COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 06.01.2000
COM(1999) 732 final

2000/0001 (ACC)

Proposal for a

COUNCIL DECISION

on the conclusion of an Agreement in the form of an Exchange of Letters between the European Community and the Russian Federation extending the double-checking system without quantitative limits in respect of the export of certain steel products covered by the EC and ECSC Treaties from the Russian Federation to the European Community for the period from 1 January 2000 to 31 December 2001 (99/…./EC)

(presented by the Commission)

EXPLANATORY MEMORANDUM

The aim of the double-checking system is to improve transparency and to avoid possible diversions of trade. It is founded on the provision in the Agreement between the ECSC and the Russian Federation on trade in certain steel products[1] which allows either Party to introduce an administrative procedure having as its purpose the rapid provision of information on the trend of trade flows. The Parties agreed to establish such a system in 1997 in respect of certain ECSC and EC steel products by means of Council Decision N° 741/97[2]. Council Regulation (EC) N° 2135/97[3] established the corresponding implementing legislation for the Community.

At its meeting on 30 September 1999, the Contact Group agreed to recommend that the Council should extend the double-checking system for the period between 1 January 2000 and 31 December 2001. The extended double-checking system will be established by means of an Agreement in the form of an Exchange of Letters and should enter into force on 1 January 2000.

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1 OJ L 300, 04.11.1997, p. 52.
2 OJ L 300, 04.11.1997, p. 36.
3 OJ L 300, 04.11.1997, p. 1.

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(Text with EEA relevance)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 133 in conjunction with Article 300 (2), first sentence thereof,

Having regard to the proposal from the Commission,

Whereas:

(1) The Partnership and Cooperation Agreement between the European Communities and their Member States and the Russian Federation entered into force on 1 December 1997[4];

(2) Commission Decision 97/742/ECSC[5] concluded an Agreement between the the European Coal and Steel Community, of the one part, and the Russian Federation, of the other part, which entered into force on 5 November 1997;

(3) The Commission has finalized negotiations for an Agreement in the form of an Exchange of Letters between the European Community and the Russian Federation establishing a double-checking system without quantitative limits in respect of the export of certain steel products covered by the EC and ECSC Treaties from the Russian Federation to the European Community;

HAS DECIDED AS FOLLOWS:

[4] OJ L 327, 28.11.1997, p. 1.
[5] OJ L 300, 04.11.1997, p. 51.

Sole Article

1. The Agreement in the form of an Exchange of Letters between the European Community and the Russian Federation establishing a double-checking system without quantitative limits in respect of the export of certain steel products covered by the EC and ECSC Treaties from the Russian Federation to the European Community is hereby approved on behalf of the European Community.

2. The text of the Agreement is attached to this Decision.

Done at Brussels,

For the Council
The President

ANNEX

LETTER FROM THE COUNCIL OF THE EUROPEAN UNION

Sir,

1. I have the honour to refer to the Agreement in the Form of an Exchange of Letters between the European Community and the Russian Federation of 13 October 1997, establishing a double-checking system, without quantitative limits, in respect of certain steel products covered by the EC and ECSC Treaties from the Russian Federation to the European Community. The system entered into force on 5 November 1997 for the period between that date and 31 December 1999.

2. Following a meeting of the ECSC Contact Group on 30 September 1999 the Parties hereby agree to extend the double-checking system, without quantitative limits, in respect of certain steel products for the period between 1 January 2000 and 31 December 2001 in order to improve transparency and to avoid possible diversions of trade. The details of the double-checking system are annexed to this letter.

3. The present Exchange of Letters is without prejudice to the application of the relevant provisions of the bilateral agreements on trade and trade-related matters, in particular those relating to anti-dumping and safeguard measures.

4. Either Party may at any time propose modifications to the Annex or its appendices which shall require the mutual consent of the Parties and shall take effect as agreed by them. In the event that anti-dumping or safeguard investigations are initiated or measures introduced in the European Community concerning a product under the double-checking system, the Russian Federation will decide whether to exclude the product in question from the double-checking system. Such a decision shall not affect the entry into free circulation of the product in question into the Community.

