



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 03.02.1997
COM(97) 26 final

97/0032 (ACC)

Proposal for a

COUNCIL DECISION

CONCERNING THE CONCLUSION OF THE AGREEMENT ON CUSTOMS CO-OPERATION
IN THE FORM OF AN EXCHANGE OF LETTERS BETWEEN
THE EUROPEAN COMMUNITY AND THE KINGDOM OF NORWAY

(presented by the Commission)

EXPLANATORY MEMORANDUM

By its Decision of 25 October 1996, the Council authorized the Commission to negotiate an agreement on customs co-operation in the form of an exchange of letters between the European Community and the Kingdom of Norway.

Following the negotiations with the Norwegian authorities, the text of the Agreement was initialled on 20 November 1996.

The Agreement is now being sent to the Council to be signed and concluded.

The Commission considers that the initialled text is in accordance with the negotiating directives adopted by the Council on 25 October 1996. As agreed upon adoption of the negotiation directives, the proposal for the Council Decision concluding the Agreement includes a number of specific provisions, in particular:

- a recital outlining the particular situation of the regions concerned;
- the obligation for the customs authorities of Finland and Sweden to assume full responsibility, including financial liability, vis-à-vis the Community for all acts performed or to be performed on their behalf by the customs authorities of Norway;
- the obligation for the Norwegian customs authorities and the Finnish and Swedish customs authorities respectively to conclude an administrative arrangement for the implementation of the Agreement and to notify that arrangement to the Commission.

The Council is being invited to approve the conclusion of the Agreement in sufficient time to allow entry into force on 1 March 1997.

**PROPOSAL FOR A
COUNCIL DECISION
CONCERNING THE CONCLUSION OF THE AGREEMENT ON CUSTOMS CO-OPERATION
IN THE FORM OF AN EXCHANGE OF LETTERS BETWEEN
THE EUROPEAN COMMUNITY AND THE KINGDOM OF NORWAY**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 113 thereof, in conjunction with the first sentence of Article 228 (2) and the first subparagraph of Article 228(3),

Having regard to the proposal from the Commission,

Whereas the national arrangements on customs co-operation concluded between the Kingdom of Norway and the Republic of Finland, on the one hand, and between the Kingdom of Norway and the Kingdom of Sweden, on the other hand, should, for the matters falling within Community's jurisdiction, be replaced by a Community system;

Whereas the frontier co-operation agreements help to facilitate trade and the efficient allocation of resources over a limited number of frontier posts situated in outermost regions, in particular for the benefit of the Republic of Finland and the Kingdom of Sweden; whereas such regions have a number of peculiarities relating to their geography (extremely harsh climatic conditions, extremely long borders, long internal distances, great difficulty in gaining access to certain areas) and to their very low density of population and traffic and these peculiarities are new in the Community context and require special attention if the regions and economic operators concerned are not to be penalised;

Whereas on 25 October 1996 the Council authorized the Commission to negotiate, on behalf of the Community, an agreement on customs co-operation in the form of an exchange of letters between the European Community and the Kingdom of Norway;

Whereas the Republic of Finland and the Kingdom of Sweden should assume full responsibility, including financial liability, towards the Community for all acts performed or to be performed on their behalf by the Norwegian customs authorities;

Whereas the Norwegian customs authorities should conclude with the Finnish and Swedish customs authorities respectively an administrative arrangement for the implementation of the Agreement and should notify that arrangement to the Commission; whereas the Finnish and Swedish customs authorities should be accountable to the Commission for the implementation of the Agreement;

Whereas the Agreement on customs co-operation in the form of an exchange of letters negotiated between the European Community and the Kingdom of Norway should be approved,

HAS DECIDED AS FOLLOWS:

Article 1

The Agreement on customs co-operation in the form of an exchange of letters between the European Community and the Kingdom of Norway is hereby approved on behalf of the Community.

The text of the Agreement is attached to this Decision.

Article 2

The Republic of Finland and the Kingdom of Sweden shall assume full responsibility, including financial liability, towards the Community for all acts performed or to be performed on their behalf by the Norwegian customs authorities.

