



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 5.11.2003
COM(2003) 661 final

2003/0264 (ACC)

Proposal for a

COUNCIL REGULATION

**establishing additional customs duties on imports of certain products originating
in the United States of America**

(presented by the Commission)

EXPLANATORY MEMORANDUM

The history of this case goes back to 1971 to the Domestic International Sales Corporation (DISC) scheme, which was declared an illegal export subsidy by a GATT panel in 1976 (the panel ruling was adopted in 1981). The US replaced the DISC scheme with the FSC scheme in 1984. At the time the EU contested the legality of the FSC but did not pursue it due to the opening of the Uruguay Round trade negotiations.

Following further complaints by EU companies, and in view of the increasing amount of FSC subsidies being granted by the US, the EU resumed bilateral contacts with the US in 1997. Since no progress was made, the EU requested a WTO panel to pronounce itself on the dispute. The Panel in its report of October 1999, found the FSC to constitute an illegal export subsidy under both the Subsidies Agreement and (in relation to agricultural products) the Agriculture Agreement. The US appealed against the Panel Ruling but the Appellate Body confirmed the panel findings on the illegality of the FSC scheme. The US was then given until 1 October 2000 (extended to 1 November 2000) to withdraw the FSC scheme.

In an effort to comply, on 15 November 2000, President Clinton signed the FSC Repeal and Extraterritorial Income Exclusion Act of 2000 (*ETI Act*) into law. The ETI Act, however, did not modify the substance of the export subsidy scheme and as a result on 17 November 2000, the EU launched a further panel proceeding on compliance and at the same time presented a request for countermeasures for an amount of US \$ 4,043 million. While the compliance panel was established in December 2000, it was agreed that, during the compliance procedure, the arbitration procedure on the amount of countermeasures would be suspended and that it would be automatically reactivated upon adoption by the WTO of the Appellate Body's findings.

On 20 August 2001, the WTO compliance panel examining the ETI Act issued its report in full support of the EU. In particular, the panel found that the ETI Act also constituted a prohibited export subsidy under WTO rules and that it did not amount to withdrawal of the FSC subsidy. The US appealed but in January 2002 the WTO Appellate Body once more confirmed the panel findings.

Consequently, on 28 January 2002 the panel and Appellate Body reports were adopted and the arbitration procedure was reactivated. The report of the arbitrators was originally due on 29 March 2002 (60 days from adoption of the reports) but, upon the initiative of the arbitrators, it was delayed until the end of August 2002. On 30 August 2002 the WTO arbitrators authorised the EU to impose sanctions at the level of US \$ 4,043 million by increasing the customs duties on certain selected products up to 100%.

On 13 September the Commission published a Notice in the Official Journal containing a list of products proposed to be covered by any retaliatory measures. In line with WTO practice, the list was set at a higher level than the amount set by the arbitrator in order to allow for exclusion of products following the consultation of interested parties. The aim of the public consultation, which lasted 60 days, was to minimise the negative consequences that any eventual sanctions could create to EU interests; in that respect, the Commission had included in the list products on which the US import share was low (below 20% import share) i.e. products on which the EC is not substantially dependent for its supply on the US. Following the public consultation procedure, the Commission consulted Member States and agreement was reached on a final list of products of an equivalent value to the level of permitted countermeasures which was notified to the WTO. Finally, on 7 May 2003, at a special DSB meeting, the EC was authorised by the DSB to impose countermeasures.

Within the list notified to the WTO there were four products which had been transferred from the steel countermeasures list (Regulation 1031/2002, OJ L 157 of 15 June 2002). These products are excluded from the application of this Regulation to avoid a potential double imposition of countermeasures on the same products.

