COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 27.1.2009
COM(2009) 18 final

2009/0002 (ACC)

Proposal for a

COUNCIL DECISION

on the signing and conclusion of the Agreement in the form of an exchange of letters between the European Community and the Arab Republic of Egypt concerning reciprocal liberalisation measures on agricultural, processed agricultural products and fish and fishery products and the replacement of Protocols 1 and 2 and of the Annex to Protocol 1 and the Annex to Protocol 2 and modifications to the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Arab Republic of Egypt, of the other part

(presented by the Commission)

EXPLANATORY MEMORANDUM

Article 13 of the Euro-Mediterranean Agreement establishing an Association between the European Communities and their Member States, of the one part, and the Arab Republic of Egypt, of the other part ("Association Agreement") in force since 1 June 2004, of which the trade and trade-related provisions entered into force since 1 January 2004 in the form of an Interim Agreement, states that the Community and Egypt shall gradually implement greater liberalisation of their trade in agricultural, processed agricultural products and fish and fishery products.

On 14 October 2005 the Council has authorised the Commission to conduct negotiations within the framework of the Euro-Mediterranean Agreement with the Arab Republic of Egypt, taking into account the progress made by Egypt as regards the European Neighbourhood Policy Action Plan, adopted on 6 March 2007, in order to achieve greater liberalisation of reciprocal trade in agricultural, processed agricultural products and fish and fishery products, in the spirit of the Barcelona Process and in line with the principles of the European Neighbourhood Policy and the conclusions of the Euro-Mediterranean Conference of Ministers of Foreign Affairs in Luxembourg on 30–31 May 2005. In this context and on the basis of the conclusions of the Euro-Mediterranean Ministerial Conference on Agriculture in Venice of 27 November 2003, the following measures in particular should form an integral part of the negotiation process: sanitary and phytosanitary measures; the approximation of technical standards and the harmonisation of legislation; and the protection of geographical indications.

The European Commission and Egypt officially opened the negotiations on 7–9 February 2007 in Cairo and concluded on 19 June 2008 in Brussels. In order to implement the results of the negotiations concluded with Egypt, the Commission proposes to the Council to adopt, the replacement of Protocols 1 and 2 and of the Annex to Protocol 1 and the Annex to Protocol 2, to delete Protocol 3, to modify the title of Chapter 2, to amend Article 14(1) and (2), to delete Article 14(3) and insert Article 15(3). The intention of both sides is that this Agreement enters into force as of 1 January 2009.

Furthermore, to reinforce the existing cooperation on SPS/TBT issues, a Common Declaration is added to this agreement.

Regarding the protection of geographical indications and denominations of origin, Parties agreed to have a separate dialogue on this subject due to its complexity.

The Commission proposes to the Council to adopt the replacement of Protocols 1 and 2 and of the Annex to Protocol 1 and the Annex to Protocol 2, the deletion of Protocol 3, the modification of the title of Chapter 2, the amendment of Article 14(1) and (2), the deletion of Article 14(3), the insertion of paragraph 3 in Article 15 and to add a Common Declaration on sanitary and phytosanitary or technical barriers to trade issues.

2009/0002 (ACC)

Proposal for a

COUNCIL DECISION

on the signing and conclusion of the Agreement in the form of an exchange of letters between the European Community and the Arab Republic of Egypt concerning reciprocal liberalisation measures on agricultural, processed agricultural products and fish and fishery products and the replacement of Protocols 1 and 2 and of the Annex to Protocol 1 and the Annex to Protocol 2 and modifications to the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Arab Republic of Egypt, of the other part

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 Article 300(2), thereof,

Having regard to the proposal from the Commission,

Whereas:

(1) Article 13 of the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Arab Republic of Egypt, of the other part[1] ("the Association Agreement") in force since 1 June 2004, of which the trade and trade-related provisions entered into force since 1 January 2004, states that the Community and Egypt shall gradually implement greater liberalisation of their reciprocal trade in agricultural, processed agricultural products and fish and fishery products.

(2) The EU-Egypt Association Council adopted on 6 March 2007 an Action Plan of the European Neighbourhood Policy that includes a specific provision for further liberalisation of trade in agricultural, processed agricultural products and fish and fishery products.

