COMMISSION OF

COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 01.07.1996 COM(96) 310 final

96/0169 (ACC)

Proposal for a

COUNCIL REGULATION (EC)

adopting autonomous and transitional measures for the free trade agreements with Lithuania, Latvia and Estonia in certain processed agricultural products

(presented by the Commission)



EXPLANATORY MEMORANDUM

1. Under Articles 76, 102 and 128 of the Act of Accession, Austria, Finland and Sweden must apply, as from 1 January 1995, the provisions of the preferential agreements concluded by the Community with certain third countries (Lithuania, Latvia and Estonia), it being understood that all the amendments required as a result of enlargement will be the subject of additional protocols to be negotiated with the third countries in question.

However, the above articles stipulate that where the protocols are not concluded by 1 January 1995 the Community must take the necessary steps to deal with this situation.

2. On 19 June 1995 the Council adopted the negotiating directives for the free trade agreements between the EU and Lithuania, Latvia and Estonia. These directives state that the agreements should be adapted to take account of enlargement of the European Union and that preferences should be aligned on those granted to the countries of Central and Eastern Europe.

These directives also referred to improved market access, and in this context concessions have been granted. However, to take account of the special situation of Lithuania, Latvia and Estonia, it was thought preferable that these amendments should be ratified by joint committee decision.

3. Consequently, autonomous transitional measures are essential to take account of trade arrangements which already existed in processed agricultural produce between the new Member States and the third countries in question, to incorporate the new concessions and to align preferences on those granted to the countries of Central and Eastern Europe.

Proposal for a

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adopting autonomous and transitional measures for the free trade agreements with Lithuania, Latvia and Estonia in certain processed agricultural products

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 Act of Accession of Austria, Finland and Sweden,

Having regard to the proposal of the Commission,

Whereas, in the framework of the free trade Agreements between the European Community, on the one hand, and Lithuania, Latvia and Estonia, on the other hand, concessions regarding certain processed agricultural products have been granted to those countries;

Whereas, following the accession of Austria, Finland and Sweden, the said concessions need to be adapted to take account in particular of the trade arrangements which existed in processed agricultural produce between Austria, Finland and Sweden, on the one hand, and Lithuania, Latvia and Estonia, on the other;

Whereas Council Decision of 19 June 1995 adopting the negotiating directives for the adaptation of the Europe agreements, free trade agreements and agreements on tariff quotas for certain wines following enlargement states that the line to be followed regarding the adaptation of the agreements with Lithuania, Latvia and Estonia on processed agricultural produce should take account of enlargement of the European Union and align preferences on those granted to the countries of Central and Eastern Europe;

Whereas Council Regulation (EC) No 3064/95¹ providing for the adjustment, as an autonomous and transitional measure, of concessions for certain processed agricultural products provided for in the Europe Agreements to take account of the Agreement on Agriculture concluded during the Uruguay Round Multilateral Trade Negotiations has been extended by Council Regulation (EC) No ...;

Whereas the negotiations on improved concessions granted to Estonia, Latvia and Lithuania have been finalized; whereas these new concessions must be ratified by decision of each Joint Committee, as per the agreements; whereas, however, there is nothing to stop the new concessions being granted on a provisional and autonomous basis as of now;

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¹ JO L328, 30.12.1995, p.2

Whereas negotiations are in progress to this end with the said third countries with a view to concluding additional protocols to the abovementioned agreements;

Whereas, however, these additional protocols have not been able to enter into force; whereas, under the circumstances and pursuant to Articles 76, 102 and 128 of the Act of Accession, the Community must take the necessary steps to remedy this situation; whereas these steps must take the form of autonomous Community tariff quotas equivalent to the preferential tariff concessions granted by the European Union or otherwise the conventional preferential tariff concessions applied by Austria, Finland and Sweden,

HAS ADOPTED THIS REGULATION:

