COMMISSION OF THE EUROPEAN COMMUNITIES

COM(91) 494 final

Brussels, 4 December 1991

Recommendation for a

COUNCIL DECISION

on the adaptation of the agreement in the form of an exchange of letters between the European Economic Community and the Kingdom of Norway concerning reciprocal trade in cheese

(presented by the Commission)

EXPLANATORY MEMORANDUM

1. The Agreement in the form of an exchange of letters on reciprocal trade in cheese between the Community and Norway[1], signed on 22 March 1989, is of unlimited duration and largely comprises reciprocal tariff quotas. However, the quotas were set for the first three years only (1989 to 1991). Hence, it is necessary to determine the quantities and import duties applicable as from 1 January 1992.

2. In accordance with the provisions of paragraph 7 of the Agreement, the Commission has held consultations on this subject with Norway.

   In the course of these consultations it was agreed that the quantities and import duties should be maintained unchanged for one additional year, in view of the fact that in principle a new Agreement should enter into force on the same date as the Agreement relating to the EEA (European Economic Area).

3. It has also been agreed that consultations will take place during the second half of 1992 concerning a possible review of the situation.

4. In view of the above, it is proposed that the Council :
   - should approve the draft exchange of letters attached to this proposal;
   - should authorize the President of the Council to designate the person empowered to sign the exchange of letters on behalf of the Community.

(1) OJ No L 362 of 30.12.1988, p. 52

Recommendation for a

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on the adaptation of the Agreement in the form of exchange of letters between the European Economic Community and the Kingdom of Norway concerning reciprocal trade in cheese.

THE COUNCIL OF THE EUROPEAN COMMUNITIES

Having regard to the Treaty establishing the European Economic Community, and in particular Article 113 thereof,

Having regard to the recommendation by the Commission,

Whereas in the Agreement between the European Economic Community and the Kingdom of Norway concerning reciprocal trade in cheese, signed on 22 March 1989[1], the tariff quotas to be opened by the Community and Norway respectively were laid down for the years 1989-1991 only; whereas quotas applicable from 1 January 1992 should now be laid down;

Whereas the Commission has held consultations on this matter with Norway and whereas these consultations have led to an Agreement;

HAS DECIDED AS FOLLOWS :

Article 1

The Agreement in the form of an exchange of letters between the European Economic Community and the Kingdom of Norway concerning the adaptation of the Agreement on reciprocal trade in cheese is hereby approved on behalf of the Community.

The text of the Agreement is attached to this decision.

Article 2

The President of the Council is hereby authorized to designate the person empowered to sign the Agreement in order to bind the Community.

Done at Brussels,

For the Council,
The President.

(1) OJ No L 362 of 30.12.1988, p. 52

A. LETTER FROM THE COMMUNITY

Brussels,

Sir,

I have the honour to refer to the consultations held between the European Economic Community and the Kingdom of Norway under paragraph 7 of the Agreement on reciprocal trade in cheese, signed on 22 March 1989.

I hereby confirm that these consultations have led to the following results :

1. For 1992, the quantities of cheese and the import duties laid down by the said Agreement are maintained without change;

2. During the second half of 1992, consultations will be held to determine the quantities and import duties applicable for the following years.

I should be obliged if you would confirm your Government's agreement concerning the content of this letter.

I have the honour to be, Sir,

On behalf of the Council of
the European Communities

B. LETTER FROM THE KINGDOM OF NORWAY

Brussels,

Sir,

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

"I have the honour to refer to the consultations held between the European Economic Community and the Kingdom of Norway under paragraph 7 of the Agreement on reciprocal trade in cheese, signed on 22 March 1989.

I hereby confirm that these consultations have led to the following results :

1. For 1992, the quantities of cheese and the import duties laid down by the said Agreement are maintained without change;

2. During the second half of 1992, consultations will be held to determine the quantities and import duties applicable for the following years.

I should be obliged if you would confirm your Government's agreement concerning the content of this letter."

I have the honour to confirm that my Government is in agreement with the contents of this letter.

I have the honour to be, Sir,

For the Government of
the Kingdom of Norway

FINANCIAL STATEMENT

DATE:

1. BUDGET HEADING: Own resources (Article 100) — APPROPRIATIONS: ECU 1 369.5m

2. TITLE:
Proposal for a Council Decision on the adaptation of the agreement in the form of an exchange of letters between the European Economic Community and the Kingdom of Norway concerning reciprocal trade in cheese

3. LEGAL BASIS:
Article 113 of the Treaty

4. AIMS OF PROJECT:
To extend for 1992 the quotas and duties agreed mutually between the Community and Norway on cheese

5. FINANCIAL IMPLICATIONS	Period of 12 months ECU million	Current Financial Year (1992) ECU million	Following Financial Year (1993) ECU million
5.0 EXPENDITURE			
- CHARGED TO THE EC BUDGET			
- (REFUNDS/INTERVENTION)	-	-	-
- NATIONAL ADMINISTRATION			
- OTHER			
5.1 REVENUE			
- OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES)	- 3.1	- 2.6	- 0.5
- NATIONAL			

	1994	1995	1996	1997
5.0.1 ESTIMATED EXPENDITURE				
5.1.1 ESTIMATED REVENUE				

5.2 METHOD OF CALCULATION: (12 months)
Normal import levy : ECU 1 883.1/tonne
Reduced import levy : ECU 550.0/tonne

Loss of levy per tonne: ECU 1 333.1/tonne
Total loss of levy : 2 020 t x ECU 1 333.1/t x 1,145 (DR) = ECU 3.1 million (B)

Exports to Norway do not qualify for export refunds.

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 IS A SUPPLEMENTARY BUDGET NECESSARY? YES/NO

6.3 WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY? YES/NO

OBSERVATIONS:

Since an extension of the arrangements in force with no change in the quantities [illegible] financial impact has already been taken into account in the 1992 draft budget

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DOCUMENTS

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