5. In conclusion, I have the honour to propose that if this letter, its annex and appendices are acceptable to your Government, this letter and your confirmation shall together constitute an agreement between the European Community and the Russian Federation, which shall enter into force on the date of your reply.

Please accept, sir, the assurance of my highest consideration,

For the Council of the European Union

LETTER FROM THE GOVERNMENT OF THE RUSSIAN FEDERATION

Sir,

I have the honour to acknowledge receipt of your letter of ..... which reads as follows:

1. I have the honour to refer to the Agreement in the Form of an Exchange of Letters between the European Community and the Russian Federation of 13 October 1997, establishing a double-checking system, without quantitative limits, in respect of certain steel products covered by the EC and ECSC Treaties from the Russian Federation to the European Community. The system entered into force on 5 November 1997 for the period between that date and 31 December 1999.

2. Following a meeting of the ECSC Contact Group on 30 September 1999 the Parties hereby agree to extend the double-checking system, without quantitative limits, in respect of certain steel products for the period between 1 January 2000 and 31 December 2001 in order to improve transparency and to avoid possible diversions of trade. The details of the double-checking system are annexed to this letter.

3. The present Exchange of Letters is without prejudice to the application of the relevant provisions of the bilateral agreements on trade and trade-related matters, in particular those relating to anti-dumping and safeguard measures.

4. Either Party may at any time propose modifications to the Annex or its appendices which shall require the mutual consent of the Parties and shall take effect as agreed by them. In the event that anti-dumping or safeguard investigations are initiated or measures introduced in the European Community concerning a product under the double-checking system, the Russian Federation will decide whether to exclude the product in question from the double-checking system. Such a decision shall not affect the entry into free circulation of the product in question into the Community.

5. In conclusion, I have the honour to propose that if this letter, its annex and appendices are acceptable to your Government, this letter and your confirmation shall together constitute an agreement between the European Community and the Russian Federation, which shall enter into force on the date of your reply.

I have the honour to confirm that the above is acceptable to my Government and that your letter, this reply and the attached annex and appendices together constitute an agreement, in accordance with your proposal.

Please accept, Sir, the assurance of my highest consideration.

For the Government of the Russian Federation.

ANNEX

to the Agreement in the form of an Exchange of Letters between the European Community and the Russian Federation extending the double-checking system without quantitative limits in respect of the export of certain steel products covered by the EC and ECSC Treaties from the Russian Federation to the European Community for the period from 1 January 2000 to 31 December 2001

1.1. For the period running from 1 January 2000 to 31 December 2001, unless both Parties agree to terminate the system earlier, imports into the Community of the products listed in Appendix I originating in the Russian Federation shall be subject to the presentation of a surveillance document conforming to the model shown at Appendix II issued by the authorities in the Community.

1.2. For the period running from 1 January 2000 to 31 December 2001, unless both Parties agree to terminate the system earlier, imports into the Community of the products listed in Appendix I and which originate in the Russian Federation shall, in addition, be subject to the issue of an export document by the competent Russian authorities. Presentation by the importer of the original of the export document must be effected not later than 31 March of the year following that in which the goods covered by the document were shipped.

1.3. Shipment is considered to have taken place on the date of loading into the exporting means of transport.

1.4. The export document shall conform to the model shown in Appendix III. It shall be valid for exports throughout the customs territory of the Community.

1.5. The Russian Federation shall notify the Commission of the European Communities of the names and addresses of the appropriate Russian governmental authorities which are authorised to issue and to verify export documents together with specimens of the stamps and signatures they use. The Russian Federation shall also notify the Commission of any change in these particulars.

1.6. The classification of the products covered by this Agreement is based on the tariff and statistical nomenclature of the Community (hereinafter called the 'Combined Nomenclature`, or in abbreviated form 'CN`). The origin of the products covered by this Agreement shall be determined in accordance with the rules in force in the Community.