Article 1

- 1. From 1 July to 31 December 1996 the goods originating from Lithuania listed in Annex I to this Regulation shall be subject to the tariff quotas and preferential duties mentioned in that Annex. The basic amounts to be taken into consideration in calculating the reduced agricultural components and additional duties applicable to the importation into the Community are given in Annex II.
- 2. From 1 July to 31 December 1996 the goods originating from Latvia listed in Annex I to this Regulation shall be subject to the tariff quotas and preferential duties mentioned in that Annex. The basic amounts to be taken into consideration in calculating the reduced agricultural components and additional duties applicable to the importation into the Community are given in Annex II.
- 3. From 1 July to 31 December 1996 the goods originating from Estonia listed in Annex I to this Regulation shall be subject to the tariff quotas and preferential duties mentioned in that Annex. The basic amounts to be taken into consideration in calculating the reduced agricultural components and additional duties applicable to the importation into the Community are given in Annex II.

Article 2

The Annexes to Council Regulation (EC) No 3065² of 22 December 1995 shall be cancelled and replaced by the Annexes to this Regulation.

Article 3

The quotas referred to in Article 1 shall be administered by the Commission in accordance with the provisions set out in Article 2 of Council Regulation (EC) No 2178/95.³

Article 4

This Regulation shall enter into force on the third day after its publication in the Official Journal of the European Communities.

It shall apply with effect from 1 July 1996.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

For the Council

The President

OJ L 328, 30.12.1995, p. 24 OJ L 223, 20.09.1995, p. 1

ANNEX I

Tariff quotas/suspensions and duties applicable to the importation into the Community of goods originating in Lithuania

Serial No	CN Code	Duty applicable as from 1.7.1996	Tariff quota/ suspension
	0505 10 90	0	suspension
	1506 00 00	0	suspension
	{ 1518 00 10	6% }	
	{ 1518 00 31	0 }	
09.6533 {	1518 00 39	4% }	300 t
	{ 1518 00 91	6% }	
	{ 1518 00 95	0 }	
	{ 1518 00 99	6% }	
09.6501	17049071	0+RAC max 24.2 % +ad s/z }	400 t
	17049075	0+RAC max 24.2 % +ad s/z }	
09.6503	1806 90	0+RAC max 24.2 %+ad s/z }	500 t
09.6528	2203 00	6%	400 t
09.6525	2208 60 11	0.79 ecu/% vol/hl + 3.08	330 t
		ecu/hl	
09.6534	2402 20 90	39.6%	40 t

NB: The reduced agricultural component (RAC) is calculated on the basis of the amounts shown in Annex II.

ANNEX II

PROCESSED AGRICULTURAL PRODUCTS

BASIC AMOUNTS TO BE TAKEN INTO CONSIDERATION IN CALCULATING AGRICULTURAL COMPONENTS AND ADDITIONAL DUTIES

	ecus/ECU/Ecu/
	ecu/écus/ecua/
	100 kg
Trigo blando / Blod hvede / Weichweizen / Μαλακό σιτάρι / Common wheat / Blé	9,148
tendre / Grano tenero / Zachte tarwe / Trigo mole / Tavallinen vehnä / Vete	
Trigo duro /Härd hvede / Hartweizen /Σκληρό σιτάρι / Durum wheat / Blé dur /Grano	14,199
duro /Durum tarwe / Trigo duro /Durumvehnä / Durumvete	
Centeno/ Rug / Roggen /Σίκαλη /Rye /Seigle / Segala / Rogge / Centeio / Ruis /Råg	8,914
Cebada / Byg / Gerste / Κριθάρι /Barley/ Orge / Orzo / Gerst / Cevada / Ohra	8,751
/ Korn	
Maiz / Majs / Mais / Καλαμπόκι / Maize / Maïs / Granturco / Maïs / Milho / Maissi /	7,408
Majs	
Arroz descascarillado de grano largo / Ris, afskallet, langkornet / Reis, langkörnig,	25,441
geschält / Αποφλοιωμένο ρύζι μακρόσπερμο / Long-grain husked rice / Riz décortiqué à	
grains longs / Riso semigreggio a grani lunghi / Langkorrelige gedopte rijst / Arroz	
em películas de grãos longos / Pitkäjyväinen esikuorittu riisi / Ris, skalat långkornigt	
Leche desnatada en polvo / Skummetmælkspulver / Magermilchpulver /	27,436
Αποβουτυρωμένο γάλα σε σκόνη / Skimmed-milk powder / Lait érémé en poudre /	
Latte scremato in polvere / Magere-melkpoeder / Leite desnatado em pò/ Rasvaton	
maitojauhe / Skummjölkspulver	
Leche entera en polvo / Sodmælkspulver / Vollmilchpulver / Πλήρες γάλα σε σκόνη /	35,869
Whole-milk powder / Lait entier en poudre / Latte intero in polvere /	
Vollemelkpoeder / Leite inteiro ein pö / Rasvainen maitojauhe / Mjölkpulver	
Mantequilla / Smør / Butter / Βούτυρο / Butter / Beurre / Burro / Boter / Manteiga /	52,129
Voi / Smör	
Azùcar blanco / Hvidt sukker / Weißzucker / Λευκή ζάχαρη / White sugar / Sucre	32,565
blanc / Zucchero bianco / Witte suiker / Açùcar branco / Valkoinen sokeri / Vitt	
socker	