(3) The Council has authorised the Commission on 14 October 2005 to conduct negotiations within the framework of the Euro-Mediterranean Agreement with the Arab Republic of Egypt, in order to achieve greater liberalisation of reciprocal trade in agricultural, processed agricultural products and fish and fishery products.

(4) The Commission has negotiated on behalf of the Community an Agreement in the form of an exchange of letters with a view of replacing Protocols 1 and 2 and the Annex to Protocol 1 and the Annex to Protocol 2 to the Association Agreement, to delete Protocol 3, to modify the title of Chapter 2, to amend Article 14(1) and (2), to

[1] OJ L 304, 30.09.2004, p. 39.

delete Article 14(3), to insert Article 15(3) and to add a Common Declaration on sanitary and phytosanitary or technical barriers to trade issues.

(5) The agreement initialled on 19 June 2008 should be approved.

(6) The measures necessary for the implementation of this Decision should be adopted in accordance with Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission[2],

HAS DECIDED AS FOLLOWS:

Article 1

The Agreement in the form of an exchange of letters between the European Community and the Arab Republic of Egypt concerning reciprocal liberalisation measures on agricultural and processed agricultural products and fish and fishery products and the replacement of Protocols 1 and 2 and of the Annex to Protocol 1 and the Annex to Protocol 2 and modifications to the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Arab Republic of Egypt, of the other part, is hereby approved on behalf of the Community.

The text of the Agreement is attached to this Decision.

Article 2

1. The Commission shall adopt the necessary implementation measures for Protocols 1 and 2.

2. The Commission shall be assisted by the Management Committee for the Common Organisation of Agricultural Markets established by Article 195 of Council Regulation (EC) No 1234/2007 of 22 October 2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation)[3], or by the Management Committee for Fisheries Products as established by Article 38 of Council Regulation (EC) No 104/2000 of 17 December 1999 on the common organisation of the markets in the fishery and aquaculture products[4] or, where appropriate, by the committees established by the corresponding provisions of other regulations on the common organisation of markets or by the Customs Code Committee established by Article 248a of Council Regulation (EEC) No 2913/92 of 12 October 1992 establishing the Community Customs Code[5].

---

2 OJ L 184, 17.7.1999, p. 23.
3 OJ L 299, 16.11.2007, p. 1.
4 OJ L 17, 21.1.2000, p. 22.
5 OJ L 302, 19.10.1992, p. 1.

Article 3

Where the Community needs to take a safeguard measure as provided in the Association Agreement, concerning agricultural, processed agricultural products and fish and fishery products, it shall be adopted in accordance with the procedures provided for by the relevant rules establishing the common organisation of the agricultural markets or markets in fishery and aquaculture products, or in specific provisions adopted pursuant to Article 308 of the Treaty and applicable to products resulting from the processing of agricultural and fisheries products, provided that the conditions laid down by the relevant provision of the Association Agreement are met.

Article 4

The President of the Council is hereby authorised to designate the person empowered to sign the Agreement so as to bind the Community.

Article 5

This Decision is published in the *Official Journal of the European Union*.

Done at Brussels,

For the Council
The President

ANNEX

AGREEMENT

in the form of an exchange of letters between the European Community and the Arab Republic of Egypt concerning reciprocal liberalisation measures on agricultural, processed agricultural products and fish and fishery products and the replacement of Protocols 1 and 2 and of the Annex to Protocol 1 and the Annex to Protocol 2 and modifications to the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Arab Republic of Egypt, of the other part

A. Letter from the European Community

Sir/Madam,

I have the honour of referring to the negotiations which took place in accordance with the Euro-Mediterranean Roadmap for agriculture (Rabat Roadmap) adopted by the Euro-Mediterranean Ministers of Foreign Affairs on 28 November 2005 for the acceleration of liberalisation of trade in agricultural, processed agricultural products and fish and fishery products and under Articles 13 and 15 of the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Arab Republic of Egypt, of the other part ("the Association Agreement"), in force since 1 June 2004, of which the trade and trade-related provisions entered into force since 1 January 2004, which states that the Community and the Arab Republic of Egypt shall gradually establish greater liberalisation of their trade in agricultural, processed agricultural products and fish and fishery products.

