Council Regulation (EC) No 1870/2006 of 11 December 2006 on trade in certain steel products between the Community and the Republic of Kazakhstan

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on trade in certain steel products between the Community and the Republic of Kazakhstan

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 133 thereof,

Having regard to the Treaty of Accession of Bulgaria and Romania, and in particular Article 4(3) thereof,

Having regard to the Act of Accession of Bulgaria and Romania, and in particular Article 56 thereof,

Having regard to the proposal from the Commission,

Whereas:

(1) Article 17(1) of the Partnership and Cooperation Agreement between the European Communities and their Member States, and the Republic of Kazakhstan[(1)] provides that trade in certain steel products are to be subject to a specific Agreement on quantitative arrangements.

(2) The current Agreement between the European Community and the Government of the Republic of Kazakhstan on trade in certain steel products[(2)], concluded on 19 July 2005, will expire on 31 December 2006.

(3) Preliminary discussions between the Parties indicate that both of them intend to conclude a new Agreement for 2007 and subsequent years.

(4) Pending the signature and entry into force of the new Agreement, quantitative limits for 2007 should be established.

(5) Given that the conditions that led to the fixing of the quantitative limits for 2006 remain in place, it is appropriate to set the quantitative limits for 2007 at the same level as for 2006.

(6) It is necessary to provide the means to administer this regime within the Community in such a way as to facilitate the implementation of the new Agreement by envisaging as much as possible similar provisions.

(7) It is necessary to ensure that the origin of the products in question is checked and appropriate methods of administrative cooperation are set up to this end.

Changes to legislation: *There are currently no known outstanding effects for the Council Regulation (EC) No 1870/2006. (See end of Document for details)*

(8) Products placed in a free zone or imported under the arrangements governing customs warehouses, temporary importation or inward processing (suspension system) should not be counted against the limits established for the products in question.

(9) The effective application of this Regulation calls for the introduction of a requirement for a Community import licence for the entry into free circulation in the Community of the products in question.

(10) In order to ensure that these quantitative limits are not exceeded, it is necessary to establish a management procedure whereby the competent authorities of the Member States do not issue import licences before obtaining confirmation from the Commission that appropriate amounts remain available within the quantitative limit in question,

HAS ADOPTED THIS REGULATION:

Article 1

1 This Regulation shall apply from 1 January 2007 to 31 December 2007 to imports into the Community of steel products listed in Annex I originating in the Republic of Kazakhstan.

2 The steel products shall be classified in product groups as set out in Annex I.

3 The classification of products listed in Annex I shall be based on the Combined Nomenclature (CN) established by Council Regulation (EEC) No 2658/87[(3)].

4 The origin of the products referred to in paragraph 1 shall be determined in accordance with the rules in force in the Community.

Article 2

1 The importation into the Community of the steel products listed in Annex I originating in the Republic of Kazakhstan shall be subject to the quantitative limits laid down in Annex V. The release for free circulation in the Community of the products set out in Annex I originating in the Republic of Kazakhstan shall be subject to the presentation of a certificate of origin, set out in Annex II, and of an import licence issued by the Member States' authorities in accordance with the provisions of Article 4.

2 In order to ensure that quantities for which import licences are issued do not exceed at any moment the total quantitative limits for each product group, the competent authorities listed in Annex IV shall issue import licences only upon confirmation by the Commission that there are still quantities available within the quantitative limits for the relevant product group of steel products in respect of the supplier country, for which an importer or importers have submitted applications to the said authorities.

3 The authorised imports shall be counted against the relevant quantitative limit set out in Annex V. Shipment of products shall be considered as having taken place on the date on which they were loaded onto the exporting means of transport.

Article 3

1 The quantitative limits referred to in Annex V shall not apply to products placed in a free zone or free warehouse or imported under the arrangements governing customs warehouses, temporary importation or inward processing (suspension system).

2 Where the products referred to in paragraph 1 are subsequently released for free circulation, either in the unaltered state or after working or processing, Article 2(2) shall apply

and the products so released shall be counted against the relevant quantitative limit set out in Annex V.

Article 4

1 For the purpose of applying Article 2(2), before issuing import licences, the competent authorities of the Member States listed in Annex IV shall notify the Commission of the amounts of the requests for import licences, supported by original export licences, which they have received. By return, the Commission shall notify whether the requested amount(s) of quantities are available for importation in the chronological order in which the notifications of the Member States are received ('first come, first served basis').

2 The requests included in the notifications to the Commission shall be valid if they establish clearly in each case the exporting country, the product code concerned, the amounts to be imported, the number of the export licence, the quota year and the Member State in which the products are intended to be put into free circulation.

3 As far as possible, the Commission shall confirm to the authorities the full amount indicated in the requests notified for each group of products.

4 The competent authorities shall notify the Commission immediately after being informed of any quantity that is not used during the duration of validity of the import licence. Such unused quantities shall automatically be transferred into the remaining quantities of the total Community quantitative limit for each product group.

5 The notifications referred to in paragraphs 1 to 4 shall be communicated electronically within the integrated network set up for this purpose, unless, for imperative technical reasons, it is necessary to use other means of communication temporarily.

