COMMISSION OF THE EUROPEAN COMMUNITIES

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Brussels, 6 May 1993

Draft

DECISION N° 1/93

OF THE EC-CZECH REPUBLIC AND SLOVAK REPUBLIC JOINT COMMITTEE

concerning the export of certain steel products

from the Czech Republic to the Community

- Draft common position of the Community -

Draft

DECISION Nº 1/93

OF THE EC-CZECH REPUBLIC AND SLOVAK REPUBLIC JOINT COMMITTEE

concerning the export of certain steel products from the Slovak Republic to the Community

- Draft common position of the Community -

(presented by the Commission)

> Concerning the export of certain steel products from the Czech Republic to the Community

Whereas the Joint Committee referred to in Article 37 of the Interim Agreement between the Community of the one part and the Czech and Slovak Federal Republic on the other part, signed in Brussels on 16 December 1991 (hereinafter referred to as "the Interim Agreement") recognised the need to find appropriate solutions in the framework of Article 44(1) of the Interim Agreement, in order to ensure that the attainment of the objectives of the Interim Agreement will not be jeopardized;

Whereas certain steel products were the subject of safeguard measures in the Community in 1992 taken pursuant to Commission Recommendation 92/434/ECSC of 14.8.92 (0.J. No. L 238, 21.8.92) and Commission Decision 92/433/EEC of 14.8.92 (0.J. No. L 238, 21.8.92);

Whereas declarations have been submitted by the Czech Republic and by the Slovak Republic informing the Community that both the Czech Republic and the Slovak Republic continue to assume all the obligations deriving from the Interim Agreement upon the dissolution of the Czech and Slovak Federal Republic on 31 December 1992;

Whereas in view of the grave crisis and the need for restructuring in the steel industry both of the Community and of the Czech Republic it is desirable to ensure a predictable and stable framework for their trading relationship;

Whereas the situation is of a nature that requires a prompt decision of the Joint Committee pursuant to Article 38 of the Interim Agreement;

Whereas the situation has been the subject of thorough examination and on the basis of relevant information supplied to it the parties are agreed that an acceptable solution which least disturbs the functioning of the Interim Agreement is a tariff quota system for the imports of certain steel products into the Community;

The Joint Committee has decided as follows:

Article 2

The Czech authorities undertake to remain within the limits set out in Article 1(1) for licences issued in the form set out in Annex 2. Such licences shall include the following information:

"Goods deducted from (the relevant) tariff quota to the amount of

Article 3

1. The Czech authorities shall use their best endeavours:

- to prevent sudden and prejudicial changes in traditional trade flows resulting in regional concentration of exports to the Community of the products referred to in Annex 1; and,
- to ensure an even rate of delivery of the products referred to in Annex 1 in order to avoid a significant concentration of any particular product in any particular period.

2. Should sudden and prejudicial changes in trade flows or surges of imports arise, the Community will be entitled to request consultations in order to find a satisfactory solution to those problems. Such consultations must be held within fifteen working days of their being requested by the Community.

Article 4

1. The Czech Republic undertakes to supply the Community with precise statistical information on the export licences issued by the Czech authorities pursuant to Article 2. The information referred to in paragraph 1 shall be transmitted to the Community by the end of the month following the month to which the statistics relate.

2. The Community undertakes to supply the Czech authorities with precise statistical information on imports of the products referred to in Annex 1 as soon as possible.

AGREED MINUTE Nº 1

In the context of the Decision N^{\cdot} 1/93(C) of the EC-Czech Republic and Slovak Republic Joint Committee of 1993 concerning trade problems in respect of certain steel products the parties agreed on the amounts set out in Article 1(1) for the period 1.6.93 to 31.12.93.

