



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 23.01.1996

COM(95)707 final

96/0023 (AVC)

Draft Council and Commission Decision (EC/ECSC)
concerning the conclusion of the Agreement amending
the fourth ACP-EC Convention

Explanatory Memorandum

The purpose of the annexed draft Decision is to enable the Council of the European Union and the Commission of the European Communities to conclude on behalf of the two Communities concerned (the EC and the ECSC) the Agreement amending the fourth ACP-EC Convention (Lomé) signed in Mauritius on 4 November this year.

The Decision will enable the Community to deposit, in due order, the act notifying conclusion of the Agreement - a procedure required for the Convention to enter into force, as can be seen from Articles 360 and 366 of the Convention taken in conjunction.

The Commission as well as the Council is concluding this Agreement because the Protocol on ECSC products has been incorporated in the text of the Convention itself and Commission holds certain powers under the ECSC Treaty (this corresponds to the formula used for the signing of the Convention). Also, the amendments to the rules of origin added in the Agreement revising the Convention apply to these products.

In practice there should be a single act concluding the Agreement and the President of the Council alone should notify its conclusion.

Draft Council and Commission Decision (EC/ECSC)
concerning the conclusion of the Agreement amending the
fourth ACP-EC Convention

THE COUNCIL OF THE EUROPEAN UNION,

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Coal and Steel Community,

Having regard to the Treaty establishing the European Community, and in particular Article 238 thereof,

Having regard to the assent of the European Parliament,¹

Whereas the Agreement amending the fourth ACP-EC Convention, signed in Mauritius on 4 November 1995, should be approved,

HAVE DECIDED AS FOLLOWS:

Article 1

The Agreement amending the fourth ACP-EC Convention, the Protocols and declarations annexed thereto and the declarations attached to the Final Act are hereby approved on behalf of the European Coal and Steel Community and the European Community.

The texts of the Agreement, the Protocols and declarations annexed thereto and the Final Act are attached to this Decision.

Article 2

The President of the Council shall deposit the act of notification provided for in Article 360 of the Convention for the European Coal and Steel Community and the European Community.

Done at Brussels,

For the Council

The President

For the Commission

The President

¹ OJ No C

**AGREEMENT
AMENDING THE FOURTH ACP-EC
CONVENTION OF LOMÉ**

signed in Mauritius on 4 November 1995

PREAMBLE

HIS MAJESTY THE KING OF THE BELGIANS,

HER MAJESTY THE QUEEN OF DENMARK,

THE PRESIDENT OF THE FEDERAL REPUBLIC OF GERMANY,

THE PRESIDENT OF THE HELLENIC REPUBLIC,

HIS MAJESTY THE KING OF SPAIN,

THE PRESIDENT OF THE FRENCH REPUBLIC,

THE PRESIDENT OF IRELAND,

THE PRESIDENT OF THE ITALIAN REPUBLIC,

HIS ROYAL HIGHNESS THE GRAND DUKE OF LUXEMBOURG,

HER MAJESTY THE QUEEN OF THE NETHERLANDS,

THE FEDERAL PRESIDENT OF THE REPUBLIC OF AUSTRIA,

THE PRESIDENT OF THE PORTUGUESE REPUBLIC,

THE PRESIDENT OF THE REPUBLIC OF FINLAND,

HIS MAJESTY THE KING OF SWEDEN,

HER MAJESTY THE QUEEN OF THE UNITED KINGDOM OF GREAT BRITAIN AND
NORTHERN IRELAND,

Contracting Parties to the Treaty establishing the European Coal and Steel Community and the Treaty establishing the European Community, hereinafter referred to as "the Community", the States of the Community being hereinafter referred to as "Member States",

and

THE COUNCIL OF THE EUROPEAN UNION AND THE COMMISSION OF THE EUROPEAN COMMUNITIES,

of the one part, and

THE PRESIDENT OF THE REPUBLIC OF ANGOLA,

HER MAJESTY THE QUEEN OF ANTIGUA AND BARBUDA,

THE HEAD OF STATE OF THE COMMONWEALTH OF THE BAHAMAS,

THE HEAD OF STATE OF BARBADOS,

HER MAJESTY THE QUEEN OF BELIZE,

THE PRESIDENT OF THE REPUBLIC OF BENIN,

THE PRESIDENT OF THE REPUBLIC OF BOTSWANA,

THE PRESIDENT OF BURKINA FASO,

THE PRESIDENT OF THE REPUBLIC OF BURUNDI,

THE PRESIDENT OF THE REPUBLIC OF CAMEROON,

THE PRESIDENT OF THE REPUBLIC OF CAPE VERDE,

THE PRESIDENT OF THE CENTRAL AFRICAN REPUBLIC,

THE PRESIDENT OF THE ISLAMIC FEDERAL REPUBLIC OF THE COMOROS,

THE PRESIDENT OF THE REPUBLIC OF THE CONGO,

THE PRESIDENT OF THE REPUBLIC OF THE CÔTE D'IVOIRE,

THE PRESIDENT OF THE REPUBLIC OF DJIBOUTI,

THE GOVERNMENT OF THE COMMONWEALTH OF DOMINICA,

THE PRESIDENT OF THE DOMINICAN REPUBLIC,

THE PRESIDENT OF THE STATE OF ERITREA,

THE PRESIDENT OF THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA,

THE PRESIDENT OF THE SOVEREIGN DEMOCRATIC REPUBLIC OF FIJI,

THE PRESIDENT OF THE REPUBLIC OF GABON,

THE PRESIDENT OF THE REPUBLIC OF GAMBIA,

THE PRESIDENT OF THE REPUBLIC OF GHANA,

HER MAJESTY THE QUEEN OF GRENADA,

THE PRESIDENT OF THE REPUBLIC OF GUINEA,

THE PRESIDENT OF THE COUNCIL OF STATE OF GUINEA-BISSAU,

THE PRESIDENT OF THE REPUBLIC OF EQUATORIAL GUINEA,

THE PRESIDENT OF THE CO-OPERATIVE REPUBLIC OF GUYANA,

THE PRESIDENT OF THE REPUBLIC OF HAITI,

THE HEAD OF STATE OF JAMAICA,

THE PRESIDENT OF THE REPUBLIC OF KENYA,

THE PRESIDENT OF KIRIBATI,

HIS MAJESTY THE KING OF THE KINGDOM OF LESOTHO,

THE PRESIDENT OF THE REPUBLIC OF LIBERIA,

THE PRESIDENT OF THE DEMOCRATIC REPUBLIC OF MADAGASCAR,

THE PRESIDENT OF THE REPUBLIC OF MALAWI,

THE PRESIDENT OF THE REPUBLIC OF MALI,

THE PRESIDENT OF THE ISLAMIC REPUBLIC OF MAURITANIA,

THE PRESIDENT OF THE REPUBLIC OF MAURITIUS,

THE PRESIDENT OF THE REPUBLIC OF MOZAMBIQUE,

THE PRESIDENT OF THE REPUBLIC OF NAMIBIA,

THE PRESIDENT OF THE REPUBLIC OF NIGER,

THE HEAD OF THE FEDERAL REPUBLIC OF NIGERIA,

THE PRESIDENT OF THE REPUBLIC OF UGANDA,

HER MAJESTY THE QUEEN OF THE INDEPENDENT STATE OF PAPUA NEW GUINEA,

THE PRESIDENT OF THE RWANDESE REPUBLIC,

HER MAJESTY THE QUEEN OF SAINT KITTS AND NEVIS,

HER MAJESTY THE QUEEN OF SAINT LUCIA,

HER MAJESTY THE QUEEN OF SAINT VINCENT AND THE GRENADINES,

THE HEAD OF STATE OF THE INDEPENDENT STATE OF WESTERN SAMOA,

THE PRESIDENT OF THE DEMOCRATIC REPUBLIC OF SÃO TOMÉ AND PRÍNCIPE,

THE PRESIDENT OF THE REPUBLIC OF SENEGAL,

THE PRESIDENT OF THE REPUBLIC OF SEYCHELLES,

THE PRESIDENT OF THE REPUBLIC OF SIERRA LEONE,

HER MAJESTY THE QUEEN OF THE SOLOMON ISLANDS,

THE PRESIDENT OF THE SOMALI DEMOCRATIC REPUBLIC,

THE PRESIDENT OF THE REPUBLIC OF THE SUDAN,

THE PRESIDENT OF THE REPUBLIC OF SURINAME,

HIS MAJESTY THE KING OF THE KINGDOM OF SWAZILAND,

THE PRESIDENT OF THE UNITED REPUBLIC OF TANZANIA,

THE PRESIDENT OF THE REPUBLIC OF CHAD,

THE PRESIDENT OF THE TOGOLESE REPUBLIC,

HIS MAJESTY KING TAUFA'AHAU TUPOU IV OF TONGA,

THE PRESIDENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO,

HER MAJESTY THE QUEEN OF TUVALU,

THE GOVERNMENT OF VANUATU,

THE PRESIDENT OF THE REPUBLIC OF ZAIRE,

THE PRESIDENT OF THE REPUBLIC OF ZAMBIA,

THE PRESIDENT OF THE REPUBLIC OF ZIMBABWE,

whose States are hereinafter referred to as "ACP States",

of the other part,

Contracting Parties to the Fourth ACP-EC Convention signed at Lomé on
15 December 1989, hereinafter referred to as "the Convention",

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HAVING REGARD to the Treaty establishing the European Community and the Treaty establishing the European Coal and Steel Community, on the one hand, and the Georgetown Agreement constituting the group of African, Caribbean and Pacific States, on the other,

HAVING REGARD to the Convention,

CONSIDERING that Article 366(1) of the Convention lays down that the duration of the Convention shall be ten years, starting on 1 March 1990;

CONSIDERING that, notwithstanding this provision, Article 366(2) of the Convention provides for the possibility of amending the Convention by undertaking a mid-term review;

CONSIDERING that Article 4 of the Financial Protocol to the Convention provides for the conclusion of a new Financial Protocol for the second five-year period covered by the Convention;

DESIROUS of reaffirming their attachment to the principles of freedom, democracy, respect for human rights and fundamental freedoms, and the rule of law and wishing to make these principles an essential element of the amended Convention;

CONCERNED about the serious deterioration in the trade performance of the ACP States in recent years;

NOTING that special attention must therefore be paid in ACP-EC cooperation to the development of trade, a basic element of all self-reliant development;

CONSIDERING that, to this end, it is also essential to ensure that all the instruments provided for in the Convention are used in an effective, coordinated and consistent manner;

ANXIOUS to increase the quality and effectiveness of ACP-EC cooperation,

HAVE DECIDED to conclude this Agreement amending the Convention and to this end have designated as their Plenipotentiaries:

HIS MAJESTY THE KING OF THE BELGIANS:

HER MAJESTY THE QUEEN OF DENMARK:

THE PRESIDENT OF THE FEDERAL REPUBLIC OF GERMANY:

THE PRESIDENT OF THE HELLENIC REPUBLIC:

HIS MAJESTY THE KING OF SPAIN:

THE PRESIDENT OF THE FRENCH REPUBLIC:

THE PRESIDENT OF IRELAND:

THE PRESIDENT OF THE ITALIAN REPUBLIC:

HIS ROYAL HIGHNESS THE GRAND DUKE OF LUXEMBOURG:

HER MAJESTY THE QUEEN OF THE NETHERLANDS:

THE FEDERAL PRESIDENT OF THE REPUBLIC OF AUSTRIA:

THE PRESIDENT OF THE PORTUGUESE REPUBLIC:

THE PRESIDENT OF THE REPUBLIC OF FINLAND:

HIS MAJESTY THE KING OF SWEDEN:

HER MAJESTY THE QUEEN OF THE UNITED KINGDOM OF GREAT BRITAIN AND
NORTHERN IRELAND:

THE COUNCIL OF THE EUROPEAN UNION AND THE COMMISSION OF THE EUROPEAN
COMMUNITIES:

THE PRESIDENT OF THE REPUBLIC OF ANGOLA:

HER MAJESTY THE QUEEN OF ANTIGUA AND BARBUDA:

THE HEAD OF STATE OF THE COMMONWEALTH OF THE BAHAMAS:

THE HEAD OF STATE OF BARBADOS:

HER MAJESTY THE QUEEN OF BELIZE:

THE PRESIDENT OF THE REPUBLIC OF BENIN:

THE PRESIDENT OF THE REPUBLIC OF BOTSWANA:

THE PRESIDENT OF BURKINA FASO:

THE PRESIDENT OF THE REPUBLIC OF BURUNDI:

THE PRESIDENT OF THE REPUBLIC OF CAMEROON:

THE PRESIDENT OF THE REPUBLIC OF CAPE VERDE:

THE PRESIDENT OF THE CENTRAL AFRICAN REPUBLIC:

THE PRESIDENT OF THE ISLAMIC FEDERAL REPUBLIC OF THE COMOROS:

THE PRESIDENT OF THE REPUBLIC OF THE CONGO:

THE PRESIDENT OF THE REPUBLIC OF THE COTE D'IVOIRE:

THE PRESIDENT OF THE REPUBLIC OF DJIBOUTI:

THE GOVERNMENT OF THE COMMONWEALTH OF DOMINICA:

THE PRESIDENT OF THE DOMINICAN REPUBLIC:

THE PRESIDENT OF THE STATE OF ERITREA:

THE PRESIDENT OF THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA:

THE PRESIDENT OF THE SOVEREIGN DEMOCRATIC REPUBLIC OF FIJI:

THE PRESIDENT OF THE REPUBLIC OF GABON:

THE PRESIDENT OF THE REPUBLIC OF GAMBIA:

THE PRESIDENT OF THE REPUBLIC OF GHANA:

HER MAJESTY THE QUEEN OF GRENADA:

THE PRESIDENT OF THE REPUBLIC OF GUINEA:

THE PRESIDENT OF THE COUNCIL OF STATE OF GUINEA-BISSAU:

THE PRESIDENT OF THE REPUBLIC OF EQUATORIAL GUINEA:

THE PRESIDENT OF THE CO-OPERATIVE REPUBLIC OF GUYANA:

THE PRESIDENT OF THE REPUBLIC OF HAITI:

THE HEAD OF STATE OF JAMAICA:

THE PRESIDENT OF THE REPUBLIC OF KENYA:

THE PRESIDENT OF KIRIBATI:

HIS MAJESTY THE KING OF THE KINGDOM OF LESOTHO:

THE PRESIDENT OF THE REPUBLIC OF LIBERIA:

THE PRESIDENT OF THE DEMOCRATIC REPUBLIC OF MADAGASCAR:

THE PRESIDENT OF THE REPUBLIC OF MALAWI:

THE PRESIDENT OF THE REPUBLIC OF MALI:

THE PRESIDENT OF THE ISLAMIC REPUBLIC OF MAURITANIA,

THE PRESIDENT OF THE REPUBLIC OF MAURITIUS:

THE PRESIDENT OF THE REPUBLIC OF MOZAMBIQUE:

THE PRESIDENT OF THE REPUBLIC OF NAMIBIA,

THE PRESIDENT OF THE REPUBLIC OF NIGER:

THE HEAD OF THE FEDERAL REPUBLIC OF NIGERIA:

THE PRESIDENT OF THE REPUBLIC OF UGANDA:

HER MAJESTY THE QUEEN OF THE INDEPENDENT STATE OF PAPUA NEW GUINEA:

THE PRESIDENT OF THE RWANDESE REPUBLIC:

HER MAJESTY THE QUEEN OF SAINT KITTS AND NEVIS:

HER MAJESTY THE QUEEN OF SAINT LUCIA:

HER MAJESTY THE QUEEN OF SAINT VINCENT AND THE GRENADINES:

THE HEAD OF STATE OF THE INDEPENDENT STATE OF WESTERN SAMOA:

THE PRESIDENT OF THE DEMOCRATIC REPUBLIC OF SÃO TOMÉ AND PRÍNCIPE:

THE PRESIDENT OF THE REPUBLIC OF SENEGAL:

THE PRESIDENT OF THE REPUBLIC OF SEYCHELLES:

THE PRESIDENT OF THE REPUBLIC OF SIERRA LEONE:

HER MAJESTY THE QUEEN OF THE SOLOMON ISLANDS:

THE PRESIDENT OF THE SOMALI DEMOCRATIC REPUBLIC:

THE PRESIDENT OF THE REPUBLIC OF THE SUDAN:

THE PRESIDENT OF THE REPUBLIC OF SURINAME:

HIS MAJESTY THE KING OF THE KINGDOM OF SWAZILAND:

THE PRESIDENT OF THE UNITED REPUBLIC OF TANZANIA:

THE PRESIDENT OF THE REPUBLIC OF CHAD:

THE PRESIDENT OF THE TOGOLESE REPUBLIC:

HIS MAJESTY KING TAUFU'AHAU TUPOU IV OF TONGA:

THE PRESIDENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO:

HER MAJESTY THE QUEEN OF TUVALU:

THE GOVERNMENT OF VANUATU:

THE PRESIDENT OF THE REPUBLIC OF ZAIRE:

THE PRESIDENT OF THE REPUBLIC OF ZAMBIA:

THE PRESIDENT OF THE REPUBLIC OF ZIMBABWE:

WHO, having exchanged their full powers, found in good and due form,

HAVE AGREED AS FOLLOWS:

In accordance with the procedure laid down in its Article 366, the Fourth ACP-EC Convention shall be amended by the following provisions:

A. THROUGHOUT THIS CONVENTION:

1. The term "European Economic Community" shall be replaced by the term "European Community", the abbreviation "EEC" by "EC" and the term "Council of the European Communities" by the term "Council of the European Union".
2. The term "Delegate" shall be replaced by the term "Head of Delegation".

