# COMMISSION REGULATION (EC) No 1110/2003

## of 26 June 2003

## amending Regulation (EC) No 1249/96 on rules of application (cereal sector import duties) for Council Regulation (EEC) No 1766/92

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 1766/92 of 30 June 1992 on the common organisation of the market in cereals [1], as last amended by Regulation (EC) No 1104/2003 [2], and in particular Article 10(4) thereof,

Whereas:

(1) Following discussions of interpretation concerning the method for the fixation and adjustment of import duties and relevant costs associated with sea freight, it is necessary to modify the relevant provisions of Commission Regulation (EC) No 1249/96 [3], as last amended by Regulation (EC) No 1900/2002 [4], in order to improve clarity.

(2) In accordance with Decision 2003/254/EC [5] and Decision 2003/253/EC [6], the Council approved the conclusion of Agreements in the form of an Exchange of Letters between the European Community and the United States of America, and the European Community and Canada, respectively, relating to the modification of concessions with respect to cereals provided for in Schedule CXL annexed to the GATT. The Agreements amend the conditions for importing barley and medium and low quality common wheat by fixing import quotas for these products from 1 January 2003.

(3) Pursuant to the above Decisions the Council authorised the Commission to derogate temporarily for these products from the system of import duties provided for in Article 10(2) of Regulation (EEC) No 1766/92, pending approval of a formal amendment of that Regulation. To allow the Agreements approved by the Council to be implemented as from 1 January 2003, the Commission adopted temporary implementing provisions in Regulation (EC) No 2378/2002 [7], as amended by Regulation (EC) No 611/2003 [8]. These temporary arrangements expire on 30 June 2003.

(4) At this stage, the permanent rules of application of the Agreements approved by the Council should be adopted.

(5) Consequently, it is appropriate to insert in Regulation (EC) No 1249/96, on a permanent basis, the provisions of Regulation (EC) No 2378/2002, since they have operated satisfactorily during the first semester of 2003.

(6) Taking into consideration that the malting barley deduction is abolished and the high quality milling wheat deduction will operate as a premium, specific product abatements linked to end-use provisions will be applicable only to flint maize. In these conditions, current arrangements for end-use provisions need to be simplified and harmonised with general customs legislation.

(7) In cases where certificates of conformity are accepted for high quality products (high quality common and durum wheat with Canada and the United States and flint maize with Argentina), it is important to limit the amount of the securities to the minimum level possible. The only security applicable in the case of certification of conformity should be the security linked to the import licence.

(8) Regulation (EC) No 1249/96 should therefore be amended accordingly.

(9) The Management Committee for Cereals has not delivered an opinion within the time limit laid down by its chairman,

HAS ADOPTED THIS REGULATION:

*Article 1*

Regulation (EC) No 1249/96 is amended as follows:

(1) Article 2 is amended as follows:

(a) Paragraphs 1 and 2 are replaced by the following:

'1. The import duties indicated in Article 10(2) of Regulation (EEC) No 1766/92 on products of CN codes 1001 10 00, 1001 90 91, ex 1001 90 99 (high quality common wheat), 1002 00, 1005 10 90, 1005 90 00 and 1007 00 90 shall be calculated daily but fixed on the 15th day and the last working day of each month by the Commission for application from the 16th day of the month and the first day of the following month. Where the 15th is not a Commission working day the duties shall be fixed on the working day preceding the 15th of the month in question. However, if during the period of application of the duties thus fixed the average import duty calculated differs by EUR 5 per tonne or more from that fixed, the corresponding adjustment shall be made.

[1] OJ L 181, 1.7.1992, p. 21.
[2] See page 1 of this Official Journal.
[3] OJ L 161, 29.6.1996, p. 125.
[4] OJ L 287, 25.10.2002, p. 15.
[5] OJ L 95, 11.4.2003, p. 40.
[6] OJ L 95, 11.4.2003, p. 36.
[7] OJ L 358, 31.12.2002, p. 101.
[8] OJ L 87, 4.4.2003, p. 4.