It is considered that the imposition, in stages, of additional import duties of up to 100% ad valorem, on all imports of the US origin products covered by the WTO authorisation is an appropriate countermeasure in view of the US failure to implement the DSB recommendations. However, a gradual approach to the imposition of countermeasures both in terms of timing and level is considered preferable. The application to all the products in the list (excluding the four products from the steel list, see above) of initially a low level of duties (5%) which is to be increased monthly up to the level of 17% is, therefore, foreseen. Thereafter, the Commission will present a proposal to the Council for further action in the light of developments.

On these selected products, the tariff bindings granted by the Community to the US shall be suspended from 1 March 2004 and such suspension shall be notified to the WTO by that date. The above timing would allow the US to comply with the WTO ruling before the countermeasures are actually imposed. The suspension of tariff bindings shall be temporary and shall only be applied until such time as the WTO inconsistent measure has been removed. The Commission will make a proposal for the repeal of the Regulation even before the countermeasures are applied on 1 March 2004 in case the US has fully complied with the WTO rulings and recommendations before that date.

Proposal for a

COUNCIL REGULATION

**establishing additional customs duties on imports of certain products originating
in the United States of America**

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 proposal from the Commission¹,

Whereas:

- (1) On 20 March 2000, at the request of the European Communities, the WTO Dispute Settlement Body (DSB) adopted the panel and the Appellate Body reports which established that the tax treatment of *Foreign Sales Corporations* (FSC) by the United States of America constituted a prohibited export subsidy under the WTO Agreement.
- (2) On 15 November 2000, the United States of America enacted the FSC Repeal and Extraterritorial Income Exclusion Act of 2000. On 29 January 2002, the DSB adopted the panel and Appellate Body reports which established that the above Act also constituted a prohibited export subsidy under the WTO and that it did not amount to withdrawal of the FSC subsidy. Consequently, on 7 May 2003, the European Communities was authorised by the DSB to impose countermeasures up to a level of US\$ 4,043 million in the form of additional 100% ad valorem duties on certain products originating in the United States of America.
- (3) It is considered that, initially, the imposition in stages of additional import duties of up to a 17% *ad valorem* on imports of selected products originating in the United States of America is an appropriate countermeasure, in view of the failure of the United States of America to implement the DSB recommendations. After the above mentioned level of additional duties is reached, the Commission shall present a proposal to the Council for further action in the light of developments.
- (4) In respect of these selected products, the tariff concessions of the Community should be suspended from 1 March 2004. The suspension of tariff bindings should be temporary and shall only be applied until such time as the WTO inconsistent measure has been removed. The origin of any product to which this Regulation applies shall be determined in accordance with the provisions of (EEC) Regulation N° 2913/92².

¹ OJ C [...], [...], p. [...].

² Council Regulation (EEC) No 2913/92 establishing the Community Customs Code (OJ L 302, 19.10.1992, p. 1), as last amended by (EC) Regulation N° 2700/2000 (OJ L 311 of 12.12.2000, p. 17).

- (5) Products for which an import licence with an exemption from, or a reduction of, duty has been issued prior to the date of entry into force of this regulation should not be subject to these additional customs duties.
- (6) Products for which it can be proved that they have been exported from the United States of America to the Community prior to the date of first application of the additional customs duties should not be subject to these additional customs duties.
- (7) Products affected by the suspension of concessions should be placed under the customs procedure “processing under customs control” only pursuant to an examination in the Committee of the Customs Code³.

HAS ADOPTED THIS REGULATION:

Article 1

The tariff concessions of the Community are hereby suspended as from 1 March 2004 in respect of products originating in the United States of America listed in the Annex to this Regulation.