B. THE PREAMBLE:

3. In the Preamble, the following shall be inserted as a seventh recital:

"WISHING to strengthen further their links through greater political dialogue and its extension to issues and problems of foreign policy and security and those of general interest and/or of common interest to a group of countries;"

C. PART ONE – GENERAL PROVISIONS OF ACP-EC COOPERATION

4. In Article 4; the following paragraph shall be added:

"In support of the development strategies of the ACP States, due account shall be taken of the objectives and priorities of the Community's cooperation policy and the ACP States' development policies and priorities."

5. Article 5 shall be replaced by the following:

"Article 5

1. Cooperation shall be directed towards development centred on man, the main protagonist and beneficiary of development, which thus entails respect for and promotion of all human rights. Cooperation operations shall thus be conceived in accordance with this positive approach, where respect for human rights is recognized as a basic factor of real development and where cooperation is conceived as a contribution to the promotion of these rights.

In this context development policy and cooperation shall be closely linked to respect for and enjoyment of fundamental human rights and to the recognition and application of democratic principles, the consolidation of the rule of law and good governance. The role and potential of initiatives taken by individuals and groups shall be recognized in order to achieve in practice real participation of the population in the development process in accordance with Article 13. In this context good governance shall be a particular aim of cooperation operations.

Respect for human rights, democratic principles and the rule of law, which underpins relations between the ACP States and the Community and all provisions of the Convention, and governs the domestic and international policies of the Contracting Parties, shall constitute an essential element of this Convention.

2. The Contracting Parties therefore reiterate their deep attachment to human dignity and human rights, which are legitimate aspirations of individuals and peoples. The rights in question are all human rights, the various categories thereof being indivisible and inter-related, each having its own legitimacy: non-discriminatory treatment; fundamental human rights; civil and political rights; economic, social and cultural rights.

Every individual shall have the right, in his own country or in a host country, to respect for his dignity and to protection by the law.

ACP-EC cooperation shall help abolish the obstacles preventing individuals and peoples from actually enjoying to the full their economic, social, political and cultural rights and this must be achieved through development which is essential to their dignity, their well-being and their self-fulfilment.

The Contracting Parties hereby reaffirm their existing obligations and commitment in international law to strive to eliminate all forms of discrimination based on ethnic group, origin, race, nationality, colour, sex, language, religion or any other situation. This commitment applies more particularly to any situation in the ACP States or in the Community that may adversely affect the pursuit of the objectives of the Convention. The Member States (and/or, where appropriate, the Community itself) and the ACP States will continue to ensure, through the legal or administrative measures which they have or will have adopted, that migrant workers, students and other foreign nationals legally within their territory are not subjected to discrimination on the basis of racial, religious, cultural or social differences, notably in respect of housing, education, health care, other social services and employment.

3. At the request of the ACP States, financial resources may be allocated, in accordance with the rules governing development finance cooperation, to the promotion of human rights in the ACP States and to measures aimed at democratization, a strengthening of the rule of law and good governance. Practical steps, whether public or private, to promote human rights and democracy, especially in the legal domain, may be carried out with organizations having internationally recognized expertise in this sphere.

In addition, with a view to supporting institutional and administrative reform, the resources provided for in the Financial Protocol for this purpose can be used to complement the measures taken by the ACP States concerned, within the framework of its indicative programme, in particular at the preparatory and start-up stage of the relevant projects and programmes."

6. In Article 6, paragraph 2 shall be replaced by the following:

"2. The Contracting Parties recognize that priority must be given to environmental protection and the conservation of natural resources, which are essential conditions for sustainable and balanced development from both the economic and human viewpoints. They recognize the importance of promoting, in ACP States, an environment favourable to the development of the market economy and of the private sector."

7. The following Article 6a shall be inserted:

"Article 6a

The Contracting Parties recognize the fundamental importance of trade in energizing the development process. The Community and the ACP States therefore agree to give high priority to the development of trade with a view to accelerating the growth of the ACP States' economies and to integrating them into the world economy in a harmonious and gradual manner. In recognition thereof, adequate resources should be devoted to the expansion of ACP trade."

8. Article 12 shall be replaced by the following:

"Article 12

Without prejudice to Article 366a, where the Community intends, in the exercise of its powers, to take a measure which might affect the interests of the ACP States as far as this Convention's objectives are concerned, it shall inform in good time the said States of its intentions. Towards this end, the Commission shall communicate simultaneously to the Secretariat of the ACP States its proposals for such measures. Where necessary, a request for information may also take place on the initiative of the ACP States.

At their request, consultations shall be held promptly so that account may be taken of their concerns as to the impact of those measures before any final decision is made.

After such consultations have taken place, the ACP States may, in addition, transmit their concerns in writing to the Community and submit suggestions for amendments indicating the way their concerns should be met.

If the Community does not accede to the ACP States' submissions, it shall advise them as soon as possible giving its reasons.

The ACP States shall also be provided with adequate information on the entry into force of such decisions, in advance whenever possible."

9. The following Article 12a shall be inserted:

"Article 12a

Recognizing the potential for positive contributions by the agents of decentralized cooperation to the development of the ACP States, the Contracting Parties agree to intensify their efforts to encourage the participation of ACP and Community agents in cooperation activities. To this end, the resources of this Convention may be used to support decentralized cooperation operations. These operations shall conform to the priorities, guidelines and development methods determined by the ACP States."

10. The following Article 15a shall be inserted:

"Article 15a

Trade development shall be aimed at developing, diversifying and increasing the ACP States' trade and improving their competitiveness in their domestic markets, the regional and intra-ACP market, and in the Community and international markets. The Contracting Parties undertake to use all the means available under this Convention, including trade cooperation and those on financial and technical cooperation, for the achievement of this objective. They also agree to implement the provisions of this Convention in a coherent and coordinated manner."

11. Articles 20, 21 and 22 shall be deleted.

12. In Article 30, the following paragraph 3 shall be added:

"3. In addition, the Council of Ministers shall conduct an enlarged political dialogue. To this end, the Contracting Parties shall organize themselves to ensure an effective dialogue.

Such dialogue may also take place outside this framework, with a geographical or other composition suited to the subjects under discussion, where the need is felt by the Contracting Parties."

13. In Article 32, paragraph 1 shall be replaced by the following:

"1. The Joint Assembly shall be composed of equal numbers of, on the one hand, members of the European Parliament on the Community side and, on the other hand, members of the Parliament or, failing this, representatives designated by the Parliament of the ACP State concerned. In the absence of a Parliament, the attendance of a representative shall be subject to prior approval by the Joint Assembly."

D. PART TWO – THE AREAS OF ACP-EC COOPERATION

14. In Article 50, the following paragraph 3 shall be added:

"3. The specific agreements referred to in paragraph 2 shall not put in jeopardy production and trade flows in ACP regions."

15. In the second paragraph of Article 51, subparagraphs (b), (c) and (e) shall be replaced by the following:

- "(b) where products supplied as food aid are sold, they must be sold at a price which will not disrupt the domestic market or restrict the development and enhancement of regional trade in the products concerned. The resulting counterpart funds shall be used to finance the execution or running of projects or programmes with a major rural development component; these funds may also be used for all legitimate purposes approved by common agreement, taking into account Article 226(d);
- (c) where the products supplied are distributed free of charge, they must form part of nutrition programmes aimed in particular at vulnerable sections of the population or be delivered as remuneration for work and must take account of trade flows of the ACP States concerned and within the region;
- (e) as a matter of priority, the products supplied must meet the needs of the recipients. In the selection of such products, account should be taken in particular of the ratio of cost to specific nutritive value and of the effect the choice might have on consumer habits, and on domestic and regional trade development;"

16. Article 87 shall be replaced by the following:

"Article 87

1. The Committee of Ambassadors shall appoint the members of a Committee on Industrial Cooperation, supervise its operation, and determine its composition and its rules of operation.
2. The Committee on Industrial Cooperation shall review the progress made in the implementation of ACP-EC Industrial Cooperation policy. As regards the Centre for the Development of Industry, hereinafter referred to as the CDI, the Committee shall examine and approve:
 - (a) the overall strategy of the CDI;
 - (b) the apportionment on an annual basis of the overall financial allocation provided for in Article 3 of the Second Financial Protocol;
 - (c) the CDI's annual budget and annual accounts.
3. The Committee on Industrial Cooperation shall report to the Committee of Ambassadors. In addition to the duties referred to above, it shall carry out the duties laid down in its rules of procedure and such other duties as may be assigned to it by the Committee of Ambassadors."

17. Article 88 shall be deleted.

18. Article 89 shall be replaced by the following:

"Article 89

1. The CDI shall help to establish and strengthen industrial enterprises in the ACP States, especially by encouraging joint initiatives by economic operators of the Community and of the ACP States. The CDI shall exercise selectiveness in undertaking its tasks, laying emphasis on opportunities for joint ventures and subcontracting.

2. The CDI shall:

(a) with a view to ensuring its effectiveness, focus its efforts on ACP States that have:

(i) identified support for industrial development, or for the private sector in general, within the framework of Article 281(2)(b) and (c) in their indicative programmes; and/or

(ii) obtained financial contributions and assistance from other Community institutions for the promotion and development of the private and/or the industrial sector;

- (b) carry out its activities in the framework of the implementation of industrial-development or private-sector support programmes established by the ACP States referred to in subparagraph (a) for their indicative programmes;
- (c) step up its operational presence in the States referred to in subparagraph (a), particularly with regard to the identification of projects and project promoters and to providing assistance for the presentation of such projects to the financing institutions;
- (d) give priority to the identification of operators with viable small to medium-sized industrial projects and, in the case of those meeting the needs of the ACP States concerned, to assisting them in their promotion and implementation.

3. The Commission, the European Investment Bank (hereinafter referred to as "the Bank") and the CDI shall maintain operational cooperation in the context of their respective responsibilities. To this end, and to ensure the consistency of Community operations in support of the private sector, in general, and the industrial sector, in particular, in the ACP States referred to in paragraph 2 (a), the Commission shall, in consultation with the Bank and in liaison with the CDI, prepare support programmes for these sectors that incorporate guidelines for the strategy to be pursued."

19. Article 91 shall be replaced by the following:

"Article 91

The CDI shall be headed by a Director assisted by a Deputy Director, recruited on the basis of their professional qualifications, technical skills and management experience, taking due account of the provisions of Annex XIV, both of whom shall be appointed by the Committee on Industrial Cooperation. The management of the CDI shall implement the guidelines laid down by the Committee on Industrial Cooperation and shall be answerable to the Governing Board."

20. Article 92 shall be replaced by the following:

"Article 92

1. The Committee on Industrial Cooperation shall appoint the members of the Governing Board of the CDI, supervise its operation, and determine its composition and its rules of operation. The Board shall be composed of six independent, highly qualified persons with considerable experience of industrial cooperation appointed on the basis of parity between the ACP and the Community. The Commission, the Bank, the ACP Secretariat and the Council Secretariat shall each have a representative present at its proceedings as observers.

2. The Board shall:

- (a) submit to the Committee on Industrial Cooperation, for its consideration and approval proposals concerning the CDI's overall strategy, its annual budget and its annual accounts which it has adopted on the basis of proposals submitted to it by the CDI management;
- (b) approve, on a proposal from the Director of the CDI: multiannual and annual programmes of activities, the annual report, the organizational structure, staffing policy and establishment plan;
- (c) ensure that the overall strategy and annual budgets approved by the Committee on Industrial Cooperation are implemented efficiently and properly by the CDI management.

3. The Board shall in addition to the duties referred to above, carry out the duties laid down in its rules of procedure and such other duties as may be assigned to it by the Committee on Industrial Cooperation. The Board shall report to the Committee on Industrial Cooperation on a periodic basis on issues arising from the discharge of the Board's duties."

21. In Article 93, paragraph 3 shall be replaced by the following:

"3. The CDI's Statute, financial and staff regulations and rules of procedure shall be adopted by the Council of Ambassadors after the signing of the Second Financial Protocol."

22. Articles 94, 95 and 96 shall be deleted.

23. In Article 129, "1." shall be inserted at the beginning of the sole paragraph and the following paragraphs 2 and 3 shall be added:

"2. With a view to contributing to the promotion and development of the ACP maritime trade, the contracting parties may, in the framework of the implementation of development finance cooperation, give special attention within the existing instruments to the facilitation and encouragement of access for ACP maritime operators to the resources provided for in this Convention, in particular as regards projects and programmes for improving the competitiveness of their maritime services.

3. The Community may give assistance in the form of risk-capital and/or loans by the Bank to finance projects and programmes in the sectors set out in this Article."

24. Article 135 shall be replaced by the following:

"Article 135

With a view to attaining the objectives set out in Article 15a, the Contracting Parties shall implement measures for the development of trade at all stages up to final distribution of the product.

The object is to ensure that the ACP States derive the maximum benefit from the provisions of this Convention and may participate under the most favourable conditions in the Community, domestic, sub-regional, regional and international markets by diversifying the range and increasing the value and the volume of ACP States' trade in goods and services.

To this end the ACP States and the Community undertake to ensure that high priority is given to trade development programmes in the context of establishing national and regional programmes as provided for in Article 281 and other relevant provisions of this Convention."

25. In Article 136, paragraphs 1 and 2 shall be replaced by the following:

"1. In addition to developing trade between the ACP States and the Community, particular attention shall be given to operations designed to increase the ACP States' self-reliance, develop intra-ACP and international trade and improve regional cooperation in trade and services.

2. Within the instruments provided for in this Convention and in accordance with the provisions set out in relation thereto, operations shall be undertaken at the request of the ACP States and ACP regions, particularly in the following areas:

- support for the definition of appropriate macro-economic policies necessary for trade development;
- support for the creation or reform of appropriate legal and regulatory frameworks as well as for the reform of administrative procedures;

- the establishment of coherent trade strategies;
- support for ACP States in developing their internal capacities, information systems and awareness of the role and importance of trade in economic development;
- support for strengthening the infrastructure related to trade and in particular support for the ACP States' efforts to develop and improve supportive service infrastructure, including transport and storage facilities, in order to ensure their effective participation in the distribution of goods and services and in order to enhance the flow of exports from the ACP States;
- development of human resources and professional skills in the field of trade and services, in particular in the processing, marketing, distribution and transport sectors for the Community, regional and international markets;
- support to private sector development and, in particular, to small and medium-sized enterprises for product identification and development, market outlets and export-oriented joint ventures;
- support for ACP actions aimed at encouraging and attracting private investment and joint venture operations;
- the establishment, adaptation and strengthening of organizations in the ACP States dealing with the development of trade and services, particular attention being paid to the special needs of organizations in the least-developed, landlocked and island ACP States;

- support for the ACP States' efforts to develop and improve the quality of their products, adapt them to market requirements and diversify their outlets;
- support for the ACP States' efforts to penetrate third country markets more effectively;
- market development measures including increasing contacts and exchange of information between economic operators in ACP States, the Member States of the Community and in third countries;
- support for ACP States in the application of modern marketing techniques in production-oriented sectors and programmes, in particular in areas such as rural development and agriculture."

