Council Regulation (EC) No 587/2008 of 16 June 2008 amending Regulation (EC) No 866/2004 on a regime under Article 2 of Protocol 10 to the Act of Accession concerning rules on goods, services and persons crossing the Green Line in Cyprus

COUNCIL REGULATION (EC) No 587/2008

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amending Regulation (EC) No 866/2004 on a regime under Article 2 of Protocol 10 to the Act of Accession concerning rules on goods, services and persons crossing the Green Line in Cyprus

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to Protocol No 10 on Cyprus[(1)] to the 2003 Act of Accession, and in particular Article 2 thereof,

Having regard to Protocol No 3 on the Sovereign Base Areas of the United Kingdom of Great Britain and Northern Ireland in Cyprus[(2)] to the 2003 Act of Accession, in particular Article 6 thereof,

Having regard to the proposal from the Commission,

Whereas:

(1) Council Regulation (EC) No 866/2004[(3)] lays down special rules concerning goods, services and persons crossing the line between the areas of the Republic of Cyprus in which the Government of the Republic of Cyprus does not exercise effective control and those areas of the Republic of Cyprus in which the Government of the Republic of Cyprus exercises effective control.

(2) Trade and economic interaction on the island need to be enhanced in the light of experience gained since Regulation (EC) No 866/2004 including the previous amendment entered into force.

(3) To that end, the duties on agricultural products originating in the areas of the Republic of Cyprus in which the Government of the Republic of Cyprus does not exercise effective control should be generally removed. To allow for that, the safeguard clause in Regulation (EC) No 866/2004 needs to be strengthened.

(4) The temporary introduction of goods from the areas of the Republic of Cyprus in which the Government of the Republic of Cyprus does not exercise effective control into the areas of the Republic of Cyprus in which the Government of the Republic of Cyprus exercises effective control should be regulated, in order to encourage the provision of services by companies established in the areas of the Republic of Cyprus in which the Government of the Republic of Cyprus does not exercise effective control across the line and in order to facilitate participation by those companies in trade fairs or similar events in areas of the Republic of Cyprus in which the Government of the Republic of Cyprus exercises effective control. Furthermore, goods destined to be repaired in the

Changes to legislation: *There are currently no known outstanding effects for the Council Regulation (EC) No 587/2008. (See end of Document for details)*

areas of the Republic of Cyprus in which the Government of the Republic of Cyprus exercises effective control should be allowed to cross the line.

(5) Reasonable evidence should be provided that the introduction of such goods is effected on a temporary basis. The customs authorities of the Republic of Cyprus or the authorities of the Eastern Sovereign Base Area may ask for a guarantee to cover any potential customs or fiscal debts if certain temporarily introduced goods are not returned to the areas of the Republic of Cyprus in which the Government of the Republic of Cyprus does not exercise effective control.

(6) In connection with persons crossing the line from the areas of the Republic of Cyprus in which the Government of the Republic of Cyprus does not exercise effective control into the areas of the Republic of Cyprus in which that Government exercises effective control, it should be clarified that their personal effects shall be considered to have been declared for temporary introduction. The same should apply to means of transport.

(7) The total value of goods contained in the personal luggage of persons crossing the line from the areas of the Republic of Cyprus in which the Government of the Republic of Cyprus does not exercise effective control into the areas of the Republic of Cyprus in which that Government exercises effective control needs to be substantially increased so as to encourage economic development in the areas of the Republic of Cyprus in which the Government of the Republic of Cyprus does not exercise effective control.

(8) Regulation (EC) No 866/2004 should therefore be amended accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EC) No 866/2004 is amended as follows:

1. in Article 4, paragraph 2 shall be replaced by the following:

2. The goods referred to in paragraph 1 shall not be subject to a customs declaration. They shall not be subject to customs duties or charges having equivalent effect. In order to ensure effective controls, the quantities crossing the line shall be registered.;

2. the following Article shall be inserted:

Article 4a

Temporary introduction of goods

1 With the exception of goods which are subject to veterinary and phytosanitary requirements, the following goods may be temporarily introduced from the areas of the Republic of Cyprus in which the Government of the Republic of Cyprus does not exercise effective control into the areas of the Republic of Cyprus in which the Government of the Republic of Cyprus exercises effective control:

a the personal effects of persons crossing the line reasonably required for the journey and goods for sport purposes;

b means of transport;

c professional equipment;

d goods destined to be repaired;

e goods to be exhibited or used at a public event.

2 The goods referred to in paragraph 1 may be introduced for a period of up to six months.

3 The goods referred to in paragraph 1 do not need to fulfil the conditions laid down in Article 4(1).

4 If the goods referred to in paragraph 1, are not returned to the areas of the Republic of Cyprus in which the Government of the Republic of Cyprus does not exercise effective control on the expiry of the period of temporary introduction provided for under paragraph 2, they shall be subject to confiscation by the customs authorities of the Republic of Cyprus.

5 In the event of the temporary introduction of the goods referred to in points (a) and (b) of paragraph 1 of this Article, Articles 229, 232, 579 and 581 of Commission Regulation (EEC) No 2454/93[(4)] shall apply *mutatis mutandis*.

In the event of the temporary introduction of the goods referred to in points (c), (d) and (e) of paragraph 1 of this Article, the following procedure shall be followed:

a the goods shall be accompanied by a declaration by the person introducing them stating the purpose of the temporary introduction and supporting documentation, as appropriate, providing reasonable evidence that the goods fall into one of the three categories listed in points (c), (d) and (e) of paragraph 1 of this Article;

b the goods shall be registered by the customs authorities of the Republic of Cyprus or by the authorities of the Eastern Sovereign Base Area when they enter and leave the areas of the Republic of Cyprus in which the Government of the Republic of Cyprus exercises effective control or the Eastern Sovereign Base Area;

c the customs authorities of the Republic of Cyprus and the authorities of the Eastern Sovereign Base Area may make the temporary introduction of the goods conditional upon the provision of a guarantee in order to ensure that any customs or fiscal debt which may be incurred in respect of those goods will be paid.

6 The Commission may adopt specific rules in accordance with the procedure referred to in Article 4(12).

3. In Article 6, paragraph 1 and paragraph 2 shall be replaced by the following:

1. Council Directive 69/169/EEC of 28 May 1969 on the harmonisation of provisions laid down by Law, Regulation or Administrative Action relating to exemption from turnover tax and excise duty on imports in international travel[(5)] and Regulation (EEC) No 918/83 of 28 March 1983 setting up a Community system of reliefs from customs duty[(6)] shall not apply, but goods contained in the personal luggage of persons crossing the line shall be exempt from turnover tax and excise duty as well as from other duties provided they have no commercial character and their total value does not exceed EUR 260 per person.

2 The quantitative limits for exemptions from turnover tax and excise duty as well as from other duties shall be 40 cigarettes and 1 litre of spirits for personal consumption.