

ARCHIVES HISTORIQUES DE LA COMMISSION

COLLECTION RELIEE DES
DOCUMENTS "COM"

COM (83) 579

Vol. 1983/0218

Historical Archives of the European Commission

Disclaimer

Conformément au règlement (CEE, Euratom) n° 354/83 du Conseil du 1er février 1983 concernant l'ouverture au public des archives historiques de la Communauté économique européenne et de la Communauté européenne de l'énergie atomique (JO L 43 du 15.2.1983, p. 1), tel que modifié par le règlement (CE, Euratom) n° 1700/2003 du 22 septembre 2003 (JO L 243 du 27.9.2003, p. 1), ce dossier est ouvert au public. Le cas échéant, les documents classifiés présents dans ce dossier ont été déclassifiés conformément à l'article 5 dudit règlement.

In accordance with Council Regulation (EEC, Euratom) No 354/83 of 1 February 1983 concerning the opening to the public of the historical archives of the European Economic Community and the European Atomic Energy Community (OJ L 43, 15.2.1983, p. 1), as amended by Regulation (EC, Euratom) No 1700/2003 of 22 September 2003 (OJ L 243, 27.9.2003, p. 1), this file is open to the public. Where necessary, classified documents in this file have been declassified in conformity with Article 5 of the aforementioned regulation.

In Übereinstimmung mit der Verordnung (EWG, Euratom) Nr. 354/83 des Rates vom 1. Februar 1983 über die Freigabe der historischen Archive der Europäischen Wirtschaftsgemeinschaft und der Europäischen Atomgemeinschaft (ABl. L 43 vom 15.2.1983, S. 1), geändert durch die Verordnung (EG, Euratom) Nr. 1700/2003 vom 22. September 2003 (ABl. L 243 vom 27.9.2003, S. 1), ist diese Datei der Öffentlichkeit zugänglich. Soweit erforderlich, wurden die Verschlussachen in dieser Datei in Übereinstimmung mit Artikel 5 der genannten Verordnung freigegeben.

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(83) 579 final

Brussels, 10 October 1983

Proposal for a
COUNCIL REGULATION (EEC)
on the application of Decision No _____ of the EEC-Israel Cooperation
Council amending Article 30 of Protocol No 3 to the Agreement between
the European Economic Community and the State of Israel

(submitted to the Council by the Commission)

Draft

DECISION No. _____ OF THE EEC-ISRAEL COOPERATION COUNCIL

amending Article 30 of Protocol No 3 to the Agreement between the
European Economic Community and the State of Israel

COM(83) 579 final

EXPLANATORY MEMORANDUM

Article 30 of Protocol No 3 to the EEC-Israel Agreement, on the definition of the concept of originating products and arrangements for administrative cooperation, prohibits any kind of drawback or remission of customs duties on non-originating products used in the manufacture of originating products from 1 January 1984 onwards. This "no drawback" rule is designed to ensure that application of the Agreement does not lead to the deflection of trade where the customs duties on preferential trade have become negligible.

The Community abolished customs duties on imports of nearly all products originating in Israel on 1 July 1977, but the dismantling of Israel's tariffs on most manufactured imports from the Community (listed in Annex A to Protocol No 2) has been set back by two years¹. This means that the reduction in force on 1 January 1984 will be 50 %, not 80 %.

If the no drawback rule comes into force on 1 January 1984 as planned, Community businessmen will be operating under a twofold disadvantage, since their exports to Israel will still be liable for 50 % duty, and they will be unable to recover the import duties they have paid on third-country products used in the manufacture of the exported goods. This is a matter for particular concern in that some 90 % of Community exports to Israel consist of manufactures, and it is to manufactures that the no drawback rule applies.

It should be noted that it was the Israeli authorities, concerned about the short-term administrative and economic problems which the introduction of the no drawback rule could create for Israeli exports, who raised the question of setting back the date laid down in Article 30.

.../...

¹ Second additional protocol to the Agreement, in OJ No L 102, 14 April 1981

Since both parties have an interest, therefore, in seeing the introduction of the prohibition delayed, and in order to bring the clause into line with the tariff timetable, it is proposed that the date for implementation of Article 30 of Protocol No 3 be changed from 1 January 1984 to 1 January 1986.

Proposal for a
COUNCIL REGULATION (EEC)

on the application of Decision No of the EEC-Israel Cooperation Council
amending Article 30 of Protocol No 3 to the Agreement between the European
Economic Community and the State of Israel

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,
and in particular Article 113 thereof,

Having regard to the proposal from the Commission,

Whereas the Agreement between the European Economic Community and the
State of Israel¹ was signed on 11 May 1975 and entered into force on
1 July 1975 ;

Whereas pursuant to Article 25 of Protocol No 3 on the definition of the
concept of "originating products" and arrangements for administrative co-
operation, which is an integral part of the Agreement, the Cooperation
Council has adopted Decision No amending Article 30 of the said
Protocol No 3 ;

Whereas that Decision should be made operative in the Community,

HAS ADOPTED THIS REGULATION :

Article 1

Decision No of the EEC-Israel Cooperation Council, annexed to this Regulation,
shall be applicable in the Community

.../...

¹ OJ No L 136, 28.5.1975, p. 1

Article 2

This Regulation shall enter into force on the third 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,

For the Council
The President

Draft

DECISION No OF THE EEC-ISRAEL COOPERATION COUNCIL

amending Article 30 of Protocol No 3 to the Agreement between the European Economic Community and the State of Israel

THE COOPERATION COUNCIL,

Having regard to the Agreement between the European Economic Community and the State of Israel signed in Brussels on 11 May 1975,

Having regard to Protocol No 3 on the definition of the concept of "originating products" and arrangements for administrative cooperation¹, hereinafter referred to as Protocol No 3, and in particular Article 25 thereof,

Whereas at present Article 30 of Protocol No 3 stipulates that unless the Cooperation Council decides otherwise, no drawback or remission of any kind may be granted from customs duties in respect of non-originating products used in the manufacture of originating products as from 1 January 1984 ;

Whereas the second additional protocol to the Agreement, concluded in 1981², extends by two years the process of dismantling tariffs on products listed in Annex A to Protocol No 2 to the Agreement ; whereas for this reason the entry into force on 1 January 1984 of the prohibition contained in Article 30 of Protocol No 3 could have consequences damaging to preferential trade ;

Whereas it is Israel's wish to have more time to adjust its customs arrangements to allow for implementation of the prohibition ;

Whereas the introduction of the prohibition should be delayed for two years, in line with the timetable in force for tariffs,

.../...

¹ OJ No L 190, 29.7.1977, p. 3

² OJ No L 102, 14.4.1981 p. 1

HAS DECIDED AS FOLLOWS :

Article 1

The text of Article 30 of Protocol No 3 to the Agreement is hereby replaced by the following :

"Article 30

1. As from 1 January 1986 no drawback or remission of any kind may be granted from customs duties in the Community or in Israel in respect of products referred to in Article 1 of Protocols 1 and 2 and used in manufacture which do not originate in the Community or Israel.
2. In this and the preceding Articles, the term 'customs duties' also means charges having an equivalent effect to customs duties.

Article 2

This Decision shall enter into force on

Done at Brussels,

For the Cooperation Council

The President