COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 9.8.2006
COM(2006) 449 final

2006/0153 (ACC)
2006/0154 (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 Uruguay

Proposal for a

COUNCIL REGULATION

concerning the implementation of the Agreement concluded by the EC following negotiations in the framework of Article XXIV.6 of GATT 1994, amending Annex I to Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff

(presented by the Commission)

EXPLANATORY MEMORANDUM

1. In the context of enlarging the customs union the provisions of GATT Article XXIV.6 oblige the EC to enter into negotiations with third countries having negotiating rights in any of the acceding Members in order to agree on compensatory adjustment if the adoption of the EC's external tariff regime results in an increase in tariff beyond the level for which the acceding country has bound itself at the WTO, whilst taking 'due account of reductions of duties on the same tariff line made by other constituents of the customs union upon its formation'.

2. On 22 March 2004, the Council authorised the Commission to open negotiations under Article XXIV.6 of the GATT 1994 (COM proposal 6792/04 WTO 34).

3. Negotiations have been conducted by the Commission in consultation with the Committee established by Article 133 of the Treaty and within the framework of the negotiating directives issued by the Council.

4. The Commission has negotiated with the Members of the WTO holding negotiations rights with respect to the withdrawal of specific concessions in relation to the withdrawal of the schedules of the Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic, in the course of the accession to the European Community.

5. The negotiations have resulted in an Agreement in the form of an exchange of letters with Uruguay.

6. This proposal asks the Council to approve this agreement.

2006/0153 (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 Uruguay

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to the proposal from the Commission,

Whereas:

(1) On 22 March 2004 the Council authorised the Commission to open negotiations with certain other Members of the WTO under Article XXIV.6 of the GATT 1994, in the course of the accessions to the European Community of Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic.

(2) Negotiations have been conducted by the Commission in consultation with the Committee established by Article 133 of the Treaty and within the framework of the negotiating directives issued by the Council.

(3) The Commission has finalised negotiations for an Agreement in the form of an Exchange of Letters between the European Community and Uruguay. This agreement should be approved.

HAS DECIDED AS FOLLOWS:

Article 1

The Agreement in the form of an Exchange of Letters between the European Community and Uruguay with respect to the withdrawal of specific concessions in relation to the withdrawal of the schedules of the Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic in the course of accession to the European Community; are hereby approved on behalf of the Community.

The text of the Agreement is annexed to this Decision.

Article 2

The President of the Council is hereby authorised to designate the person(s) empowered to sign the Agreement in the form of an Exchange of Letters referred to in Article 1 in order to bind the Community.

Done at Brussels,

For the Council
The President

AGREEMENT

In the form of an exchange of letters between the European Community and Uruguay

relating to the modification of concessions in the schedules of the Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic in the course of accession to the European Community.

Letter from the European Communities

Geneva,

Sir,

Following the initiation of negotiations between the European Communities (EC) and Uruguay under Article XXIV:6 and Article XXVIII of GATT 1994 for the modification of concessions in the schedules of Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic in the course of their accession to the EC, the following is agreed between the EC and Uruguay with a view to close the negotiations opened following the EC's notification of 19 January 2004 pursuant to Article XXIV:6 (GATT):

The EC shall incorporate in its schedule CLX, for the customs territory of EC 25, the concessions that were included in its previous schedule.

The EC shall adjust the definition of EC tariff rate quota of 4000 tonnes for 'high quality meat of bovine animals, fresh, chilled or frozen' as allocated to Uruguay.

This agreement shall enter into force on the date of signature, following the approval by the parties in accordance with their own procedures.

On behalf of the European Community

AGREEMENT

In the form of an exchange of letters between the European Community and Uruguay

relating to the modification of concessions in the schedules of the Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic in the course of accession to the European Community.

Letter from Uruguay

[place],

Sir,

Reference is made to your letter saying:

"Following the initiation of negotiations between the European Communities (EC) and Uruguay under Article XXIV:6 and Article XXVIII of GATT 1994 for the modification of concessions in the schedules of Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic in the course of their accession to the EC, the following is agreed between the EC and Uruguay with a view to close the negotiations opened following the EC's notification of 19 January 2004 pursuant to Article XXIV:6 (GATT):

The EC shall incorporate in its schedule CLX, for the customs territory of EC 25, the concessions that were included in its previous schedule.

