

Council Regulation (EC) No 318/2006 of 20 February 2006 on the
common organisation of the markets in the sugar sector (repealed)

TITLE III

TRADE WITH THIRD COUNTRIES

CHAPTER 1

Common provisions on imports and exports

Article 21

Combined Nomenclature

The general rules for interpreting the Combined Nomenclature and the special rules for its application shall apply to the tariff classification of products covered by this Regulation. The tariff nomenclature resulting from the application of this Regulation shall be included in the Common Customs Tariff.

Article 22

General principles

Unless otherwise provided for in this Regulation or in provisions adopted pursuant thereto, the following shall be prohibited in trade with third countries:

- (a) the levying of any charge having equivalent effect to a customs duty;
- (b) the application of any quantitative restriction or measure having equivalent effect.

Article 23

Export and import licences

1 Imports into the Community, or exports therefrom, of any of the products listed in Article 1(1), except those under point (h), shall be subject to presentation of an import or export licence. However, derogations may be provided for if licences are not required for the management of certain imports of sugar.

2 Licences shall be issued by the Member States to any applicant, irrespective of his place of establishment in the Community, and without prejudice to measures taken for the application of Articles 28 and 32 of this Regulation, of Article 12(5) of Council Regulation (EC) No 980/2005 of 27 June 2005 applying a scheme of generalised tariff preferences⁽¹⁾ and the application of agreements concluded in accordance with Article 133 or Article 300 of the Treaty.

3 Import and export licences shall be valid throughout the Community.

Licences shall be issued subject to the lodging of a security guaranteeing that the products are imported or exported during the term of validity of the licence. Except in

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cases of *force majeure*, the security shall be forfeited in whole or in part if the import or export is not carried out, or is carried out only partially, within that period.

4 The terms of validity of the licences shall be fixed in accordance with the procedure referred to in Article 39(2).

Article 24

Inward processing arrangements

To the extent necessary for the proper functioning of the common organisation of the markets in the sugar sector, the use of inward processing arrangements for the products listed in Article 1(1) may be fully or partially prohibited in accordance with the procedure referred to in Article 39(2).

Article 25

Safeguard measure

1 If, by reasons of imports or exports, the Community market in one or more of the products listed in Article 1(1) is affected by, or is threatened with, serious disturbance likely to jeopardise the achievement of the objectives set out in Article 33 of the Treaty, appropriate measures respecting the Communities' international engagements may be applied in trade until such disturbance or threat has ceased.

2 If the situation referred to in paragraph 1 arises, the Commission shall, at the request of a Member State or on its own initiative, decide upon the necessary measures.

If the Commission receives a request from a Member State, it shall take a decision thereon within three working days following receipt of the request.

The Member States shall be notified of such measures, which shall be immediately applicable.

3 Measures decided on by the Commission pursuant to paragraph 2 may be referred to the Council by any Member State within three working days of the date on which they were notified. The Council shall meet without delay. It may, acting by qualified majority, amend or repeal the measures in question within one month following the date on which they were referred to the Council.

4 However measures applying to Members of the WTO adopted pursuant to this Article shall be applied on the basis of Council Regulation (EC) No 3285/94 of 22 December 1994 on the common rules for imports⁽²⁾.

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CHAPTER 2

Provisions applicable to imports

Article 26

Import duties

1 Unless this Regulation provides otherwise, the rates of import duty in the Common Customs Tariff shall apply to the products listed in Article 1(1).

2 Notwithstanding paragraph 1, the Commission may suspend in whole or in part for certain quantities the application of import duties on the following products to ensure that the Community market is adequately supplied by means of imports from third countries:

- raw sugar for refining falling within CN codes 1701 11 10 and 1701 12 10,
- molasses falling within CN code 1703.

3 In order to guarantee the supply necessary for the manufacturing of products referred to in Article 13(2), the Commission may suspend in whole or in part for certain quantities the application of import duties on sugar falling within CN code 1701 and isoglucose falling within CN codes 1702 30 10, 1702 40 10, 1702 60 10 and 1702 90 30.

Article 27

Management of imports

1 In order to prevent or counteract adverse effects on the market of the Community which may result from imports of certain products listed in Article 1(1), imports of one or more of such products at the rate of duty laid down in the Common Customs Tariff shall be subject to the payment of an additional import duty if the conditions to be determined pursuant to Article 40(1)(e) are fulfilled, unless the imports are unlikely to disturb the Community market, or where the effects would be disproportionate to the intended objective.

2 Imports made at a price below the level notified by the Community to the World Trade Organisation ('the trigger price') may be subject to an additional import duty.

The import prices to be taken into consideration for imposing that additional import duty shall be determined on the basis of the cif import prices of the consignment under consideration.

Cif import prices shall be checked to that end against the representative prices for the product on the world market or on the Community import market for that product.

