



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 15.12.1995  
COM(95) 736 final

95/ 0354 (ACC)

Proposal for a

COUNCIL DECISION

Concerning the conclusion of the results of negotiations with certain third countries  
under GATT Article XXIV:6 and other related matters

(presented by the Commission)





## PROPOSAL FOR A COUNCIL DECISION

The Commission has now concluded negotiations with Australia, Chile, Japan, New Zealand and Thailand. The results of the negotiations are contained in the Proposal for a Council Decision concerning the conclusion of the results of negotiations with certain third countries under GATT Article XXIV:6 and other related matters.

The agreements essentially cover agricultural issues and include commitments on tariffs, tariffs quotas, export commitments and domestic support.

**Proposal for a Council Decision**

**Concerning the conclusion of the results of negotiations with certain third countries under GATT Article XXIV:6 and other related matters**

The Council of the European Union,

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

having regard to the proposal from the Commission,

whereas the Community has entered into negotiations under GATT Article XXIV:6; whereas these negotiations have resulted in agreements with Australia, Chile, Japan, New Zealand and Thailand,

whereas it was also in the interest of the Community to resolve certain other outstanding issues in the agricultural sector with the parties concerned,

whereas it is in the interest of the Community to approve these agreements,

has decided as follows :

**Article 1**

1. Agreements for the conclusion of negotiations between Australia, Chile, Japan, New Zealand and Thailand and the European Community under Article XXIV:6 of the GATT 1994, as well as Exchanges of Letters where relevant, are hereby approved on behalf of the Community.
2. The texts of the agreements referred to in this Article are attached to this Decision.
3. The President of the Council is hereby authorised to designate the person empowered to sign the agreement in order to bind the Community.

Done at Brussels,

For the Council  
The President

AGREEMENT  
FOR THE CONCLUSION OF NEGOTIATIONS BETWEEN  
AUSTRALIA AND THE EUROPEAN COMMUNITY  
UNDER ARTICLE XXIV:6

Australia and the European Community,

desiring to bring their GATT Article XXIV:6 negotiations to conclusion on the basis of a reasonable and mutually satisfactory compromise, and

further desiring to strengthen the close partnership in commercial and economic matters between the European Community and Australia,

agree to the following provisions :

- A. The European Community shall incorporate in its new Schedule CLX, for the customs territory of the EC-15, the concessions that were included in the previous Schedule LXXX as modified by the European Community Schedule annexed to the Marrakech Protocol to the General Agreement, 1994 (dated 15 April 1994).
- B. To settle the current GATT Article XXIV.6 negotiations on agriculture the following has been agreed and as regards the tariff rate quotas will apply with effect from 1 January 1996 :
- Add 2.000 tons to the allocation for Australia under the EC tariff rate quota for "high quality" beef.
  - Add 1.150 tons to the allocation for Australia under the EC tariff rate quota for sheepmeat.
  - Add 750 tons to the allocation for Australia under the EC tariff rate quota for cheddar.
  - Tariff rate quota 63.000 tons of "semi-milled and wholly milled rice"  
10 06 3000 at 0 Ecu/t (erga omnes).<sup>11)</sup>
  - Tariff rate quota 20.000 tons of "husked (brown) rice"  
10 06 2055 at 88 Ecu/t (erga omnes).<sup>(1)</sup>
  - Tariff rate quota 21.000 tons of oats  
10 04 0050 at 89 Ecu/t (erga omnes).

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11) The management of this quota will include allocation to traditional suppliers.

The Australian Government accepts the basic components of the European Community's approach to adjusting the GATT obligations of EC 12 and those of Austria, Sweden and Finland, following the recent enlargement of the Community :

- netting out of export commitments
- netting out of tariff quotas
- aggregation of domestic support commitments.

The appropriate legal modalities of implementation remain to be agreed.

C. Final provisions:

This Agreement shall enter into force on the date of signature.

Consultations will be held with regard to the matters in this Agreement at any time at the request of either party.

Signed at \_\_\_\_\_ this \_\_\_\_\_ day of December in the year one thousand nine hundred and ninety-five.

For Australia

For the Council of the European Union

Exchange of letters

Format : two duplicate letters

Dear [.....]

I have the honour to confirm the following understanding reached between the delegations of Australia and the European Community.