On the conclusion of the negotiations the two Parties agreed upon the following:

1. The title of Chapter 2 is replaced by "Agricultural, processed agricultural products and fish and fishery products".

2. Paragraph 1 of Article 14 is amended as follows:

   "1. Agricultural, processed agricultural products and fish and fishery products originating in Egypt listed in Protocol 1 on importation into the Community shall be subject to the arrangements set out in that Protocol."

3. Paragraph 2 of Article 14 is amended as follows:

   "2. Agricultural, processed agricultural products and fish and fishery products originating in the Community listed in Protocol 2 on importation into Egypt shall be subject to the arrangements set out in that Protocol."

4. Paragraph 3 of Article 14 is deleted from the Association Agreement.

5. The following paragraph 3 to Article 15 is inserted in the Association Agreement:

   "3. The Contracting Parties shall meet two years from the date of entry into force of this agreement to consider the possibility of granting each other further concessions

of trade in agricultural, processed agricultural products and fish and fishery products in accordance with Article 13 of this Agreement. Such meeting shall thereafter be held regularly every two years."

6. Protocols 1 and 2 of the Association Agreement and their Annexes are replaced by the Protocols 1 and 2 and their Annexes attached to this exchange of letters.

7. Protocol 3 of the Association Agreement is deleted.

8. A Common Declaration on sanitary and phytosanitary or technical barriers to trade issues, listed in Annex to this exchange of letters, is added to this Agreement.

This Agreement shall enter into force on the first day of the second month following the date of deposit of the last instrument of approval.

I would be grateful if you could confirm the agreement of your government to the above.

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

Done at Brussels,

On behalf of the Council of the European Union

PROTOCOL 1

concerning the arrangements applicable to the importation into the European Community of agricultural, processed agricultural products and fish and fishery products originating in the Arab Republic of Egypt

1. Imports into the European Community of the products listed in the Annex to this Protocol, which originate in Egypt, shall be subject to the conditions set out below.

2. On the date of entry into force of this Protocol, customs duties applicable on imports into the European Community of agricultural, processed agricultural products and fish and fishery products originating in Egypt shall be eliminated, except if otherwise provided for in Table 1 in the Annex to this Protocol.

3. For those products originating in Egypt listed in Table 2 in the Annex to this Protocol, customs duties shall be eliminated or reduced within the limit of the tariff quotas listed in column "b" for each of them.

   Customs duties in respect of the quantities in excess of the quotas shall be reduced by the percentage listed in column "c" for each of them.

   For the first year of application of this Protocol, the volumes of tariff quotas shall be calculated as a pro rata of the basic volumes, taking into account the part of the period elapsed before the date of entry into force of this agreement.

4. For products falling under CN codes 0703 20 00 and 0707 00 05, the tariff quota volume listed in column "b" shall be increased annually by 3% of the volume of the previous year, the first increase taking place one year after the entry into force of this agreement.

5. For products falling under CN codes 0810 10 00, 1006 20, 1006 30 and 1006 40, the tariff quota volume listed in column "b" shall be increased annually by 3% of the volume of the previous year over a period of five years, the first increase taking place one year after the entry into force of this agreement.

6. For products falling under CN codes 1806 10 30, 1806 10 90, 1806 20 95, 2101 20 98 and 2106 90 59, the tariff quota volume listed in column "b" shall be increased annually by 5% of the volume of the previous year over a period of five years, the first increase taking place one year after the entry into force of this agreement.

7. For products falling under CN codes 1704 90 99, 1901 90 99, 2101 12 98, 2106 90 98 and 3302 10 29, the tariff quota volume listed in column "b" shall be increased annually by 10% of the volume of the previous year over a period of five years, the first increase taking place one year after the entry into force of this agreement.

8. (a) Notwithstanding the conditions under point 2, for the products to which an entry price applies in accordance with Article 140a of Council Regulation (EC) No 1234/2007[6], and for which the Common Customs Tariff provides for the

[6] OJ L 299, 16.11.2007, p. 1.

application of *ad valorem* customs duties and a specific customs duty, the elimination applies only to the *ad valorem* part of the duty.