Article 3

1. The Finnish and the Swedish customs authorities respectively shall conclude with the Norwegian customs authorities an administrative arrangement for the implementation of this Agreement. These arrangements shall be notified to the Commission of the European Communities.
2. The Finnish and the Swedish customs authorities respectively shall be accountable to the Commission for the implementation of the Agreement. To this end, they shall present a yearly report to the Commission, unless special circumstances would require additional reports.

Article 4

The Commission, assisted by representatives of the member States, shall represent the European Community on the Joint Committee set up under Article 7 of the Agreement.

Article 5

The President of the Council is hereby authorised to designate the persons empowered to sign the Agreement in order to bind the Community and to give the notification provided for in Article 11 of the Agreement¹.

Article 6

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

Done at Brussels, 199..

*For the Council
The President*

¹ The date of entry into force of the Agreement will be published in the *Official Journal of the European Communities* by the General Secretariat of the Council

AGREEMENT ON CUSTOMS CO-OPERATION

**IN THE FORM OF AN EXCHANGE OF LETTERS BETWEEN
THE EUROPEAN COMMUNITY AND THE KINGDOM OF NORWAY**

A. Letter from the European Community

Brussels,

Gentlemen,

Please find attached the text of the Agreement on customs co-operation between the European Community and the Kingdom of Norway. We have the honour to confirm that the European Community accepts the Agreement.

We should be grateful if you would kindly confirm that the Kingdom of Norway accepts the Agreement. The Agreement between the European Community and the Kingdom of Norway shall thereby be concluded, as set out in the attached text.

Please accept, Gentlemen, the assurance of our highest consideration.

*On behalf of
the European Community*

B. Letter from the Kingdom of Norway

Brussels,

Gentlemen,

We acknowledge receipt of your letter accepting the Agreement on customs co-operation between the European Community and the Kingdom of Norway. Your letter reads as follows:

"Please find attached the text of the Agreement on customs co-operation between the European Community and the Kingdom of Norway. We have the honour to confirm that the European Community accepts the Agreement.

We should be grateful if you would kindly confirm that the Kingdom of Norway accepts the Agreement. The Agreement between the European Community and the Kingdom of Norway shall thereby be concluded, as set out in the attached text."

We have the honour to confirm that the Kingdom of Norway accepts the Agreement.

Please accept, Gentlemen, the assurance of our highest consideration.

*On behalf of
the Kingdom of Norway*

**AGREEMENT ON CUSTOMS CO-OPERATION BETWEEN
THE EUROPEAN COMMUNITY AND THE KINGDOM OF NORWAY**

THE EUROPEAN COMMUNITY,

and

THE KINGDOM OF NORWAY,

DESIROUS of facilitating traffic between the Community and Norway,

CONSIDERING that more economical use of resources in controlling traffic of mostly a low volume of goods and in supervising the common border could be made,

CONSIDERING that this can be achieved by introducing, in respect of their trade relations, arrangements on customs co-operation to take the place of national arrangements concluded between the Kingdom of Norway and the Republic of Finland, on the one hand, and between the Kingdom of Norway and the Kingdom of Sweden, on the other hand,

CONSIDERING that, owing to geographical, historical, social and economic factors, Norway's exceptional situation justifies special arrangements in the field of customs co-operation,

HAVE AGREED AS FOLLOWS:

Article 1

A customs co-operation between the European Community and the Kingdom of Norway shall be set up in accordance with the provisions set out below.

Article 2

1. The customs co-operation as provided for by Article 1 applies at the customs posts listed in the Appendix.
2. The Appendix to this Agreement shall form an integral part thereof.

Article 3

1. At the customs posts referred to in Article 2, and under the conditions set out in this Agreement, the Norwegian customs authorities shall be authorised to perform, for and on behalf of the Finnish or Swedish customs authorities, all customs checks and formalities for goods under the Community customs rules applicable to import, export, transit and the placing under any customs procedure of goods between the Community and Norway.

2. The rules referred to in the first paragraph shall be those applicable in the Community at any moment.
3. The checks and formalities referred to in the first paragraph do not include the payment of refunds or other amounts provided for under the common agricultural policy.

Article 4

The Norwegian customs authorities shall conclude, with respectively the Finnish and the Swedish customs authorities, an administrative arrangement for the implementation of this Agreement. These arrangements shall be notified to the Commission of the European Communities.

