COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 19.12.2006
COM(2006) 836 final

2006/0270 (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 Hashemite Kingdom of Jordan amending the EC–Jordan Association Agreement

(presented by the Commission)

EXPLANATORY MEMORANDUM

In accordance with the provisions of Article 15 of the Euro-Mediterranean Agreement establishing an Association between the European Communities and their Member States, of the one part, and the Hashemite Kingdom of Jordan, of the other part ("the Association Agreement"), Council Decision 2006/67/EC of 20 December 2005 on the conclusion of an Agreement in the form of an Exchange of Letters between the European Community and the Hashemite Kingdom of Jordan concerning reciprocal liberalisation measures and amending the EC-Jordan Association Agreement as well as replacing Annexes I, II, III and IV and Protocols 1 and 2 to that Agreement, introduced further bilateral trade concessions in agricultural and processed agricultural products, effective on 1 January 2006.

It should be clarified that the new reciprocal liberalisation measures introduced by Decision 2006/67/EC of 20 December 2005 only relate to agricultural and processed agricultural products, and not to fish and fisheries products covered by Chapter 3, headings 1604 and 1605, and sub-headings 0511 91, 2301 20 and ex 1902 20 (“stuffed pasta containing more than 20% by weight of fish, crustaceans, molluscs or other aquatic invertebrates”). For processed agricultural products, which are subject to a revision clause, a reference to the time schedule for the revision should be added.

After the adoption of Decision 2006/67/EC of 20 December 2005, the Jordanian authorities informed the Commission services of discrepancies relating to certain Jordanian customs nomenclature codes. Articles 11a and 16, as well as Annex III and the Annex to Protocol 2 to the Association Agreement should therefore be amended in order to correct these discrepancies.

The Commission proposes to the Council to adopt, in order to clarify and correct some of the new provisions introduced by Council Decision 2006/67/EC of 20 December 2005, the amendment of Articles 11a and 16, as well as Annex III and of the Annex to Protocol No 2 of the Association Agreement by means of an agreement in the form of an exchange of letters.

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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) In accordance with the provisions of Article 15 of the Euro-Mediterranean Agreement establishing an Association between the European Communities and their Member States, of the one part, and the Hashemite Kingdom of Jordan, of the other part[1] (hereinafter referred to as "the Association Agreement"), the Agreement in the form of an Exchange of Letters between the European Community and the Hashemite Kingdom of Jordan concerning reciprocal liberalisation measures and amending the EC-Jordan Association Agreement as well as replacing Annexes I, II, III and IV and Protocols 1 and 2 to that Agreement[2], approved by Council Decision 2006/67/EC[3], (hereinafter referred to as "the Agreement in the form of an Exchange of Letters"), introduced further bilateral trade concessions in agricultural and processed agricultural products, effective on 1 January 2006.

(2) After the adoption of Decision 2006/67/EC, the Jordanian authorities informed the Commission services of discrepancies relating to certain Jordanian customs nomenclature codes.

(3) It should be clarified that the new reciprocal liberalisation measures introduced by the Agreement in the form of an Exchange of Letters only relate to agricultural and processed agricultural products, and not to fish and fisheries products covered by Chapter 3, headings 1604 and 1605, and sub-headings 0511 91, 2301 20 and ex 1902 20 (“stuffed pasta containing more than 20% by weight of fish, crustaceans, molluscs or other aquatic invertebrates”).

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1 OJ L 129, 15.5.2002, p. 3.
2 OJ L 41, 13.2.2006, p. 3.
3 OJ L 41, 13.2.2006, p. 1.

(4) Therefore, Articles 11a and 16, as well as Annex III and the Annex to Protocol 2 to the Association Agreement should be amended in order to correct these discrepancies.