ANNEX III

Tariff quotas/suspensions and duties applicable to the importation into the Community of goods originating in Latvia

Serial No		CN Code	Duty applicable as	Tariff quota/
			from 1.7.1996	suspension
				,
	{	1704 90 65	$0+RAC \max 24.2 \% + ad s/z $	
09.6535 {		1704 90 71	$0+RAC \max 24.2 \% + ad s/z $	250 t
	{	1704 90 75	$0+RAC \max 24.2 \% + ad s/z $	
	{	1806 32 90	0+RAC max 24.2 % +ad s/z }	
09.6536 {		1806 90 11	$0+RAC \max 24.2 \% +ad s/z $	500 t
	{	1806 90 19	0+RAC max 24.2 % +ad s/z }	7
		1901 90 11	0+RAC }	
		1901 90 19	0+RAC }	
09.6537		1901 90 99	0+RAC }	200 t
		1901 90 91	8.8% }	·
		1905 30 11	$0+RAC \max 31.4 \% + ad s/z $	
		1905 30 19	$0+RAC \max 31.4 \% + ad s/z $	
		1905 30 30	$0+RAC \max 31.4 \% + ad s/z $	
09.6538		1905 30 51	$0+RAC \max 31.4 \% + ad s/z $	200 t
		1905 30 59	$0+RAC \max 31.4 \% + ad s/z $	
		1905 30 91	0+RAC max 26.9 % +ad f/m }	
		1905 30 99	$0+RAC \max 31.4 \% + ad s/z $	
09.6513		2105 00 10	0+RAC max 24.5 % +ad s/z }	
		2105 00 91	0+RAC max 24 %+ad s/z }	28 t
		2105 00 99	$0+RAC \max 23.9 \% + ad s/z $	
		2101 10	0	suspension
09.6528		2203 00	5.3%	500 t
09.6525		2208 60 11	0.79 ecu/% vol/hl+3.08 euc/hl	330 t
09.6529		2208 70 10	0.96 ecu/% vp;hl +6.16 ecu/hl	11 t

NB: The reduced agricultural component (RAC) is calculated on the basis of the amounts shown in Annex II.

ANNEX IV

Tariff quotas/suspensions and duties applicable to the importation into the Community of goods originating in Estonia

Serial No	CN Code	Duty applicable as	Tariff quota/
		from 1.7.1996	suspension
	1521 10 90	0	suspension
	1521 90 99	0	suspension
09.6515	17041011	0+RAC max 21.3% }	150 t
	17041019	0+RAC max 21.3% }	
	17049071	0+RAC max 24.2 % +ad s/z }	
	17049075	0+RAC max 24.2 % +ad s/z }	
09.6530	18050000	0	28 t
09.6517	18061015	0 }	500 t
	18061020	0+RAC }	
	18061030	0+RAC }	
	18061090	0+RAC }	
	18062010	0+RAC max 24.2 % +ad s/z }	
	18062030	0+RAC max 24.2 % +ad s/z }	
	18062050	0+RAC max 24.2 % +ad s/z }	
	18062070	0+RAC	
	18062080	0+RAC max 24.2 %+ad s/z }	
	18062095	0+RAC max 24.2 % +ad s/z }	
	18063100	0+RAC max 24.2 % +ad s/z }	
	180632	0+RAC max 24.2 % +ad s/z }	
	180690	0+RAC max 24.2 % +ad s/z }	

<u>NB</u>: The reduced agricultural component (RAC) is calculated on the basis of the amounts shown in Annex II.

