Bananas: common organisation of the market CMO, import system (amend. Regulation (EEC) No 404/93)

1999/0235(CNS) - 10/11/1999 - Legislative proposal

PURPOSE : to amend the Regulation on the common organisation of the market in bananas. CONTENT : An amended regulation is required in order to comply with the rules of the World Trade Organisation (WTO) whose Dispute Settlement Body found the Community's import regime to be incompatible with WTO provisions. After extensive consultation, the Commission proposes: - The adoption of a tariff quota system (TRQ) on a transitional basis. This will eventually lead to a flat tariff system. The widespread preference for a TRQ system was recognised, but it was concluded that it could exist only on a transitional basis, and would facilitate the adaptation in ACP countries to a flat tariff system. - A flat tariff system should be introduced by 1 January 2006. Its level will need to be negotiated under GATT provisions, and a mandate for negotiations is part of the proposal. - The transitional system envisages three tariff rate quotas: The first would be a quota of 2.2 million tonnes at a rate of EUR 75/tonne. To this quantity a second quantity of 353 000 t at the same tariff level would be added. A third tariff quota of 850 000 would be open to both ACP and MFN bananas, but for ACP access, a preference of EUR 275/t would be accorded for ACP bananas. - Discussions continue on a method of allocation of tariff quotas.