(b) For sweet oranges, fresh, falling within CN code 0805 10 20[7], within the limit of a tariff quota of 36 300 tons applicable for the concession on the *ad valorem* customs duties, the agreed entry price between the European Community and Egypt, from which the specific duty provided in the Community's list of concessions to the WTO is reduced to zero, is EUR 264/tonne, for every period from 1 December to 31 May.

If the entry price for a consignment is 2, 4, 6 or 8% lower than the agreed entry price, the specific customs quota duty shall be equal respectively to 2, 4, 6 or 8% of this agreed entry price. If the entry price of a consignment is less than 92% of the agreed entry price, the specific customs duty bound within the WTO shall apply.

[7] CN code corresponding to Regulation (EC) No 1214/2007 (OJ L 286 of 31.10.2007, p. 1).

ANNEX TO PROTOCOL 1

concerning the arrangements applicable to the importation into the European Community of agricultural, processed agricultural products and fish and fishery products originating in the Arab Republic of Egypt

Imports into the European Community of the following products originating in Egypt shall be subject to the conditions set out below.

Table 1

All the products not included in the table below are duty free. A preferential treatment for some of the products listed below is indicated in Table 2.

CN Code [1]	Description [2]
0702 00 00	Tomatoes, fresh or chilled
0703 20 00	Garlic, fresh or chilled
0707 00 05	Cucumbers, fresh or chilled
0709 90 70	Courgettes, fresh or chilled
0709 90 80	Globe artichokes, fresh or chilled
0806 10 10	Table grapes, fresh
0810 10 00	Strawberries, fresh
1006	Rice
1604 13	Prepared or preserved sardines, sardinella and brisling or sprats, whole or in pieces, but not minced
1604 14	Prepared or preserved tuna, skipjack and bonito (*Sarda* spp.), whole or in pieces, but not minced
1701	Cane or beet sugar and chemically pure sucrose, in solid form
1702 excluding 1702 90 10	Other sugars, including chemically pure lactose, glucose and fructose, in solid form; sugar syrups not containing added flavouring or colouring matter; artificial honey, whether or not mixed with natural honey; caramel
1702 50 00	Chemically pure fructose in solid form
ex 1704 90 99	Other sugar confectionery, not containing cocoa, containing: 70% or more by weight of sucrose
ex 1806 10 30	Sweetened cacao powder, containing: 70% or more but less than 80% by weight of sucrose
1806 10 90	Sweetened cacao powder, containing: 80% or more by weight of sucrose
ex 1806 20 95	Chocolate and other food preparations containing cocoa, in blocks, slabs or bars weighing more than 2 kg or in liquid, paste, powder, granular or other bulk form, in containers or immediate packings of a content exceeding 2 kg, containing less than 18% by weight of cocoa butter, containing: 70% or more by weight of sucrose
ex 1901 90 99	Other food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing less than 40% by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included, food preparations of goods of headings 0401 to 0404, not containing cocoa or containing less than 5% by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included, containing: 70% or more by weight of sucrose/isoglucose
ex 2101 12 98	Preparations with a basis of coffee, containing: 70% or more by weight of sucrose/isoglucose

ex 2101 20 98	Preparations with a basis of tea or mate containing: 70% or more by weight of sucrose/isoglucose
ex 2106 90 59	Other flavoured or coloured sugar syrups (excl. isoglucose, lactose, glucose and maltodextrine syrups), containing: 70% or more by weight of sucrose/isoglucose
ex 2106 90 98	Other food preparations not elsewhere specified or included, of a kind used in drink industries, containing: 70% or more by weight of sucrose/isoglucose
ex 3302 10 29	Other preparations of a kind used in the drink industries, containing all flavouring agents characterising a beverage, of an actual alcoholic strength by volume not exceeding 0,5%, containing: 70% or more by weight of sucrose/isoglucose

(1) CN codes corresponding to Regulation (EC) No 1214/2007 (OJ L 286 of 31 October 2007).