26. In Article 136, paragraph 4, the word "should" shall be replaced by "may" (concerns only the English text);

27. Article 141 shall be replaced by the following:

"Article 141

1. The Foundation for ACP-EC Cultural Cooperation and other specialized institutions may make a contribution to the implementation of the objectives of this Title in their sphere of activity.

2. In respect of cultural cooperation, activities undertaken to this end shall cover the following areas:

- (a) studies, research and measures concerning the cultural aspects of taking into account the cultural dimension of cooperation;
- (b) studies, research and measures to promote the cultural identities of the ACP peoples and all initiatives likely to contribute to intercultural dialogue."

28. In Article 159, subparagraph (j) shall be replaced by the following:

- (j) support, at the request of the ACP States concerned, for operations and structures which promote the coordination of sectoral policies including trade development and structural adjustment efforts;"

29. In Article 164, subparagraph 1(d) shall be replaced by the following:

- "(d) requests for financing for intra-ACP regional cooperation schemes may be submitted by the ACP Council of Ministers, or, by specific delegation, by the ACP Committee of Ambassadors. In this context, the Community shall inform the ACP States, at the beginning of the period covered by the Second Financial Protocol of the amount of financial resources available for intra-ACP regional cooperation;"

E. PART THREE – THE INSTRUMENTS OF ACP-EC COOPERATION

30. In Article 167, paragraph 2 shall be replaced by the following:

"2. In the pursuit of this objective, particular regard shall be had to securing effective additional advantages for ACP States' trade with the Community, and to improving the conditions of access for their products to the market in order to accelerate the growth of their trade and, in particular, of the flow of their exports to the Community, and to ensure a better balance in the trade of the Contracting Parties and thus accelerate the exports to regional and international markets."

31. In Article 177, paragraph 1 shall be replaced by the following:

"1. Should application of this Chapter result in serious disturbances in a sector of the economy of the Community or of one or more of the Member States, or jeopardize their external financial stability, or if difficulties arise which may result in a deterioration thereof, the Community may take safeguard measures. These measures shall be notified immediately to the Council of Ministers."

32. In Article 178, paragraph 3 shall be replaced by the following:

"3. However, the prior consultations provided for in paragraphs 1 and 2 shall not prevent any immediate decisions which the Community, in accordance with Article 177(1), might take where special factors have necessitated such decisions."

33. In Article 181, second paragraph, subparagraph (4) shall be replaced by the following:

"(4) where the Community takes safeguard measures in accordance with Article 177, consultations on these measures may take place within the Council of Ministers, where the Contracting Parties concerned so request, notably with a view to ensuring compliance with Article 177(3).".

34. In Article 187, paragraph 1, item 24 shall be replaced by the following:

"24. Fresh bananas 0803 00 11 and 19",

and the following item 50 shall be added:

"50. Karakul Skins ex 4301 30 00
ex 4302 13 00
ex 4302 30 31.".

35. In Article 193, the following subparagraph 4 shall be added:

"4. amounts accruing from the application of the first subparagraph of Article 366a(3).".

36. In Article 194, the following paragraph 5 shall be added:

"5. Other than the reduction referred to in paragraph 2, there shall be no further reduction of the transfer basis as a result of a shortfall in the resources of the system if, in the case of least developed or landlocked ACP States, the transfer basis so reduced in accordance with paragraph 2 is less than ECU 2 million, or, in the case of island States, is less than ECU 1 million."

37. Article 203 shall be replaced by the following:

"Article 203

1. Should the examination of:

- (a) marketed production in the application year by comparison with the reference period; or
- (b) total exports as a share of marketed production over the same period; or
- (c) the share of total exports going to the Community over the same period; or
- (d) the sum of figures referred to in (b) and (c)

reveal a large decline, consultations shall be held between the Commission and that ACP State to determine whether the transfer basis is to be maintained or reduced, and if reduced, to what extent.

2. For the purpose of applying paragraph 1, a decline shall be deemed to be large if it is at least 20%."

38. In Article 209, paragraph 4 shall be replaced by the following:

"4. Where there is an adjustment programme in place, including operations designed to restructure production and export activities, or to achieve diversification, the resources will be used in conformity with these efforts and in order to support any consistent reform policy."

39. In Article 211, paragraph 1 shall be replaced by the following:

"1. The transfer shall be made in ecus upon signature of the transfer agreement referred to in Article 205(2) into an interest-bearing account in a Member State, for which the presentation of two signatures, that of the ACP State and that of the Commission, shall be required. Any interest shall be credited to this account."

40. In Article 220, the following subparagraph (p) shall be added:

"(p) provide support for the definition and implementation of trade policies and programmes to foster the harmonious and gradual integration of ACP States into the world economy."

41. In Article 224:

- subparagraph (d) shall be replaced by the following:

"(d) budgetary support intended to alleviate domestic financial constraints:

- (i) either directly, for the ACP States whose currencies are convertible and freely transferable;
- (ii) or indirectly, from counterpart funds generated by the various Community instruments;"

- subparagraph (i) shall be replaced by the following:

"(i) the human and material resources supplementary to those borne by the ACP States which are strictly necessary for efficient and effective administration and supervision of projects and programmes financed by the European Development Fund, hereinafter referred to as "the Fund".",

- the following subparagraph (m) shall be added:

"(m) support for institutional and administrative reform measures, with a view to democratization and the rule of law."

42. In Article 230, subparagraph 2(g) shall be replaced by the following:

"(g) agents of decentralized cooperation from ACP States and from the Community, to enable them to undertake economic, cultural, social and educational projects and programmes in the ACP States in the framework of decentralized cooperation."

43. In Article 233, paragraph 4 shall be replaced by the following:

"4. Where financial assistance is granted to the final recipient through an intermediary or directly to the final beneficiary in the private sector:

- (a) the terms on which the assistance may be made available by the intermediary to the final recipient or directly to the final beneficiary in the private sector shall be laid down in the financing agreement or loan contract; and
- (b) any financial benefit accruing to the intermediary from the on-lending transaction, or resulting from direct lending operation to the final beneficiary in the private sector, shall be used for development purposes, on the conditions laid down in the financing agreement or the loan contract, after taking into account administrative costs, exchange and financial risks, and the cost of technical assistance given to the final recipient."

44. In Article 234:

- the introductory words shall be replaced by the following:

"1. Risk capital may be deployed in the form of loans, equity participation or other quasi-capital assistance",

- the following subparagraph 1(b)a shall be inserted:

"(b)a Quasi-capital assistance may consist of shareholders' advances, convertible bonds, loans with participating rights or any other similar form of assistance.",

- subparagraph 1(c) shall be replaced by the following:

"(c) The terms of risk capital operations shall depend on the characteristics of each project or programme financed and shall in general be more favourable than those of subsidized loans. In the case of loans to the ACP or to intermediaries the interest rate shall, in any case, be less than 3%.",

- the following subparagraphs 1(c)a and 1(c)b shall be inserted:

"(c)a Risk capital resources may be used in support of pre-investment studies and technical assistance, as provided for in Article 268(1)(g). In such cases, the loans shall be repaid only if the investment is carried out.

(c)b Equity participation or other quasi-capital assistance shall be remunerated on the basis of the performance of the project or programme considered and profits generated shall be shared between the Community and the parties engaged in the said project or programme."

– subparagraph 2(b) shall be replaced by the following:

"(b) in the case of risk capital financing for small and medium-sized enterprises, hereinafter referred to as "SMEs", the exchange rate risk shall be shared by the Community, on the one part, and by the other parties involved, on the other. On average, the foreign exchange risk shall be shared equally."

45. In Article 235, the following subparagraph (b)a shall be inserted:

"(b)a in the case of direct financing of the private sector for strictly commercial projects, the rate of subsidy referred to in subparagraph (b) shall not apply for loans granted to non ACP borrowers or ACP companies with majority non ACP shareholding;"

46. In Article 236, subparagraph (a) shall be replaced by the following:

"(a) contribute, through the resources it manages, to the economic and industrial development of the ACP States on a national and regional scale; and to this end, finance as a priority productive projects and programmes, or other investments aimed at promoting the private sector, in industry, agro-industry, tourism, mining, energy and in transport and telecommunications linked to these sectors. These sectoral priorities shall not exclude the possibility of the Bank's financing, from its own resources, productive projects and programmes in other sectors, including commercial agriculture;"

47. In Article 243, "1." shall be inserted at the beginning of the sole paragraph and the following paragraph 2 shall be added:

"2. The ACP States and the Community recognize also the necessity to encourage reform programmes at regional level ensuring that, in the preparation and execution of national programmes, due consideration is given to regional activities which have an influence on national development. To this end, support for structural adjustment shall also seek to:

(a) incorporate, from the beginning of the diagnosis, measures to encourage regional integration and take account of the consequences of transborder adjustment;

- (b) support the harmonization and coordination of macro-economic and sectoral policies, including fiscal and customs areas, so as to fulfil the dual aim of regional integration and of structural reform at national level;
- (c) encourage and support implementation of sectoral reform policies at regional level;
- (d) support the liberalization of trade and payments and transborder investments."

48. In Article 244, subparagraph (c) shall be replaced by the following:

"(c) assistance shall be supportive of the ACP States' priority development objectives such as agricultural and rural development, food security, PMDT, trade development and environment protection and contribute to the attenuation of the debt burden;"

49. In Article 246, the introductory phrase of paragraph 1 shall be replaced by the following:

"1. All ACP States shall in principle be eligible for structural adjustment assistance depending on the scope of the reforms being undertaken or contemplated at the macro-economic or sectoral level, giving consideration to the regional context, their effectiveness, and their likely impact on the economic, social and political dimension of development, and on economic and social hardships being experienced, as reflected by indicators such as:"

50. In Article 247:

- paragraph 2 shall be replaced by the following:

"2. Such support for adjustment effort shall take the form of:

- (a) sectoral or general import programmes in accordance with Articles 224(c) and 225;
- (b) budgetary support in accordance with Article 224(d);
- (c) technical assistance related to structural adjustment support programmes."

- paragraph 4 shall be replaced by the following:

"4. Structural adjustment support shall be implemented flexibly by applying the following instruments as the circumstances demand:

- (a) General import programme (GIP) in keeping with the approach to structural adjustment support laid down in this Convention will usually be the most appropriate instrument for countries carrying out macro-economic reforms;

- (b) Budgetary support in order to assist ACP States to improve the implementation of their budgets with integrity, efficacy and equity;
- (c) Sector import programme (SIP) could be used for supporting a sectoral adjustment programme or in a situation of macro-economic reforms with a view to achieving a greater sectoral impact."

– the following paragraph 5 shall be added:

"5. The instruments defined in paragraph 4 can also be used, according to the same arrangements to support the ACP States eligible according to Article 246 implementing reforms aiming at intra-regional economic liberalization which generate net transitional costs."

51. In Article 248, subparagraph (c) shall be replaced by the following:

"(c) ensure that the eligibility of ACP economic operators for access to the resources of the programme is as wide and transparent as possible, and that the procurement procedures accord with the administrative and commercial practices in the State concerned, while ensuring the best possible price/quality ratio on imported goods and the necessary consistency with progress achieved internationally in harmonizing the procedures for supporting structural adjustment;"

52. In Title III, Chapter 2, the following Section 4a shall be inserted:

"Section 4a
Decentralized Cooperation

Article 251a

1. With a view to strengthening and diversifying the basis for the long-term development of the ACP States, and in order to encourage all agents from the ACP States and the Community which are in a position to contribute to the autonomous development of the ACP States to put forward and implement initiatives, ACP-EC cooperation shall support, within limits laid down by the ACP States concerned, such development operations within the framework of decentralized cooperation, in particular where they combine the efforts and resources of organizations from the ACP States and their counterparts from the Community. This form of cooperation shall, in particular, aim at making available for the development of the ACP States the capabilities, innovative operating methods and resources of the agents of decentralized cooperation.

2. The agents referred to in this Article are decentralized public authorities, rural and village groups, cooperatives, trade unions, teaching and research institutions, non-governmental development organizations, other associations, groups and agents which are able and wish to contribute to the development of the ACP States on their own initiative, provided that the agents and/or the operations are non-profit-making.

Article 251b

1. In the framework of ACP-EC cooperation, special efforts shall be made to encourage and support the initiatives of the agents from the ACP States and, in particular, to reinforce the capabilities of these agents. In this framework the cooperation shall support the activities of the ACP agents either on their own or in association with similar agents from the Community which make their capabilities, experience, technological and organizational capacities or financial resources available to the ACP counterparts.

2. Decentralized cooperation shall encourage agents from the ACP States and from the Community to provide supplementary financial and technical resources for the development effort including encouragement of partnerships between such agents. The cooperation may provide decentralized cooperation operations with financial and/or technical support drawn from the resources provided for by this Convention under the conditions laid down in Articles 251c, 251d and 251e.

3. This form of cooperation shall be organized in accordance with the role and the prerogative of the public authorities of the ACP States.

Article 251c

1. Decentralized cooperation operations may be supported out of the financial resources of the indicative programme or from counterpart funds. The extent of the support shall be that which is necessary for the successful implementation of the proposed operations provided that the viability of the proposed operations has been established in accordance with the provisions for development finance cooperation.

2. Projects or programmes under this form of cooperation may or may not be linked to programmes in the sectors of concentration of the indicative programmes, but may be a way of achieving the specific objectives of the indicative programme or the results of initiatives by decentralized agents.

Article 251d

1. Projects and programmes undertaken within the framework of decentralized cooperation shall be subject to the approval of the ACP States. These operations shall be financed with contributions from:

- (a) the Fund, in which case the contribution shall not normally exceed three-quarters of the total cost of each project, or programme, and may not exceed ECU 300 000. The amount representing the Fund's contribution shall be drawn from the grant allocation of the national or regional indicative programme;

- (b) the agents of decentralized cooperation, provided that the financial, technical, material and other resources brought in by such agents shall not normally be less than 25% of the estimated cost of the project/programme; and
- (c) exceptionally, by the ACP State concerned, either in the form of financial contribution or through the use of public equipment or the supply of services.

2. The procedures applicable to projects and programmes financed within the framework of decentralized cooperation shall be those laid down in Chapter 5 of this Title, in particular, those referred to in Article 290.

Article 251e

In addition to the possibilities offered to the agents of decentralized cooperation in this section, in Articles 252 and 253 relating to micro-projects, Article 278(2)(c) on technical cooperation schemes and Article 300 on emergency assistance, the ACP States may request or may agree to the participation of agents of decentralized cooperation in the implementation of other Fund projects and programmes, in particular, those performed by direct labour in conformity with Article 299 and other relevant provisions of this Convention."

53. In Article 254, the following paragraph 3 shall be added:

"3. Where the funds provided for an operation under this Article are inadequate to deal with the emergency situation, part of the resources of the national indicative programme, uncommitted due to the inability of the ACP State concerned to sign or implement its indicative programme, may be deployed to the benefit of its population for emergency assistance, humanitarian assistance or post-emergency rehabilitation assistance at the request of the ACP State concerned, or of the ACP States on behalf of the ACP State concerned, or by the Community after prior consultation with the ACP States."