1.7. The competent authorities of the Community undertake to inform the Russian Federation of any changes in the Combined Nomenclature (CN) in respect of products covered by this Agreement before their date of entry into force in the Community.

1.8. Certain technical provisions on the implementation of the double-checking system are set in out in Appendix IV.

2.1. The Russian Federation undertakes to supply the Community with precise statistical information on the export documents issued by the Russian authorities pursuant to 1.2. Such information shall be transmitted to the Community by the end of the month following the month to which the statistics relate.

2.2. The Community undertakes to supply the Russian authorities with precise statistical information on surveillance documents issued by Member States in respect of the export documents issued by the Russian authorities pursuant to 1.1. Such information shall be transmitted to the Russian authorities by the end of the month following the month to which the statistics relate.

3. If necessary, at the request of either of the Parties, consultations shall be held on any problems arising from the operation of the Agreement in the form of an Exchange of Letters. Such consultations shall be held promptly. Any consultations held under this Article shall be approached by both Parties in a spirit of cooperation and with a desire to reconcile the difference between them.

4. Any notices to be given hereunder shall be given:

– in respect of the Community, to the Commission of the European Communities (DG TRADE D.2 and DG ENTRE E.2),

– in respect of the Russian Federation, to the Ministry of Trade, Department for Regulation of External Economic Activities.

APPENDIX I

RUSSIAN FEDERATION

List of products subject to double-checking without quantitative limits

Cold-rolled narrow strip of a width not exceeding 500mm

7211 23 99

7211 29 50

7211 29 90

7211 90 90

Grain non-oriented electrical sheet

7211 23 91

7225 19 10

7225 19 90

7226 19 10

7226 19 30

7226 19 90

Grain-oriented electrical sheet

7226 11 90

APPENDIX II

EUROPEAN COMMUNITY SURVEILLANCE DOCUMENT

1	**1. Consignee** (name, full address, country, VAT number)	**2. Issue number**
Holder's copy		**3. Proposed place and date of import**
		4. Authority responsible for issue (name, address and telephone No)
	5. Declarant/representative as applicable (name and full address)	**6. Country of origin** (and geonomenclature code)
		7. Country of consignment (and geonomenclature code)
1		**8. Last day of validity**

9. Description of goods	**10. CN code and category**
	11. Quantity in kilograms (net mass) or in additional units
	12. Value in euros, cif at Community frontier

13. Additional remarks

14. Competent authority's endorsement

Date :

Signature: Stamp:

15. ATTRIBUTIONS Indicate the quantity available in part 1 of column 17 and the quantity attributed in part 2 thereof			
16. Net quantity (net mass or other unit of measure stating the unit)		**19. Customs document** (form and number) **or extract No and date of attribution**	**20. Name, Member State, stamp and signature of the attributing authority**
17. In figures	**18. In words for the quantity attributed**		
1.			
2.			
1.			
2.			
1.			
2.			
1.			
2.			
1.			
2.			
1.			
2.			
1.			
2.			

Extension pages to be attached hereto

EUROPEAN COMMUNITY SURVEILLANCE DOCUMENT

2	**1. Consignee** (name, full address, country, VAT number)	**2. Issue number**
Copy for the issuing authority		**3. Proposed place and date of import**
		4. Authority responsible for issue (name, address and telephone No)
	5. Declarant/representative as applicable (name and full address)	**6. Country of origin** (and geonomenclature code)
		7. Country of consignment (and geonomenclature code)
2		**8. Last day of validity**

9. Description of goods	**10. CN code and category**
	11. Quantity in kilograms (net mass) or in additional units
	12. Value in euros, cif at Community frontier

13. Additional remarks

14. Competent authority's endorsement

Date :

Signature: Stamp:

15. ATTRIBUTIONS Indicate the quantity available in part 1 of column 17 and the quantity attributed in part 2 thereof			
16. Net quantity (net mass or other unit of measure stating the unit)		**19. Customs document** (form and number) **or extract No and date of attribution**	**20. Name, Member State, stamp and signature of the attributing authority**
17. In figures	**18. In words for the quantity attributed**		
1.			
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1.			
2.			

