

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(81) 148 final

Brussels, 3 April 1981

Recommendation for a  
COUNCIL DECISION  
on the conclusion of a voluntary restraint Agreement with Yugoslavia on  
sheepmeat and goatmeat

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(submitted to the Council by the Commission)

COM(81) 148 final



EXPLANATORY MEMORANDUM

1. Pursuant to the Council directives of 20 December 1980, the Commission held negotiations with non-member countries which are suppliers of sheepmeat and goatmeat or live sheep and goats with a view to concluding agreements on voluntary restraint of their exports to the Community.  
The voluntary restraint agreements negotiated with Argentina, Australia, Austria, Hungary, Iceland, New Zealand, Poland, Romania and Uruguay have already been submitted to the Council for approval.
2. The Commission has now reached agreement with Yugoslavia as well, and it is therefore proposed that approval be given to the proposal for a Council decision on the conclusion of a voluntary restraint agreement with that country.
3. The agreement covers the following annual quantities for the Community of Ten, expressed as carcase weight (bone-in equivalent weight) :

	<u>Live animals</u>	<u>Fresh or chilled meat</u>	<u>Frozen meat</u>
Yugoslavia	200 t	4 800 t	0

Recommendation  
FOR A COUNCIL DECISION

on the conclusion of a voluntary restraint Agreement with  
Yugoslavia on sheepmeat and goatmeat

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 the Commission has opened negotiations with non-member countries  
which supply sheepmeat and goatmeat or live sheep and goats, with a view to  
reaching agreements for voluntary restraint on their exports to the Community;

Whereas the Commission has arrived at an Agreement with Yugoslavia;

Whereas the said Agreement allows trade to be carried on in a manner compatible  
with the common organization of the markets in the sector in question,

HAS DECIDED AS FOLLOWS :

Article 1

1. The Agreement in the form of an exchange of letters on trade in sheepmeat  
and goatmeat with Yugoslavia is hereby approved on behalf of the  
European Economic Community.
2. The text of the Agreement is annexed to this Decision.

Article 2

The President of the Council is hereby authorized to designate the person  
empowered to sign the Agreement referred to in Article 1, in order to bind  
the Community.

Done at

For the Council  
The President

DRAFT

EXCHANGE OF LETTERS BETWEEN  
THE EUROPEAN ECONOMIC COMMUNITY AND THE SOCIALIST FEDERAL REPUBLIC OF YUGOSLAVIA  
ON TRADE IN SHEEPMEAT AND GOATMEAT

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I have the honour to refer to the negotiations recently undertaken between our respective delegations for the purpose of drawing up provisions concerning the importation into the European Economic Community of mutton, lamb and goatmeat and live sheep and goats other than pure-bred breeding animals from Yugoslavia in connection with implementation by the Community of the common organization of the markets in sheepmeat and goatmeat.

During the negotiations, the parties agreed as follows :

1. This Arrangement covers :

- live sheep and goats other than pure-bred breeding animals (Common Customs Tariff subheading 01.04 B);
- fresh or chilled mutton, lamb and goatmeat (Common Customs Tariff subheading 02.01 A IV a);
- frozen mutton, lamb, and goatmeat (Common Customs Tariff subheading 02.01 A IV b).

2. Within this Arrangement, the scope for exports from Yugoslavia to the Community of the products referred to in paragraph 1 shall be fixed at the following annual quantities :

200 tonnes of live animals, expressed in carcase weight bone-in (1)

4 800 tonnes of fresh or chilled meat, expressed in carcase weight bone-in (2).

In order to ensure the smooth operation of the Arrangement, Yugoslavia undertakes to implement the appropriate procedures to ensure that the quantities actually exported annually do not exceed the above-mentioned figures.

3. Should the Community invoke the safeguard clause, it undertakes to see that Yugoslavia's access to the Community under the terms of this Arrangement is not affected.
4. If imports from Yugoslavia in a given year exceed the agreed quantities, the Community reserves the right to suspend further imports from that country until the end of that year.  
Quantities exported in excess of these quantities shall be deducted from the quantities agreed for the following year.
5. The Community undertakes to limit the levy applicable to imports of products covered by this Arrangement to a maximum amount of 10 % ad valorem.  
The Community will not charge, apart from the levy indicated above, customs duties or other taxes having equivalent effect to levies or to customs duties.

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(1) 100 kg live weight shall compound to 47 kg carcase weight (bone-in equivalent weight) (2)

(2) Carcase weight (bone-in equivalent weight). By this term is understood the weight of bone-in meat presented as such as well as boned meat converted by a coefficient into bone-in weight. For this purpose 55 kg of boned mutton corresponds to 100 kg of bone-in mutton and 60 kg of boned lamb corresponds to 100 kg of bone-in lamb.

6. At the time of accession of new Member States, the Community, after consultation with Yugoslavia, will alter the quantities set out in paragraph 2, in accordance with Yugoslavia's trade with each new Member state. The charges applicable to imports for the said new Member States shall be fixed in accordance with the rules in the Treaty of Accession, the maximum level of the levy specified in paragraph 5 of this Arrangement being taken into account.
7. The Community will endeavour to avoid market developments which might hinder the sale on the Community market, up to the agreed quantities, of products from Yugoslavia covered by this Arrangement.
8. Having regard to the aims and provisions of this Arrangement, the Community agrees that no refund or other form of aid to exports of mutton and lamb or live sheep and lambs for slaughter shall be given effect except at prices and on conditions meeting existing international obligations and in line with the Community's traditional share of the world export trade in those products. These terms must be interpreted in a manner compatible with Article XVI of the General Agreement on Tariffs and Trade and in particular in accordance with Article 10(2)(c) of the Agreement on interpretation and application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade.
9. Yugoslavia shall ensure that this Arrangement is observed, in particular by issuing export licences covering the products referred to in paragraph 1 within the limits of the quantities covered by this Arrangement.

