



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 27.05.1999
COM(1999)259 final

Proposal for a

COUNCIL REGULATION (EC)

**suspending certain agricultural concessions for Turkey
and repealing Regulation (EC) No 1506/98**

(presented by the Commission)

EXPLANATORY MEMORANDUM

The purpose of this proposal for a Regulation is to strengthen the European Community's reaction on the import barriers imposed by Turkey on agricultural products.

In 1996 Turkey banned all imports of live bovines and imposed restrictions on beef imports. It is the Commission's belief that such measures are unjustified and represent a non-tariff barrier to trade, which has a negative economic impact on our exports. Furthermore the Community is not able to benefit from the concessions granted to it by Turkey under the Association Council Decision 1/98.

As a first reaction, the Community, on its side, suspended in July 1998 some concessions granted to Turkey. These suspensions were, however, of a limited trade impact, lower than the trade effect of the Turkish measures.

Since then and despite regular requests from the Community, Turkey has not taken any step to improve the situation.

It is therefore proposed that the Turkish import barriers be now counterbalanced by replacing the existing set of suspensions by the suspension of the tariff concessions for certain cucumbers, processed tomatoes and tobacco.

These new measures, intended to protect the Community's commercial interests, will be repealed by the Commission once Turkey has lifted the barriers to the preferential Community exports.

Proposal for a

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**suspending certain agricultural concessions for Turkey
and repealing Regulation (EC) No 1506/98**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 133 thereof,

Having regard to the proposal from the Commission,

- (1) Whereas under the Agreement establishing an Association between the European Economic Community and Turkey¹, hereinafter referred to as 'the Agreement', concessions were granted to that country in respect of certain agricultural products;
- (2) Whereas Decision No 1/98 of the EC-Turkey Association Council of 25 February 1998 on the trade regime for agricultural products² provides for the improvement and consolidation of trade preferences relating to the import into the Community of agricultural products originating in Turkey and establishes a series of preferential concessions for Community exports of meat and live animals to Turkey;
- (3) Whereas Turkey has since 1996 been applying a ban on the import of live animals of the bovine species (CN code 0102) and restrictions on the import of beef (CN codes 0201-0202); whereas those measures, being quantitative restrictions, are incompatible with the Agreement and prevent the Community from benefiting from the concessions granted to it under Decision 1/98;
- (4) Whereas, in order to counterbalance the situation by means of equivalent measures, in July 1998 the Community had already suspended certain concessions for Turkey by Regulation (EC) No 1506/98 of 13 July 1998 establishing a concession in the form of a Community tariff quota for Turkey in 1998 in respect of hazelnuts and suspending certain concessions³;
- (5) Whereas despite repeated talks between the Community and Turkey the quantitative restrictions are still in force; whereas, in order to protect the Community's commercial interests, the situation should be counterbalanced by means of reinforced Community measures; whereas the concessions set out

¹ OJ 217, 29.12.1964, p. 3687/64.

² OJ L 86, 20.3.1998, p. 1.

³ OJ L 200, 16.7.1998, p. 1.

in the Annex to this Regulation should therefore be suspended as soon as possible;

(6) Whereas Regulation (EC) No 1506/98 should be repealed,

HAS ADOPTED THIS REGULATION:

Article 1

The tariff concessions laid down in Annex of this Regulation are hereby suspended.

Article 2

In accordance with the procedure laid down in Article 29 of Regulation (EC) No 2200/96 of 28 October 1996 on the common organization of the market in fruit and vegetables⁴ or, as the case may be, in the corresponding Articles of the other Regulations on the common organisation of markets in agricultural products, or in Articles 6 and 7 of Regulation (EC) No 1981/94, the Commission shall repeal the measures referred to in Article 1 once the barriers to preferential exports from the Community to Turkey have been lifted.

Article 3

Regulation (EC) No 1506/98 is hereby repealed.

Article 4

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

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

Done at Brussels,

For the Council
The President

⁴ OJ L 297, 21.11.1996, p. 1.

ANNEX

Order Number	CN code	Description of goods	Volume of quota per year or per period indicated (tonnes)	Rate of duty applicable
-	2001 10 00	Cucumbers and gherkins prepared or preserved by vinegar or acetic acid	Unlimited	Free
09.0207 09.0209	2002 90 31 2002 90 39 2002 90 91 2002 90 99	Tomatoes prepared or preserved otherwise than by vinegar or acetic acid, other than whole or in pieces, with a dry matter content of 12% or more by weight	30 000 with a dry matter content of 28-30% by weight	Free
-	2401 10 60	Sun cured oriental type tobacco	Unlimited	Free

FINANCIAL STATEMENT

FINANCIAL STATEMENT					
1. BUDGET HEADING: Chapter 10 - Agricultural duties		APPROPRIATIONS: EUR 1 054.5 m			
2. TITLE: Proposal for a Council Regulation (CE) suspending certain agricultural concessions for Turkey and repealing Regulation (EC) No 1506/98.					
3. LEGAL BASIS: Article 133 of the Treaty					
4. AIMS: To suspend certain tariff concessions granted to Turkey to protect Community commercial interests pending the lifting of the barriers imposed on Community preferential exports.					
5. FINANCIAL IMPLICATIONS	PERIOD OF 12 MONTHS (EUR million)	CURRENT FINANCIAL YEAR (1999) (EUR million)	FOLLOWING FINANCIAL YEAR (2000) (EUR million)		
5.0 EXPENDITURE	-	-	-		
- CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTIONS)					
- NATIONAL AUTHORITIES					
- OTHER					
5.1 REVENUE	-	-	-		
- OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES)					
- NATIONAL					
	2001	2002	2003	2004	
5.0.1 ESTIMATED EXPENDITURE	-	-	-	-	
5.1.1 ESTIMATED REVENUE	-	-	-	-	
5.2 METHOD OF CALCULATION:					
6.0 CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET?					YES / NO
6.1 CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET?					YES / NO
6.2 WILL A SUPPLEMENTARY BUDGET BE NECESSARY?					YES / NO
6.3 WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY?					YES / NO
OBSERVATIONS: Given that the imports covered by the measure were exempt from duty and that the high level of the full rates of duty suggests that the flow of imports will practically cease as a result of suspension of exemption, it is assumed that the financial impact on the Community budget will be negligible.					