3824 90 99	90	Hollow spheres of fused aluminosilicate containing 65-80 % amorphous aluminosilicate, with the following characteristics: — a melting point of between 1600 °C and 1800 °C, — a density of 0.6 - 0.8 g/cm³, for use in the manufacture of particle filters in motor vehicles (1)	0 %	1.7.2006- 31.12.2008
ex 3904 61 00	60	Mixture of polytetrafluoroethylene (PTFE), sodium chloride and a nonionic surfactant	0 %	1.7.2006- 31.12.2008
ex 3907 20 21	20	Copolymer of tetrahydrofuran and tetrahydro-3-methylfuran with an average molecular weight of 3500 (± 100)	0 %	1.7.2006- 31.12.2008
ex 3907 30 00	50	Liquid epoxide resin of 2-propenenitrile/1,3-butadiene-epoxide copolymer, not containing any solvent, with: — a zinc borate hydrate content not exceeding 40 % by weight, — a diantimony trioxide content not exceeding 5 % by weight	0 %	1.7.2006- 31.12.2008
ex 3907 99 19	40	Copolymer of isophthalic acid and 5-sodiosulphoisophthalic acid with cyclohexanedimethanol and diethylene glycol	0 %	1.7.2006- 31.12.2008
ex 3912 90 10	20	Hydroxypropyl methylcellulose phthalate	0 %	1.7.2006- 31.12.2008
ex 3917 32 39	30	Thermo-shrinkable polystyrene tube for use in the manufacture of zinc-carbon batteries (1)	0 %	1.7.2006- 31.12.2008
ex 3919 90 31	15	Poly(ethylene terephthalate) film, with a coloured layer on one side and a self adhesive layer on the other, coated on both sides with protective film, with an overall thickness of 100 (± 10) µm, in rolls, for the manufacture of optical filters (1)	0 %	1.7.2006- 31.12.2008
ex 3920 62 19	77	Sheet of poly(ethylene terephthalate), containing: — temperature-sensitive layers which form primary colours after heating, — reflective layer, — protective layer, to be used in polychromatic thermal printers (1)	0 %	1.7.2006- 31.12.2008

CN code	TARIC	Description	Rate of autonomous duty	Validity period
ex 3920 99 90	10	Biodegradable sheet of a thickness not exceeding 1 mm containing by weight: — 90 % (± 5 %) starch, — 10 % (± 5 %) of a synthetic polymer, — 0.5 % (± 0.5 %) of stearic acid	0 %	1.7.2006- 31.12.2008
ex 3926 90 98	40	Hollow microspheres of a copolymer of isooctylacrylate and acrylic acid, having a diameter of 10 µm or more but not exceeding 1000 µm, dispersed in water	0 %	1.7.2006- 31.12.2008
ex 5205 31 00	10	Six ply yarn of bleached cotton, measuring 925 dtex or more but not more than 989 dtex per single yarn, for the manufacture of tampons (1)	0 %	1.1.2006- 31.12.2008
ex 6805 10 00	10	Abrasive in the form of identically shaped particles on a support	0 %	1.7.2006- 31.12.2008
ex 6805 20 00	10			
ex 6805 30 80	10			
ex 7019 90 99	30	High modulus glass cord (K) impregnated with rubber, obtained from twisted high modulus glass filament yarns, coated with a latex comprising a resorcinol-formaldehyde resin with or without vinylpyridine and/or hydrogenated acrylonitrile-butadiene rubber (HNBR)	0 %	1.7.2006- 31.12.2008
ex 8305 20 00	10	Staples of a width of 12 mm (± 1 mm) and a depth of 8 mm (± 1 mm) for use in copiers and printers (1)	0 %	1.7.2006- 31.12.2008
ex 8414 30 89	20	Vehicle air conditioning system part, consisting of an open shaft reciprocating compressor of a power exceeding 0.4 kW but not exceeding 10 kW	0 %	1.1.2006- 31.12.2008
ex 8414 90 00	40	Drive part, for compressors of air conditioning machines of motor vehicles (1)	0 %	1.7.2006- 31.12.2008
ex 8505 11 00	33	Magnets consisting of an alloy of neodymium, iron and boron, either in the shape of a rounded rectangle with measurements not exceeding 15 x 10 x 2 mm, or in the shape of disc with a diameter not exceeding 90 mm, whether or not containing a hole in the centre	0 %	1.7.2006- 31.12.2008
ex 8505 20 00	20	Electromagnetic wrap spring clutch with a diameter not exceeding 40 mm, for use in the manufacture of copiers and printers, including multi-functional copiers (1)	0 %	1.7.2006- 31.12.2008
ex 8505 20 00	30	Electromagnetic clutch, for use in the manufacture of compressors of air conditioning machines of motor vehicles (1)	0 %	1.7.2006- 31.12.2008