6 The import licences or equivalent documents shall be issued in accordance with Articles 12 to 16.

7 The competent authorities of the Member States shall notify the Commission of any cancellation of import licences or equivalent documents already issued in cases where the corresponding export licences have been withdrawn or cancelled by the competent authorities of the Republic of Kazakhstan. However, if the Commission or the competent authorities of a Member State have been informed by the competent authorities of the Republic of Kazakhstan of the withdrawal or cancellation of an export licence after the related products have been imported into the Community, the quantities in question shall be set off against the relevant quantitative limit set out in Annex V.

Article 5

1 Where the Commission has indications that products listed in Annex I originating in the Republic of Kazakhstan have been transhipped, rerouted or otherwise imported into the Community through circumvention of the quantitative limits referred to in Article 2 and that there is a need for the necessary adjustments to be made, it shall request that consultations be opened so that agreement may be reached on the necessary adjustment of the corresponding quantitative limits to be made.

2 Pending the outcome of the consultations referred to in paragraph 1, the Commission may ask the Republic of Kazakhstan to take the necessary precautionary steps to ensure that adjustments to the quantitative limits agreed following such consultations may be carried out.

3 Should the Community and the Republic of Kazakhstan fail to arrive at a satisfactory solution and should the Commission note that there is clear evidence of circumvention,

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the Commission shall deduct from the quantitative limits an equivalent volume of products originating in the Republic of Kazakhstan.

Article 6

1 An export licence (to be issued by the competent authorities of the Republic of Kazakhstan) shall be required in respect of any consignment of steel products subject to the quantitative limits laid down in Annex V up to the level of the said limits.

2 The original of the export licence shall be presented by the importer for the purposes of the issue of the import licence referred to in Article 12.

Article 7

1 The export licence for quantitative limits shall conform to the specimen set out in Annex II and shall certify, *inter alia*, that the quantity of goods in question has been set off against the quantitative limit established for the product group concerned.

2 Each export licence shall cover only one of the product groups listed in Annex I.

Article 8

Exports shall be set off against the relevant quantitative limits set out in Annex V and shipped within the meaning of Article 2(3).

Article 9

1 The export licence referred to in Article 6 may include additional copies duly indicated as such. The export licence and the copies thereof, as well as the certificate of origin and the copies, thereof, shall be drawn up in English.

2 If the documents referred to in paragraph 1 are completed by hand, entries must be in ink and in block letters.

3 The export licences or equivalent documents shall measure 210 × 297 mm. The paper shall be white writing paper, sized, not containing mechanical pulp and weighing not less than 25 g/m^2. Each part shall have a printed guilloche pattern background making any falsification by mechanical or chemical means apparent to the eye.

4 Only the original shall be accepted by the competent authorities in the Community as being valid for import purposes in accordance with the provisions of this Regulation.

5 Each export licence or equivalent document shall bear a standardised serial number, whether or not printed, by which it can be identified.

6 The serial number shall be composed of the following elements:

— two letters identifying the exporting country as follows:

KZ	=	Republic of Kazakhstan

— two letters identifying the Member State of intended destination as follows:

BE	=	Belgium
BG	=	Bulgaria
CZ	=	Czech Republic
DK	=	Denmark
DE	=	Germany
EE	=	Estonia
EL	=	Greece

ES	=	Spain
FR	=	France
IE	=	Ireland
IT	=	Italy
CY	=	Cyprus
LV	=	Latvia
LT	=	Lithuania
LU	=	Luxembourg
HU	=	Hungary
MT	=	Malta
NL	=	Netherlands
AT	=	Austria
PL	=	Poland
PT	=	Portugal
RO	=	Romania
SI	=	Slovenia
SK	=	Slovakia
FI	=	Finland
SE	=	Sweden
GB	=	United Kingdom,

— a one-digit number identifying the quota year corresponding to the last figure in the year in question, e.g. ‘7’ for 2007,

— a two-digit number identifying the issuing office in the exporting country,

— a five-digit number running consecutively from 00 001 to 99 999 allocated to the specific Member State of destination.

Article 10

The export licence may be issued after the shipment of the products to which it relates. In such cases it shall bear the endorsement ‘issued retrospectively’.

Article 11

In the event of the theft, loss or destruction of an export licence, the exporter may apply to the competent authority which issued the document for a duplicate to be made out on the basis of the export documents in his possession.

The duplicate licence issued in this way shall bear the endorsement ‘duplicate’. It shall bear the date of the original licence.

Article 12

1 To the extent that the Commission, pursuant to Article 4, has confirmed that the amount requested is available within the quantitative limit in question, the competent authorities of the Member States shall issue an import licence within a maximum of five working days of the presentation by the importer of the original of the corresponding export licence. This presentation must be effected not later than 31 March of the year following that in which the goods covered by the licence have been shipped. Import licences shall be issued by the competent authorities of any Member State irrespective of the Member State indicated on the export licence, to the extent that the Commission, pursuant to Article 4, has confirmed that the amount requested is available within the quantitative limit in question.

2 The import licences shall be valid for four months from the date of their issue. Upon duly motivated request by an importer, the competent authorities of a Member State may extend the duration of validity for a further period not exceeding four months.