Article 5

The Community agents may carry out any necessary control in accordance with the following provisions:

- a) Article 18 of Council Regulation (EEC) N° 1552/89 of 29 May 1989² applying Decision 88/376/EEC, Euratom on the system of the Community's own resources;
- b) Articles 8 and 9 of Council Regulation (EEC) N° 729/70 of 21 April 1970³ on the financing of the common agricultural policy;
- c) Article 6 of Council Regulation (EEC) N° 595/91 of 4 March 1991⁴ concerning irregularities and the recovery of sums wrongly paid in connection with the financing of the common agricultural policy and the organisation of an information system in this field and repealing Regulation (EEC) N° 283/72;
- d) Article 188 C of the Treaty establishing the European Community.

Article 6

The Kingdom of Norway shall accept the same obligations as the customs authorities of the Community Member States in the exercise of this authorisation and in particular the provisions of Council Regulation (EEC) N° 1468/81 of 19 May 1981⁵ on mutual assistance between the administrative authorities of the Member States and co-operation between the latter and the Commission to ensure the correct application of the law on customs or agricultural matters.

² OJEC N° L 155 of 7.6.1989, p. 1.

³ OJEC N° L 94 of 28.4.1970, p. 13.

⁴ OJEC N° L 67 of 14.3.1991, p. 11.

⁵ OJEC N° L 144 of 2.6.1981, p. 1.

Article 7

1. A Joint Committee is hereby established which shall be responsible for the administration of this Agreement and shall ensure its proper implementation. For this purpose, it shall make recommendations.
2. For the purpose of the proper implementation of this Agreement the Contracting Parties shall exchange information and, at the request of either Party, shall hold consultations within the Joint Committee.
3. The Joint Committee shall adopt its own rules of procedure.

Article 8

1. The Joint Committee shall consist of representatives of the Contracting Parties .
2. The Joint Committee shall act by mutual agreement.

Article 9

1. Either Contracting Party may denounce this Agreement by notifying the other Contracting Party. This Agreement shall cease to be in force twelve months after the date of such notification.
2. In case the denunciation results from a substantial fraud involving responsibility on the part of the authorities, and provided that such is mentioned in the notification, the period of twelve months, referred to in the first paragraph, is reduced to three months.

Article 10

This Agreement shall apply, on the one hand, to the territories to which the Treaty establishing the European Community is applied and under the conditions laid down in that Treaty and, on the other, to the territory of the Kingdom of Norway.

Article 11

1. This Agreement is drawn up in duplicate in the Danish, Dutch, English, Finnish, French, German, Greek, Italian, Portuguese, Spanish, Swedish and Norwegian languages, each of these texts being equally authentic.
2. It will be approved by the Contracting Parties in accordance with their own procedures.
3. It shall enter into force on 1 March 1997, provided that the Contracting Parties have notified each other before that date that the procedures necessary to this end have been completed. After this date, this Agreement shall enter into force on the first day of the third month following such notification.

4. The provisions of the bilateral agreements on customs co-operation concluded between the Kingdom of Norway and the Republic of Finland, on the one hand, and between the Kingdom of Norway and the Kingdom of Sweden, on the other hand, shall, for the matters falling within the Community's jurisdiction, cease to have effect on the entry into force of this Agreement.

Done at on the day of in the year one thousand nine hundred and ninety-seven.

For the European Community

For the Kingdom of Norway

Appendix

CUSTOMS POSTS REFERRED TO IN ARTICLE 2

1. CUSTOMS POSTS BETWEEN NORWAY AND SWEDEN

1.1. Posts located on Norwegian territory

- Junkerdal
- Ørje
- Østby
- Svinesund
- Vauldalen

1.2. Posts located on Swedish territory

- Åsnes
- Bjørnfjell / Narvik (*)

2. CUSTOMS POSTS BETWEEN NORWAY AND FINLAND

2.1. Posts located on Norwegian territory

- Neiden
- Polmak

2.2. Posts located on Finnish territory

- Kilpisjaervi
- Kivilompolo
- Karigasniemi
- Utsjoki

(*) Located on Norwegian territory.

ISSN 0254-1475

COM(97) 26 final

DOCUMENTS

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11 02 13

Catalogue number : CB-CO-97-023-EN-C

ISBN 92-78-15190-4

Office for Official Publications of the European Communities

L-2985 Luxembourg