The Community and the Czech Republic further agree that if imports of the said products originating in the Czech Republic for the period 1.1.93 to 31.5.93 exceed the following amounts:

-	for cold-rolled sheet, for wire rod,	8550 tonnes 85000 tonnes
-	hot-rolled strip and hoop,	1708 tonnes
-	for seamless tubes, for welded tubes	18503 tonnes 20833 tonnes

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The Czech authorities shall reduce the amounts of the licences they can deliver pursuant to Article 2 for the period of 1.6.93 to 31.12.93 (and, if necessary, for the year 1994) by amounts corresponding to such excess.

In the event that the amounts for the period 1.1.93 to 31.5.93. are less than the amounts set out above the Czech authorities may increase the amounts of the licences they can deliver pursuant to Article 2 for the period of 1.6.93 to 31.12.93 by amounts corresponding to such

The parties agree to meet not later than 30 September 1993 to ascertain the amounts imported into the Community for the period 1.1.93 to 31.5.93.

DECLARATION

In the context of the Decision N° 1/93(C) of the EC-Czech Republic and Slovak Republic Joint Committee of 1993 concerning trade problems in respect of certain steel products the parties agreed that the products set out in Annex 1 to the Decision be covered by a system of Tariff quotas.

The Community hereby declares that it considers that the Decision constitutes measures which least disturb the functionning of the Interim Agreement and further that the proper functionning of the Decision will preclude other solutions to trade problems.

ANNEX I

HOT-ROLLED COILS

9

7208 11 00
7208 12 10
7208 12 91
7208 12 95
7208 12 98
7208 13 10
7208 13 91
7208 13 95
7208 13 98
7208 14 10
7208 14 91
7208 14 99
7208 21 10
7208 21 90
7208 22 10
7208 22 91
7208 22 95
7208 2 2 98
7208 23 10
7208 23 91
7208 23 95
7208 23 98
7208 24 10
7208 24 91
7208 24 99
7211 12 10
7211 19 10
7211 22 10
7211 29 10
7219 11 10
7219 11 9 0

COLD-ROLLED SHEETS

7209 11 00	
7209 12 90	
7209 13 90	
7209 14 90	
7209 21 00	
7209 22 90	
7209 23 90	
7209 24 91	
7209 24 99	
7209 31 00	
7209 32 90	
7209 33 90	
7209 34 90	
7209 41 00	
7209 42 90	
7209 43 90	
7209 44 90	
7211 30 10	
7211 41 10	
7211 41 91	
7211 49 10	

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HOT ROLLED STRIP AND HOOP

7211 1210
7211 1290
7211 1910
7211 1991
7211 1999
7211 2210
7211 2290
7211 2910
7211 2991
7211 2999
7211 4191
7212 6091
7220 1100
7220 1200
7220 9031
7226 1010
7226 2020
7226 9110
7226 9190
7226 9920

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SEAMLESS TUBES

Complete Combined Nomenclature heading 73.04.

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> Concerning the export of certain steel products from the Slovak Republic to the Community

Whereas the Joint Committee referred to in Article 37 of the Interim Agreement between the Community of the one part and the Czech and Slovak Federal Republic on the other part, signed in Brussels on 16 December 1991 (hereinafter referred to as "the Interim Agreement") recognised the need to find appropriate solutions in the framework of Article 44(1) of the Interim Agreement, in order to ensure that the attainment of the objectives of the Interim Agreement will not be Jeopardized;

Whereas certain steel products were the subject of safeguard measures in the Community in 1992 taken pursuant to Commission Recommendation 92/434/ECSC of 14.8.92 (0.J. No. L 238, 21.8.92) and Commission Decision 92/433/EEC of 14.8.92 (0.J. No. L 238, 21.8.92);

Whereas declarations have been submitted by the Czech Republic and by the Slovak Republic informing the Community that both the Czech Republic and the Slovak Republic continue to assume all the obligations deriving from the Interim Agreement upon the dissolution of the Czech and Slovak Federal Republic on 31 December 1992;

Whereas in view of the grave crisis and the need for restructuring in the steel industry both of the Community and of the Slovak Republic it is desirable to ensure a predictable and stable framework for their trading relationship;