Article 2

1. An ad valorem duty additional to the customs duty applicable under Council Regulation (EEC) No. 2913/92 shall be imposed on the products originating in the United States of America listed in the Annex to this Regulation, as follows:

5% from 1 March 2004 to 31 March 2004 inclusive

6% from 1 April 2004 to 30 April 2004 inclusive

7% from 1 May 2004 to 31 May 2004 inclusive

8% from 1 June 2004 to 30 June 2004 inclusive

9% from 1 July 2004 to 31 July 2004 inclusive

10% from 1 August 2004 to 31 August 2004 inclusive

11% from 1 September 2004 to 30 September 2004 inclusive

12% from 1 October 2004 to 31 October 2004 inclusive

13% from 1 November 2004 to 30 November 2004 inclusive

14% from 1 December 2004 to 31 December 2004 inclusive

³ 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 (OJ L 253, 11.10.1993, p. 1), as last amended by (EC) Regulation N° 1335/2003 (OJ L 187 of 26.7.2003, p. 16).

15% from 1 January 2005 to 31 January 2005 inclusive

16% from 1 February 2005 to 28 February 2005 inclusive

17% from 1 March 2005

2. After 1 March 2005, the Commission shall present a proposal to the Council for the revision of the Regulation in the light of developments.
3. The origin of any product to which this Regulation applies shall be determined in accordance with the provisions of Council Regulation (EEC) N° 2913/92.

Article 3

The Council shall decide on the repeal of this Regulation once the United States of America have fully implemented the recommendation of the WTO Dispute Settlement Body.

Article 4

1. Products listed in the Annex for which an import licence with an exemption from or a reduction of duty has been issued prior to the date of entry into force of this regulation shall not be subject to the additional duty.
2. Products listed in the Annex for which it can be demonstrated that they are already on their way to the Community on the date of entry into force of this Regulation, and whose destination cannot be changed, shall not be subject to the additional duty.
3. Products listed in the Annex may be placed under the customs procedure “processing under customs control” in accordance with Article 551(1) first subparagraph of Commission Regulation (EEC) n° 2454/93 only where the examination of the economic conditions has taken place in the Committee of the Customs Code unless the products and operations are mentioned in Annex 76, Part A of that Regulation.

Article 5

This Regulation shall enter into force on the day of its publication in the *Official Journal of the European Union*.

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

Done at Brussels, [...]

For the Council
The President
[...]

ANNEX

The products on which additional duties are to apply are identified by their eight-digit CN codes. The description of these codes can be found in Annex I to Council Regulation (EEC) No. 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff (as last amended by Commission Regulation (EC) No. 1832/2002, OJ L 290, 28.10.2002, p. 1). The description of the two-digit CN Chapters is given for information purposes only.

CN Chapters	Description chapter				
1	Live animals				
	01019019	01061200	01062000	01063200	01069000
	01061100	01061990	01063100	01063990	
2	Meat and edible meat offal				
	02032211	02032990	02050019	02085000	02101981
	02032955	02044310	02083000	02089040	
	02032959	02050011	02084090	02089095	
4	Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere specified or included				
	04021019	04041002	04069069	04081180	
	04022119	04061020	04069081	04089180	
	04031091	04062090	04069086	04090000	
	04039091	04069021	04069087	04100000	
5	Products of animal origin not elsewhere specified or included				
	05010000	05040000	05059000	05090010	
	05021000	05051010	05079000	05119110	
	05029000	05051090	05080000	05119910	

7	Products of animal origin not elsewhere specified or included				
	07020000	07094000	07102100	07109000	07123900
	07031019	07095910	07102200	07114000	07129030
	07061000	07095990	07102900	07115900	07131090
	07069090	07096010	07108051	07119080	07132000
	07081000	07096099	07108059	07123100	07133100
	07082000	07099060	07108085	07123200	07139090
	07092000	07099090	07108095	07123300	07141099
8	Edible fruit and nuts; peel of citrus fruits or melons				
	08011100	08043000	08071900	08104030	08121000
	08011900	08044000	08072000	08111011	08131000
	08012100	08051030	08091000	08111090	08134095
	08013200	08052090	08092005	08112031	08135099
	08030019	08055010	08093010	08119050	
	08030090	08055090	08093090	08119070	
	08042090	08059000	08094005	08119080	
10	Cereals				
	10081000	10082000	10083000		
11	Products of the milling industry; malt; starches; inulin; wheat gluten				
	11023000	11062090	11071099		
	11032040	11063010	11081990		
12	Oil seeds and oleaginous fruits; miscellaneous grains; seeds and fruit; industrial or medical plants; straw and fodder				
	12040090	12076090	12092600	12114000	12149091
	12051090	12079920	12099910	12119075	12149099
	12059000	12079998	12101000	12122000	
	12071090	12091000	12111000	12129980	