1. To settle the current WTO Article XXIV.6 negotiations on agriculture the following has been agreed and as regards the tariff rate quotas will apply with effect from 1 January 1996 :

- Add 2.000 tons to the allocation for Australia under the EC tariff rate quota for "high quality" beef.
- Add 1.150 tons to the allocation for Australia under the EC tariff rate quota for sheepmeat.
- Add 750 tons to the allocation for Australia under the EC tariff rate quota for cheddar.
- Tariff rate quota 63.000 tons of "semi-milled and wholly milled rice"  
10 06 3000 at 0 Ecu/t (erga omnes).<sup>1)</sup>
- Tariff rate quota 20.000 tons of "husked (brown) rice"  
10 06 2055 at 88 Ecu/t (erga omnes).<sup>1)</sup>
- Tariff rate quota 21.000 tons of oats  
10 04 0050 at 89 Ecu/t (erga omnes).

The Australian Government accepts the basic components of the European Community's approach to adjusting the GATT obligations of EC 12 and those of Austria, Sweden and Finland, following the recent enlargement of the Community:

- netting out of export commitments
- netting out of tariff quotas
- aggregation of domestic support commitments.

The appropriate legal modalities of implementation remain to be agreed.

2. Australia and the European Community agree to review in the first quarter of 1996 the particular functioning of the "representative price" system for cereals as it affects Australian exports of high quality wheat to the EC.

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<sup>1)</sup> The management of this quota will include allocation to traditional suppliers.

3. Wine

Australian Capital City Show Awards

Both sides agreed that:

- the EC recognizes, in accordance with Article 15 of Regulation (EEC) No 3201/90, the Australian Wine Show Awards by publishing the organisations in question in the "C" series of the Official Journal of the EC. This recognition excludes any use of Community names, protected by virtue of the EC/Australia Wine Agreement, as class descriptors of the awards;
- Australia shall ensure that the show organisers will amend their rules so that where a class description consisting of or containing a name listed in Article 8 of the Wine Agreement, i.e. "Sherry class", "Port class", is used to describe and/or present wines, including advertising, no reference shall be made to the fact that the award concerned has been recognised by the European Community.

Other pending issues should be addressed and resolved in the framework of the Wine Agreement without delay.

I have the honour to propose that this letter and your letter in reply will constitute an agreement between our two authorities.



Side letter : EC, Australia

The European Community confirms that it does not intend to include in its new schedule live horses or sheepmeat as products that can benefit from export subsidies listed in the Agreement on Agriculture.

The European Community and Australia will resume, in the first quarter of 1996, discussions on outstanding issues under the Wine Agreement, and will work to resolve these issues as quickly as possible.

The management of the TRQ for 63.000 tons of milled rice and the TRQ for 20.000 tons of husked (brown) rice will include allocation to traditional suppliers based on their exports to Austria, Sweden and Finland.

The specifications for the TRQ for 21.000 tons of milling oats are as follows :

- a minimum test weight of 55 kg per hectolitre
- a maximum moisture level of 12 percent
- a maximum admixture (EG foreign seeds) of 2 percent.

AGREEMENT  
FOR THE CONCLUSION OF NEGOTIATIONS BETWEEN  
CHILE AND THE EUROPEAN COMMUNITY  
UNDER ARTICLE XXIV:6

Chile and the European Community,

desiring to bring their GATT Article XXIV:6 negotiations to conclusion on the basis of a reasonable and mutually satisfactory compromise, and

further desiring to strengthen the close partnership in commercial and economic matters between the European Community and Chile,

agree to the following provisions:

- A. The European Community shall incorporate in its new Schedule CLX, for the customs territory of the EC-15, the concessions that were included in the previous Schedule LXXX as modified by the European Community Schedule annexed to the Marrakech Protocol to the General Agreement, 1994 (dated 15 April 1994).
- B. To settle the current GATT Article XXIV:6 negotiations on agriculture the following has been agreed and will apply with effect from 1 January 1996:
- 08081099 Fresh apples (1/4-31/7): reduction of the final tariff rate by 50% (from 3% to 1.5%).
  - 08082033 Fresh pears (1/4-30/4 and 1-15/7): reduction of the final tariff rate by 50% (from 2.5% to 1.3%).
  - 08133000 Dried apples: reduction of the final tariff rate by 50% (from 6.4% to 3.2%).
  - 08134092 Other dried fruit: reduction of the final tariff rate by 50% (from 4.8% to 2.4%).
  - Add 1.510 tons to the allocation for Chile under the EC tariff rate quota for sheepmeat.

Chile accepts the basic components of the European Community's approach to adjusting the obligations of the EC of 12 and those of Austria, Finland and Sweden following the recent enlargement of the Community:

- netting out of export commitments
- netting out of tariff quotas
- aggregation of domestic support commitments.

The appropriate legal modalities of implementation remain to be agreed.

C. The following has also been agreed :

- 2301 20 00 Fishmeal : reduction in the tariff rate to zero.