(2) Notwithstanding the rules for the interpretation of the combined nomenclature, the wording for the description of the products is to be considered as having no more than an indicative value, the preferential scheme being determined, within the context of this Annex, by the coverage of the CN codes. Where "ex" CN codes are indicated, the preferential scheme is to be determined by the application of the CN codes and corresponding description taken together.

Table 2

For some of the products listed in Table 1 a preferential treatment is provided in form of tariff quotas, reduced duties beyond tariff quota and calendars as listed below:

CN Code [1]	Description [2]	a	b	c
		Reduction of the MFN customs duty %	**Tariff quota (tonnes net weight)**	**Reduction of the customs duty beyond the tariff quota %**
0702 00 00	Tomatoes, fresh or chilled, from 1 November to 30 June	100%	unlimited	–
0703 20 00	Garlic, fresh or chilled, from 15 January to 30 June	100%	4 000	50%
0707 00 05	Cucumbers, fresh or chilled, from 15 November to 15 May	100%	3 000	–
0709 90 70	Courgettes, fresh or chilled, from 1 October to 30 April	100%	unlimited	–
0709 90 80	Globe artichokes, fresh or chilled, from 1 November to 31 March	100%	unlimited	–
0806 10 10	Table grapes, fresh , from 1 February to 31 July	100%	unlimited	–
0810 10 00	Fresh strawberries, from 1 October to 30 April	100%	10 000	–
1006 20	Husked (brown) rice	100%	20 000	–
1006 30	Semi-milled or wholly milled rice, whether or not polished or glazed	100%	70 000	–
1006 40 00	Broken rice	100%	80 000	–
1702 50 00	Chemically pure fructose in solid form	100%	1 000	100% on the *ad valorem* duty + 30% on the EA[8]
ex 1704 90 99	Other sugar confectionery, not containing cocoa, containing: 70% or more by weight of sucrose	100%	1 000	–
ex 1806 10 30	Sweetened cacao powder, containing: 70% or more but less than 80% of sucrose (sugar)	100%	500	–
1806 10 90	Sweetened cacao powder, containing: 80% or more by weight of sucrose (sugar)	100%	500	–

[8] EA: agricultural component as referred to in Regulation (EEC) No 3448/93, as amended.

CN Code [1]	Description [2]	a	b	c
		Reduction of the MFN customs duty %	Tariff quota (tonnes net weight)	Reduction of the customs duty beyond the tariff quota %
ex 1806 20 95	Chocolate and other food preparations containing cocoa, in blocks, slabs or bars weighing more than 2 kg or in liquid, paste, powder, granular or other bulk form, in containers or immediate packings of a content exceeding 2 kg, containing less than 18% by weight of cocoa butter, containing: 70% or more by weight of sucrose	100%	500	–
ex 1901 90 99	Other food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing less than 40% by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included, food preparations of goods of headings 0401 to 0404, not containing cocoa or containing less than 5% by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included, containing: 70% or more by weight of sucrose/isoglucose	100%	1 000	–
ex 2101 12 98	Preparations with a basis of coffee, containing: 70% or more by weight of sucrose/isoglucose	100%	1 000	–
ex 2101 20 98	Preparations with a basis of tea or mate, containing: 70% or more by weight of sucrose/isoglucose	100%	500	–
ex 2106 90 59	Other flavoured or coloured sugar syrups (excl. isoglucose, lactose, glucose and maltodextrine syrups), containing: 70% or more by weight of sucrose/isoglucose	100%	500	–
ex 2106 90 98	Other food preparations not elsewhere specified or included, of a kind used in drink industries, containing: 70% or more by weight of sucrose/isoglucose	100%	1 000	–
ex 3302 1029	Other preparations of a kind used in drink industries, containing all flavouring agents characterising a beverage, of an actual alcoholic strength by volume not exceeding 0,5%, containing: 70% or more by weight of sucrose/isoglucose	100%	1 000	–

(1) CN codes corresponding to Regulation (EC) No 1214/2007 (OJ L 286 of 31 October 2007).