	12072090	12092280	12112000	12130000	
	12074090	12092311	12113000	12141000	
15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes				
	15010011	15071090	15121991	15153010	15159091
	15020090	15079090	15131930	15153090	15200000
	15041010	15081090	15131999	15154000	15211000
	15041099	15111010	15132991	15155019	15219091
	15050010	15119099	15141990	15155099	15219099
	15050090	15121191	15149990	15159040	15220099
16	Preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates				
	16023119	16041411	16052010	16054000	
	16024110	16041416	16052091	16059030	
	16030010	16043010	16052099		
17	Sugars and sugar confectionery				
	17011190	17024010	17049065	17049081	
	17019910	17029099	17049071	17049099	
	17022090	17041019	17049075		
19	Preparations of cereals, flour, starch or milk; pastrycooks' products				
	19011000	19022099	19043000	19053191	19059020
	19012000	19023010	19049080	19053199	19059030
	19019091	19023090	19051000	19053211	19059045
	19021910	19041010	19053111	19053219	
	19021990	19041090	19053119	19053299	
	19022091	19042099	19053130	19059010	

20	Preparations of vegetables, fruit, nuts or other parts of plants				
	20011000	20055900	20060038	20093931	20097919
	20019070	20056000	20079939	20093939	20097999
	20019096	20057010	20079958	20094110	20098038
	20021010	20057090	20079993	20094199	20098071
	20021090	20059050	20093111	20094930	20098097
	20031030	20059070	20093119	20094999	
	20041099	20059080	20093199	20097199	
21	Miscellaneous edible preparations				
	21011111	21022011	21042000	21069020	
	21011119	21023000	21050010	21069059	
	21021090	21039010	21050091		
23	Residues and waste from the food industries; prepared animal fodder				
	23011000	23040000	23063000	23065000	23099041
	23012000	23050000	23064100	23066000	
	23031090	23061000	23064900	23070090	
33	Essential oils and resinoids; perfumery, cosmetic or toilet preparations				
	33012310	33012931	33074100		
34	Soap, organic surface-active agents, washing preparations, lubricating preparations, artificial waxes, prepared waxes, polishing or scouring preparations, candles and similar articles, modelling pastes, dental waxes and dental preparations with a basis of plaster				
	34012010	34060011	34060019	34060090	
35	Albuminoidal substances; modified starches; glues; enzymes				
	35011050	35011090	35019090	35030080	35071000

41	Raw hides and skins (other than furskins) and leather				
	41044119	41063210	41071910	41079990	41141090
	41044919	41063290	41071990	41120000	41142000
	41051090	41071119	41079110	41131000	41151000
	41053099	41071190	41079190	41132000	41152000
	41063110	41071219	41079210	41139000	
	41063190	41071291	41079910	41141010	
42	Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silk-worm gut)				
	42010000	42022210	42029180	42032100	42040010
	42021110	42022900	42029211	42032910	42050000
	42021190	42023100	42029215	42032991	42061000
	42021291	42023210	42029291	42032999	42069000
	42021990	42023290	42029298	42033000	
	42022100	42029110	42031000	42034000	
43	Furskins and artificial fur; manufactures thereof				
	43039000				
44	Wood and articles of wood; wood charcoal				
	44011000	44071038	44083921	44112110	44181050
	44012100	44071091	44083931	44112990	44181090
	44012200	44072490	44083935	44122210	44182010
	44013010	44072560	44083955	44122291	44182050
	44013090	44072690	44083985	44122299	44182080
	44020000	44072905	44083995	44122300	44183010
	44031000	44072969	44091011	44122920	44183091
	44032031	44072983	44091018	44122980	44183099
	44032039	44072985	44092011	44129210	44185000

