COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 09.02.1996
COM(96) 41 final

96/0038 (ACC)

Proposal for a

COUNCIL DECISION

on the conclusion of the Third Additional Protocol to the Europe Agreement between the European Communities and their Member States, of the one part, and the Republic of Bulgaria, of the other part

(presented by the Commission)

EXPLANATORY MEMORANDUM

Following the Essen Summit, a Second Additional Protocol to the Europe Agreement with Bulgaria was adopted in December 1994 aligning, inter alia, the date of final elimination of customs duties applied by the Community to Bulgarian exports in the textiles sector with that in the Europe Agreements with the Visegrad countries, i.e. on 1 January 1997.

During the negotiations held on 27-28 November 1995 pursuant to Article 1, paragraph 3 of the Additional Protocol to the Europe Agreement on Trade in Textile Products, Bulgaria offered to accelerate by one year its tariff dismantling for products of Chapters 50-63 of the Bulgarian Tariff listed in Annex VI to the Europe Agreement and requested in return the reduction by the European Community of its preferential customs duties to a rate equal to two-sevenths of the basic duty from 1 January 1996.

The present adjustment would bring the tariff treatment of Bulgarian exports in textile products in line with that of the Visegrad associated countries.

The Council is requested to adopt the attached Decision on the conclusion of a Third Protocol to the Europe Agreement with Bulgaria.

Council Decision
of 1996

on the conclusion of the Third Additional Protocol to the Europe Agreement between the European Communities and their Member States, of the one part, and the Republic of Bulgaria, of the other part (96/.../EC)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 113 in conjunction with Article 228 (2) thereof,

Having regard to the Europe Agreement signed by the Parties on 8 March 1993[1], as amended by the Second Additional Protocol signed on 30 December 1994[2]

Having regard to the proposal from the Commission,

Whereas in the framework of the negotiations held on 27-28 November 1995 in accordance with Article 1 (3) of the Additional Protocol to the Europe Agreement on Trade in Textile Products between the European Community and the Republic of Bulgaria, Bulgaria declared that it is prepared to accelerate by one year its tariff dismantling for products of Chapters 50-63 of the Bulgarian Customs Tariff listed in Annex VI to the Europe Agreement, to reach zero duty on 1 January 2001; In return Bulgaria requested the reduction by the European Community of customs duties on imports applicable in the Community to textile products falling within Section XI (Chapters 50 to 63) of the combined nomenclature and originating in Bulgaria in accordance with Protocol 4 of the Europe Agreement to a rate equal to two-sevenths of the basic duty rate from 1 January 1996;

Whereas this adjustment to the Europe Agreement should be approved,

HAS DECIDED AS FOLLOWS :

Article 1

A Third Additional Protocol amending the Europe Agreement between the European Communities and their Member States, of the one part, and the Republic of Bulgaria, of the other part, is hereby approved on behalf of the Community.

The text of the Third Additional Protocol is attached to this Decision.

Article 2

The President of the Council is hereby authorized to designate the person empowered to sign the Third Additional Protocol on behalf of the European Community.

The President of the Council shall give the notification on behalf of the European Community that all necessary procedures have been completed.

Done at Brussels, ...

For the Council
The President

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1 OJ N° L 358, 31.12.94.
2 OJ N° L 378, 31.12.94.

D r a f t

THIRD ADDITIONAL PROTOCOL
to the Europe Agreement between the European Communities and their Member States, of the one part, and the Republic of Bulgaria, of the other part

THE EUROPEAN COMMUNITY (hereinafter referred to as "the Community"),

of the one part, and

THE REPUBLIC OF BULGARIA (hereinafter referred to as "Bulgaria"),

of the other part,

WHEREAS, the Europe Agreement establishing an association between the European Communities and their Member States, of the one part, and the Republic of Bulgaria, of the other part (hereinafter referred to as "the Europe Agreement") was signed in Brussels on 8 March 1993, and entered into force on 1 February 1995;

WHEREAS, certain provisions of the Europe Agreement relating to the dismantlement of customs duties were last amended by the Second Additional Protocol signed on 30 December 1994 (hereinafter referred to as "the Second Additional Protocol");

BEARING IN MIND the desirability of the Community of aligning the duties applicable to exports of textile products originating in Bulgaria with those of the Visegrad associated countries;

BEARING IN MIND the willingness of Bulgaria to accelerate by one year its tariff dismantling for products of Chapters 50-63 of the Bulgarian Customs Tariff listed in Annex VI to the Europe Agreement, to reach zero duty on 1 January 2001;

BEARING IN MIND the objectives of the Europe Agreement and, in particular, those referred to in Article 1(2) second and third indents thereof;

HAVE DECIDED to conclude this Protocol and to this end have designated as their plenipotentiaries :

THE EUROPEAN COMMUNITY :

THE REPUBLIC OF BULGARIA :

who, having exchanged their full powers, found in good and due form, HAVE AGREED AS FOLLOWS :

Article 1

The third indent of Article 2 (1) of Protocol 1 on textile and clothing products to the Europe Agreement as last amended by the Second Additional Protocol, shall be replaced by the following text :

"at the start of the fourth year, to two-sevenths of the basic duty".

Article 2

The following text shall be added to the end of Article 11 (3) of the Europe Agreement:

"However, in the case of products listed in Chapters 50-63 of the Bulgarian Customs Tariff, Bulgaria shall eliminate all such duties eight years after the entry into force of the Agreement."

Article 3

This Protocol shall form an integral part of the Europe Agreement.

Article 4

This Protocol shall enter into force on the first day of the month following the date upon which the Parties notify each other of the completion of the procedures necessary for that purpose. This Protocol shall apply from 1 January 1996.

If this Protocol should enter into force after 1 January 1996, any duties paid which would not have been payable if the Protocol had entered into force and its provisions had been implemented on that date shall be refunded and such refund shall be deemed to constitute full compliance with the obligation not to impose such duties.

Article 5

This Protocol shall be drawn up in two copies in the Danish, Dutch, English, Finnish, French, German, Greek, Italian, Portuguese, Spanish, Swedish and the Bulgarian languages, each of these texts being equally authentic.

On behalf of the Community *For the Republic of Bulgaria*

Financial Statement

1. **Budget heading** : Chapter 12, Article 120

2. **Legal basis** : Article 113 of the Treaty

3. **Titles of tariff measures** :

- Draft Council Decision on the conclusion of the Third Additional Protocol to the Europe Agreement between the European Communities and their Member States, of the one part, and the Republic of Bulgaria, of the other part

- Draft Third Additional Protocol to the Europe Agreement between the European Communities and their Member States, of the one part, and the Republic of Bulgaria, of the other part

4. **Aim** :

Fulfillment of the obligations arising from the adoption of the Third Additional Protocol to the Europe Agreement with Bulgaria

5. **Method of calculation :**

On the basis of the 1994 EUR-12 imports from Bulgaria, the customs revenue forgone concerning this tariff measure is estimated to 2.15 Mio ECU.

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DOCUMENTS

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