3 If the volume of imports in any year in which the adverse effects referred to in paragraph 1 arise or are likely to arise exceeds a level based on market access opportunities defined as the percentage of the corresponding domestic consumption during the three previous years ('the trigger volume'), an additional import duty may also be imposed.

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Article 28

Tariff quotas

1 Tariff quotas for imports of products listed in Article 1(1) resulting from agreements concluded in accordance with Article 300 of the Treaty or from any other act of the Council shall be opened and administered by the Commission under detailed rules adopted in accordance with the procedure referred to in Article 39(2) of this Regulation.

2 Tariff quotas shall be administered in a manner which avoids any discrimination between the operators concerned, by applying one of the following methods or a combination of them or another appropriate method:

- a a method based on the chronological order of the lodging of applications ('first come, first served' principle);
- b a method of distribution in proportion to the quantities requested when the applications were lodged (using the 'simultaneous examination method');
- c a method based on taking traditional trade patterns into account (using the 'traditional/new arrival method').

3 The method of administration adopted shall, where appropriate, give due weight to the supply requirements of the Community market and the need to safeguard the equilibrium of that market.

Article 29

Traditional supply need for refining

[^{F1}]^{F2}1 A traditional supply need of sugar for refining is fixed for the Community at 2 324 735 tonnes per marketing year, expressed in white sugar.]

During the marketing years 2006/2007, 2007/2008 and 2008/2009, the traditional supply need shall be distributed as follows:

- 198 748 tonnes for Bulgaria,
- 296 627 tonnes for France,
- 291 633 tonnes for Portugal,
- 329 636 tonnes for Romania,
- 19 585 tonnes for Slovenia,
- 59 925 tonnes for Finland,
- 1 128 581 tonnes for the United Kingdom.]

2 The traditional supply need referred to in the first subparagraph of paragraph 1 shall be increased:

- a by 50 000 tonnes in the marketing year 2007/2008 and by 100 000 tonnes as from the marketing year 2008/2009. These quantities shall be made available to Italy in the marketing years 2007/2008 and 2008/2009;
- b by 30 000 tonnes as from the marketing year 2006/2007 and by a supplementary 35 000 tonnes as from the marketing year in which the sugar quota has been reduced by at least 50 %.

The quantities referred to in point (b) of the first subparagraph shall concern raw cane sugar and shall be reserved for the marketing years 2006/2007, 2007/2008

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and 2008/2009 for the sole sugar beet processing plant at work in 2005 in Portugal. This processing plant is deemed to be a full time refiner.

3 Import licences for sugar for refining shall be issued only to full-time refiners provided that the concerned quantities do not exceed the quantities that may be imported in the framework of the traditional supply need referred to in paragraphs 1 and 2. The licences in question may be transferred only between full-time refiners and their validity expires at the end of the marketing year for which they have been issued.

This paragraph shall apply for the marketing years 2006/2007, 2007/2008 and 2008/2009, and for the first three months of each of the following marketing years.

4 The application of import duties on cane sugar for refining falling within CN code 1701 11 10 originating in the States referred to in Annex VI shall be suspended for the complementary quantity which is needed to allow an adequate supply of the full-time refiners for each of the marketing years 2006/2007, 2007/2008 and 2008/2009.

The complementary quantity shall be fixed in accordance with the procedure referred to in Article 39(2), based on the balance between the traditional supply need referred to in paragraph 1 of this Article and the forecast supply of sugar for refining for the marketing year concerned. This balance may be revised in accordance with the procedure referred to in Article 39(2) during the marketing year and may be based on historic flat-rate estimates of the raw sugar intended for consumption.

Textual Amendments

- F1** Substituted by Council Regulation (EC) No 2011/2006 of 19 December 2006 adapting Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers, Regulation (EC) No 318/2006 on the common organisation of the markets in the sugar sector and Regulation (EC) No 320/2006 establishing a temporary scheme for the restructuring of the sugar industry in the Community, by reason of the accession of Bulgaria and Romania to the European Union.
- F2** Substituted by Council Regulation (EC) No 1260/2007 of 9 October 2007 amending Regulation (EC) No 318/2006 on the common organisation of the markets in the sugar sector.

Article 30

Guaranteed price

1 The guaranteed prices fixed for the ACP/Indian sugar shall apply for import of standard quality raw and white sugar from:

- a the least developed countries under the arrangements referred to in Articles 12 and 13 of Regulation (EC) No 980/2005;
- b the States listed in Annex VI to this Regulation for the complementary quantity referred to in Article 29(4).

2 Applications for import licences for sugar benefiting from a guaranteed price shall be accompanied by an export licence issued by the authorities of the exporting country certifying the compliance of the sugar with the rules provided for in the agreements concerned.