	44032099	44072995	44092091	44129291	44189010
	44034100	44079131	44092098	44129299	44189090
	44034910	44079200	44102100	44129920	44190090
	44034995	44079930	44102900	44129980	44201011
	44039210	44079950	44103100	44140010	44209091
	44039951	44079996	44103200	44140090	44209099
	44042000	44081015	44103300	44151090	44211000
	44071015	44083121	44103900	44152020	44219091
	44071031	44083125	44111110	44152090	
	44071033	44083130	44111910	44170000	
48	Paper and paperboard; articles of paper pulp, of paper or of paperboard				
	48010000	48041990	48059210	48101491	48162000
	48024010	48042110	48059291	48101499	48163000
	48024090	48042190	48059310	48101910	48169000
	48025490	48042910	48059391	48102291	48181090
	48025500	48042990	48061000	48102919	48184011
	48026110	48043159	48062000	48102920	48184013
	48026190	48043959	48064010	48102991	48184019
	48026210	48043990	48064090	48102999	48184091
	48026290	48044110	48081000	48103100	48201010
	48026910	48051200	48092010	48109210	48202000
	48030010	48051910	48092090	48109290	48204010
	48041190	48051990	48099000	48109990	48239030
	48041911	48052400	48101391	48111000	
	48041915	48052500	48101399	48131000	
	48041919	48059110	48101411	48143000	
	48041931	48059191	48101419	48149090	

49	Printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans				
	49070010	49070030			
52	Cotton				
	52079000				
54	Man-made filaments				
	54061000				
57	Carpets and other textile floor coverings				
	57011010	57019090	57023990	57025900	57032019
	57011091	57021000	57024100	57029100	57039000
	57011093	57023100	57024200	57029200	57049000
	57011099	57023200	57024990	57029900	57050010
	57019010	57023910	57025100	57031000	57050090
61	Articles of apparel and clothing accessories, knitted or crocheted				
	61011090	61041100	61045100	61079200	61123190
	61012010	61041200	61045200	61081100	61124990
	61012090	61041300	61045300	61082100	61141000
	61019010	61041900	61045900	61082900	61152019
	61019090	61042100	61046110	61083110	61152090
	61021010	61042200	61046190	61083190	61159100
	61022090	61042300	61046910	61083211	61169100
	61031100	61042900	61046999	61089190	61169200
	61033100	61043100	61059090	61089200	61169900
	61033200	61043200	61062000	61089990	61171000
	61033300	61043300	61069030	61112090	61172000
	61033900	61043900	61069090	61113090	61178010

	61034110	61044100	61071200	61119000	61178090
	61034190	61044200	61071900	61121100	61179000
	61034910	61044400	61072100	61121200	
	61034999	61044900	61079190	61121900	
62	Articles of apparel and clothing accessories, not knitted or crocheted				
	62011100	62032990	62042380	62069010	62102000
	62011900	62033100	62043290	62069090	62111100
	62019100	62033210	62043310	62071100	62111200
	62019900	62033290	62043919	62071900	62112000
	62021210	62033310	62043990	62072100	62113100
	62021290	62033390	62044100	62072200	62113241
	62021310	62034110	62044990	62079110	62113342
	62021390	62034190	62045100	62079190	62113900
	62021900	62034233	62045200	62081100	62114100
	62029100	62034259	62045300	62081990	62123000
	62029200	62034331	62045910	62082100	62132000
	62029900	62034919	62045990	62082200	62141000
	62031200	62034990	62046110	62082900	62142000
	62031910	62041100	62046233	62089119	62143000
	62031990	62041200	62046950	62089190	62144000
	62032210	62041300	62051000	62089200	62149010
	62032280	62041990	62059010	62089900	62149090
	62032310	62042100	62059090	62092000	62152000
	62032380	62042210	62061000	62093000	62159000
	62032911	62042280	62062000	62099000	62179000

