



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 25.9.2006
COM(2006) 544 final

Proposal for a

COUNCIL REGULATION

**amending Regulation (EC) No 379/2004 as regards the increase of the volumes of tariff
quotas for certain fishery products for the period 2004 to 2006**

(presented by the Commission)

EXPLANATORY MEMORANDUM

1) CONTEXT OF THE PROPOSAL

- **Grounds for and objectives of the proposal/General context**

It is in the interest of the EU to increase certain existing autonomous tariff quotas, because the processing industries in some Member States are facing serious difficulties in securing for themselves sufficient Community supplies of certain fishery products. In order to overcome the shortage of raw materials, a shortage which is exacerbated by a need to adopt strict conservation measures, the industry is using substitute products originating from third countries.

Council Regulation (EC) No 379/2004 of 24 February 2004 (OJ L 64) laying down autonomous Community tariff quotas for certain fishery products for the period 2004 to 2006. The proposal is to amend this regulation in the course of the year 2006 in order to adjust the supply situation to changed circumstances in the catch sector and on the import markets .

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

Council Regulation (EC) No 379/2004 of 24 February 2004 (OJ L 64) laying down autonomous Community tariff quotas for certain fishery products for the period 2004 to 2006.

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

In line with agricultural, fisheries, trade, development and external relations policies. It will not be at the expenses of developing countries enjoying a preferential trading agreement with the EU, i.e.GSP and ACP regime.

2) CONSULTATION OF INTERESTED PARTIES AND IMPACT ASSESSMENT

- **Consultation of interested parties**

Consultation methods, main sectors targeted and general profile of respondents

Consultation of Member States through the Management Committee for Fisheries Products and through the Advisory Committee on Fisheries and Aquaculture. Informal consultative contacts with the EU industry (EU Fish Producers Association, Federation of National Organisations of Importers and Exporters of Fish)

Summary of responses and how they have been taken into account

The proposed measures are supported by a large majority of Member States.

- **Collection and use of expertise**

Scientific/expertise domains concerned

Experts representing the Member States on the Management Committee for Fishery

Products

Methodology used

Open consultation

Main organisations/experts consulted

Experts designated by each of the MS

Consultation of the Management Committee for Fishery Products on 28 February 2006 and on 6 April 2006. Consultation of the Advisory Committee for Fisheries (ACFA) Working Group III Markets and Trade on 15 February 2006. First meeting with Community stakeholders on 31 January 2006: EU Fish Producers Association (AIPCE) and the Federation of National Organisations of Importers and Exporters of Fish (CEP). Second meeting with AIPCE/CEP on 20 March 2006.

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 379/2004 opening and providing for the management of autonomous Community tariff quotas for certain fishery products for the period 2004 to 2006

- **Legal basis**

Art 26 of the EC Treaty

- **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):

It is necessary to adopt measures to alleviate serious supply shortages of the processing industry for the remainder of 2006.

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 (98/C 128/02).

- **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. A regulation is required to ensure direct applicability and uniformity throughout the Community.

4) BUDGETARY IMPLICATION

Uncollected customs duties with a total amount of € 10 247 777.

5) ADDITIONAL INFORMATION

- **European Economic Area**

The proposed act concerns an EEA matter and should therefore extend to the European Economic Area

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amending Regulation (EC) No 379/2004 as regards the increase of the volumes of tariff quotas for certain fishery products for the period 2004 to 2006

(Text with EEA relevance)

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) To ensure an adequate supply of certain fishery products to the Community processing industries, autonomous Community tariff quotas have been laid down in Council Regulation (EC) No 379/2004 of 24 February 2004 opening and providing for the management of autonomous Community tariff quotas for certain fishery products for the period 2004 to 2006.²
- (2) The processing industries in some Member States are facing serious difficulties in securing for themselves sufficient Community supplies of certain fishery products. In order to overcome the shortage of raw materials, the industry is using substitute products originating from third countries.
- (3) It is therefore appropriate to increase the volumes of tariff quotas for certain products laid down in Regulation (EC) No 379/2004 for the current quota period which ends in 2006.
- (4) Regulation (EC) No 379/2004 should therefore be amended accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

In the Annex to Regulation (EC) No 379/2004 the rows relating to order numbers 09.2759, 09.2761, 09.2770, 09.2785, 09.2790 and 09.2794 are replaced by the text set out in the Annex to this Regulation.

