

COMMISSION OF THE EUROPEAN COMMUNITIES

— COM(82) 881 final

Brussels, 21 December 1982

RECOMMANDATION FOR A COUNCIL DECISION

suspending the Agreement resulting from the negotiations between the European Economic Community and the Kingdom of Norway concerning reciprocal trade in cheese

(submitted to the Council by the Commission)

COM(82) 881 final

EXPLANATORY MEMORANDUM

1. Norway and the Community negotiated an agreement on reciprocal trade in cheese involving for Norway, *inter alia*, the undertaking to open an annual import quota of cheese of all types and varieties.
2. The Norwegian authorities have drawn up a list of cheeses for import, which implies that all cheeses not on the list are automatically excluded.

Also, the authorities intend to allocate most of the import licences to a producers' cooperative, which leads to fears that the latter will use the licences to import only types and varieties of cheese not produced in Norway. Thus, the arrangement in the agreement whereby all types and varieties of cheese were to be imported into Norway would be circumvented *de facto*.
3. The Commission has held consultations with the Norwegian authorities on this subject. Both during and after the consultations the Norwegian authorities maintained their stance and refused to admit imports of all types and varieties of cheese.
4. In these circumstances, and notably in view of the fact that the list of cheeses admitted for import comprises trade names, which amounts to discrimination between the different makes of the same type of cheese originating in different member countries of the Community, the Commission is of the opinion that such measures have created an imbalance to the detriment of the Community.
5. Hence, for the Community's part, the formal signing and the implementation of the agreement should be suspended until the Norwegian authorities fulfil their commitment under the agreement. The Article 113 Committee was unanimously in favour of this proposal.
6. The Commission is keeping up consultations with the Norwegian authorities in order to bring them round to agreeing to implementation of the agreement that is in conformity with the spirit and the letter. It will report to the Council on the results of these consultations no later than 31 March 1983.

RECOMMENDATION FOR A COUNCIL DECISION

suspending the Agreement resulting from the negotiations between the European Economic Community and the Kingdom of Norway concerning reciprocal trade in cheese.

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

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

Having regard to the recommendation from the Commission,

Whereas Norway and the Community have negotiated an Agreement concerning reciprocal trade in cheese, which is due to enter into force on 1 January 1983;

Whereas Norway has not implemented the commitments incumbent upon it in accordance with the spirit and the letter of the Agreement and, hence, an imbalance to the detriment of the Community has been created;

Whereas, in these circumstances, the formal signing and the implementation of the Community's obligations under the Agreement should be suspended until such time as Norway fulfils the undertakings into which it has entered as part of the temporary arrangement for a concerted discipline,

HAS DECIDED AS FOLLOWS :

Sole Article

The formal signing and implementation by the Community of the Agreement between Norway and the European Economic Community comprising :

- a temporary arrangement for a concerted discipline between Norway and the European Economic Community concerning reciprocal trade in cheese;
- an exchange of letters concerning the non-application of a monetary compensatory amount upon imports into the Community of Jarlsberg cheese;

shall be suspended.

.../...

The Commission is hereby instructed to continue consultations with the Norwegian authorities with a view to bringing Norway round to implementing the Agreement in such a way as to conform to the spirit and the letter of that Agreement.

The Commission is requested to report to the Council on the results of the consultations no later than 31 March 1983.

Done at Brussels,

For the Council,

The President.