63	Other made-up textile articles; sets; worn clothing and worn textile articles; rags				
	63012091	63023210	63029310	63041990	63061200
	63012099	63023290	63029390	63049200	63061900
	63019090	63023990	63029900	63049300	63062100
	63021010	63024000	63031100	63049900	63062200
	63021090	63025110	63031200	63052000	63064900
	63022100	63025190	63039100	63053289	63069100
	63022290	63025390	63039210	63053290	63069900
	63022990	63025900	63039290	63053399	63090000
	63023110	63029110	63039990	63059000	63109000
	63023190	63029190	63041910	63061100	
64	Footwear, gaiters and the like; parts of such articles				
	64019210	64023000	64034000	64042090	64062010
	64019290	64029100	64035911	64051090	64062090
	64019910	64029931	64035950	64052091	64069910
	64019990	64029991	64035991	64052099	
	64021210	64031200	64039196	64061011	
	64021290	64032000	64039996	64061019	
	64022000	64033000	64042010	64061090	
69	Ceramic products				
	69010090	69049000	69109000	69120050	69139093
	69021000	69059000	69119000	69120090	69141000
	69022091	69060000	69120010	69131000	69149010
	69041000	69101000	69120030	69139010	

70	Glass and glassware				
	70021000	70052935	70109051	70132951	70169080
	70031990	70052980	70109053	70132959	70181011
	70033000	70053000	70109055	70132991	70181019
	70042099	70071920	70109057	70132999	70181030
	70049010	70071980	70109061	70133110	70181051
	70049092	70080081	70109067	70133190	70181059
	70049098	70080089	70109071	70133200	70181090
	70051025	70101000	70112000	70133910	70189090
	70051030	70102000	70131000	70133991	70193100
	70051080	70109041	70132111	70133999	70199030
	70052130	70109043	70132119	70139190	70200030
	70052180	70109045	70132191	70159000	
	70052925	70109047	70132199	70161000	
71	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coins				
	71012100	71049000	71081380	71141900	71171910
	71012200	71059000	71101980	71151000	71171999
	71023100	71069110	71110000	71161000	71179000
	71031000	71069220	71131100	71162011	71181010
	71039100	71081200	71131900	71162019	71181090
	71039900	71081310	71132000	71162090	71189000
72	Iron and steel				
	72022910	72072090	72119019	72172030	72224010
	72022990	72082700	72119090	72172050	72224093

72023000	72083790	72122090	72172090	72241000
72024199	72083890	72123090	72173019	72249001
72024910	72083910	72126099	72173039	72249019
72024950	72083990	72139990	72173090	72249091
72025000	72085130	72141000	72179010	72249099
72026000	72085299	72142000	72179090	72251910
72028000	72089010	72143000	72189111	72253000
72029100	72089090	72149110	72189911	72254020
72029200	72091500	72149990	72189991	72254050
72029300	72091690	72155030	72192110	72255000
72029919	72091790	72159090	72192190	72261990
72029930	72091899	72163111	72192210	72269110
72029980	72092500	72163211	72192290	72269190
72031000	72092690	72163291	72192300	72279095
72041000	72092790	72163310	72193100	72282019
72043000	72099090	72163390	72201100	72283020
72044930	72104990	72165010	72202099	72283089
72044991	72105010	72165099	72210010	72284010
72044999	72107090	72166110	72210090	72284090
72061000	72109031	72166190	72221119	72285020
72071116	72111920	72166900	72221129	72286081
72071210	72111990	72171010	72221191	72291000
72071914	72112351	72171039	72221910	
72071919	72112950	72171050	72223051	
72072079	72112990	72171090	72223091	