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Article 31

Sugar Protocol Commitments

In accordance with the procedure referred to in Article 39(2), measures may be adopted to ensure that the ACP/Indian sugar is imported into the Community under the conditions set out in Protocol 3 to Annex V to the ACP-EC Partnership Agreement and the Agreement on cane sugar between the European Community and the Republic of India. Those measures may, if necessary, derogate from Article 29 of this Regulation.

CHAPTER 3

Provisions applicable to exports

Article 32

Scope of export refunds

1 To the extent necessary to enable the products listed in Article 1(1) (b) and (c) to be exported without further processing or in the form of processed products listed in Annex VII, [F3 or Annex VIII] on the basis of world market quotations or prices of sugar and within the limits resulting from agreements concluded in accordance with Article 300 of the Treaty, the difference between those quotations or prices and prices in the Community may be covered by export refunds.

2 Provision may be made for export refunds to be granted on the products listed in Article 1(1)(d) and (g) and exported without further processing or in the form of processed products listed in Annex VII or [F3 Annex VIII].

In that case, the amount of the refund per tonne of dry matter shall be fixed taking particular account of:

- a the refund applicable to exports of products falling within CN code 1702 30 91;
- b the refund applicable to exports of the products listed in Article 1(1)(c);
- c the economic aspects of the planned exports.

3 The export refund for raw sugar of the standard quality defined in Annex I may not exceed 92 % of that granted for white sugar. However, this limit shall not apply to export refunds to be fixed for candy sugar.

4 Export refunds on the products exported in the form of processed products listed in Annex VII [F3 or Annex VIII] may not be higher than those applicable to the same products exported without further processing.

Textual Amendments

- F3** Inserted by Council Regulation (EC) No 1182/2007 of 26 September 2007 laying down specific rules as regards the fruit and vegetable sector, amending Directives 2001/112/EC and 2001/113/EC and Regulations (EEC) No 827/68, (EC) No 2200/96, (EC) No 2201/96, (EC) No 2826/2000, (EC) No 1782/2003 and (EC) No 318/2006 and repealing Regulation (EC) No 2202/96.

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Article 33

Export refund fixation

1 The quantities which may be exported with an export refund shall be allocated by the method which:

- a is most suited to the nature of the product and the situation on the market in question, allowing the most efficient possible use of the resources available, account being taken of the efficiency and structure of Community exports without creating discrimination between the operators concerned and notably between large and small operators;
- b is least cumbersome administratively for operators, account being taken of administration requirements.

2 Export refunds shall be the same for the whole Community. They may vary according to destination, where the world market situation or the specific requirements of certain markets make this necessary.

Export refunds shall be fixed in accordance with the procedure referred to in Article 39(2).

Refunds may be fixed:

- a at regular intervals;
- b by invitation to tender for products in respect of which provision was made for that procedure in the past.

Export refunds fixed at regular intervals, may, if necessary, be amended in the interval by the Commission, at the request either of a Member State or on its own initiative.

3 Export refunds on products referred to in Article 32(1) and (2) and exported without further processing shall be granted only on application and on presentation of an export licence.

The export refund applicable to products referred to in Article 32(1) and (2) exported without further processing shall be that applicable on the day of application for the licence and, in the case of a differentiated refund, that applicable on the same day:

- a for the destination indicated on the licence,
- or
- b where appropriate, for the actual destination if this differs from the destination indicated on the licence, in which case, the amount applicable shall not exceed the amount applicable to the destination indicated on the licence.

4 The scope of paragraph 3 may be extended to apply to the products in question that are exported in the form of processed products listed in Annex VII, in accordance with the procedure referred to in Article 16(2) of Council Regulation (EC) No 3448/93 of 6 December 1993 laying down the trade arrangements applicable to certain goods resulting from the processing of the agricultural products⁽³⁾. Detailed implementing rules shall be adopted in accordance with that procedure.

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Article 34

Export limits

Observance of the volume commitments resulting from the agreements concluded in accordance with Article 300 of the Treaty shall be ensured on the basis of the export licences issued for the reference periods which apply to the products concerned.

Article 35

Export restrictions

1 When the quotations or prices on the world market of one or more of the products listed in Article 1(1) reach a level that disrupts or threatens to disrupt the availability of supply on the Community market and where that situation is likely to continue and deteriorate, appropriate measures may be taken in case of extreme emergency.

2 Measures adopted pursuant to this Article shall be applied having regard to the obligations arising from agreements concluded in accordance with Article 300(2) of the Treaty.

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- (1) [OJ L 169, 30.6.2005, p. 1.](#)
- (2) [OJ L 349, 31.12.1994, p. 53.](#) Regulation as last amended by Regulation (EC) No 2200/2004 ([OJ L 374, 22.12.2004, p. 1.](#)).
- (3) [OJ L 318, 20.12.1993, p. 18.](#) Regulation as last amended by Regulation (EC) No 2580/2000 ([OJ L 298, 25.11.2000, p. 5.](#)).

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