D. Final provisions:

This Agreement shall enter into force on the date of signature.

Consultations will be held with regard to the matters in this Agreement at any time at the request of either party.

Signed at \_\_\_\_\_ this \_\_\_\_\_ day of December in the year one thousand nine hundred and ninety-five.

For Chile

For the Council of the European Union

NEGOTIATIONS BETWEEN  
JAPAN AND THE EUROPEAN COMMUNITY  
UNDER ARTICLE XXIV:6

The delegations of Japan and the European Community,

desiring to bring their GATT Article XXIV:6 negotiations to conclusion on the basis of a reasonable and mutually satisfactory compromise, and

further desiring to strengthen the close partnership in commercial and economic matters between the European Community and Japan,

have achieved a solution as described below :

I. Market access concessions:

- A. The European Community shall incorporate in its new Schedule CLX, for the customs territory of the EC-15, the concessions that were included in the previous Schedule LXXX as modified by the European Community Schedule annexed to the Marrakech Protocol to the General Agreement, 1994 (dated 15 April 1994).
- B. As provided in Annex A to this Agreement, the European Community shall reduce and bind tariffs effective 1 January 1996 except as noted, shall open tariff quotas as indicated, and shall accelerate the staging of Uruguay Round tariff concessions.
- C. Improvements granted to third countries in European Community Article XXIV.6 negotiations shall also be applied to Japan.

II. Agriculture:

- A. The basic components of the European Community's approach to adjusting the obligations of the EC of 12 and those of Austria, Finland and Sweden following the recent enlargement of the Community will be as follows :
  - netting out of export commitments
  - netting out of tariff quotas
  - aggregation of domestic support commitments.

The appropriate legal modalities of implementation remain to be agreed.

B. The following tariff reduction will take effect from 1 January 1996 :

1209 91 90 : Other vegetable seeds (other than Kohlrabi).  
Reduction in the duty rate from 4% to 3%.

Signed at \_\_\_\_\_ this \_\_\_\_\_ day of December in the year one thousand nine hundred and ninety-five.

For the Delegation of Japan

For the Delegation of the European Community

## ANNEX A

1. The European Community will accelerate the Uruguay Round reductions due to take place in 1997 to 1st January 1996 for all non-agricultural products (fish and industrial) except for those which are separately listed in Annex I to III to the Council Regulation providing for the implementation of tariff reductions resulting from Article XXIV:6 negotiations following the accession of Austria, Finland and Sweden.
2. The reductions listed in Annex I to III will be implemented in the following manner:
  - a) From 1 January 1996 the conventional rates of duty for the products listed in Annex I shall be those indicated in column 3 of that Annex
  - b) From 1 January 1996 the autonomous and conventional rates of duty for the products listed in Annex II shall be those indicated in column 3 and column 4 respectively of that Annex.
  - c) For the products listed in Section 1 of Annex III the conventional rates of duty applicable on 1 January 1996 shall be those indicated in column 3.

For the products listed in Section 2 of Annex III the conventional rates of duty shall be progressively reduced in accordance with the timetable contained in column 3.

For the products listed in Section 3 of Annex III and within the limit of the quantities indicated in column 3, the conventional rates of duty applicable on 1 January 1996 shall be those indicated in column 4.

AGREEMENT  
FOR THE CONCLUSION OF NEGOTIATIONS BETWEEN  
NEW ZEALAND AND THE EUROPEAN COMMUNITY  
UNDER ARTICLE XXIV:6

New Zealand and the European Community,

desiring to bring their GATT Article XXIV:6 negotiations to conclusion on the basis of a reasonable and mutually satisfactory compromise, and

further desiring to strengthen the close partnership in commercial and economic matters between the European Community and New Zealand,

agree to the following provisions:

- A. The European Community shall incorporate in its new Schedule CLX, for the customs territory of the EC-15, the concessions that were included in the previous Schedule LXXX as modified by the European Community Schedule annexed to the Marrakech Protocol to the General Agreement, 1994 (dated 15 April 1994).
- B. To settle the current GATT Article XXIV.6 negotiations on agriculture the following has been agreed and as regards the tariff rate quotas will apply with effect from 1 January 1996 :
- Add 1.700 tons to the allocation for New Zealand under the EC tariff rate quota for sheepmeat.
  - Add 1.000 tons to the allocation for New Zealand under the EC tariff rate quota for cheese for processing.
  - Add 500 tons to the allocation for New Zealand under the EC tariff rate quota for cheddar.
  - Tariff rate quota 300 tons of high quality beef at 20% (to be defined).
  - ex 0810 90 10 Kiwifruit, 15 May - 15 November :
    - reduction of the final tariff rate from 8.8% to 8.0%.
    - reduction by 0.8 percentage points of the tariff rate at each stage prior to the final tariff rate. The first such reduction shall apply from 15 May 1996.
  - New Zealand accepts the basic components of the European Community's approach to adjusting the GATT obligations of EC 12 and those of Austria, Sweden and Finland, following the recent enlargement of the Community:
    - netting out of export commitments
    - netting out of tariff quotas
    - aggregation of domestic support commitments.