73	Articles of iron or steel				
	73021031	73051900	73102111	73160000	73231000
	73029030	73053100	73102191	73170020	73239100
	73029090	73053900	73102199	73170061	73239200
	73030010	73061011	73121079	73181100	73239410
	73030090	73063021	73121082	73181290	73239490
	73041010	73063059	73121084	73181300	73239910
	73041030	73063071	73121086	73191000	73239991
	73043959	73063090	73121088	73192000	73242100
	73043991	73065099	73142090	73209010	73251050
	73043993	73066031	73143100	73211110	73251092
	73043999	73066090	73143900	73211200	73261100
	73044910	73069000	73144110	73218110	73261910
	73045111	73072310	73144190	73218190	73262030
	73045191	73079311	73152000	73218290	
	73045931	73079319	73158100	73218300	
	73045993	73084010	73158210	73219000	
	73051100	73089010	73158290	73221900	
74	Copper and articles thereof				
	74011000	74032100	74072110	74091100	74152100
	74031100	74032200	74072210	74092100	74152900
	74031200	74032300	74072290	74111019	74181900
	74031300	74050000	74081100	74112190	74191000
	74031900	74071000	74081990	74112900	74199100

76	Aluminium and articles thereof				
	76012010	76042910	76071110	76129010	76151990
	76012099	76051100	76071910	76129098	76152000
	76020011	76051900	76082030	76141000	
	76020019	76061193	76082091	76149000	
	76041090	76061210	76101000	76151100	
	76042100	76061291	76121000	76151910	
82	Tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal				
	82011000	82023900	82075030	82119180	82152010
	82012000	82051000	82076030	82119200	82152090
	82013000	82053000	82078011	82119400	82159100
	82014000	82055100	82079010	82141000	82159910
	82015000	82055910	82100000	82142000	82159990
	82019000	82074010	82111000	82151020	
	82023100	82074090	82119130	82151030	
83	Miscellaneous articles of base metal				
	83011000	83030090	83061000	83091000	
	83013000	83051000	83062100	83099010	
	83030030	83059000	83062910		
84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof				
	84021200	84194000	84322100	84485900	84614071
	84031010	84198191	84322930	84501111	84615011
	84031090	84198927	84333090	84501119	84615019
	84073210	84201010	84342000	84512110	84623991
	84073290	84209110	84378000	84513030	84629110
	84073310	84219130	84379000	84514000	84641090

84073491	84221100	84383000	84518010	84642020
84081011	84229010	84384000	84521019	84642095
84081019	84231010	84401020	84521090	84649020
84081024	84238110	84401030	84522100	84659110
84081028	84238130	84401040	84522900	84659300
84081039	84238150	84411030	84531000	84659500
84081049	84238190	84411040	84532000	84659910
84081091	84238210	84413000	84543010	84661010
84081099	84238290	84425029	84551000	84662091
84082031	84243005	84431200	84552200	84669120
84082035	84243090	84431910	84553010	84672210
84082051	84248191	84431931	84563011	84672910
84082055	84251190	84431935	84563019	84681000
84089036	84251991	84431939	84571090	84691200
84089099	84261100	84432100	84573090	84692000
84109010	84261900	84439010	84581920	84693000
84128010	84262000	84440010	84581940	84702100
84137040	84263000	84451100	84581980	84702900
84137050	84269110	84451300	84589120	84703000
84137070	84269990	84453090	84589180	84704000
84137080	84271010	84454000	84589900	84721000
84142091	84271090	84461000	84591000	84732190
84146000	84272011	84462100	84592100	84742010
84161010	84272019	84462900	84593100	84743200
84163000	84272090	84463000	84593900	84751000
84181099	84282030	84471210	84594010	84773000
84182151	84283991	84471290	84594090	84778019