54. In Article 274, the following paragraph 3 shall be added:

"3. For the purposes of Chapter 5, Section 5 of this Title, "firms of the Member States" include firms of the OCT."

55. Article 281 shall be replaced by the following:

"Article 281

1. At the beginning of the period of application of the Second Financial Protocol:

(a) each ACP State shall obtain from the Community a clear indication of the total indicative programmable financial allocation from which it may benefit during that period as well as any other relevant information;

- (b) each ACP State eligible for the specific resources earmarked for structural adjustment support in accordance with Article 246 shall be notified of the estimated initial instalment that it may receive;
- (c) each ACP State shall obtain from the Bank a global indication of its own resources and of risk capital resources from which it may benefit during that period.

2. Upon receipt of the information referred to in paragraph 1, each ACP State shall draw up and submit to the Community a draft indicative programme on the basis of and consistent with its development objectives and priorities. The draft indicative programme shall contain:

- (a) the priority development objectives of the ACP State concerned at national and regional level;
- (b) the focal sector or sectors on which support should be concentrated, with emphasis on poverty alleviation and sustainable development, and the resources to be deployed for that purpose;
- (c) proposals for private sector and/or industrial sector development for which the ACP State envisages that risk capital and other available resources could be used;

- (d) the most appropriate measures and operations for attaining the objectives in the focal sector or sectors or, where such operations are not sufficiently well-defined, the broad outlines of the programmes to support the policies which the ACP State has adopted in the selected focal sectors;
- (e) as appropriate, proposals for management of the indicative programme, and the support required in accordance with Article 224(i);
- (f) the resources reserved for projects and programmes outside the focal sector or sectors, the broad outlines of the elements for multi-annual programmes referred to in Article 290, as well as an indication of the resources to be deployed for each of these elements;
- (g) wherever possible, specific and clearly identified national projects and programmes, and especially those which constitute a follow-up to existing projects and programmes;
- (h) where appropriate, a limited part of the programmable resources not allocated to the focal sector which the ACP State proposes to use for structural adjustment support;
- (i) any proposals for regional projects and programmes;

- (j) a timetable for the implementation of the indicative programme, including commitments and disbursements;
- (k) the reserve set aside for insurance against possible claims, and to cover cost increases and contingencies."

56. Article 282 shall be replaced by the following:

"Article 282

1. The draft indicative programme shall be the subject of an exchange of views between the ACP State concerned and the Community, due regard being given to the domestic needs of the ACP States and their sovereign rights to determine their development strategies, priorities and models as well as their overall macro-economic and sectoral policies.

2. The indicative programme shall be adopted by agreement between the Community and the ACP State concerned on the basis of the draft indicative programme proposed by that State, taking account of the principles set out in Articles 3 and 4, and shall, when adopted, be binding on both the Community and that State. It shall specify, inter alia, all the elements referred to in Article 281(2) and an amount representing 70% of the indicative allocation, save for those ACP States for which the size of the indicative amount or the concentration of the indicative programme on a single project do not justify separate allocations.

3. The indicative programme shall be sufficiently flexible to ensure that operations are kept constantly in line with the objectives and to take account of any changes occurring in the economic situation, priorities and objectives of the ACP State concerned. It may be revised at the request of the ACP State concerned. It shall be reviewed when the ACP State concerned has achieved a high level of commitments in the implementation of the programme and, in any case, not later than three years after the entry into force of the Second Financial Protocol.

4. At the end of the review referred to in paragraph 3, the resources required for completing the implementation of the indicative programme may be allocated giving due consideration to:

- (a) the indicative allocation;
- (b) progress made in the implementation of the elements of the programme referred to in Article 281(2) and the agreed timetable of commitments and disbursements, in the light of the annual reports of the Head of Delegation and of the National Authorizing Officer referred to in Article 284(3);
- (c) the state of preparation of the activities the ACP State intends to undertake within the framework of the second phase of the indicative programme; and
- (d) the specific situation of the ACP State concerned.

5. Following the review referred to in paragraphs 3 and 4 and, in any case, not later than the end of the period of the Second Financial Protocol, any unallocated resources remaining from the programmable resources shall be used for financing operations falling within the scope of development finance cooperation, notably those relating to programmable assistance, save as otherwise decided by the Council of Ministers."

57. Article 283 shall be replaced by the following:

"Article 283

The Community and the ACP State concerned shall take all necessary measures to ensure that the indicative programme is adopted in the shortest possible time and, save in exceptional circumstances within twelve months of the signing of the Second Financial Protocol."

58. Article 284 shall be replaced by the following:

"Article 284

1. Save for funds reserved for emergency assistance, interest rate subsidies and regional cooperation, programmable assistance shall comprise grants.

2. In order to take account of the economic and financial difficulties of the least developed countries listed in Article 330, 50% of risk capital shall be assigned globally to these countries. In addition, at least 50% of risk capital resources shall be used for assisting ACP States which actively endorse and implement measures to support investment in the private sector.

3. The National Authorizing Officer and the Head of Delegation shall draw up and submit to the Development Finance Cooperation Committee, within 90 days of the end of each calendar year, a report on the implementation of the indicative programme. They shall also take the necessary steps to ensure that the timetable of commitments and disbursements agreed at the time of programming is adhered to, determine the causes of delays in implementation and propose suitable remedial measures. The Committee shall examine the reports in accordance with its responsibilities and powers under this Convention."

59. In Article 287, paragraph 2, the following subparagraph (i) shall be added:

"(i) the compatibility with the ACP States' trade policies and trade development programmes and the impact on their competitiveness in the domestic, regional, international and Community markets."

60. Article 290 shall be replaced by the following:

"Article 290

1. With a view to expediting procedures and in derogation from Articles 288 and 289, financing decisions may be taken on multi-annual programmes where financing concerns:

- (a) training;
- (b) decentralized operations;
- (c) micro-projects;
- (d) trade promotion and trade development;
- (e) sets of operations of a limited scale in a specific sector;
- (f) project/programme management support;
- (g) technical cooperation.

2. In cases referred to in paragraph 1, the ACP State concerned may submit to the Head of Delegation a multi-annual programme setting out its broad outlines, the types of actions envisaged and the financial commitment proposed:

- (a) The financing decision on each multi-annual programme shall be taken by the Chief Authorizing Officer. The letter from the Chief Authorizing Officer to the National Authorizing Officer notifying such decision shall constitute the financing agreement within the meaning of Article 291.

(b) Within the framework of multi-annual programmes thus adopted, the National Authorizing Officer or, when the case arises, the agent of decentralized cooperation which has been delegated functions for this purpose or, in appropriate cases, other eligible beneficiaries shall implement each individual action in accordance with the relevant provisions of this Convention and the terms of the financing agreement referred to above. Where implementation is to be carried out by agents of decentralized cooperation or other eligible beneficiaries, the National Authorizing Officer and the Head of Delegation shall maintain financial responsibility and monitor the operations regularly with a view to enabling them, inter alia, to carry out their obligations under paragraph 3.

3. At the end of each year, the National Authorizing Officer in consultation with the Head of Delegation, shall forward a report to the Commission on the implementation of the multiannual programmes."

61. In Article 294, paragraph 1(a), subparagraphs (i), (ii) and (iii) shall be replaced by the following:

- "(i) natural persons, companies or firms or public or semi-public agencies of the ACP States and the Member States;
- (ii) cooperative societies and other legal persons governed by public or private law, save for those which are non-profit-making, of the Member States and/or the ACP States;
- (iii) joint ventures or groupings of ACP States and/or Member State companies or firms."

62. In Article 296, subparagraph 1(b) shall be replaced by the following:

"(b) the competitiveness of contractors, suppliers and consultants from the Member States and the ACP States;"

63. In Article 316, paragraph 1 shall be replaced by the following:

"1. The Commission shall be represented in each ACP State, or in each regional grouping which expressly so requests, by a delegation under the authority of a Head of Delegation, with the approval of the ACP State or States concerned."

64. In Article 317

– the following paragraph shall be inserted as a new first paragraph:

"The Head of Delegation shall represent the Commission in all spheres of its competence and in all its activities."

– the introductory part of the second paragraph shall be replaced by the following:

"With particular reference to co-operation, the Head of Delegation shall have the necessary instructions and delegated powers to facilitate and expedite the preparation, appraisal and execution of projects and programmes and shall be provided with the necessary back-up support to do so. To this end, and in close cooperation with the national authorizing officer, the Head of Delegation shall:"

64a. In Article 331, point 10, add after the first indent the following indent:

– Article 194(5)

64b. In Article 331, point 12, add the following indent:

– Article 284(2)

64c. In Article 334, point 9, add before the first indent the following indent:

– Article 194(5)

64d. In Article 337, point 9, add before the first indent the following indent:

– Article 194(5).

F. PART FIVE – FINAL PROVISIONS

65. Article 364 shall be replaced by the following:

"Article 364

If before the entry into force of the provisions amending this Convention in accordance with Article 366(2), the negotiations with South Africa lead to an agreement on its accession to this Convention, then, notwithstanding the conditions for accession referred to in Article 363, the Council of Ministers shall act on the outcome of such negotiations and take a decision on the terms and conditions of the accession of that State, having regard to the specific characteristics of South Africa.

These terms and conditions shall be set out in a special Protocol which shall be an integral part of this Convention.

In case of a positive decision, South Africa shall be added to the States signatory to this Convention without further ratification needed by the Signatories of this Convention. The decision by the Council of Ministers shall indicate the date of entry into force of such accession."

66. The following Article 364a shall be inserted:

"Article 364a

1. Should Somalia ask to accede to this Convention, the Council of Ministers shall act on the request and take a decision on that State's accession.

2. If the Council of Ministers reaches a favourable decision before the entry into force of the provisions amending this Convention, Somalia shall be added to the signatories on the same footing as the other signatories.

3. If the Council of Ministers reaches a favourable decision after the entry into force of the provisions amending this Convention, the entry into force of this Convention, as amended, in respect of Somalia shall be effective on the first day following that on which Somalia lodges its instruments of ratification. The Council of Ministers may, however, provide in its decision that certain rights and obligations laid down in this Convention shall, in the interest of that country, be applicable to Somalia on a different date."

67. The following Article 366a shall be inserted:

"Article 366a

1. Within the meaning of this Article, the term "Party" refers to the Community and the Member States of the European Union on the one side, and each ACP State, on the other.

2. If one Party considers that another Party has failed to fulfil an obligation in respect of one of the essential elements referred to in Article 5, it shall invite the Party concerned, unless there is special urgency, to hold consultations with a view to assessing the situation in detail and, if necessary, remedying it.

For the purposes of such consultations, and with a view to finding a solution:

- the Community side shall be represented by its Presidency, assisted by the previous and next Member States to hold the Presidency, together with the Commission;
- the ACP side shall be represented by the ACP State holding the Co-Presidency, assisted by the previous and next ACP States to hold the Co-Presidency. Two additional members of the ACP Council of Ministers chosen by the party concerned shall also take part in the consultations.

The consultations shall begin no later than 15 days after the invitation and as a rule last no longer than 30 days.

3. At the end of the period referred to in the third subparagraph of paragraph 2 if in spite of all efforts no solution has been found, or immediately in the case of urgency or refusal of consultations, the Party which invoked the failure to fulfil an obligation may take appropriate steps, including, where necessary, the partial or full suspension of application of this Convention to the Party concerned. It is understood that suspension would be a measure of last resort.

The party concerned shall receive prior notification of any such measure which shall be revoked as soon as the reasons for taking it have disappeared."

G. SECOND FINANCIAL PROTOCOL

68. The following Second Financial Protocol shall be applicable during the second five year period covered by this Convention:

"SECOND FINANCIAL PROTOCOL

Article 1

1. For the purposes set out in Part Three, Title II, Chapters 1 and 3, and Title III of this Convention for a period of five years commencing 1 March 1995 the overall amount of the Community's financial assistance to be made available shall be ECU 14 625 million.

This overall amount shall comprise:

- (a) an amount of ECU 12 967 million from the European Development Fund, of which ECU 292 million shall come from unallocated or unusable resources, transferred from the previous Funds. This amount shall be allocated as follows:
 - (i) for the purposes set out in Articles 220, 221 and 224, ECU 9 592 million in the form of grants, including ECU 1 400 million for structural adjustment support, which can be complemented, in accordance with Article 281(2)(e), as part of long-term development assistance;
 - (ii) for the purposes set out in Articles 220, 221 and 224, ECU 1 000 million in the form of risk capital;
 - (iii) for the purposes set out in Articles 186 to 212, ECU 1 800 million in the form of grants for the stabilization of export earnings;
 - (iv) for the purposes set out in Articles 214 to 219, ECU 575 million in the form of grants under the SYSMIN scheme;

- (b) for the purposes set out in Articles 220, 221 and 224, up to ECU 1 658 million from the Bank in the form of loans made from its own resources in accordance with the terms and conditions provided for by its statute. These loans shall be subject to the provisions of Article 235 of this Convention relating to interest rate subsidies.

2. The Bank shall administer the loans made from its own resources, including interest subsidies, as well as risk capital. All other resources of the Convention shall be administered by the Commission.

Article 2

For the financing of the assistance referred to in Articles 254 and 255 of this Convention:

- (a) a special appropriation of ECU 260 million shall be constituted within the funds referred to in Article 1(a)(i), of which ECU 140 million shall be for the assistance referred to in Article 254 and ECU 120 million for the assistance referred to in Article 255;
- (b) should the special appropriations provided for under one of the aforementioned Articles be used up before this Financial Protocol expires, transfers may be made from the appropriations provided for in the other Article;

- (c) on the expiry of this Financial Protocol, appropriations not committed for emergency assistance or aid for refugees, returnees and displaced persons shall be paid back to the assets of the Fund for the purpose of financing other operations coming within the scope of development finance cooperation, save as otherwise decided by the Council of Ministers;
- (d) should the special appropriations be used up before this Financial Protocol expires, and taking account of other resources from which the ACP States may benefit for the same purposes, the ACP States and the Community, within the relevant joint institutions, shall adopt appropriate measures to deal with the situations referred to in Articles 254 and 255.

Article 3

1. Of the grants made available under Article 1(a)(i), an amount of ECU 1 300 million shall be reserved for the financing of the regional projects and programmes of the ACP States.
2. From the resources earmarked under this Article, the Community shall allocate:
 - (i) a maximum of ECU 73 million by means of a separate allocation to the financing of the budget of the Centre for the Development of Industry;

- (ii) an amount not exceeding ECU 4 million for the purposes referred to in Annex LXVIII;
- (iii) an indicative amount of ECU 85 million for the financing of regional programmes pertaining to trade development as laid down in Article 138;
- (iv) an amount of ECU 80 million for the incentive financing of institutional support as laid down in Article 224(m).

3. The Bank may, from the resources it manages, supplement these resources by contributing to the financing of regional projects and programmes.

Article 4

Any balance remaining from the Fund that has not been committed or disbursed by the end of the last year of application of this Financial Protocol shall be utilized until it has been exhausted, in accordance with the same conditions as those laid down in this Convention."

H. PROTOCOL 1 – CONCERNING THE DEFINITION OF THE CONCEPT OF
"ORIGINATING PRODUCTS" AND METHODS OF ADMINISTRATIVE COOPERATION

69. In Protocol 1, Title I, Article 5, "10%" shall be replaced by "15%".

70. In Protocol 1, Title I, Article 6, the following paragraph 5 shall be added:

"5. At the request of the ACP States, products originating in a neighbouring developing country, other than an ACP State, belonging to a coherent geographical entity, shall be considered as originating in the ACP State where they undergo further working or processing, provided that:

- the working or processing carried out in the ACP State exceeds the operations listed in Article 3(3). However, products of Chapter 50 to 63 of the Harmonized System shall in addition undergo in the ACP State at least working or processing as a result of which the product obtained receives a classification under a heading of the Harmonized System different from that covering the products originating in the non-ACP developing country. For products listed in Annex X to this Protocol, only the specific processing referred to in column 3 shall apply, whether or not it involves a change of heading,

- the ACP States, the Community and the other countries concerned have concluded an agreement on adequate administrative procedures which will ensure correct implementation of this paragraph.