For its parts, the Community shall undertake to adopt all necessary provisions to make the issue of the import licence for the products referred to above, originating in Yugoslavia, subject to the presentation of an export licence, issued by the competent authority designated by Yugoslavia.

Detailed rules for applying this system shall be laid down in such a way as to render unnecessary the lodging of a security for the issue of the import licence in respect of the products in question.

Also, such detailed rules of application shall provide that the competent Yugoslav authorities shall communicate periodically to the competent authorities of the Community the quantities in respect of which import and export licences have been issued, broken down, where appropriate, according to destination.

10. An Advisory Committee shall be set up, composed of representatives of the Community and of Yugoslavia. The Committee shall supervise the correct application and smooth functioning of this Arrangement.

It shall ensure that proper application of this Arrangement is not affected by the exportation to the Community of mutton, lamb and goatmeat-based products falling under tariff headings not covered by this Arrangement.

The Committee shall discuss all questions arising in connection with the application of this Arrangement and recommend appropriate solutions to the competent authorities.

11. The provisions of this Arrangement are accepted without prejudice to the rights and obligations of the parties under GATT.

12. The annual quantity fixed in paragraph 2 shall cover the period 1 January to 31 December.

The quantity to apply from the entry into force of this Arrangement until 31 December of the same year shall be set as a proportion of the overall annual quantity and shall take account of the seasonal nature of the trade.



13. This Arrangement shall apply, on the one hand, to the territories in which the Treaty establishing the European Economic Community is applied and under the conditions laid down in that Treaty and, on the other hand, to the territory of the Socialist Federal Republic of Yugoslavia.

14. This Arrangement shall enter into force on 1 January 1981.

It shall apply until 31 March 1984, and subsequently remain in force subject to the right of either of the parties to terminate it by giving one year's notice in writing. In any event, the provisions of this Arrangement shall be reviewed by the two parties before 1 April 1984, in order to incorporate in it any adaptations which they might jointly consider necessary.

Formal close

For the Commission  
of the European Communities

For the Federal Executive  
Council of the Asembly of  
the Socialist Federal  
Republic of Yugoslavia

DRAFT

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Exchange of letters constituting an Agreement concerning paragraph 2 of the exchange of letters constituting an Arrangement between the European Economic Community and the Socialist Federal Republic of Yugoslavia on trade in sheepmeat and goatmeat

I have the honour to refer to the exchange of letters dated 15 February 1981 on trade in sheepmeat and goatmeat.

Further to that exchange of letters and to your request, I would advise you that for the period 1 January 1981 to 31 March 1984, there will be no change in the traditional export flows of sheepmeat and goatmeat and live sheep and goats from the Socialist Federal Republic of Yugoslavia to those markets in the European Economic Community which are considered sensitive.

The competent authorities of the Socialist Federal Republic of Yugoslavia will adopt the necessary measures for this purpose.

For the Federal Executive  
Council of the Assembly of  
the Socialist Federal  
Republic of Yugoslavia

# FINANCIAL STATEMENT

DATE : February 1981

1. BUDGET LINE CONCERNED : 100

2. ACTION : Conclusion of a voluntary export restraint agreement with Yugoslavia in the sheepmeat and goatmeat sector, limiting import charges to a maximum of 10 % ad valorem on live animals and on fresh or chilled meat.

3. LEGAL BASIS : Art. 113

4. OBJECTIVES : To limit the levy charged to a maximum ad valorem amount of 10 % for products subject to Regulation (EEC) No 1837/80, imported from Yugoslavia, which undertakes to restrain exports to the levels indicated in box 5.2.

5. FINANCIAL CONSEQUENCE	FOR THE MARKETING YEAR	CURRENT FINANCIAL YEAR	FOLLOWING FINANCIAL YEAR
<del>XXXXXXXXXXXX</del> <del>XXXXXXXXXXXX</del> <del>(REVENUE/INTERVENTIONS)</del> <del>XXXXXXXXXXXX</del> <del>XXXXXXXXXXXX</del> <del>XXXXXXXXXXXX</del> <del>XXXXXXXXXXXX</del> 5.1 RECEIPTS - OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES) <del>XXXXXXXXXX</del>		- 980 000 ECU	- 1 176 000 ECU

	YEAR .....1983....	YEAR .....1984.... (5 months)	YEAR .....
5.0.1 PLURIANNUAL PATTERN OF RECEIPTS	- 1 176 000 ECU	- 490 000 ECU	

5.2 METHOD OF CALCULATION (Base : world price : 2 400 ECU/t)

Fresh meat, loss of revenue : 10 % against customs duty applicable until 20.10.80	Live animals, loss of revenue : 5 % against customs duty applicable until 20.10.80
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Yugoslavia : 200 tonnes live animals ..... 24 000 ECU  
 4 800 tonnes fresh meat ..... 1 152 000 ECU

- 6.0 FINANCING POSSIBLE WITH CREDITS INSCRIBED IN RELEVANT CHAPTER OF CURRENT BUDGET ? ~~YES~~/X
- 6.1 FINANCING POSSIBLE BY TRANSFER BETWEEN CHAPTERS OF CURRENT BUDGET ? ~~YES~~/X
- 6.2 NECESSITY FOR A SUPPLEMENTARY BUDGET ? X/NO
- 6.3 CREDITS TO BE WRITTEN INTO FUTURE BUDGETS ? ~~YES~~/X

COMMENTS :