ANNEX IV (continued)

Tariff quotas/suspensions and duties applicable to the importation into the Community of goods originating in Estonia

Serial No	CN Code	Duty applicable as from 1.7.1996	Tariff quota/ suspension
09.6519	19051000	0+RAC }	110 t
	190520	0+RAC }	
	19053011	0+RAC max 31.4 %+ad s/z }	
	19053019	0+RAC max 31.4 % +ad s/z }	
	19053030	0+RAC max 31.4 % +ad s/z }	
	19053051	$0+RAC \max 31.4 \% + ad s/z $	
	19053059	$0+RAC \max 31.4 \% +ad s/z $	
	19053091	0+RAC max 26.9 % +ad f/m }	
	19053099	$0 + RAC \max 31.4 \% + ad s/z $	
	190540	0+RAC	
	19059010	0+RAC	
	19059020	0+RAC	
	19059030	0+RAC	
	19059040	0+RAC max 26.9 % +ad f/m }	
	19059045	0+RAC max 26.9 % +ad f/m }	: .
	19059055	$0 + RAC \max 26.9 \% + ad f/m $	
	19059060	$0+RAC \max 31.4 \%+ad f/m$	
	19059090	0+RAC max 26.9 % +ad f/m }	
09.6521	21021039	10 % +RAC	2000 t
09.6539	21039090	6 %	600 t
09.6523	21050010	0+RAC max 24.5 % +ad sz/ }	11 t
	21050091	0+RAC max 24 % +ad s/z }	
	21050099	0+RAC max 23.9 % +ad s/z }	
	22011019	0	suspension
	22021000	0	suspension
09.6531	220300	5.3 %	500 t
09.6525	22086011	0.79ecu/% vol/hl + 3.08 ecu/hl	100 t
09.6529	22087010	0.96 ecu/% vol/hl + 6.16 ecu/hl	17 t
09.6532	22089069	0.96 ecu/% vol/hl +6.16 ecu/hl	17 t
09.6534	24022090	39.6 %	50 t

NB: The reduced agricultural component (RAC) is calculated on the basis of the amounts shown in Annex II.

FINANCIAL STATEMENT 1. BUDGET HEADING: Article 120 APPROPRIATIONS: 2. TITLE OF OPERATION: Proposal for a Council Regulation adopting autonomous and transitional measures for the free trade agreements with Lithuania, Latvia and Estonia in certain processed agricultural products 3. LEGAL BASIS: Article 113 and Articles 76, 102 and 128 of AA 4. OBJECTIVES: Autonomous and transitional measures vis-à-vis Lithuania, Latvia and Estonia Period of 12 months 5.FINANCIAL IMPACT Current financial Next financial year () year () 5.0 Expenditure from: - EC budget (refunds/intervention expenditure) - national budgets - other sectors 5.1 Revenue: - EC own resources (levies/customs duties) 5.0.1 FORECASTS OF **(1) (1)** (1) **EXPENDITURE** 5.1.1 FORECASTS OF (1) (1) (1) REVENUE 5.2 METHOD OF CALCULATION 6.0 FINANCING POSSIBLE FROM APPROPRIATIONS ENTERED IN Yes/No THE RESPECTIVE CHAPTER OF THE CURRENT BUDGET 6.1 FINANCING POSSIBLE BY TRANSFER BETWEEN CHAPTERS OF Yes/No THE CURRENT BUDGET 6.2 NEED FOR SUPPLEMENTARY BUDGET Yes/No 6.3 APPROPRIATIONS TO BE ENTERED IN FUTURE BUDGETS Yes/No OBSERVATIONS (1) It is not possible to estimate the impact of the measures given the uncertainty surrounding the use of quotas and the fact that additional concessions come into effect on 1.7.1996



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