This paragraph shall not apply to tuna products classified under Harmonized System Chapters 3 or 16, rice products of HS code 1006 or the textile products listed in Annex XI to this Protocol.

For the purpose of determining whether the products originate in the non-ACP developing country, the provisions of this Protocol shall apply.

The ACP-EC Council of Ministers shall decide on the ACP requests on the basis of a report drawn up by the ACP-EC Customs Cooperation Committee in accordance with Article 30."

71. In Protocol 1, Title II, Article 21, paragraph 1, "ECU 2 820" shall be replaced by "ECU 3 140" and in paragraph 2, "30 April 1991" shall be replaced by "30 April 1997" and "1 October 1988" by "1 October 1994".
72. In Protocol 1, Title II, Article 22, paragraph 2, second subparagraph, "ECU 200" and "ECU 565" shall be replaced by "ECU 230", and "ECU 630" respectively.

73. In Protocol 1, Title III, Article 31, paragraph 8, the first paragraph shall be replaced by the following:

"8. Upon request derogations concerning canned tuna and tuna loins shall be automatically granted, within an annual quota of 4 000 tonnes, for canned tuna, and, within an annual quota of 500 tonnes, for tuna loins."

74. Protocol 1, Title IV shall be replaced by the following:

"TITLE IV

CEUTA AND MELILLA

ARTICLE 32

Special conditions

1. The term "Community" used in this Protocol shall not cover Ceuta and Melilla. The term "products originating in the Community" shall not cover products originating in Ceuta and Melilla.

2. The provisions of this Protocol shall apply mutatis mutandis in determining whether products may be deemed as originating in the ACP States when imported into Ceuta and Melilla.

3. Where products wholly obtained in Ceuta, Melilla, the OCT or the Community undergo working and processing in the ACP States, they shall be considered as having been wholly obtained in the ACP States.

4. Working or processing carried out in Ceuta, Melilla, the OCT or the Community shall be considered as having been carried out in the ACP States, when materials undergo further working or processing in the ACP States.

5. For the purpose of implementing paragraphs 3 and 4, the insufficient operations listed in Article 3(3)(a), (b), (c), and (d) shall not be considered as working or processing.

6. Ceuta and Melilla shall be considered as a single territory."

75. In Protocol 1, the following Annexes X and XI shall be added at the end:

"ANNEX X

List of working or processing conferring the character of ACP origin on a product obtained when working or processing is carried out on textile materials originating in developing countries referred to in Article 6(5) of this Protocol.

Textiles and textile articles falling within Section XI

CN Code	Description of product	Working or processing carried out on non-originating materials that confers the status of originating products
(1)	(2)	(3)
ex 5101	Wool, not carded or combed: – degreased, not carbonized	Manufacture from greasy, including piece-wasted wool, the value of which does not exceed 50% of the ex-works price of the product
	– carbonized	Manufacture from degreased wool, not carbonized, the value of which does not exceed 50% of the ex-works price of the product
ex 5103	Waste of wool or of fine or coarse animal hair, carbonized	Manufacture from non-carbonized waste, the value of which does not exceed 50% of the ex-works price of the product
ex 5201	Cotton, not carded or combed, bleached	Manufacture from raw cotton, the value of which does not exceed 50% of the ex-works price of the product
5501 to 5507	Man-made staple fibres: – not carded or combed or otherwise processed for spinning	Manufacture from chemical materials or textile pulp
	– carded or combed or other	Manufacture from chemical materials or textile pulp or waste falling within CN code 5505

(1)	(2)	(3)
ex Chapters 50 to 55	<p>Yarn, monofilament and thread, other than paper yarn:</p> <ul style="list-style-type: none"> - printed or dyed - other <p>Woven fabrics, other than fabrics of paper yarn:</p> <ul style="list-style-type: none"> - printed or dyed - other 	<p>Manufacture from:</p> <ul style="list-style-type: none"> - natural fibres not carded or combed or otherwise prepared for spinning, - grege silk or silk waste, - chemical materials or textile pulp, or - man-made staple fibres, filament tow or waste of fibres, not carded or combed or otherwise prepared for spinning <p>or</p> <p>Printing or dyeing of yarn or monofilaments, unbleached or prebleached (1), accompanied by preparatory or finishing operations, twisting or texturizing not being considered as such, the value of non-originating material (including yarn), not exceeding 48% of the ex-works price of the product</p> <p>Manufacture from:</p> <ul style="list-style-type: none"> - natural fibres not carded or combed or otherwise prepared for spinning, - grege silk or silk waste, - chemical materials or textile pulp, or - man-made staple fibres, filament tow or waste of fibres, not carded or combed or otherwise prepared for spinning <p>Manufactured from yarn</p> <p>or</p> <p>Printing or dyeing of unbleached or prebleached fabrics, accompanied by preparatory or finishing operations (1)(2)</p>
5601	<ul style="list-style-type: none"> - other <p>Wadding of textile materials and articles thereof; textile fibres not exceeding 5 mm in length (flock), textile dust and mill neps</p>	<p>Manufacture from yarn</p> <p>Manufacture from fibres</p>

(1)	(2)	(3)
5602	Felt, whether or not impregnated, coated, covered or laminated: <ul style="list-style-type: none"> <li data-bbox="368 365 692 398">– printed or dyed <li data-bbox="368 555 692 656">– Impregnated, coated, covered or laminated <li data-bbox="368 689 692 723">– other 	Manufacture from fibres or Printing or dyeing of unbleached or prebleached felt, accompanied by preparatory or finishing operations (1)(2) Impregnation, coating, covering or laminating of non-wovens, unbleached (3) Manufacture from fibres
5603	Non-wovens, whether or not impregnated, coated, covered or laminated: <ul style="list-style-type: none"> <li data-bbox="368 880 692 913">– printed or dyed <li data-bbox="368 1070 692 1171">– impregnated, coated, covered or laminated <li data-bbox="368 1205 692 1238">– other 	Manufacture from fibres or Printing or dyeing of unbleached or prebleached non-wovens, accompanied by preparatory or finishing operations (1)(2) Impregnation, coating, covering or laminating of non-wovens; unbleached(3) Manufacture from fibres
5604	Rubber thread and cord, textile covered, textile yarn and strip, and the like falling within CN codes 5404 or 5405, impregnated, coated, covered or sheathed with rubber or plastics: <ul style="list-style-type: none"> <li data-bbox="368 1552 692 1653">– rubber thread and cord, textile covered <li data-bbox="368 1686 692 1720">– other 	Manufacture from rubber thread or cord, not textile covered Impregnation, coating, covering or sheathing of textile yarn and strip and the like, unbleached

(1)	(2)	(3)
5607	Twine cordage, rope and cables, whether or not plaited or braided and whether or not impregnated, coated, covered or sheathed with rubber or plastics	Manufacture from fibres, coir yarn, synthetic or artificial filament yarn or monofilament
5609	Articles of yarn, strip or the like falling within CN codes 5404 or 5405, twine, cordage, rope or cables, not elsewhere specified or included	Manufacture from fibres, coir yarn, synthetic or artificial filament yarn or monofilament
5704	Carpets and other textile floor coverings, of felt, not tufted or flocked, whether or not made up	Manufacture from fibres
Chapter 58	<p>Special woven fabrics; tufted textile fabrics; lace; tapestries, trimmings; embroidery:</p> <ul style="list-style-type: none"> - embroidery in the piece, in strips or in motifs (CN code 5810) - printed or dyed - impregnated, coated or covered - other 	<p>Manufacture in which the value of the materials used does not exceed 50% of the ex-works price of the product</p> <p>Manufacture from yarn or Printing or dyeing of unbleached or prebleached fabrics, felt or non-wovens, accompanied by preparatory or finishing operations (1)(2)</p> <p>Manufacture from unbleached fabrics, felt or non-wovens</p> <p>Manufacture from yarn</p>

(1)	(2)	(3)
5901	Textile fabrics coated with gum or amylaceous substances, of a kind used for the outer covers of books or the like; tracing cloth; prepared painting canvas, buckram and similar stiffened textile fabrics of a kind for hat foundations	Manufacture from unbleached fabrics
5902	Tyre cord fabric of high tenacity yarn of nylon or other polyamides, polyesters or viscose rayon	Manufacture from yarn
5903	Textile fabrics, impregnated, coated, covered or laminated with plastics, other than those falling within CN code 5902	Manufacture from unbleached fabrics or Printing or dyeing of unbleached or prebleached fabrics, accompanied by preparatory or finishing operations (1)(2)
5904	Linoleum, whether or not cut to shape; floor coverings consisting of a coating or covering applied on a textile backing, whether or not cut to shape	Manufacture from unbleached fabrics, felt or non-wovens
5905	Textile wall coverings	Manufacture from unbleached fabrics or Printing or dyeing of unbleached or prebleached fabrics, accompanied by preparatory or finishing operations (1)(2)
5906	Rubberized textile fabrics, other than those falling within CN code 5902	Manufacture from bleached knitted or crocheted fabrics, or from other unbleached fabrics
5907	Textile fabrics otherwise impregnated, coated or covered; painted canvas being theatrical scenery, studio backcloths or the like	Manufacture from unbleached fabrics or Printing or dyeing of unbleached or prebleached fabrics, accompanied by preparatory or finishing operations (1)(2)

(1)	(2)	(3)
5908	Textile wicks, woven, plaited or knitted, for lamps, stoves, lighters, candles and the like; incandescent gas mantles and tubular knitted gas mantle fabric therefor, whether or not impregnated	Manufacture from yarn
5909	Textile hosepiping and similar textile tubing with or without lining, amour or accessories of other materials	Manufacture from yarn or fibres
5910	Transmission or conveyor belts or belting, of textile material, whether or not reinforced with metal or other material	Manufacture from yarn or fibres
5911	Textile products and articles, for technical uses, specified in Note 7 to Chapter 59 of the combined nomenclature:	
	- polishing discs or rings other than of felt	Manufacture from yarn, waste fabrics or rags falling within CN code 6310
	- other	Manufacture from yarn or fibres
Chapter 60	Knitted or crocheted fabrics:	
	- printed or dyed	Manufacture from yarn or Printing or dyeing of unbleached or prebleached fabrics, accompanied by preparatory or finishing operations (1)(2)
	- other	Manufacture from yarn

(1)	(2)	(3)
* Chapter 61	Articles of apparel and clothing accessories, knitted or crocheted: <ul style="list-style-type: none"> <li data-bbox="480 383 798 730">– obtained by sewing together or otherwise assembling, two or more pieces of knitted or crocheted fabric which have been either cut to form or obtained directly to form <li data-bbox="480 763 619 797">– other 	Complete making up (4) Manufacture from yarn
* ex Chapter 62	Articles of apparel and clothing accessories, not knitted or crocheted, except those falling within CN codes 6213 and 6214 for which the rules are set out below: <ul style="list-style-type: none"> <li data-bbox="480 1088 683 1144">– finished or complete <li data-bbox="480 1178 719 1234">– unfinished or incomplete 	Complete making up (4) Manufacture from yarn
6213 and 6214	Handkerchiefs, shawls, scarves, mufflers, mantillas, veils and the like: <ul style="list-style-type: none"> <li data-bbox="480 1435 711 1469">– embroidered <li data-bbox="480 1659 619 1693">– other 	Manufacture from yarn or Manufacture from unembroidered fabric, provided the value of the unembroidered fabric used does not exceed 40% of the ex-works price of the product Manufacture from yarn

* see also the products excluded from the derogation procedure listed in ANNEX XI

(1)	(2)	(3)
6301 to ex 6306	<p>Blankets and travelling rugs; bed linen, table linen, toilet linen and kitchen linen; curtains (including drapes) and interior blinds; curtain and bed valances; other furnishing articles (excluding those falling within CN code 9494); sacks and bags of a kind used for the packing of goods; tarpaulins, awnings, and camping goods:</p> <ul style="list-style-type: none"> - of felt or non-wovens: <ul style="list-style-type: none"> - not impregnated, coated, covered or laminated - impregnated, coated, covered or laminated - other <ul style="list-style-type: none"> - knitted or crocheted - unembroidered - embroidered - not knitted or crocheted: <ul style="list-style-type: none"> - unembroidered 	<p>Manufacture from fibres</p> <p>Impregnation, coating, covering or laminating of felt or non-wovens, unbleached (3)</p> <p>Complete making up (4)</p> <p>Complete making up (4) or Manufacture from unembroidered knitted or crocheted fabric provided the value of the unembroidered knitted or crocheted fabric used does not exceed 40% of the ex-works price of the product</p> <p>Manufacture from yarn</p>

(1)	(2)	(3)
6301 to ex6306 (cont'd)	- embroidered	Manufacture from yarn or Manufacture from unembroidered fabric provided the value of the unembroidered fabric used does not exceed 40% of the ex-works price of the product
6307	Other made up textile articles (including dress patterns), except for fans and hand screens, nonmechanical, frames and handles therefor and parts of such frames and handles: - floor cloths, dish cloths, dusters and the like - other	Manufacture from yarn Manufacture in which the value of the materials used does not exceed 40% of the ex-works price of the product
6308	Sets consisting of woven fabric and yarn, whether or not with accessories, for making up into rugs, tapestries, embroidered table cloths or serviettes or similar textile articles, put up in packings for retail sale	Incorporation in a set in which the total value of all the non-originating articles incorporated does not exceed 25% of the ex-works price of the set

- (1) The term "prebleached", used in the list in Annex X to characterize the level of manufacture required when certain non-originating materials are used, applies to certain yarns, woven fabrics and knitted or crocheted fabrics which have only been washed after the spinning or weaving operation.

Prebleached products are at an earlier stage of manufacture than bleached products, which have undergone several baths in bleaching agents (oxydizing agents such as hydrogen peroxyde and reducing agents).

- (2) However, to be regarded as a working or processing conferring origin, thermoprinting has to be accompanied by printing of the transfer paper.
- (3) The term "Impregnation, coating, covering or laminating" does not cover those operations designed to bind fabrics together.
- (4) The term "complete making-up" used in the list in Annex X means that all the operations following cutting of the fabric or knitting or crocheting of the fabric directly to shape have to be performed.

However, making-up shall not necessarily be considered as incomplete where one or more finishing operations have not been carried out.

The following is a list of examples of finishing operations:

- fitting of buttons and/or other types of fastenings,
- making of button-holes,
- finishing off the ends of trouser legs and sleeves or the bottom hemming of skirts and dresses,
- fitting of trimmings and accessories such as pockets, labels, badges, etc.,
- ironing and other preparations of garments for sale "ready made".

Remarks concerning finishing operations – Special cases

It is possible that in particular manufacturing operations, the accomplishment of finishing operations, especially in the case of a combination of operations, is of such importance that these operations must be considered as going beyond simple finishing.

In these particular cases, the non-accomplishing of finishing operations will deprive the making-up of its complete nature.

ANNEX XI

Textile products excluded from the cumulation procedure with certain developing countries referred to in Article 6(5) of this Protocol

<p>6101 10 90 6101 20 90 6101 30 90</p> <p>6102 10 90 6102 20 90 6102 30 90</p> <p>6110 10 10 6110 10 31 6110 10 35 6110 10 38 6110 10 91 6110 10 95 6110 10 98 6110 20 91 6110 20 99 6110 30 91 6110 30 99</p>	<p>Jerseys, pullovers, slip-overs, waistcoats, twinsets, cardigans, bed-jackets and jumpers (other than jackets and blazers), anoraks, windcheaters, waister jackets and the like, knitted or crocheted</p>
<p>6203 41 10 6203 41 90 6203 42 31 6203 42 33 6203 42 35 6203 42 90 6203 43 19 6203 43 90 6203 49 19 6203 49 50</p> <p>6204 61 10 6204 62 31 6204 62 33 6204 62 39 6204 63 18 6204 69 18</p> <p>6211 32 42 6211 33 42 6211 42 42 6211 43 42</p>	<p>Men's or boys' woven breeches, shorts other than swimwear and trousers (including slacks); women's or girls' woven trousers and slacks, of wool, of cotton or of man-made fibres, lower parts of tracksuits with lining, other than category 16 or 29, of cotton or of man-made fibres</p>

I. PROTOCOL 7 ON BEEF AND VEAL

76. In Protocol 7, Articles 1, 2 and 4 shall be replaced by the following:

"Article 1

Within the limits referred to in Article 2, import duties other than customs duties applicable to beef and veal originating in the ACP States shall be reduced by 92%.