(5) For processed agricultural products, which are subject to a revision clause, a reference to the time schedule of the revision should be added,

HAS DECIDED AS FOLLOWS:

Article 1

The Agreement in the form of an exchange of letters between the European Community and the Hashemite Kingdom of Jordan amending the EC – Jordan Association Agreement 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 authorised to designate the person(s) empowered to sign the Agreement in the form of an exchange of letters in order to bind the Community.

Article 3

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

Done at Brussels,

For the Council
The President

AGREEMENT

in the form of an exchange of letters between the European Community and the Hashemite Kingdom of Jordan amending the EC – Jordan Association Agreement

A. Letter from the European Community

Sir,

I have the honour of referring to the information provided by your authorities after the adoption of Council Decision 2006/67/EC of 20 December 2005 on the conclusion of an Agreement in the form of an Exchange of Letters between the European Community and the Hashemite Kingdom of Jordan concerning reciprocal liberalisation measures and amending the EC-Jordan Association Agreement as well as replacing Annexes I, II, III and IV and Protocols 1 and 2 to that Agreement, as regards discrepancies in reference to certain Jordan customs nomenclatures codes.

In order to refer to the timing foreseen for the revision of the concessions applicable to processed agricultural products; a new paragraph 5a is inserted in Article 11a of the Association Agreement:

"5a. From 1 January 2009 the Community and Jordan shall assess the situation with a view to determining the liberalisation measures to be applied by the Community and Jordan with effect from 1 January 2010."

In order to confirm that the new reciprocal liberalisation measures introduced by the Agreement approved by Decision 2006/67/EC only relate to agricultural and processed agricultural products and not to fisheries products, Article 16 of the Association Agreement is replaced by the following:

"*Article 16*

1. Agricultural products other than fish and fisheries products covered by Chapter 3, headings 1604 and 1605, and sub-headings 0511 91, 2301 20 and ex 1902 20 ("stuffed pasta containing more than 20% by weight of fish, crustaceans, molluscs or other aquatic invertebrates") originating in Jordan shall benefit on import into the Community from the provisions set out in Protocol 1.

2. Agricultural products other than fish and fisheries products covered by Chapter 3, headings 1604 and 1605, and sub-headings 0511 91, 2301 20 and ex 1902 20 ("stuffed pasta containing more than 20% by weight of fish, crustaceans, molluscs or other aquatic invertebrates") originating in the Community shall benefit on import into Jordan from the provisions set out in Protocol 2."

In order to correct the above mentioned discrepancies in reference to certain Jordan customs nomenclature codes, Annex III and the Annex to Protocol 2 to the Association Agreement are amended as follows:

(1) In Annex III:

(a) in list A, codes 210690300, 210690400 and 210690600 are deleted;

(b) in list B, codes 1301100000, 130120100, 130120900, 130190100, 130190900, 130211100, 130211200, 130239100, 130239900, 190211100, 190211900, 190590210 and 210690900 are deleted;

(c) in list D, code 350190000 is deleted;

(d) in list E, codes 190300000, 200520100 and 210690990 are deleted;

(e) in list F, code 190539000 is replaced by code 190532000;

(f) in list G, the text shall read as follows: “List of processed agricultural products for which customs duties shall not be abolished.”

(2) In the Annex to Protocol 2:

(a) under category A, one iteration of code 130110100 is deleted;

(b) under category B, code 130213000 is deleted;

(c) under category E, one iteration of code 130110900 is deleted.

This Agreement shall be applicable retroactively from 1 January 2006.

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

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

On behalf of the Council of the European Union

B. Letter from the Hashemite Kingdom of Jordan

Sir,

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

"I have the honour of referring to the information provided by your authorities after the adoption of Council Decision 2006/67/EC of 20 December 2005 on the conclusion of an Agreement in the form of an Exchange of Letters between the European Community and the Hashemite Kingdom of Jordan concerning reciprocal liberalisation measures and amending the EC-Jordan Association Agreement as well as replacing Annexes I, II, III and IV and Protocols 1 and 2 to that Agreement, as regards discrepancies in reference to certain Jordan customs nomenclatures codes.