	84182159	84284000	84472092	84595100	84798930
	84182191	84285000	84472098	84595900	84798960
	84182199	84286000	84481100	84596110	84801000
	84182200	84289079	84481900	84596910	84803090
	84182900	84295210	84483100	84602911	84805000
	84183091	84301000	84483310	84602919	84806010
	84184091	84306900	84483390	84603100	84806090
	84185011	84311000	84484200	84603900	84807110
	84185019	84313910	84484900	84609090	84818011
	84185099	84321010	84485110	84613090	84859010
	84191100	84321090	84485190	84614011	
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles				
	85022092	85161011	85181020	85271290	85281291
	85043400	85161019	85192100	85271391	85281294
	85053000	85162100	85193100	85271900	85281295
	85061091	85162910	85193900	85272170	85281298
	85061095	85162950	85194000	85272198	85299051
	85063090	85163200	85199200	85273111	85366110
	85064090	85164010	85199339	85273119	85393210
	85066090	85164090	85199389	85273198	85393250
	85068011	85165000	85199912	85273290	85434000
	85068015	85166010	85201000	85273920	85438915
	85073093	85166051	85202000	85273980	85445920
	85074090	85166059	85203211	85279092	85451910
	85079091	85166070	85203219	85281220	85462091
	85091090	85166080	85203230	85281254	85481021

	85094000	85166090	85203299	85281256	85481029
	85099090	85167100	85203311	85281258	85481099
	85101000	85167200	85203319	85281262	
	85121000	85167910	85203390	85281266	
	85142080	85167920	85211030	85281272	
	85152910	85167980	85229093	85281276	
	85153918	85171910	85232010	85281281	
	85158091	85172200	85254019	85281290	
95	Toys, games and sports requisites; parts and accessories thereof				
	95010010	95033090	95039032	95051090	95066210
	95010090	95034910	95039034	95059000	95066290
	95021010	95034930	95039035	95061110	95066910
	95021090	95034990	95039037	95061129	95067010
	95029100	95035000	95039051	95061200	95067030
	95029900	95036010	95039055	95061900	95069910
	95031010	95036090	95042010	95064010	95072010
	95031090	95037000	95042090	95064090	95073000
	95032090	95038010	95049010	95065100	
	95033010	95038090	95049090	95065900	
	95033030	95039010	95051010	95066100	

FINANCIAL STATEMENT				
			DATE October 2003	
1.	BUDGET HEADING: 1.2.0	APPROPRIATIONS:		
2.	TITLE: COUNCIL REGULATION establishing additional customs duties on imports of certain products originating in the United States of America			
3.	LEGAL BASIS: Article 133			
4.	AIMS: Suspend tariff bindings on certain US products as a result of the US failure to implement DSB recommendations with regards to the FSC/ETI dispute			
5.	FINANCIAL IMPLICATIONS	12 MONTH PERIOD (EUR million)	CURRENT FINANCIAL YEAR 2003 (EUR million)	FOLLOWING FINANCIAL YEAR 2004 (EUR million)
5.0	EXPENDITURE - CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTIONS) - NATIONAL AUTHORITIES - OTHER	Nil	Nil	Nil
5.1	REVENUE - OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES) - NATIONAL	290 million €	Nil	290 million €
		2004	2005	
5.0.1	ESTIMATED EXPENDITURE	Nil	Nil	
5.1.1	ESTIMATED REVENUE	290 million €	614 million €	
5.2	METHOD OF CALCULATION: Estimated maximum revenue increase through additional duties on certain US products multiplied by trade value			
6.0	CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET?			Not Applicable
6.1	CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET?			Not Applicable
6.2	WILL A SUPPLEMENTARY BUDGET BE NECESSARY?			NO
6.3	WILL APPROPRIATIONS NEED TO BE ENTERED IN FUTURE BUDGETS?			NO
OBSERVATIONS: The suspension of tariff bindings shall be temporary and shall only be applied until such time as the WTO inconsistent measure has been removed.				