Article 2

Without prejudice to Article 4, the reduction in import duties provided for in Article 1 shall apply to the following quantities of boneless meat per calendar year and per country:

Botswana	18 916	tonnes
Kenya	142	tonnes
Madagascar	7 579	tonnes
Swaziland	3 363	tonnes
Zimbabwe	9 100	tonnes
Namibia	13 000	tonnes.

Article 4

If, in the course of a given year, one of the ACP States referred to in Article 2 is not in a position to supply the total quantity fixed and does not wish to benefit from the measures referred to in Article 3, the Commission may share out the amount to be made up among the other ACP States concerned. In such a case, the ACP States concerned shall put forward a proposal to the Commission, not later than 1 September of that year, naming the ACP State or States which will be in a position to supply the new additional quantity, at the same time indicating to it the ACP State which is not in a position to supply the full amount allocated to it, on the understanding that this new temporary allocation will not affect the initial quantities.

The Commission shall ensure that a decision is taken by 1 December at the latest."

J. PROTOCOL 10 ON SUSTAINABLE MANAGEMENT OF FOREST RESOURCES

77. The following Protocol 10 shall be added:

"PROTOCOL 10
on sustainable management of forest resources

1. The Community and the ACP States acknowledge the importance and the need for the rational management of forest resources with a view to ensuring a long-term sustainable development of forests in ACP States in conformity with the Rio Declaration of Principle on the Environment and Development including the non-legally binding Forest Principles, the UN framework agreement on climatic changes and the Conventions on Biodiversity and Desertification.

2. Special priority shall be given to actions which support and encourage the efforts of ACP States and their organizations to preserve, re-establish and use sustainably their forestry resources, including the fight against desertification.

3. The Community and the ACP States shall concentrate their efforts on actions promoting:

- (a) conservation of endangered tropical forests and their biodiversity and regeneration of the functions of tropical forests which have been damaged, bearing in mind the needs and interests of local populations in the sustainable use of forest products, the different actors and factors causing deforestation, the need to ensure participation by local populations in the identification, planning and implementation of actions, the differences between countries and regions and measures to address them,
- (b) development of buffer zones to assist the conservation, regeneration and sustainable development of tropical forests, as a part of a broader land utilization plan,
- (c) sustainable management of forests destined for the production of timber and other products derived therefrom, to ensure that by the year 2000 and based on appropriate management plans, these products are derived from sustainable sources. Special priority will be given to community based and small scale forest operations,

- (d) supporting and developing locally adapted re-forestation and forest management activities as well as restoring the fertility of degraded forest lands, especially in the framework of national and regional campaigns against desertification,
- (e) support for institution building in the forestry sector with emphasis on capacity building to address the need for training schemes for local populations, forest managers and researchers, for legislation, for increased political and social support and strengthening of institutions and for organizations and associations active in forestry operations,
- (f) development and implementation of action plans at local, national and regional level to improve the management, conservation and sustainable development of forests, taking into account the causes of deforestation from inside and outside the forest sector,
- (g) introduction of a strategic and adaptive research policy aimed at imparting knowledge and the planning capacity required for the conservation and sustainable management of forests and also for the implementation of research monitoring activities in the framework of projects and programmes.

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4. Acknowledging the importance of timber and timber products for the economies of the ACP States, the Community and the ACP States shall concentrate within the confines set out above on the following:

- (a) improving the timber trade and marketing from forests under sustainable development;
- (b) supporting the definition and development of certification systems for timber produced from tropical forests bearing in mind sustainable forest management principles as part of envisaged internationally harmonized certification systems for all kinds of timber and timber products;
- (c) supporting measures to increase the share of tropical timber and timber products from sustainable sources within the overall production of this sector in the ACP States with a view to stimulating economic development and industrialization in these States and increasing employment prospects and export earnings;
- (d) promoting and diversifying international trade in tropical timber from resources rendered sustainable through the improvement of the structural characteristics of international markets taking account of prices which reflect the cost of sustainable management of forests and are at the same time remunerative and fair to both parties;

- (e) supporting the development of ACP national policies aimed at the sustainable utilization and preservation of tropical timber producing forests and their genetic resources as well as the maintenance of an ecological balance in the regions concerned within the context of the tropical timber trade;
- (f) promoting access to and transfer of technology as well as technical cooperation for attaining the objectives of sustainable development.

5. Acknowledging further the importance of tropical timber for the economies of the ACP States with timber producing forests and the imperative need to put an end to desertification in many ACP countries and bearing in mind the incremental cost of achieving benefits associated with forest preservation and development, the Community will support the above activities. To this end the Community will in addition to the resources set aside for national indicative programmes, regional indicative programmes or all ACP activities and in accordance with the relevant provisions, use resources available under the Community budget for this purpose."

K. FINAL ACT

78. In the Final Act, the following Annex IIIa shall be inserted:

"ANNEX IIIa

Community declaration on Article 4

In supporting the development strategies of the ACP States the Community shall, in its dialogue with the ACP States, take account of its development objectives and priorities, and in particular:

- the sustainable economic and social development of developing countries, especially the poorest among them. In this context the enhancement of human resources and the environment shall receive particular attention;
- their smooth and gradual integration into the world economy, with particular emphasis on the revitalization of their economies through the promotion of the private sector;
- poverty alleviation;
- the development and consolidation of democracy and the rule of law and adherence to human rights and fundamental freedoms."

79. In the Final Act, Annex XIV shall be replaced by the following:

"ANNEX XIV

Joint declaration on Article 91: Centre for the Development of Industry (CDI)

1. The Contracting Parties agree that with regard to the appointment of the Director and the Deputy Director of the CDI, the principle of rotation between ACP and EC nationals shall be institutionalized.
2. The rotation shall be effected after a period of five years, which will be the maximum duration of the term of office of the Director and Deputy Director appointed by the Committee on Industrial Cooperation.
3. In appointing the Director and Deputy Director, the Contracting Parties shall consult on the proposals to be made by either Party, taking cognizance of the joint nature of the CDI.
4. An Advisory Council of the CDI will be set up. Its composition and rules of operation shall be determined in the Statute of the CDI."

80. In the Final Act, Annex XXII shall be replaced by the following:

"ANNEX XXII

Joint declaration on Article 141 concerning cultural and social cooperation

1. Cooperation projects and programmes put forward by the Foundation for ACP-EC Cultural Cooperation and other specialized institutions referred to in Article 141 of this Convention may be eligible, under the conditions set out in Article 140(2) of this Convention, for financial aid from the Community for their implementation.

2. Any aid accorded by the Community shall be wholly devoted to the financing of cultural and social cooperation projects and programmes."

81. In the Final Act, Annex XL shall be replaced by the following:

"ANNEX XL

Joint declaration concerning agricultural products
referred to in Article 168(2)(a)(ii)

The Contracting Parties have taken note that the Community intends to take the measures mentioned in the Annex, and which are laid down at the date of signing of this Convention, with a view to granting ACP States the preferential treatment provided for in Article 168(2)(a)(ii) for certain agricultural and processed products.

They have taken note that the Community declares that it will take all the measures required to ensure that the corresponding agricultural regulations are adopted in good time and that, wherever possible, they come into force at the same time as the interim arrangements which will be introduced after the signing of the instrument amending the Fourth ACP-EC Convention.

Import treatment applicable to agricultural products
and foodstuffs originating in the ACP States

Common organization of the market	Special treatment for the ACP States
<p>1. BEEF AND VEAL CN Code:</p> <p>0102 10 00 0102 90 10 0102 90 31 0102 90 33 0102 90 35 0102 90 37 0201 0202 0206 10 91 0206 10 95 0206 10 99 0206 21 00 0206 22 90 0206 29 91 0206 29 99 0210 20 0210 90 41 0210 90 49 0210 90 90 1502 00 91 1602 50 10 1602 50 90 1602 90 61 1602 90 69</p>	<p>Exemption from customs duties for all products covered by the common organization of the market</p> <p>Where, in the course of a year, imports of beef and veal falling within CN codes 0201, 0202, 0206 10 95, 0206 29 91, 1602 50 10 and 1602 90 61 originating in an ACP State exceed a quantity equivalent to that of imports into the Community from 1969 to 1974 inclusive in which the greatest quantity of Community imports, for the origin in question was recorded, plus an annual growth rate of 7%, exemption from customs duties on the products of that origin shall be partially or totally suspended.</p> <p>In such cases, the Commission shall report to the Council of Ministers of the European Union, which acting by a qualified majority on a proposal from the Commission shall decide on the treatment to be applied to the imports concerned.</p>

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2. SHEEPMEAT AND GOATMEAT

CN Code:

0104
0204
0206 80 99
0206 90 99
0210 90 11

0210 90 19
0210 90 60
1502 00 99
1602 90 71
1602 90 79

3. POULTRYMEAT

CN code:

0105 11 11
0105 11 19
0105 11 91
0105 11 99
0105 91 00

0105 19 10
0105 99 20
0105 99 30

0105 19 90
0105 99 10
0105 99 50

0209 00 90

0210 90 71
0210 90 79

1501 00 90

0207

1602 31
1602 39

Exemption from customs duties for all products covered by the common organization of the market

Non-application of third-country levy for CN codes:

(a) 0104 10 90
0104 20 90
(other than pure-bred breeding animals)

(b) 0204
0210 90 11
0210 90 19
(other than meat of domestic sheep).
For this meat, reduction of 65% of the levy for an annual quota of 500 tonnes

16% reduction in customs duties for the following products:

- fowls of the species *Gallus domesticus*

- Geese and turkeys

- Ducks and guinea fowls

- Poultry fat, fresh, chilled or frozen

- Offal of poultry livers

- Poultry fat, rendered

Reduction of the third-country levy by 65% for:

- Poultrymeat within the limits of an annual quota of 400 tonnes

- Other prepared or preserved meat and poultry offal within the limits of an annual quota of 500 tonnes

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4. DAIRY PRODUCTS

CN code:

0401 10
0401 20
0401 30

0403 10 02 to
0403 10 36

0403 90 11 to
0403 90 69

0404 10

0404 90

0405 00

2106 90 51

2309 10 15
2309 10 19
2309 10 39
2309 10 59
2309 10 70

2309 90 35
2309 90 39
2309 90 49
2309 90 59
2309 90 70

0402

0406

5. EGGS

CN code:

0407 00 11
0407 00 19
0407 00 30

16% reduction in customs duties for the following products:

- Milk and cream, not concentrated nor containing added sugar or other sweetening matter
- Yogurt, not flavoured nor containing added fruit, nuts or cocoa
- Other fermented or acidified milk and cream, not flavoured nor containing added fruit, nuts or cocoa
- Whey and modified whey
- Products consisting of natural milk constituents
- Butter and other fats and oils derived from milk
- Lactose syrup, flavoured
- Dog or cat food containing more than 50% of milk products

Other preparations of a kind used for animal feeding containing more than 50% of milk products

Reduction of third-country levy by 65% for:

- Milk and cream, concentrated or containing added sugar within the limits of a quota of 1 000 tonnes
- Cheese and curd within the limits of an annual quota of 1 000 tonnes

16% reduction in customs duties for products covered by the common organization of the markets:

- Poultry eggs

108

0408 11 80	— Yolks of birds' eggs
0408 19 81	
0408 19 89	
0408 91 80	— Birds' eggs
0408 99 80	
6. PIGMEAT	
CN code:	16% reduction in customs duties on the following products:
0103 91 10	— Live swine other than pure-bred breeding animals
0103 92 11	
0103 92 19	
1501 00 11	— Lard and other pig fat
1501 00 19	
1602 10 00	— Prepared or preserved meat of swine
1602 20 90	
1602 41 10	
1602 41 90	
1602 42 10	
1602 49	
1602 90 10	
1602 90 51	
1902 20 30	— Pasta stuffed with sausages and the like
	50% reduction in customs duty within a quota of 500 tonnes:
0203 11 10	— Meat of swine, fresh or chilled
0203 12 11	
0203 12 19	
0203 19 11 to	
0203 19 59	
0203 21 10	Meat of swine, frozen
0203 22 11	
0203 22 19	
0203 29 11 to	
0203 29 59	
0206 30 21	— Offal of domestic swine, fresh or chilled
0206 30 31	— Offal of domestic swine, frozen
0206 41 91	
0206 49 91	
0209 00 11	— Pig fat
0209 00 19	
0209 00 30	— Pig fat, other than that falling within subheading 0209 00 11 or 0209 00 19

0210 11 11 to
0210 11 39
0210 12 11

- Hams, shoulders and cuts thereof, with bone in, salted, dried or smoked
- Bellies of domestic swine, salted, dried or smoked

0210 19 10 to
0210 19 89
0210 90 31
0210 90 39

- Other cuts of domestic swine, salted, dried or smoked
- Edible flours and meals of offal of domestic swine

1601 00

Reduction of the third-country levy by 65% within the limits of an annual quota of 500 tonnes for:

- Sausages and similar products of meat, meat offal or blood

7. FISHERY PRODUCTS

CN code:

Exemption from customs duties for all products covered by the common organization of the market

03
0511 91 90
1604
1605
1902 20 10
2301 20 00

8. SUGAR

CN code:

1212 91 10
1212 91 90
1212 92 00
1702 20 10
1702 20 90
1702 30 10
1702 40 10
1702 60 10
1702 60 90
1702 90 30
1702 90 60
1702 90 71
1702 90 90
2106 90 30
2106 90 59

16% reduction in customs duty: this reduction will not be applicable when the Community, in accordance with its Uruguay Round commitments, applies additional duties

1703

Reduction of the third-country levy by ECU 0.5/100 kg within the limits of an annual quota of 600 000 tonnes for:

- Molasses

ms

9. OIL SEEDS AND OLEAGINOUS FRUIT

CN Code:

Exemption from customs duties for all products covered by the common organization of the market

1201 00 90
1202 10 90
1202 20 00

1203 00 00
1204 00 90
1205 00 90
1206 00 90
1207 10 90
1207 20 90
1207 30 90
1207 40 90
1207 50 90
1207 60 90
1207 91 90
1207 92 90
1207 99 91
1207 99 99

1208

1504

1507

1508

1509 90 00

1510 00 90

1511

1512

1513

1514

1515 11 00

1515 19

Exemption from customs duties

1515 21

1515 29

1515 50

1515 90 21

1515 90 29

1515 90 31

1515 90 39

1515 90 40

1515 90 51

1515 90 59

1515 90 60

1515 90 91

1515 90 99

1516 10

1516 20 91

1516 20 99

1517 10 90

M

1517 90 91
1517 90 99
1518 00 31
1518 00 39
1522 00 91
1522 00 99
2304 00 00
2305 00 00
2306 10 00
2306 20 00
2306 30 00
2306 40 00
2306 50 00
2306 60 00
2306 90 91
2306 90 93
2306 90 99

10. CEREALS

CN Code:

Reduction of the third-country levy by ECU
1.81/tonne

0709 90 60 Maize
0712 90 19
1005 10 90
1005 90 00

1007 00 Sorghum

Reduction of the third-country levy by
60% within the limit of an annual ceiling
of 100 000 tonnes and a 50% reduction
in the duty reintroduced above the
ceiling.

1008 20 00 Millet

Non-application of the third-country levy
within the limits of an annual ceiling of
60 000 tonnes and a 50% reduction in
the duty reintroduced above the ceiling.