In order to refer to the timing foreseen for the revision of the concessions applicable to processed agricultural products; a new paragraph 5a is inserted in Article 11a of the Association Agreement:

"5a. From 1 January 2009 the Community and Jordan shall assess the situation with a view to determining the liberalisation measures to be applied by the Community and Jordan with effect from 1 January 2010."

In order to confirm that the new reciprocal liberalisation measures introduced by the Agreement approved by Decision 2006/67/EC only relate to agricultural and processed agricultural products and not to fisheries products, Article 16 of the Association Agreement is replaced by the following:

"*Article 16*

1. Agricultural products other than fish and fisheries products covered by Chapter 3, headings 1604 and 1605, and sub-headings 0511 91, 2301 20 and ex 1902 20 ("stuffed pasta containing more than 20% by weight of fish, crustaceans, molluscs or other aquatic invertebrates") originating in Jordan shall benefit on import into the Community from the provisions set out in Protocol 1.

2. Agricultural products other than fish and fisheries products covered by Chapter 3, headings 1604 and 1605, and sub-headings 0511 91, 2301 20 and ex 1902 20 ("stuffed pasta containing more than 20% by weight of fish, crustaceans, molluscs or other aquatic invertebrates") originating in the Community shall benefit on import into Jordan from the provisions set out in Protocol 2."

In order to correct the above mentioned discrepancies in reference to certain Jordan customs nomenclature codes, Annex III and the Annex to Protocol 2 to the Association Agreement are amended as follows:

(1) In Annex III:

(a) in list A, codes 210690300, 210690400 and 210690600 are deleted;

(b) in list B, codes 1301100000, 130120100, 130120900, 130190100, 130190900, 130211100, 130211200, 130239100, 130239900, 190211100, 190211900, 190590210 and 210690900 are deleted;

(c) in list D, code 350190000 is deleted;

(d) in list E, codes 190300000, 200520100 and 210690990 are deleted;

(e) in list F, code 190539000 is replaced by code 190532000;

(f) in list G, the text shall read as follows: “List of processed agricultural products for which customs duties shall not be abolished.”

(2) In the Annex to Protocol 2:

(a) under category A, one iteration of code 130110100 is deleted;

(b) under category B, code 130213000 is deleted;

(c) under category E, one iteration of code 130110900 is deleted.

This Agreement shall be applicable retroactively from 1 January 2006.”

The Hashemite Kingdom of Jordan has the honour of confirming its agreement with the contents of this letter.

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

For the Hashemite Kingdom of Jordan

LEGISLATIVE FINANCIAL STATEMENT FOR PROPOSALS HAVING A BUDGETARY IMPACT EXCLUSIVELY LIMITED TO THE REVENUE SIDE

1. NAME OF THE PROPOSAL

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 Hashemite Kingdom of Jordan amending the EC-Jordan Association Agreement

2. BUDGET LINES

Chapter 10 – Article 1000: Agricultural duties established by the Institutions of the European Communities in respect of trade with non-member countries under the common agricultural policy. Amount estimated for the year concerned: EUR 763,5 million– B 2006.

3. FINANCIAL IMPACT

☐ Proposal has no financial implications

☒ Proposal has no financial impact on expenditure but has a financial impact on revenue - the effect is as follows (*):

(€ million to one decimal place)

Budget line	Revenue[4]	12 month period, starting dd/mm/aa	[Year n]
Article …	*Impact on own resources*		
Article …	*Impact on own resources*		

Situation following action					
	[n+1]	[n+2]	[n+3]	[n+4]	[n+5]
Article …					
Article …					

[4] Amounts indicated are net amounts, i.e. gross amounts after deduction of 25% of collection costs.

4. ANTI-FRAUD MEASURES

5. OTHER REMARKS

(*) The financial impact of the measure is already indicated in the financial statement number 05/26819 (of last year). The present version of the Agreement regards technical modifications without any additional financial implications.