The EC shall adjust the definition of EC tariff rate quota of 4000 tonnes for 'high quality meat of bovine animals, fresh, chilled or frozen' as allocated to Uruguay.

This agreement shall enter into force on the date of signature, following the approval by the parties in accordance with their own procedures."

I hereby have the honour to express my government's agreement

On behalf of Uruguay

FINANCIAL STATEMENT					[…] DATE: xxxxxx
1.	BUDGET HEADING: Chapter 10 – Agricultural duties				APPROPRIATIONS: 0 M€
2.	TITLE: Proposal for a Council Decision on the conclusion of an Agreement in the form of an exchange of letters between the European Community and Uruguay relating to compensatory adjustment as provided for by Article XXIV:6 of the GATT 1994				
3.	LEGAL BASIS: Article 133 of the Treaty				
4.	AIMS: To comply with Article Xof the GATT 1994 in relation to the enlargement of the Customs Union as of 1 May 2004				
5.	FINANCIAL IMPLICATIONS	12 MONTH PERIOD (EUR million)	CURRENT FINANCIAL YEAR [n] (EUR million)	FOLLOWING FINANCIAL YEAR [n+1] (EUR million)	
5.0	EXPENDITURE - CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTIONS) - NATIONAL AUTHORITIES - OTHER	[…]	[…]	[…]	
5.1	REVENUE - OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES) - NATIONAL	[…]	0 M€	[…]	
		[n+2]	[n+3]	[n+4]	[n+5]
5.0.1	ESTIMATED EXPENDITURE	[…]	[…]	[…]	[…]
5.1.1	ESTIMATED REVENUE	[…]	[…]	[…]	[…]
5.2	METHOD OF CALCULATION: […]				
6.0	CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET?				N/A
6.1	CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET?				N/A
6.2	WILL A SUPPLEMENTARY BUDGET BE NECESSARY?				NO
6.3	WILL APPROPRIATIONS NEED TO BE ENTERED IN FUTURE BUDGETS?				NO
OBSERVATIONS: […]					

EXPLANATORY MEMORANDUM

(1) Reference is made to Council Decision XXXX, regarding the conclusion of an Agreement with Uruguay following negotiations in the framework of Article XXIV:6 of the GATT 1994.

(2) The present proposal for a Council Regulation implements the Agreement entered into by the Community.

2006/0154 (ACC)

Proposal for a

COUNCIL REGULATION

concerning the implementation of the Agreement concluded by the EC following negotiations in the framework of Article XXIV.6 of GATT 1994, amending Annex I to Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff

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 Commission[1],

Whereas:

(1) Council Regulation (EEC) No 2658/87(1) established a goods nomenclature, hereinafter referred to as the "Combined Nomenclature", and set out the conventional duty rates of the Common Customs Tariff.

(2) By its decision XX/XXX/EC concerning the conclusion of Agreements in the form of an Exchange of Letters between the European Community and Uruguay, the Council approved, on behalf of the Community, the before mentioned Agreement with a view to closing negotiations initiated pursuant to Article XXIV:6 of GATT 1994.

HAS ADOPTED THIS REGULATION:

Article 1

In Regulation (EEC) No 2658/87 Annex I shall be amended:

Annex 7 of Section III of Part three (WTO quotas to be opened by the Competent Community authorities) shall be amended as follows:

a) Adjust the definition of the tariff rate quota of 4000 tonnes 'Boneless High-quality meat fresh, chilled or frozen: "Special or good-quality beef cuts obtained from exclusively pasture-grazed animals presenting a slaughter liveweight not exceeding 460 kilograms, referred to as "special boxed beef". These cuts may bear the letters "sc" (special cuts)"' to 'Boneless High-quality meat of bovine animals, fresh, chilled or frozen'

b) Insert under 'other terms and conditions' the text: 'Supplying country Uruguay'.

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[1] OJ C […], […], p. […].

Article 2

This Regulation shall enter into force on the day following that 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