¹ OJ C [...],[...], p.[...].

² OJ L 64, 2.3.2004, p. 7.

Article 2

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

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

Done at Brussels,

For the Council
The President

ANNEX

09.2759	ex 0302 50 10	20	Cod (<i>Gadus morhua</i> , <i>Gadus ogac</i> , <i>Gadus macrocephalus</i>), excluding livers and roes, fresh, chilled or frozen, for processing (a)(b)	70.000	0	1.1.2004-31.12.2006
	ex 0302 50 90	10				
	ex 0303 60 11	10				
	ex 0303 60 19	10				
	ex 0303 60 90	10				
09.2761	ex 0304 20 91	10	Blue grenadier (<i>Macruronus</i> spp.), frozen fillets and other meat, for processing (a)(b)	20.000	0	1.1.2004-31.12.2006
	ex 0304 20 94	41				
		81				
		60				
	ex 0304 90 97	86				
09.2770	ex 0305 63 00	10	Anchovies (<i>Engraulis anchoita</i>), salted or in brine, but not dried or smoked, for processing (a)(b)	8.000	0	1.1.2004-31.12.2006
09.2785	ex 0307 49 59	10	Tubes of squid (<i>Ommastrephes</i> spp. – excluding <i>Ommastrephes sagittatus</i> –, <i>Nototodarus</i> spp., <i>Sepioteuthis</i> spp.) and <i>Illex</i> spp., frozen, with skin and fins, for processing (a)(b)	40.000	3.5	1.1.2004-31.12.2006
	ex 0307 99 11	10				
09.2790	ex 1604 14 16	20	Fillets known as ‘loins’ of tunas and skipjack, for processing (a)(b)	5.500	6	1.1.2004-31.12.2006
		30				
		95				
09.2794	ex 1605 20 99	45	Shrimps and prawns of the species <i>Pandalus borealis</i> , cooked and peeled, for processing (a)(b)	10.000	6	1.1.2004-31.12.2006

(a) Control of the use for this special purpose shall be carried out pursuant to the relevant Community provisions.

(b) This quota is available for products intended to undergo any operation, unless it is solely for one or more of the following operations:

- cleaning, gutting, tailing, heading,
- cutting (excluding dicing, filleting, production of flaps or cutting of frozen blocks or splitting of frozen interleaved fillet blocks),
- sampling, sorting,
- labelling,
- packing,
- chilling,
- freezing,
- deep freezing,
- thawing, separation.

The quota is not available for products intended, in addition, to undergo treatment (or operations) which gives quota entitlement, where such treatment (or operations) is (are) carried out at retail or catering level. The reduction of customs duties shall apply only to fish intended for human consumption.

**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 379/2004 opening and providing for the management of autonomous Community tariff quotas for certain fishery products for the period 2004 to 2006

2. BUDGET LINES:

Chapter and Article: Chap. 12 art. 120

Amount budgeted for the year 2006: 12.905,4 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 ³	Year 2006
Article 120	Impact on own resources	- 10.3/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.

5. OTHER REMARKS

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

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.

1. requests for increases of autonomous tariff quotas which have been presented and accepted;
2. changes of the fishing possibilities and developments on the market resulting in supply shortages

Estimated cost of this operation

Taking available statistics (2004 and 2005) as a basis, the impact on the loss of revenue resulting from this Regulation may therefore be estimated at 10.2 MEUR for the remainder of the year 2006 (see Annex)

Order No	Variation in quota volume (unit/tonnes)	Estimated price (€ per tonne)	Conventional duty (%) (2006 CCT)	Quota duty (%)	Expected variation in the loss of revenue in relation to the previous quota amount (in €)
09.2759	20.000	2.374	12	0	5.679.600
09.2761	5.000	1.865	7.5 + 15 (average = 11.25)	0	1.049.062
09.2770	6.000	1.446	10	0	867.600
09.2785	10.000	2.421	8	3.5	1.936.800
09.2790	1.500	3.414	24	6	1.229.040
09.2794	3.000	4.836	20	6	2.901.600

Total loss of revenue in relation to previous quota amounts: (€ 13.681.702,50 – € 3.420.425,63) = € 10.261.276,88 net.