The appropriate legal modalities of implementation remain to be agreed.

C. The following has also been agreed :

- ex 03 04 20 96 frozen fillets of fish of the species smooth oreo dory and black oreodory (Oreosomatidae)  
Tariff quota of 200 tonnes at zero duty.

D. Final provisions:

This Agreement shall enter into force on the date of signature.

Consultations will be held with regard to the matters in this Agreement at any time at the request of either party.

Signed at \_\_\_\_\_ this \_\_\_\_\_ day of December in the year one thousand nine hundred and ninety-five.

For New Zealand

For the Council of the European Union



AGREEMENT  
FOR THE CONCLUSION OF NEGOTIATIONS BETWEEN  
THE KINGDOM OF THAILAND AND THE EUROPEAN COMMUNITY  
UNDER ARTICLE XXIV:6

The Kingdom of Thailand and the European Community,

desiring to bring their GATT Article XXIV:6 negotiations to conclusion on the basis of a reasonable and mutually satisfactory compromise, and

further desiring to strengthen the close partnership in commercial and economic matters between the European Community and Thailand,

agree to the following provisions:

A. The European Community shall incorporate in its new Schedule CLX, for the customs territory of the EC-15, the concessions that were included in the previous Schedule LXXX as modified by the European Community Schedule annexed to the Marrakech Protocol to the General Agreement, 1994 (dated 15 April 1994).

B. To settle the current GATT Article XXIV:6 negotiations on agriculture the following has been agreed :

- Bound tariff rate quota 63.000 t. of semi milled and wholly milled rice  
10 06 30 00 at zero duty (erga omnes) with effect from 1 January 1996.
- Bound tariff rate quota 20.000 t. of "husked (brown) rice"  
10 06 20 55 at 88 Ecu/t. (erga omnes) with effect from 1 January 1996.

The Kingdom of Thailand accepts the basic components of the European Community's approach to adjusting the obligations of the EC of 12 and those of Austria, Finland and Sweden following the recent enlargement of the Community:

- netting out of export commitments
- netting out of tariff quotas
- aggregation of domestic support commitments.

The appropriate legal modalities of implementation remain to be agreed.

C. Final provisions :

This Agreement shall enter into force on the date of signature.

Consultations will be held with regard to the matters in this Agreement at any time at the request of either party.

Signed at \_\_\_\_\_ this \_\_\_\_\_ day of December in the year one thousand nine hundred and ninety-five.

For the Kingdom of Thailand

For the Council of the European Union

## Technical Annex

The basis of the understandings arrived at are listed below:

- Milled or semi-milled rice (1006 30 00)  
TRQ 63,000 t. (Thailand 19,505 t. + 10%)
- Husked rice (1006 20 55)  
TRQ 20,000 t. (Thailand 1,647 t. + 10%)

To the extent that the Kingdom of Thailand is a beneficiary under each of the TRQ's above, the European Community import licences will be issued automatically within the agreed limits on the basis of export certificates issued by the Government of Thailand.

## FINANCIAL STATEMENT

### Section 1. Financial Implications

1. Proposal for a Council Regulation providing for offers of compensation made in the Article XXIV:6 Negotiations to be implemented from 1 January 1996.
2. Budget heading: (loss of revenue: not known).
3. Legal basis: Article 113 and 28
4. Description: The application of the Common External Tariff duty rates by the three new Member States from 1 January 1995 has resulted in increases in duty payments on imports from third countries beyond levels previously in force.

The proposed regulation is intended to implement the compensation offered for the adverse effects experienced by third countries as a result of changed duty rates in the three new Member States.

5. Type of revenue: Loss of revenue for duties paid on third country imports.
6. Change in level of revenue:

It is estimated that the maximum loss of revenue will be in the order of 20 MECU in the period 1996 until final UR rates are reached. This figure is adjusted in order to take into account the fact that no revenue loss occurs 1) where imports enter at lower duty rates applied under GSP; and, 2) where imports enter duty-free under already established temporary suspensions.

PM. Sections 2 and 3 do not seem applicable.



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# DOCUMENTS

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