Extension pages to be attached hereto

APPENDIX III

1 Exporter (name, full address, country)	**ORIGINAL**	2 **No**
	3 Year	4 Product group
5 Consignee (name, full address, country)	**EXPORT DOCUMENT** (ECSC and EC steel products)	
	6 Country of origin	7 Country of destination
8 Place and date of shipment – means of transport	9 Supplementary details	

10 Description of goods - manufacturer	11 CN code	12 Quantity(1)	13 Fob value(2)

14 CERTIFICATION BY THE COMPETENT AUTHORITY	
15 Competent authority (name, full address, country)	At …… on …… (Signature) (Stamp)

(1) Show net weight (kg) and also quantity in the unit prescribed where other than net weight.
(2) In the currency of the sale contract.

1 Exporter (name, full address, country)	**COPY**	2 **No**
	3 Year	4 Product group
5 Consignee (name, full address, country)	**EXPORT DOCUMENT** (ECSC and EC steel products)	
	6 Country of origin	7 Country of destination
8 Place and date of shipment – means of transport	9 Supplementary details	

10 Description of goods - manufacturer	11 CN code	12 Quantity(1)	13 Fob value(2)

14 CERTIFICATION BY THE COMPETENT AUTHORITY	
15 Competent authority (name, full address, country)	At …….. on …… (Signature) (Stamp)

(1) Show net weight (kg) and also quantity in the unit prescribed where other than net weight.
(2) In the currency of the sale contract.

APPENDIX IV

RUSSIAN FEDERATION

Technical Annex on the double-checking system

1. The export documents shall measure 210 × 297 mm. The paper used shall be white writing paper, sized, not containing mechanical pulp, and weighing not less than 25 g/m². They shall be made out in English. If they are completed by hand, entries must be in ink and in printed script. These documents may comprise additional copies duly indicated as such. If the documents have several copies only the top copy is the original. This copy shall be clearly marked as 'original` and other copies as 'copies`. Only the original shall be accepted by the competent authorities of the Community as being valid for the control of export to the Community in accordance with the provisions of the double-checking system.

2. Each document shall bear a standardised serial number, whether or not printed, by which it can be identified. This number shall be composed of the following elements:

   – two letters identifying the exporting country as follows: RU,

   – two letters identifying the intended Member State of customs clearance as follows:
   BE = Belgium
   DK = Denmark
   DE = Germany
   EL = Greece
   ES = Spain
   FR = France
   IE = Ireland
   IT = Italy
   LU = Luxembourg
   NL = Netherlands
   AT = Austria
   PT = Portugal
   FI = Finland
   SE = Sweden
   GB = United Kingdom

   – a one-digit number identifying the year, corresponding to the last figure in the respective year, e.g. 0 for 2000,

   – a two-digit number from 01 to 99, identifying the particular issuing office concerned in the exporting country,

   – a five-digit number running consecutively from 00001 to 99999 allocated to the intended Member State of customs clearance.

3. The export documents shall be valid for the calendar year during which they are issued, as shown in Box N° 3 of the export document.

4. Since the importer needs to present the original export document when requesting an import document, export documents should, as far as possible, be issued in respect of individual commercial transactions, not global contracts.

5. The Russian Federation need not show price information on the export documentbut that information is available to the competent Commission authorities on request.

6. Export documents may be issued after the shipment of the products to which they relate. In such cases they must bear the endorsement 'issued retrospectively`.

7. In the event of a theft, loss or destruction of an export document, the exporter may apply to the competent governmental authority which issued the document for a duplicate to be made out on the basis of the export documents in his possession. The duplicate of any such document so issued shall bear the endorsement 'duplicate`. The duplicate shall bear the date of the original export document.

8. The competent authorities of the Community shall be informed immediately of the withdrawal or modification of any export documents already issued and, where relevant, of the basis for such action.