Whereas the situation is of a nature that requires a prompt decision of the Joint Committee pursuant to Article 38 of the Interim Agreement;

Whereas the situation has been the subject of thorough examination and on the basis of relevant information supplied to it the parties are agreed that an acceptable solution which least disturbs the functioning of the Interim Agreement is a tariff quota system for the imports of certain steel products into the Community;

The Joint Committee has decided as follows:

<u>Article 2</u>

The Slovak authorities undertake to remain within the limits set out in Article 1(1) for licences issued in the form set out in Annex 2. Such licences shall include the following information:

"Goods deducted from (the relevant) tariff quota to the amount oftonnes".

<u>Article 3</u>

- 1. The Slovak authorities shall use their best endeavours:
 - to prevent sudden and prejudicial changes in traditional trade flows resulting in regional concentration of exports to the Community of the products referred to in Annex 1; and,
 - to ensure an even rate of delivery of the products referred to in Annex 1 in order to avoid a significant concentration of any particular product in any particular period.

2. Should sudden and prejudicial changes in trade flows or surges of imports arise, the Community will be entitled to request consultations in order to find a satisfactory solution to those problems. Such consultations must be held within fifteen working days of their being requested by the Community.

Article 4

1. The Slovak Republic undertakes to supply the Community with precise statistical information on the export licences issued by the Slovak authorities pursuant to Article 2. The information referred to in paragraph 1 shall be transmitted to the Community by the end of the month following the month to which the statistics relate.

2. The Community undertakes to supply the Slovak authorities with precise statistical information on imports of the products referred to in Annex 1 as soon as possible.

AGREED MINUTE Nº 1

In the context of the Decision N° 1/93(S) of the EC-Czech Republic and Slovak Republic Joint Committee of 1993 concerning trade problems in respect of certain steel products the parties agreed on the amounts set out in Article 1(1) for the period 1.6.93 to 31.12.93.

The Community and the Slovak Republic further agree that if imports of the said products originating in the Slovak Republic for the period 1.1.93 to 31.5.93 exceed the following amounts:

hot-rolled coils,	55833	tonnes
cold-rolled sheet,	38950	tonnes
hot-rolled strip and hoop,	15375	tonnes
cut lengths,	39583	tonnes
seamless tubes,	8580	tonnes

The Slovak authorities shall reduce the amounts of the licences they can deliver pursuant to Article 2 for the period of 1.6.93 to 31.12.93 (and, if necessary, for the year 1994) by amounts corresponding to such excess.

In the event that the amounts for the period 1.1.93 to 31.5.93. are less than the amounts set out above the Slovak authorities may increase the amounts of the licences they can deliver pursuant to Article 2 for the period of 1.6.93 to 31.12.93 by amounts corresponding to such shortfall.

The parties agree to meet not later than 30 September 1993 to ascertain the amounts imported into the Community for the period 1.1.93 to 31.5.93.

DECLARATION

In the context of the Decision N $^{\circ}$ 1/93(S) of the EC-Czech Republic and Slovak Republic Joint Committee of 1993 concerning trade problems in respect of certain steel products the parties agreed that the products set out in Annex 1 to the Decision be covered by a system of Tariff quotas.

The Community hereby declares that it considers that the Decision constitutes measures which least disturb the functionning of the Interim Agreement and further that the proper functionning of the Decision will preclude other solutions to trade problems.

DECLARATION

The Slovak Republic having raised queries, as a result of discrepancies in the statistical data presented by the Parties, concerning the statistical information in respect of sheets (as referred to in Annex 1) imported into the Community from the Czech and Slovak Federal Republic in the year 1991, the Community and the Slovak Republic declare that they are ready to reexamine the statistical information and to consult with a view to verifying the said information as promptly as possible.

If it appears on the basis of this verification that there is a material error the Parties will meet to find an appropriate solution.