2. The price to be used for the calculation of the import duty shall be the daily cif representative import price determined as specified in Article 4. For each fixing, the import duty considered is the average of import duties calculated during the previous 10 working days. For fixing and adjustments, the Commission shall not take account of daily import duties used for the previous fixing.

The intervention price to be used for calculation of the duties shall be that of the month in which the import duty applies.'

(b) The second subparagraph of paragraph 3 is deleted.

(c) Paragraph 5 is replaced by the following:

'5. Import duties shall be reduced by EUR 24 per tonne on flint maize meeting the specifications laid down in Annex I. In order to benefit from this reduction, flint maize must be processed into a product of CN codes 1904 10 10, 1103 13 or 1104 23 within six months from the date of entry for free circulation. The end-use provisions of Article 82 of Council Regulation (EEC) No 2913/92 (*) and Articles 291 to 300 of Commission Regulation (EC) No 2454/93 (**) shall apply.

Notwithstanding Article 293(1)(e) of Regulation (EC) No 2454/93, the importer shall lodge with the competent authority an additional security of EUR 24 per tonne for flint maize, except when import licence applications are accompanied by certificates of conformity issued by the Argentine Servicio Nacional de Sanidad y Calidad Agroalimentaria (Senasa) mentioned in Article 6(1) of the present Regulation. In this case, the import licence shall contain in box 24 the mention of the type of certificate of conformity.

If however the duty applicable on the date of the acceptance of the customs declaration of release for free circulation is less than EUR 24 per tonne for maize, the security shall be equal to the duty amount.

(*) OJ L 302, 19.10.1992, p. 1.
(**) OJ L 253, 11.10.1993, p. 1.'

(2) Articles 4 and 5 are replaced by the following:

'*Article 4*

1. For common wheat of high quality, durum wheat, maize and the other feed grains referred to in Article 2(1), the components determining the representative cif import prices indicated in Article 10(2) of Regulation (EC) No 1766/92 shall be:

(a) the representative exchange quotation on the market of the United States of America;

(b) the known commercial premiums and discounts attached to this quotation in the United States market on the quotation day and in particular, in the case of durum wheat, attached to the meal quality;

(c) sea freight and associated costs between the United States (Gulf of Mexico or Duluth) and the port of Rotterdam for a vessel of at least 25 000 tonnes.

2. The Commission shall record each working day:

(a) the component referred to in point (a) of paragraph 1 from the exchanges and using the reference qualities shown in Annex II;

(b) components referred to in points (b) and (c) of paragraph 1 from publicly available information.

3. With a view to calculating the component referred to in point (b) of paragraph 1 or the relevant fob quotation, the following premiums and discounts apply:

— premium of EUR 14 per tonne for high quality common wheat,

— discount of EUR 10 per tonne for medium quality durum wheat,

— discount of EUR 30 per tonne for low quality durum wheat.

4. The representative cif import prices for durum wheat, high quality common wheat and maize shall be the sum of the components referred to in points (a), (b) and (c) of paragraph 1. The representative cif import prices for rye and sorghum shall be calculated using the barley quotations in the United States, according to the provisions of Annex II.

5. The representative cif import prices for common wheat seed of CN code 1001 90 91 and maize seed of CN code 1005 10 90 shall be those calculated for high quality common wheat and maize respectively.

*Article 5*

1. Import licence applications for high quality common wheat shall be valid only if the applicant:

(a) enters the quality to be imported in box 20 of the import licence;

(b) gives a written commitment to lodge with the relevant competent body on the date of acceptance of the declaration of release for free circulation a specific security additional to those required under Commission Regulation (EC) No 1162/95 (*).

The additional security referred to in point (b) of the first subparagraph, shall be EUR 95 per tonne. However, in cases where the import licence is to be accompanied by certificates of conformity issued by the Federal Grain Inspection Service (FGIS) and by the Canadian Grain Commission (CGC) as referred to in Article 6, no additional security is required. In this case, the import licence shall contain in box 24 the mention of the type of certificate of conformity.