(2) Notwithstanding the rules for the interpretation of the combined nomenclature, the wording for the description of the products is to be considered as having no more than an indicative value, the preferential scheme being determined, within the context of this Annex, by the coverage of the CN codes. Where "ex" CN codes are indicated, the preferential scheme is to be determined by the application of the CN codes and corresponding description taken together.

PROTOCOL 2

concerning the arrangements applicable to the importation into the Arab Republic of Egypt of agricultural, processed agricultural products and fish and fishery products originating in the European Community

1. Imports into the Arab Republic of Egypt of the following products originating in the European Community shall be subject to the conditions set out below.

2. On the date of entry into force of this Protocol, customs duties applicable on import into the Arab Republic of Egypt of agricultural, processed agricultural products and fish and fishery products originating in the European Community shall be eliminated except if otherwise provided for in Table 1 in the Annex to this Protocol.

3. For those products originating in the European Community listed in Table 2 in the Annex to this Protocol, customs duties shall be eliminated or reduced within the limit of the tariff quotas listed in column "b" for each of them.

   For the first year of application of this Protocol, the volumes of tariff quotas shall be calculated as a pro rata of the basic volumes, taking into account the part of the period elapsed before the date of entry into force of this agreement.

ANNEX TO PROTOCOL 2

concerning the arrangements applicable to the importation into the Arab Republic of Egypt of agricultural, processed agricultural products and fish and fishery products originating in the European Community

Imports into the Arab Republic of Egypt of the following products originating in the European Community shall be subject to the conditions set out below.

Table 1

All the products not included in the table below are duty free. A preferential treatment for some of the products listed below is indicated in Table 2.

HS or Egyptian Code [1]	Description [2]
0203	Meat of swine, fresh, chilled or frozen
ex 0206	Edible offal of bovine animals, swine, sheep, goats, horses, asses, mules or hinnies, fresh, chilled or frozen:
0206 30	- of swine, fresh or chilled
0206 41	- of swine livers, frozen
0206 49	-- Other
ex 0207	Meat and edible offal, of the poultry of heading 0105, fresh, chilled or frozen:
	- of fowls of the species *Gallus domesticus*:
0207 11	-- Not cut in pieces, fresh or chilled
0207 12	-- Not cut in pieces, frozen
0209	Pig fat, free of lean meat, and poultry fat, not rendered or otherwise extracted, fresh, chilled, frozen, salted, in brine, dried or smoked
ex 0210	Meat and edible meat offal, salted, in brine, dried or smoked; edible flours and meals of meat or meat offal:
	- Meat of swine:
0210 11	-- Hams, shoulders and cuts thereof, with bone in
0210 12	-- Bellies (streaky) and cuts thereof
0210 19	-- Other
ex 0406 10	Fresh (unripened or uncured) cheese, including whey cheese, and curd (less than 20 kg)
1501	Pig fat (including lard) and poultry fat, other than that of heading 0209 or 1503
ex 1602	Other prepared or preserved meat, meat offal or blood:
1602 10	- homogenised preparations
1602 20	- of liver of any animal
	- of swine:
1602 41	- Hams and cuts thereof
1602 42	- Shoulders and cuts thereof
1602 49	- Other, including mixtures
	- Other, including preparations of blood of any animal:

	1602 90 10	- of swine
	1704	Sugar confectionery (including white chocolate), not containing cocoa
	1806	Chocolate and other food preparations containing cocoa
	1902	Pasta, whether or not cooked or stuffed (with meat or other substances) or otherwise prepared, such as spaghetti, macaroni, noodles, lasagne, gnocchi, ravioli, cannelloni; couscous, whether or not prepared
	1905	Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products
	2004	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, frozen, other than products of heading 2006
ex	2106	Food preparations not elsewhere specified or included:
	2106 90 20	-- Compound alcoholic preparations, other than those based on odoriferous substances, of a kind used for the manufacture of beverages
	2203	Beer made from malt
	2204	Wine of fresh grapes, including fortified wines; grape must other than that of heading 2009
	2205	Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances
	2206	Other fermented beverages (for example, cider, perry, mead); mixtures of fermented beverages and mixtures of fermented beverages and non-alcoholic beverages, not elsewhere specified or included
	2207	Undenatured ethyl alcohol of an alcoholic strength by volume of 80% vol or higher; ethyl alcohol and other spirits, denatured, of any strength
	2208	Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80% vol; spirits, liqueurs and other spirituous beverages
	2401	Unmanufactured tobacco; tobacco refuse
	2402	Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitute
	2403	Other manufactured tobacco and manufactured tobacco substitutes; "homogenised" or "reconstituted" tobacco; tobacco extracts and essences
ex	3302	Mixtures of odoriferous substances and mixtures (including alcoholic solutions) with a basis of one or more of these substances, of a kind used as raw materials in industry; other preparations based on odoriferous substances, of a kind used for the manufacture of beverages: of a kind used in the food or drink industry:
	3302 10 10	Compound alcoholic preparations of a kind used for manufacture of beverages