1101 00 00
1102 10 00
1103 11 10
1103 11 90
1103 21 00

16% reduction in the customs duty

1001 10 00
1001 90 91
1001 90 99
1002 00 00
1003 00 10
1003 00 90

50% reduction in the customs duty
within a quota of 15 000 tonnes.

1004 00 00
1008 10 00

ML

1008 30 00
1008 90 10
1008 90 90

11. RICE
CN Code:

1006 10 21
to Paddy rice
1006 10 98
1006 20 Husked rice
1006 30 Milled rice

1006 40 00 Broken rice

In compliance with common rules,
reduction of the third-country levy per
100 kg:

- for paddy rice, by 65% and ECU
0.36
- for husked rice by 65% and ECU
0.36
- for wholly milled rice, by the
component for the protection of the
processing industry, by 65% and
ECU 0.54
- for semi-milled rice, by the
component for the protection of the
processing industry converted on the
basis of the conversion rate for
wholly milled rice and semi-milled
rice by 65% and ECU 0.54
- for broken rice by 65% and
ECU 0.30

This exception is valid only if a charge of
an equivalent amount is levied at the time
of export by the ACP State concerned.
Should 125 000 tonnes (husked rice
equivalent) of rice (CN codes 1006 10 21
to 1006 10 98, 1006 20 and 1006 30)
and 20 000 tonnes of broken rice (CN
code 1006 40 00) be exceeded, the
general third-country arrangement shall
apply.

12. CEREAL SUBSTITUTES AND
PROCESSED CEREAL AND RICE
PRODUCTS
CN code:

0714

1102 20
1102 30 00
1102 90
1103 12 00
1103 13
1103 14 00
1103 19
1103 29
1104

In addition, reduction of the variable
component of the levy per 100 kg:
— by ECU 0.181 for CN codes
0714 10 99 and 0714 90 19
(manioc, salep and other similar
roots and tubers with high starch
content other than arrowroot)

1106 20
1107
1108 (excluding 1108 20 00)

1109 00 00
1702 30 91
1702 30 99
1702 40 90
1702 90 50
1702 90 75
1702 90 79
2106 90 55
2302 10
2302 20

- by ECU 0.363 for CN codes 0714 10 10 and ex 1106 20 (flours and meal of sago and of manioc, salep and other roots and tubers falling within CN code 0714, other than arrowroot flour and meal)
- by 50% for CN codes ex 1108 14 00 and ex 1108 19 90 (starches, other, other than arrowroot starches)

2302 30
2302 40
2302 250 00
2303 10
2303 30 00
2308 10 00
2308 90 30
2309 10 11
2309 10 13
2309 10 31
2309 10 33
2309 10 51
2309 10 53
2309 90 31
2309 90 33
2309 90 41
2309 90 43
2309 90 51
2309 90 53

Non-application of the variable component of the third-country levy for roots, flour, meal and starch of arrowroot falling within CN codes ex 0714 10, ex 0714 90 11, ex 1106 20 10, ex 1106 20 91 and ex 1106 20 99

Non-application of the variable component for products falling within CN codes 0714 10 91 and 0714 90 11 (including yams) other than arrowroot.

13. FRESH OR CHILLED FRUIT AND VEGETABLES

CN code:

0706 90 30

ex 0706 90 90

ex 0706 90 90

ex 0707 00 11
ex 0707 00 19

0708

Exemption from customs duties for the following products:

Horse-radish

Salad beetroot

Radishes (*Raphanus sativus*), known as 'mooli'

Small winter cucumbers

Leguminous vegetables

0709 30 00	Aubergines (egg-plants)
0709 40 00	Celery other than celeriac
0709 51 90	Mushrooms, other
0709 60 10	Sweet peppers
0709 90 70	Courgettes
0709 90 90	Other vegetables
0802 31 00 and 0802 32 00	Walnuts, in shell or shelled
0802 50 00	Pistachios
0802 90 10	Pecans
0802 90 90	Other nuts
0804 30 00	Pineapples
0804 40	Avocados
0404 50 00	Guavas, mangoes and mangosteens
0805 40 00	Grapefruit
0805 30 90	Limes (Citrus aurantifolia)
0805 90 00	Other citrus fruit
0807 10	Melons (including watermelons)
0807 20 00	Pawpaws
0809 40 90	Sloes
0810 40 30	Fruit of the species <i>Vaccinium myrtillus</i>
0810 90	Other fresh fruit
0813 50 30	Mixtures exclusively of nuts of headings CN codes Nos 0801 and 0802

Reduction in customs duties on the
following products:

MS

ex 0702 00 10	Tomatoes (other than cherry tomatoes) from 15 November to 30 April: reduction of the duty by 60% within the limits of a quota of 2 000 tonnes
ex 0702 00 10	Cherry tomatoes from 15 November to 30 April: exemption from customs duties within the limits of a quota of 2 000 tonnes
ex 0703 10 19	Onions from 1 February to 15 May: exemption from the customs duty. For the rest of the year, 15% reduction in the customs duty.
ex 0703 20 00	Garlic from 1 February to 31 May: exemption from the customs duty. For the rest of the year, 15% reduction in the customs duty.
ex 0704 90 90	Chinese cabbage from 1 November to 31 December: exemption from the customs duty. For the rest of the year, 15% reduction in the customs duty.
ex 0705 11 10	Iceberg lettuce from 1 July to 31 October: exemption from the customs duty. For the rest of the year, 15% reduction in the customs duty.
ex 0706 10 00	Carrots from 1 January to 31 March: exemption from the customs duty. For the rest of the years, 15% reduction in the customs duty.
ex 0709 10 00	Artichokes from 1 October to 31 December: exemption from the customs duty. For the rest of the year, 15% reduction in the customs duty.
ex 0709 20 00	Asparagus: <ul style="list-style-type: none"> - exemption from the customs duty from 15 August to 15 January - 40% reduction from 16 January to 31 January - 15% reduction for the rest of the year
ex 0804 20 10	Figs (fresh) from 1 November to 30 April: exemption from the customs duty within the limits of a quota of 200 tonnes

Até

0805 10

Oranges:

- exemption from the customs duty from 15 May to 30 September in the framework of a reference quantity of 25 000 tonnes
- above this quantity and throughout the year an 80% reduction in the customs duty

0805 20

Mandarins (including tangerines and satsumas); clementines, wilkings and other similar citrus hybrids:

- exemption from the customs duty from 15 May to 30 September in the framework of a reference quantity of 4 000 tonnes
- above this quantity and throughout the year an 80% reduction of the customs duty

ex 0806 10 21
ex 0806 10 29
ex 0806 10 50

Table grapes: exemption from customs duties from 1 December to 31 January within the limits of a quota of 400 tonnes and from 1 February to 31 March within the limits of a reference quantity of 100 tonnes

0808 10

Apples: reduction in the customs duty by 50% within the limits of a quota of 1 000 tonnes

ex 0808 20

Pears: reduction in the customs duty by 65% within the limits of a quota of 2 000 tonnes

ex 0809 10 00

Apricots: exemption from the customs duty from 1 September to 30 April. For the rest of the year, a 15% reduction in the customs duty.

ex 0809 20 90

Cherries: exemption from the customs duty from 1 November to 31 March

ex 0809 30 00

Peaches, including nectarines: exemption from the customs duty from 1 December to 30 March.

For the rest of the year, a 15% reduction in the customs duty.

ex 0809 40 19

Plums: exemption from the customs duty from 15 December to 31 March. For the rest of the year, a 15% reduction in the customs duty.

ex 0810 10 90

Strawberries: exemption from the customs duty from 1 November to end February in the framework of a quota of 1 600 tonnes.

0810 40 50

0810 40 90

0703 10 90

0703 90 00

0704 10

0704 20 00

0704 90 10

0704 90 90

0705 11

0705 19 00

0705 21 00

0705 29 00

ex 0706 10 00

0706 90 11

0706 90 19

ex 0707 00 11

ex 0707 00 19

0707 00 90

0709 51 10

0709 51 30

0709 51 50

0709 52 00

0709 70 00

0709 90 10

0709 90 20

0709 90 40

0709 90 50

0802 11 90

0802 12 90

0802 21 00

0802 22 00

0802 40 00

0808 20 90

0810 20 10

0810 20 90

0810 30 10

0801 30 30

0810 30 90

Reduction of the customs duty to the following levels:

- 3% for fruit of the species
Vaccinium macrocarpon
and Vaccinium corymbosum
- 5% for other fruits of the Vaccinium species

16% reduction in customs duties for the following products:

- Shallots
- Leeks and other alliaceous vegetables
- Cauliflowers and headed broccoli
- Brussels sprouts
- White cabbages and red cabbages
- Other cabbages
- Cabbage lettuce, except iceberg
- Other lettuce
- Witloof chicory
- Other chicory
- Turnips
- Celeriac
- Winter cucumbers, other than small cucumbers

- Gherkins
- Cultivated mushrooms
- Chantarelles
- Flap mushrooms
- Truffles
- Spinach, New Zealand spinach and orache spinach
- Salad vegetables other than lettuce and chicory
- Chard (or white beet) and cardoons
- Capers
- Fennel
- Almonds, other

- Hazelnuts

- Chestnuts
- Quinces
- Raspberries
- Blackberries and mulberries
- Gooseberries and black-currants

14. PROCESSED FRUIT AND
VEGETABLE PRODUCTS

CN code:

ex 0710 (other than 0710 40 00,
0710 80 10 and 0710 80 59)

ex 0711 (other than 0711 20, 0711
90 10 and 0711 90 30)

ex 0712 (other than 0712 10 00,
0712 90 11, 0712 90 19 and
0712 90 90)

0804 20 90

0806 20

0811

0812

0813 10 00

0813 20 00

0813 30 00

0813 40

0813 50 11

0813 50 19

0813 50 91

0813 50 99

0814 00 00

0904 20 10

ex 1302 20

2001 10 00

2001 20 00

2001 90 10

2001 90 50

2001 90 90

2002

2003

2004 10 10

2004 10 99

2004 90 30

2004 90 50

2004 90 91

2004 90 95

2004 90 99 (other than olives)

ex 2005 (other than 2005 70 00,

2005 80 00 and 2005 90 10)

2006 00

2007

2008 (other than 2008 11 10,

2008 91 00, 2008 99 85, 2008 99 91
and 2008 99 99)

ex 2009 (other than 2009 60)

2007 10 10

Exemption from customs duties for all
products covered by the common
organization of the market

In addition, non-application of the fixed
component and non-levying of the
additional duty on sugar for the following
products:

Jams, fruit jellies, marmalades, fruit or
nut purée and fruit or nut pastes, being
cooked preparations:

— Homogenized preparations

M9

2007 99 10
2007 99 20
2007 99 31
2007 99 32
2007 99 33
2007 99 35
2007 99 39
2007 99 51
2007 99 59

— Jams, fruit jellies, marmalades, fruit or nut purée and fruit or nut pastes (other than citrus fruit)

Fruit, prepared or preserved, whether or not containing added sugar or spirit:

ex 2008 20

— Pineapples

ex 2008 30

— Grapefruit segments

ex 2008 40

— Pears

ex 2008 80

— Strawberries

ex 2008 92

— Mixtures of pineapple, pawpaw and pomegranate

ex 2008 99

— Grapes
— Plums
— Passionfruit, guava and tamarinds

2009 20 11
2009 20 91

— Grapefruit juice

ex 2009 40

— Pineapple juice

ex 2009 80

— Passionfruit and guava juice

ex 2009 90

— Mixtures of pineapple, pawpaw and pomegranate juices

15. WINE

CN code:

2009 60
2204 30 91
2204 30 99

Exemption from customs duties for:
Unfermented grape juice (including grape must)

16. UNMANUFACTURED TOBACCO

CN code:

2401

Exemption from customs duties

If serious disruptions occur as a result of a large increase in duty-free imports of unmanufactured tobacco (CN code 2401) originating in the ACP States, or if these imports create difficulties which result in deterioration of the economic situation of a region of the Community, the

Community may take the necessary safeguard measures pursuant to Article 177(1) of the Convention, including measures to offset deflection of trade.

17. CERTAIN GOODS RESULTING FROM THE PROCESSING OF AGRICULTURAL PRODUCTS
CN code:

Exemption from the fixed component for the entire sector of products processed from agricultural products [Regulation (EEC) No 3033/80]

0403 10 51 to
0403 10 99
0403 90 71 to
0403 90 99
0710 40 00
0711 90 30
1517 10 10
1517 90 10
1702 50 00
1704 (other than 1704 90 10)
1806
1901
1902 (other than 1902 20 10 and
1902 20 30)
1903
1904
1905
2001 90 30
2001 90 40
2004 90 10
2005 80 00
ex 2005 90 90 Sweet corn (*Zea mays*
var. *saccharata*)
2008 99 85
2008 99 91
2101 30 19
2101 30 99
2102 10 31
2102 10 39
2105
2106 (other than 2106 10 10 and
2106 10 91)
2202 90 91
2202 90 95
2202 90 99
2905 43 00
2905 44
3501 (other than 3501 90 10)
3505 10 (other than 3505 10 50)
3505 20
3809 10

3823 60	
1702 50 00	In addition, suspension of the variable component for: Chemically pure fructose
1704 90 30	Sugar confectionery (including white chocolate) not containing cocoa — White chocolate
1806 20	Chocolate and other food preparations containing cocoa: — Preparations in block 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, excluding those falling within CN code 1806 20 70
1806 31 00	— Other, in blocks, slabs or bars, filled or unfilled
1806 32	
1806 90 11	— Other chocolate and chocolate products and sugar confectionery and substitutes therefor made from sugar substitution products containing cocoa
1806 90 19	
1806 90 31	
1806 90 39	
1806 90 50	
1901	Malt extract, food preparations of flour, meal, starch or malt extract, not containing cocoa powder or containing cocoa powder in a proportion by weight of less than 50%, not elsewhere specified or included; food preparations of goods of CN codes Nos 0401 to 0404, not containing cocoa powder or containing cocoa powder in a proportion by weight of less than 10%, not elsewhere specified or included (other than CN codes 1901 90 11 and 1901 90 90), not containing milk fats or containing milk fats in a proportion by weight of less than 1.5%, containing 50% or more but less than 75% by weight of starches
1903 00 00	Tapioca and substitutes therefor prepared from starch, in the form of flakes, grains, pearls, siftings or similar forms
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: Sweet biscuits; waffles and wafers
ex 1905 30	— Biscuits
ex 1905 40 00	— Rusks, toasted bread and similar (toasted products other than ships biscuits)

ex 1905 90

2008 99 85

1702 10 10

1702 10 90

1702 30 51

1702 30 59

2005 20 20

2005 20 80

2101 10 98

2102 20 98

18. SPECIAL ARRANGEMENTS FOR IMPORTING CERTAIN AGRICULTURAL PRODUCTS ORIGINATING IN THE ACP STATES OR THE OCT INTO THE FRENCH OVERSEAS DEPARTMENTS

CN code:

0102 90 10 Live animals of the
0102 90 31 domestic bovine
0102 90 33 species, other than
0102 90 35 pure-bred breeding
0102 90 37 animals

0201 Meat of bovine
0202 animals, fresh chilled
or frozen

0206 10 95
0206 29 91

0709 90 60 Maize
0712 90 19
1005 10 90
1005 90 90

0714 10 91
0714 90 11 (including yams)

19. SPECIAL ARRANGEMENTS FOR IMPORTS OF RICE INTO REUNION

- Other
- Biscuits

Maize (corn), otherwise prepared or preserved, not containing added sugar or spirit, other than sweet corn (*Zea mays*, var. *saccharata*)

16% reduction in customs duties for the following products:

- Lactose and lactose syrup
- Other sugars containing in the dry state 99% or more by weight of glucose
- Potatoes, prepared or preserved, other than in the form of flour, meal or flakes
- Other preparations of extracts, essences or concentrates of coffee
- Other preparation of extracts, essences or concentrates of tea or maté

Non-application of the third-country levy

Non-application of the third-country levy

Non-application of the third-country levy. Necessary measures against disturbances of the Community market should imports exceed 25 000 tonnes per annum

Non-application of the third-country levy within the limits of an annual quota of 2 000 tonnes

Non-application of the third-country levy

82. In the Final Act, Annex XLVI shall be replaced by the following:

"ANNEX XLVI

STABEX

Joint declaration on Articles 210 and 211

Pursuant to the decision of the ACP-EC Council of Ministers of 21 May 1992 in Kingston, Jamaica, and with a view to avoiding difficulties in the rapid inception and implementation of the Framework of Mutual Obligations, the Contracting Parties agree to use all appropriate means including information seminars, appropriate technical assistance, etc. within the framework of Development Finance Cooperation."