CN code	TARIC	Description	Rate of autonomous duty	Validity period
ex 8529 90 81	45	Integrated circuit package with TV reception functionality containing a channel decoder die, tuner die, power management die, GSM filters and discrete as well as embedded passive circuit elements for reception of digitally broadcasting videosegments of DVB-T and DVB-H formats	0 %	1.7.2006- 31.12.2008

(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. 71).

ANNEX II

CN code	TARIC
ex 2903 30 80	60
ex 2924 19 00	20
ex 3811 90 00	10
ex 8414 30 89	20
ex 8505 11 00	33

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

1. NAME OF THE PROPOSAL:

Proposal for a Council Regulation amending Regulation (EC) No 1255/96 temporarily suspending the autonomous common customs tariff duties on certain industrial, agricultural and fishery products

2. BUDGET LINES:

Chapter and Article: Chap. 12 art. 120

Amount budgeted for the years 2006, 2007 and 2008: 9.8 millions/year

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 ⁴	6 month period, starting dd/mm/yyyy	[Year 2006, 2007 and 2008]
Article 120	<i>Impact on own resources</i>	01/07/2006 – 31/12/2008	- 9.8/year

4. ANTI-FRAUD MEASURES

Checks on the end-use of some of the products covered by this Council Regulation will be carried out in accordance with Articles 291 to 300 of Commission Regulation (EEC) No 2454/93 laying down provisions for the implementation of the Community Customs Code.

⁴ 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.

5. OTHER REMARKS

In order to reduce the economic problems an expiry date has been set out.

This proposal contains the amendments which must be made to the annex to the existing Regulation in order to take account of the following:

1. new requests for suspension which have been presented and accepted;
2. technical product developments and economic trends on the market resulting in the lifting of certain existing suspensions.

Addition

This Annex, in addition to the amendments resulting from changes to CN codes, contains 52 new products. The uncollected duties corresponding to these suspensions, calculated on the basis of expected imports into the requesting Member State for 2006, 2007 and 2008, total MEUR 7.3/year.

On the basis of the existing statistics for the preceding years, it would appear, however, that this amount must be increased by an average factor, estimated at 1.8, to take account of imports into other Member States using the same suspensions. This means **a loss of revenue of some MEUR 13.2/year.**

Withdrawal:

2 products have been withdrawn from this annex reflecting the reintroduction of customs duties. This represents **an increase of MEUR 0.1 in resources**, as calculated from requests for suspension or available statistics (2004).

Estimated cost of this operation

Taking available statistics (2004) as a basis, the impact on the loss of revenue resulting from this Regulation may therefore be estimated at $13.2 - 0.1 = \text{MEUR } 13.1$ (gross amount, expenses incurred in collection included) $\times 0.75 = \text{EUR } 9.8 \text{ MEUR/year for the period 1.7.2006- 31.12.2008.}$

The shortfall in traditional own resources will have to be made up by the Member States by topping up the GNP component.