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COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 15.1.2009  
COM(2009) 3 final

Proposal for a

**COUNCIL REGULATION**

**amending Annex I to Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff**

(presented by the Commission)

## EXPLANATORY MEMORANDUM

### 1) CONTEXT OF THE PROPOSAL

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

The aim of this draft Council Regulation is to amend the current autonomous duty suspension for certain type of monitors for which customs duties are currently autonomously suspended until 31 December 2008.

- **General context**

Council Regulation (EC) n° 301/2007 of 19 March 2007 amending Annex I to Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff suspended totally, for a limited period, the autonomous Common Customs Tariff duties for monitors using liquid crystal display technology, with a diagonal measurement of the screen of 48,5 cm or less and a screen aspect ratio of 4:3 or 5:4 and classifiable under CN code 8528 59 90. This measure expires on 31 December 2008.

After examining a proposal submitted by the European industry and having taken into account the consumers interests, the Commission has decided to propose amending the scope of the current autonomous duty suspension by introducing colour monitors with a diagonal measurement of the screen not exceeding 55,9 cm (i.e. 22 inches) and the additional aspect ratios of 1:1 and 16:10, and black and white or other monochrome monitors with a diagonal measurement of the screen not exceeding 77,50 cm (i.e. 30.5 inches).

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

Council Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff.

Council Regulation (EC) No 301/2007 of 19 March 2007 amending Annex I to Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs. This Council regulation will expire by 31 December 2008.

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

In line with external trade and industry policies.

### 2) CONSULTATION OF INTERESTED PARTIES AND IMPACT ASSESSMENT

- **Consultation of interested parties**

*Consultation methods, main sectors targeted and general profile of respondents*

The Tariff and Statistical Nomenclature Section (Mechanical/Miscellaneous Sector) of the Customs Code Committee.

EICTA (European Information, Communications and Consumer Electronics Technology Industry Association).

Summary of responses and how they have been taken into account

The proposal is in accordance with the views expressed by the interested parties.

- **Collection and use of expertise**

Scientific/expertise domains concerned

Customs nomenclature, external trade and industry policy.

Methodology used

Meetings with experts representing Member States.

Consultations with EICTA.

Main organisations/experts consulted

The Tariff and Statistical Nomenclature Section of the Customs Code Committee and EICTA.

Summary of advice received and used

It is for consumer benefit reasons and in order to promote the trade between Member states and third countries in the interest of the Community to expand the current autonomous duty suspension for certain types of monitors for 2 years starting 1 January 2009.

Means used to make the expert advice publicly available

Publication of the Proposal.

- **Impact assessment**

Trade facilitation

### 3) LEGAL ELEMENTS OF THE PROPOSAL

- **Summary of the proposed action**

Proposal for a COUNCIL REGULATION amending Annex I to Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff.

- **Legal basis**

Art 26 of the Treaty.

- **Subsidiarity principle**

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

- **Proportionality principle**

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

As foreseen in the Treaty it promotes the trade between Member states and third countries and balances the commercial interest of economic operators (manufacturers in the Community and importers) without changing the EC WTO schedule.

- **Choice of instruments**

Proposed instruments: Council 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 in the range of 350 MEURO.

**5) TIMETABLE**

Approximate timing deemed advisable by the Commission services:

Adoption by the Council: January/February 2009.

Publication in the OJ: as soon as possible after adoption.

Proposal for a

## COUNCIL REGULATION

### **amending Annex I to Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff**

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 Commission<sup>1</sup>,

Whereas:

- (1) Council Regulation (EC) No 301/2007 of 19 March 2007 amending Annex I to Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff<sup>2</sup> suspended totally, for a period of two years, the autonomous Common Customs Tariff duties for monitors using liquid crystal display technology, with a diagonal measurement of the screen of 48,5 cm or less and a screen aspect ratio of 4:3 or 5:4 and classifiable under CN code 8528 59 90.
- (2) This suspension measure expires on 31 December 2008.
- (3) On consumer benefit grounds, to ensure rational development of production and an expansion of consumption within the Community and to promote trade between Member States and third countries, it is in the interest of the Community to extend the current autonomous duty suspension for two years starting on 1 January 2009 and to increase the diagonal measurement of the screen to 55,9 cm (22 inches) and to add the additional aspect ratios of 1:1 and 16:10.
- (4) For the same reasons, it is also in the interest of the Community to provide for a suspension for two years starting on 1 January 2009 for black and white or other monochrome monitors with a diagonal measurement of the screen not exceeding 77,5 cm (30,5 inches) and with the same aspect ratios as for colour monitors.
- (5) Council Regulation (EEC) No 2658/87<sup>3</sup> should therefore be amended accordingly.
- (6) As the suspensions provided for in this Regulation are an extension of the suspension introduced by Regulation (EC) No 301/2007 that expires on 31 December 2008 and since it is not in the interest of the Community that there is an interruption of the tariff

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<sup>1</sup> OJ C , , p. .

<sup>2</sup> OJ L 81, 22.3.2007, p. 11

<sup>3</sup> OJ L 256, 7.9.1987, p. 1.

treatment of the monitors covered by the suspension, this Regulation should apply from 1 January 2009,

HAS ADOPTED THIS REGULATION:

#### *Article 1*

In Part Two, Section XVI, Chapter 85, of Annex I to Regulation (EEC) No 2658/87, the text in column 3 for CN code 8528 59 10 shall be replaced by the following:

“14(\*)

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\* Customs duty autonomously suspended, until 31 December 2010, for

black and white or other monochrome monitors, using liquid crystal display technology, equipped with either Digital Visual Interface (DVI) or a Video Graphics Array (VGA) connector or both

with a diagonal measurement of the screen not exceeding 77.50 cm (i.e. 30,5 inches),

with an aspect ratio of 1:1, 4:3, 5:4 or 16:10,

with a pixel resolution exceeding 1.92 mega pixels, and

with a dot pitch not exceeding 0,3mm.

(TARIC code 8528 59 10 10)"

#### *Article 2*

In Part Two, Section XVI, Chapter 85, of Annex I to Regulation (EEC) No 2658/87, the text in column 3 for CN code 8528 59 90 shall be replaced by the following:

“14(\*)

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\* Customs duty autonomously suspended, until 31 December 2010, for

colour monitors, using liquid crystal display technology, with a diagonal measurement of the screen not exceeding 55,9 cm (i.e. 22 inches), with an aspect ratio of 1:1, 4:3, 5:4 or 16:10. (TARIC code 8528 59 90 40)"

#### *Article 3*

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 January 2009.

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

Done at Brussels,

*For the Council*

*the President*



**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 Annex I to Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff

**2. BUDGET LINES:**

Chapter and Article: Chap. 12 art. 120

**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:

It is difficult to precisely estimate the loss of own resources involved: indeed precise statistics for imports of monitors fulfilling the criteria set out in the proposed regulation are not available given that there is currently no tariff line for these specific products.

On the basis of the imports realized in 2007, the maximum loss of revenue has been estimated to 350 MEURO.

(€million to one decimal place)

Budget line	Revenue <sup>4</sup>	12 month period, starting dd/mm/yyyy	[Year n]
Article 120	<i>Impact on own resources</i>	01/01/2009	350.000.000

**4. ANTI-FRAUD MEASURES**

Application of the normal measures under the Community Customs Code.

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<sup>4</sup> 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