2. Import licence applications for durum wheat shall be valid only if the applicant:

(a) enters the quality to be imported in box 20 of the import licence;

(b) gives a written commitment to lodge with the relevant competent body on the day of the acceptance of the declaration of release for free circulation a specific security additional to those required under Regulation (EC) No 1162/95, if the import duty on the quality shown in box 20 is not the highest duty for the product category in question.

The amount of the additional security referred to in point (b) of the first subparagraph shall be the difference on the day of the acceptance of the declaration of release for free circulation between the highest duty and that applicable to the quality shown, plus a supplement of EUR 5 per tonne. However, where the import duty applicable to the different qualities of durum wheat is zero, the commitment referred to in point (b) of the first subparagraph shall not be required.

Where the import licence is to be accompanied by certificates of conformity issued by the Federal Grain Inspection Service (FGIS) and by the Canadian Grain Commission (CGC) as referred to in Article 6, no additional security is required. In this case, the import licence shall contain in box 24 the mention of the type of certificate of conformity.

(*) OJ L 117, 24.5.1995, p. 2.'

(3) Article 6 is amended as follows:

(a) Paragraph 1 is replaced by the following:

'1. The customs office of release for free circulation shall take representative samples, in accordance with the Annex to Commission Directive 76/371/EEC (*), of every consignment of durum wheat, high quality common wheat and of flint maize. However, sampling shall not take place where the import duty for the different qualities is the same.

If, however, the Commission officially recognises a quality certificate for common wheat, durum wheat or flint maize issued by the country of origin of the cereals, samples shall be taken for verification of the certified quality only from a sufficiently representative number of consignments.

1a. The following certificates of conformity shall be officially recognised by the Commission pursuant to the principles laid down in Articles 63 to 65 of Regulation (EEC) No 2454/93:

— certificates issued by the Servicio Nacional de Sanidad y Calidad Agroalimentaria (Senasa) of Argentina for flint maize,

— certificates issued by the Federal Grains Inspection Service (FGIS) of the United States of America for high quality common wheat and high quality durum wheat,

— certificates issued by the Canadian Grain Commission (CGC) of Canada for high quality common wheat and high quality durum wheat.

A blank specimen of the certificates of conformity issued by Senasa is given in Annex IV. Reproduction of the stamps authorised by the Argentine government shall be published in the *Official Journal of the European Union*.

Blank specimens of the certificates of conformity and stamps issued by the FGIS are given in Annex IVa.

Blank specimens of the certificates of conformity, export grade specifications and stamps issued by the CGC are given in Annex IVb.

When the analytical parameters entered in the certificates of conformity issued by the entities referred to in the first subparagraph show conformity with the common wheat, durum wheat and flint maize quality standards given in Annex I of the present Regulation, samples shall be taken of at least 3 % of the cargoes arriving at each entry port during the marketing year.

The goods shall be classed in the standard quality for which all the requirements indicated in Annex I are met.

(*) OJ L 102, 15.4.1976, p. 1.'

(b) Paragraph 3 is replaced by the following:

'3. If the analysis results show the imported common wheat, durum wheat and flint maize to be of a lower standard quality than entered on the import licence the importer shall pay the difference between the import duty applicable to the product shown on the licence and that on the product actually imported. In this case, the security for the import licence referred to in Article 10(a) of Regulation (EC) No 1162/95 and the additional security referred to in Articles 2(5), 5(1) and 5(2) to this Regulation shall be released, except for the EUR 5 supplement provided for in Article 5(2).

If the difference referred to in the first subparagraph is not paid within one month the security indicated in Article 2(5) and Article 5(1) and (2) shall be forfeit.'

(4) The text in Annex I to this Regulation is inserted as Annex IVa.

(5) The text in Annex II to this Regulation is inserted as Annex IVb.

*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*.

It shall apply from 1 July 2003.

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

Done at Brussels, 26 June 2003.

*For the Commission*

Franz FISCHLER

*Member of the Commission*