COMMISSION REGULATION (EC) No 764/2003

of 30 April 2003

suspending for a period of three months, with regard to sugar of CN codes 1701 and 1702 imported from Serbia and Montenegro, the arrangements provided for in Council Regulation (EC) No 2007/2000 introducing exceptional trade measures for countries and territories participating in or linked to the European Union's Stabilisation and Association process

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 2007/2000 of 18 September 2000 introducing exceptional trade measures for countries and territories participating in or linked to the European Union's Stabilisation and Association process, amending Regulation (EC) No 2820/98 and repealing Regulations (EC) No 1763/1999 and (EC) No 6/2000 [1], as last amended by Commission Regulation (EC) No 607/2003 [2], and in particular Article 12(1) thereof,

Whereas:

(1) A significant and rapid increase in preferential imports of sugar into the Community from Serbia and Montenegro was registered since the beginning of 2001. Exports of sugar from the Community to this country also increased significantly in 2001. This development of trade in both directions appeared highly artificial, leading the Commission services to meet in March 2002 and to decide to take action with a view to clarify the situation.

(2) By letter dated 8 April 2002, the competent authorities of Serbia and Montenegro were requested to provide explanations for the situation and to fully cooperate with both the Commission and the Member States concerned in dealing with this matter.

(3) On 12 April 2002, the Commission called on the Member States to proceed with requests for subsequent verification of proofs of origin concerning sugar imported into the Community from Serbia and Montenegro and to take such precautionary measures as are necessary in order to safeguard the Community's financial interests.

(4) On 26 June 2002, the Commission published a notice to importers [3] stating that there was reasonable doubt as to the proper application of the preferential arrangements for sugar of CN codes 1701 and 1702 which was declared at import as originating in Serbia and Montenegro.

(5) Article 2(1)(a) and (c) of Regulation (EC) No 2007/2000 subjects the entitlement to benefit from the preferential arrangements to compliance with the definition of the concept of 'originating products' provided for in Title IV, Chapter 2, section 2 of Commission Regulation (EEC) No 2454/93 of 2 July 1993 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code [4], as last amended by Regulation (EC) No 444/2002 [5], and to the involvement of beneficiaries in effective administrative cooperation with the Community in order to prevent any risk of fraud.

(6) Article 110(6) and (7) of Regulation (EEC) No 2454/93 lays down the responsibility for the competent governmental authorities of the country or territory benefiting from the preferential arrangements to take any steps necessary to verify the origin of the products and to check the other statements of the certificate, including by calling for any documentary evidence or carrying out any checks which they consider appropriate.

(7) Article 110(1), second indent, of that same Regulation lays down the obligation for the beneficiary country or territory to assist the Community by allowing the customs authorities of Member States to verify the authenticity of the proof of origin or the accuracy of the information regarding the true origin of the products in question. Article 122 provides to this end for methods of administrative cooperation, according to which the competent governmental authorities of the beneficiary country or territory shall carry out, on request from the customs authorities of a Member State, subsequent verifications of the authenticity of the proof of origin, the originating status of the products concerned or the fulfilment of the other relevant requirements.

(8) Article 12(1) of Regulation (EC) No 2007/2000 states that, where the Commission finds that there is failure to provide administrative cooperation as required for the verification of evidence of origin, or a failure of compliance with the provisions of Article 2(1) of the Regulation by a country or territory covered by the Regulation, it may under certain conditions take measures to suspend in whole or in part the arrangements provided for in the Regulation for a period of three months.

[1] OJ L 240, 23.9.2000, p. 1.
[2] OJ L 86, 3.4.2003, p. 18.
[3] OJ C 152, 26.6.2002, p. 14.
[4] OJ L 253, 11.10.1993, p. 1.
[5] OJ L 68, 12.3.2002, p. 11.