(1) Egyptian codes corresponding to the Egyptian Customs Tariff, published on 5 February 2007.

(2) Notwithstanding the rules for the interpretation of the Harmonised System (HS) or of the Egyptian tariff nomenclature, the wording for the description of the products is to be considered as having no more than an indicative value.

Table 2

For some of the products listed in Table 1 a preferential treatment is provided in form of tariff quotas and reduced duties as listed below:

HS or Egyptian Code (1)	**Description** (2)	**a**	**b**
		Reduction of the MFN customs duty %	**Tariff quota (tonnes net weight)**
ex 0207 0207 11 0207 12	Meat and edible offal, of the poultry of heading 0105, fresh, chilled or frozen: - of fowls of the species *Gallus domesticus*: -- Not cut in pieces, fresh or chilled -- Not cut in pieces, frozen	35%	5 000
ex 0406 10	Fresh (unripened or uncured) cheese, including whey cheese, and curd (less than 20 kg)	50%	1 000
1704	Sugar confectionery (including white chocolate), not containing cocoa	50%	unlimited
1806	Chocolate and other food preparations containing cocoa	50%	unlimited
1902	Pasta, whether or not cooked or stuffed (with meat or other substances) or otherwise prepared such as spaghetti, macaroni, noodles, lasagne, gnocchi, ravioli, cannelloni; couscous, whether or not prepared	50%	unlimited
1905	Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products	50%	unlimited
2004	Other vegetables prepared or preserved otherwise than by vinegar or ascetic acid, frozen, other than products of heading 2006	50%	unlimited
ex 3302 3302 10 10	Mixtures of odoriferous substances and mixtures (including alcoholic solutions) with bases of one or more of these substances, of a kind used as raw materials in industry; other preparations based on odoriferous substances, of a kind used for the manufacture of beverages: of a kind used in the food or drink industry: --- compound alcoholic preparations of a kind used for manufacture of beverages	 35%	 unlimited

(1) Egyptian codes corresponding to the Egyptian Customs Tariff, published on 5 February 2007.

(2) Notwithstanding the rules for the interpretation of the Harmonised System (HS) or of the Egyptian tariff nomenclature, the wording for the description of the products is to be considered as having no more than an indicative value.

ANNEX TO THE ASSOCIATION AGREEMENT

COMMON DECLARATION ON SANITARY AND PHYTOSANITARY OR TECHNICAL BARRIERS TO TRADE ISSUES

The Parties shall solve any problems, in particular sanitary, phytosanitary or technical barriers to trade, hindering the implementation of this agreement, by means of existing administrative arrangements. The results shall then be reported to the Subcommittee for agriculture and fisheries, as well as to the Subcommittee of industry, trade, services and investment and to the Association Committee. The Parties commit to examine and solve such cases with the shortest possible delay on a friendly manner, in line with the respective applicable legislation.