83. In the Final Act, Annex LIV shall be replaced by the following:

"ANNEX LIV

Joint declaration on Article 294

The definition of the concept of "originating" products for the purpose of implementing Article 294 shall be assessed by reference to the relevant international agreements. For the purpose of implementing Article 294, supplies originating in the Community shall include supplies originating in the OCT."

84. In the final Act, in Annex LXVIII, in paragraph 1, the following expression shall be deleted:

— "(excluding its general sessions)".

85. In the Final Act, the following Annexes LXXIX to LXXXIX shall be added:

"ANNEX LXXIX

Joint declaration on Articles 156(4), 157(1) and 158(1)(d) and (h),
concerning regional cooperation

Reference in these Articles to overseas territories and departments shall include the Canary Islands, the Azores and Madeira.

ANNEX LXXX

Joint declaration on the consultation and information of agents of development

1. With a view to encouraging the participation of the agents of decentralized cooperation in Fund projects and programmes and to ensuring that their initiatives are taken into account in the formulation and in the implementation of indicative programmes, ACP States will endeavour to organize exchanges of views with such agents. The ACP States and the Commission will also endeavour to provide information necessary for their participation in the implementation of the programmes.

ANNEX LXXXI

Community declaration on Article 281(1)

The notification of the indicative amount referred to in Article 281(1) will not apply to the ACP States with whom the Community has suspended its cooperation.

ANNEX LXXXII

Joint declaration on implementation procedures

With regard to the implementation procedures, in particular:

- the award of contracts; and
- the role of the executing agents,

the Ministerial Conference calls on the ACP-EC Council of Ministers through the Development Finance Cooperation Committee to deepen its examination of these procedures and, where appropriate, to adapt them during the period of application of the Second Financial Protocol.

In addition, the Ministerial Conference recognizes that in order to improve the finalization of financing proposals, additional information may be required. In this regard, the Ministerial Conference calls on the ACP-EC Council of Ministers to establish the necessary arrangements for providing within the framework of this Convention the necessary resources required, where the Commission's own resources and the interest accruing from EDF resources are inadequate.

ANNEX LXXXIII

Joint declaration on Article 366a

1. In the practical application of this Convention, the Contracting Parties will not have recourse to the provision of "special urgency" in Article 366a, other than in exceptional cases of particularly serious and flagrant violations that, because of the response time required, render any prior consultation impossible.

2. In the event that either Contracting Party has resort to this measure, the relevant Party undertakes to make arrangements to consult with the other expeditiously with a view to assessing the situation in detail and, if necessary, remedying it.

ANNEX LXXXIV

Community declaration on debt

The Community reaffirms its willingness to contribute constructively and actively to the alleviation of the debt burden of the ACP States.

In this context, it agrees to transform into grants all the special loans of the previous Conventions which have not yet been committed.

The Community also confirms its determination to pursue the discussion of these questions in the appropriate fora, taking into account the specific difficulties of the ACP States.

ANNEX LXXXV

Community declaration on Article 2(d) of the Second Financial Protocol

The specific resources provided for in the Second Financial Protocol for emergency assistance may be supplemented, for the duration of the Second Financial Protocol, by an additional amount of ECU 160 million from the Community budget.

ANNEX LXXXVI

Joint declaration on cumulation

The Contracting Parties agreed that, for the implementation of Article 6(5) of Protocol 1, the following definitions shall apply:

developing country: any country listed as such by the Development Aid Committee of the OECD and the Republic of South Africa except the High Income Countries (HIC) and the countries with a GNP exceeding in 1992 100 billion dollars at current prices;

the expression "neighbouring developing country belonging to a coherent geographical entity" shall refer to the following list of countries:

- Africa: Algeria, Egypt, Libya, Morocco, Tunisia and on an ad hoc basis, South Africa;

- Caribbean: Colombia, Costa Rica, Cuba, El Salvador, Guatemala, Honduras, Nicaragua, Panama, Venezuela;

- Pacific: Nauru.

ANNEX LXXXVII

Joint declaration on fishery products

The Contracting Parties agree that the Customs Cooperation Committee shall, at the earliest opportunity, examine in a positive manner difficulties which arise from the application of the provisions of Article 2(2) of Protocol 1. The Customs Cooperation Committee shall report to the Council of Ministers within one year of the entry into force of these provisions.

ANNEX LXXXVIII

Joint declaration on bananas

Special attention shall be granted, when determining the volume of programmable assistance to ACP bananas suppliers to the Community, where external circumstances beyond their control have led to the need for restructuring, concerning also the banana sector.

ANNEX LXXXIX

Joint declaration relating to Protocol 10

The Contracting Parties agree to cooperate in the implementation of the provisions of Protocol 10 to take into account internationally harmonized criteria and indicators on sustainable management of forests."

or.

FINAL ACT

FINAL ACT

The plenipotentiaries of:

HIS MAJESTY THE KING OF THE BELGIANS,

HER MAJESTY THE QUEEN OF DENMARK,

THE PRESIDENT OF THE FEDERAL REPUBLIC OF GERMANY,

THE PRESIDENT OF THE HELLENIC REPUBLIC,

HIS MAJESTY THE KING OF SPAIN,

THE PRESIDENT OF THE FRENCH REPUBLIC,

THE PRESIDENT OF IRELAND,

THE PRESIDENT OF THE ITALIAN REPUBLIC,

HIS ROYAL HIGHNESS THE GRAND DUKE OF LUXEMBOURG,

HER MAJESTY THE QUEEN OF THE NETHERLANDS,

THE FEDERAL PRESIDENT OF THE REPUBLIC OF AUSTRIA,

THE PRESIDENT OF THE PORTUGUESE REPUBLIC,

THE PRESIDENT OF THE REPUBLIC OF FINLAND,

HIS MAJESTY THE KING OF SWEDEN,

HER MAJESTY THE QUEEN OF THE UNITED KINGDOM OF GREAT BRITAIN AND
NORTHERN IRELAND,

Contracting Parties to the Treaty establishing the European Coal and Steel Community and the Treaty establishing the European Community, hereinafter referred to as "the Community", the States of the Community being hereinafter referred to as "Member States",

and of the COUNCIL OF THE EUROPEAN UNION and the COMMISSION OF THE EUROPEAN COMMUNITIES,

of the one part, and

The plenipotentiaries of:

THE PRESIDENT OF THE REPUBLIC OF ANGOLA,

HER MAJESTY THE QUEEN OF ANTIGUA AND BARBUDA,

THE HEAD OF STATE OF THE COMMONWEALTH OF THE BAHAMAS,

THE HEAD OF STATE OF BARBADOS,

HER MAJESTY THE QUEEN OF BELIZE,

THE PRESIDENT OF THE REPUBLIC OF BENIN,

THE PRESIDENT OF THE REPUBLIC OF BOTSWANA,

THE PRESIDENT OF BURKINA FASO,

THE PRESIDENT OF THE REPUBLIC OF BURUNDI,

THE PRESIDENT OF THE REPUBLIC OF CAMEROON,
THE PRESIDENT OF THE REPUBLIC OF CAPE VERDE,
THE PRESIDENT OF THE CENTRAL AFRICAN REPUBLIC,
THE PRESIDENT OF THE ISLAMIC FEDERAL REPUBLIC OF THE COMOROS,
THE PRESIDENT OF THE REPUBLIC OF THE CONGO,
THE PRESIDENT OF THE REPUBLIC OF THE CÔTE D'IVOIRE,
THE PRESIDENT OF THE REPUBLIC OF DJIBOUTI,
THE GOVERNMENT OF THE COMMONWEALTH OF DOMINICA,
THE PRESIDENT OF THE DOMINICAN REPUBLIC,
THE PRESIDENT OF THE STATE OF ERITREA,
THE PRESIDENT OF THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA,
THE PRESIDENT OF THE SOVEREIGN DEMOCRATIC REPUBLIC OF FIJI,
THE PRESIDENT OF THE REPUBLIC OF GABON,
THE PRESIDENT OF THE REPUBLIC OF GAMBIA,
THE PRESIDENT OF THE REPUBLIC OF GHANA,

HER MAJESTY THE QUEEN OF GRENADA,

THE PRESIDENT OF THE REPUBLIC OF GUINEA,

THE PRESIDENT OF THE COUNCIL OF STATE OF GUINEA-BISSAU,

THE PRESIDENT OF THE REPUBLIC OF EQUATORIAL GUINEA,

THE PRESIDENT OF THE CO-OPERATIVE REPUBLIC OF GUYANA,

THE PRESIDENT OF THE REPUBLIC OF HAITI,

THE HEAD OF STATE OF JAMAICA,

THE PRESIDENT OF THE REPUBLIC OF KENYA,

THE PRESIDENT OF KIRIBATI,

HIS MAJESTY THE KING OF THE KINGDOM OF LESOTHO,

THE PRESIDENT OF THE REPUBLIC OF LIBERIA,

THE PRESIDENT OF THE DEMOCRATIC REPUBLIC OF MADAGASCAR,

THE PRESIDENT OF THE REPUBLIC OF MALAWI,

THE PRESIDENT OF THE REPUBLIC OF MALI,

THE PRESIDENT OF THE ISLAMIC REPUBLIC OF MAURITANIA,

THE PRESIDENT OF THE REPUBLIC OF MAURITIUS,

THE PRESIDENT OF THE REPUBLIC OF MOZAMBIQUE,

HE PRESIDENT OF THE REPUBLIC OF NAMIBIA,

THE PRESIDENT OF THE REPUBLIC OF NIGER,

THE HEAD OF THE FEDERAL REPUBLIC OF NIGERIA,

THE PRESIDENT OF THE REPUBLIC OF UGANDA,

HER MAJESTY THE QUEEN OF THE INDEPENDENT STATE OF PAPUA NEW GUINEA,

THE PRESIDENT OF THE RWANDESE REPUBLIC,

HER MAJESTY THE QUEEN OF SAINT KITTS AND NEVIS,

HER MAJESTY THE QUEEN OF SAINT LUCIA,

HER MAJESTY THE QUEEN OF SAINT VINCENT AND THE GRENADINES,

THE HEAD OF STATE OF THE INDEPENDENT STATE OF WESTERN SAMOA,

THE PRESIDENT OF THE DEMOCRATIC REPUBLIC OF SÃO TOMÉ AND PRÍNCIPE,

THE PRESIDENT OF THE REPUBLIC OF SENEGAL,

THE PRESIDENT OF THE REPUBLIC OF SEYCHELLES,

THE PRESIDENT OF THE REPUBLIC OF SIERRA LEONE,
HER MAJESTY THE QUEEN OF THE SOLOMON ISLANDS,
THE PRESIDENT OF THE SOMALI DEMOCRATIC REPUBLIC,
THE PRESIDENT OF THE REPUBLIC OF THE SUDAN,
THE PRESIDENT OF THE REPUBLIC OF SURINAME,
HIS MAJESTY THE KING OF THE KINGDOM OF SWAZILAND,
THE PRESIDENT OF THE UNITED REPUBLIC OF TANZANIA,
THE PRESIDENT OF THE REPUBLIC OF CHAD,
THE PRESIDENT OF THE TOGOLESE REPUBLIC,
HIS MAJESTY KING TAUFU'AHAU TUPOU IV OF TONGA,
THE PRESIDENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO,
HER MAJESTY THE QUEEN OF TUVALU,
THE GOVERNMENT OF VANUATU,
THE PRESIDENT OF THE REPUBLIC OF ZAIRE,
THE PRESIDENT OF THE REPUBLIC OF ZAMBIA,
THE PRESIDENT OF THE REPUBLIC OF ZIMBABWE,

whose States are hereinafter referred to as "ACP States",

of the other part,

meeting in Mauritius, this for the signing of the Mauritius Agreement amending the Fourth ACP-EC Convention of Lomé, have adopted the following texts:

the Mauritius Agreement amending the Fourth ACP-EC Convention of Lomé, and the Protocols and texts of the declarations listed below which are set out in the Final Act of the Convention:

Second Financial Protocol

Protocol 1 concerning the definition of the concept of "originating products" and methods of administrative cooperation

Protocol 7 on beef and veal

Protocol 10 on sustainable management of forest resources

Annex XIV Joint declaration on Article 91: Centre for the Development of Industry (CDI)

Annex XXII Joint declaration on Article 141 concerning cultural and social cooperation

- Annex XL Joint declaration concerning agricultural products referred to in Article 168(2)(a)(ii)
- Annex XLVI Joint declaration on Articles 210 and 211
- Annex LIV Joint declaration on Article 294
- Annex LXXIX Joint declaration on Articles 156(4), 157(1) and 158(1)(d) and (h), concerning regional cooperation
- Annex LXXX Joint declaration on the consultation and information of agents of development
- Annex LXXXII Joint declaration on implementation procedures
- Annex LXXXIII Joint declaration on Article 366(a)
- Annex LXXXVI Joint declaration on cumulation
- Annex LXXXVII Joint declaration on fishery products
- Annex LXXXVIII Joint declaration on bananas
- Annex LXXXIX Joint declaration relating to Protocol 10

The plenipotentiaries of the Member States and of the Community and the plenipotentiaries of the ACP States have also agreed to annex to this Final Act the declaration listed below:

Joint declaration on trade development

The plenipotentiaries of the ACP States have taken note of the declarations listed below which are set out in the Final Act of the Convention:

Annex IIIa Community declaration on Article 4

Annex LXXXI Community declaration on Article 281(1)

Annex LXXXIV Community declaration on debt

Annex LXXXV Community declaration on Article 2(d) of the Second Financial Protocol

[The plenipotentiaries of the Member States and of the Community have taken note of the declarations listed below and annexed to this Final Act:]

Done in Mauritius,

Joint declaration on trade development

THE REPRESENTATIVES OF THE ACP STATES, THE EUROPEAN COMMUNITY AND ITS MEMBER STATES, meeting in Mauritius for the signing of the Mauritius Agreement amending the Fourth ACP-EC Convention of Lomé;

CONCERNED about the serious deterioration of trade performance of ACP States over the last twenty years;

RECOGNIZING, on the other hand, the crucial importance of trade for any self-sustained development;

CONSIDERING it essential to ensure that effective use is made of all the instruments provided for by the Convention to develop trade;

CONSIDERING further that the improvement in the competitiveness of the ACP States constitutes the key to any future success in trade development;

CONSIDERING finally that trade development is crucial for the achievement of a smooth and gradual integration of the economies of the ACP States into the world economy thereby promoting sustainable economic and social development and contributing to the alleviation of poverty in these States;

REAFFIRM THEIR COMMITMENT TO:

- the according of priority to trade development in the context of national and regional programmes of ACP-EC cooperation under the new Financial Protocol of the Eighth EDF;
- the definition and implementation of coherent trade policies and strategies in line with the comparative advantages and priorities set by each individual ACP State;
- the improvement of the macro-economic and regulatory framework in the ACP States necessary for trade development;
- the establishment and strengthening of the physical and organizational infrastructure for trade and private investment with a view to enhancing the competitiveness of ACP goods and services in the national, regional and international markets;
- the coordinated deployment of all available instruments of cooperation in support of the production, distribution and marketing of ACP goods;
- the general principle that on the level of individual projects each measure shall be assessed as to its compatibility with its contribution to the improvement of the competitiveness of the economies of the ACP States.

The Council of Ministers shall review progress towards the attainment of these objectives every two years.

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