B. Letter from the Arab Republic of Egypt

Sir/Madam,

I have the honour to acknowledge receipt of your letter of today's date, worded as follows:

"Sir/Madam,

I have the honour of referring to the negotiations which took place in accordance with the Euro-Mediterranean Roadmap for agriculture (Rabat Roadmap) adopted by the Euro-Mediterranean Ministers of Foreign Affairs on 28 November 2005 for the acceleration of liberalisation of trade in agricultural, processed agricultural products and fish and fishery products and under Articles 13 and 15 of the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Arab Republic of Egypt, of the other part ("the Association Agreement"), in force since 1 June 2004, of which the trade and trade-related provisions entered into force since 1 January 2004, which states that the Community and the Arab Republic of Egypt shall gradually establish greater liberalisation of their trade in agricultural, processed agricultural products and fish and fishery products.

On the conclusion of the negotiations the two Parties agreed upon the following:

1. The title of Chapter 2 is replaced by "Agricultural, processed agricultural products and fish and fishery products".

2. Paragraph 1 of Article 14 is amended as follows:

   "1. Agricultural, processed agricultural products and fish and fishery products originating in Egypt listed in Protocol 1 on importation into the Community shall be subject to the arrangements set out in that Protocol."

3. Paragraph 2 of Article 14 is amended as follows:

   "2. Agricultural, processed agricultural products and fish and fishery products originating in the Community listed in Protocol 2 on importation into Egypt shall be subject to the arrangements set out in that Protocol."

4. Paragraph 3 of Article 14 is deleted from the Association Agreement.

5. The following paragraph 3 to Article 15 is inserted in the Association Agreement:

   "3. The Contracting Parties shall meet two years from the date of entry into force of this agreement to consider the possibility of granting each other further concessions of trade in agricultural, processed agricultural products and fish and fishery products in accordance with Article 13 of this Agreement. Such meeting shall thereafter be held regularly every two years."

6. Protocols 1 and 2 of the Association Agreement and their Annexes are replaced by the Protocols 1 and 2 and their Annexes attached to this exchange of letters.

7. Protocol 3 of the Association Agreement is deleted.

8. A Common Declaration on sanitary and phytosanitary or technical barriers to trade issues, listed in Annex to this exchange of letters, is added to this Agreement.

This Agreement shall enter into force on the first day of the second month following the date of deposit of the last instrument of approval."

The Arab Republic of Egypt has the honour of confirming its agreement with the content of this letter.

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

Done at Cairo / Brussels,

For the Arab Republic of Egypt

FINANCIAL STATEMENT

1.	BUDGET HEADING: Chapter 10 – Agricultural duties			APPROPRIATIONS: PDB2009: €1 403,5 M
2.	TITLE: Proposal for a Council Decision on the signing and conclusion of the Agreement in the form of an exchange of letters between the European Community and the Arab Republic of Egypt concerning reciprocal liberalisation measures on agricultural and processed agricultural products and fish and fishery products and the replacement of Protocols 1 and 2 and of the Annex to Protocol 1 and the Annex to Protocol 2 and modifications to the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Arab Republic of Egypt, of the other part.			
3.	LEGAL BASIS: EC Treaty and in particular Article 133 in conjunction with the first sentence of Article 300			
4.	AIMS: To adopt the replacement of several Protocols and Annex to Protocols, the deletion of Protocol 3 and of Article 14(3), the modification of the title of Chapter 2, the amendment of Article 14(1) and (2), the insertion of paragraph 3 in Article 15 and to add a Common Declaration on sanitary and phytosanitary or technical barriers to trade issues.			
5.	FINANCIAL IMPLICATIONS	12-MONTH PERIOD (EUR million)	CURRENT FINANCIAL YEAR 2008 (EUR million)	FOLLOWING FINANCIAL YEAR 2009 (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	–	–	–4.5
		2010	2011	2012
5.0.1 5.1.1	ESTIMATED EXPENDITURE 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? ~~YES NO~~			
6.1	CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET? ~~YES NO~~			
6.2	WILL A SUPPLEMENTARY BUDGET BE NECESSARY? ~~YES NO~~			
6.3	WILL APPROPRIATIONS NEED TO BE ENTERED IN FUTURE BUDGETS? ~~YES NO~~			
OBSERVATIONS: The proposal concerns reciprocal liberalisation measures on trade of agricultural and processed agricultural products and fish and fishery products. As regards own resources, it's estimated that this proposal may result in a reduction of these resources by approximately €4.5 M (net amount after deduction of collection costs).				