



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 19.04.1996
COM(96) 85 final

96/0054 (ACC)

Proposal for a

COUNCIL DECISION

on the conclusion of an Agreement in the form of an exchange of letters between the European Community and the Arab Republic of Egypt on the adjustment of the regime for imports into the European Community of oranges originating in and imported from Egypt

(presented by the Commission)

Explanatory Memorandum

Following the agreements concluded during the Uruguay Round of the GATT negotiations, some changes have been made to the legislation on imports into the Community of oranges as from 1 December 1995.

An additional specific duty is now levied on imports of oranges between the period from December to May, a period during which the reference price system previously applied. A shipment can be exempted from this specific duty if a given entry price is complied with. This new regime has a negative effect on the Community's traditional imports from Egypt.

Article 22 of the Cooperation Agreement between the European Economic Community and the Republic of Egypt provides for adjustments to the Agreement when changes are introduced by the Community in the current rules. Egypt has requested the introduction of changes in the Cooperation Agreement in order to permit the continuation of its traditional exports of oranges.

Negotiations have been held with Egypt and an agreement has been reached which enables the concessions previously granted to be maintained. The arrangement provides a special entry price for 8,000 tonnes of Egyptian oranges during the period from December to May. This quantity corresponds to Egyptian traditional exports to the Community during that period. This special entry price is equal to that agreed with Morocco and Israel. (See Council Regulation (EC) No 3057/95 of 22.12.1995, OJ No L326/3).

The provisions of this Agreement shall commence on 1st December 1996.

This Agreement is contained in an exchange of letters (attached) which the Commission herewith recommends to the Council for adoption.

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 113 in conjunction with the first sentence of Article 228 (2) thereof,

Having regard to the proposal from the Commission,

Whereas, in the context of the Uruguay Round of multilateral trade negotiations the import regime for oranges has been changed;

Whereas, this new regime may have a negative effect on the Community's traditional imports from Egypt;

Whereas Article 22 of the Cooperation Agreement between the European Economic Community and the Arab Republic of Egypt¹ provides that, where the existing rules are modified, the Community may amend the regime set out in the Agreement for the products concerned;

Whereas the Community has agreed with Egypt that, pending the conclusion of a new Euro-Mediterranean Agreement, the said regime will be adjusted on the basis of an Agreement in the form of an exchange of letters;

Whereas this Agreement should now be approved;

HAS DECIDED AS FOLLOWS:

Article 1

The Agreement in the form of an exchange of letters between the European Community and the Arab Republic of Egypt on the adjustment of the regime for imports into the European Community of oranges originating in and imported from Egypt is hereby approved on behalf of the European Community.

The text of the Agreement is attached to this Decision.

¹ OJ No L 266 of 27.9.1978, p. 1

Article 2

The President of the Council is hereby authorized to designate the person empowered to sign the Agreement so as to bind the Community.

Article 3

If necessary, the Commission shall adopt detailed rules for the application of this Decision, in accordance with the procedure laid down in Article 33 of Regulation (EEC) No 1035/72², as last amended by Regulation (EC) No 1363/95.³

Done at Brussels,1996

For the Council

The President

² OJ No L 118 of 20.5.1972, p. 1

³ OJ No L 132 of 16.6.1995, p. 8

AGREEMENT

in the form of an exchange of letters between the European Community and the Arab Republic of Egypt concerning the import regime in the Community of oranges from Egypt

Letter from the Community

Sir

I have the honour to refer to the consultations held between the Egyptian authorities and the services of the European Commission on the implementation of the new WTO commitments following the Uruguay Round.

The aim of these consultations was to grant to Egypt, pending the conclusion of the Euro-Mediterranean Agreement and according to Article 22 of the Cooperation Agreement, preferences equivalent to those provided for in the Cooperation Agreement between the European Economic Community and the Arab Republic of Egypt.

It has been agreed that for fresh oranges falling within the code ex 080510 :

1. From 1 December to 31 May and for a maximum quantity of 8,000 tonnes, the entry price level from which specific duties will be reduced to zero shall be Ecu 273 Ecu/tonne.
2. This agreed entry price shall be reduced in the same proportion and at the same pace as the entry prices bound within the WTO.
3. If the entry price of a particular lot is 2%, 4%, 6% or 8% below the agreed entry price, the specific customs duty shall be 2%, 4%, 6% or 8% of the agreed entry price as appropriate.
4. If the entry price of a particular lot is below 92% of the agreed entry price, the specific customs duty bound within the WTO shall apply.

This Agreement shall enter into force upon signature of both parties. It shall be applicable as from 1 December 1996.

I should be grateful if you would kindly inform me whether your government is in agreement with the above.

Please accept the assurance of my highest consideration

For the Council of the European Union

AGREEMENT

in the form of an exchange of letters between the European Community and the Arab Republic of Egypt concerning the import regime in the Community of oranges from Egypt

Letter from the Arab Republic of Egypt

Sir

I have the honour to acknowledge receipt of your letter of today's date which reads as follows;

"I have the honour to refer to the consultations held between the Egyptian authorities and the services of the European Commission on the implementation of the new WTO commitments following the Uruguay Round.

The aim of these consultations was to grant to Egypt, pending the conclusion of the Euro-Mediterranean Agreement and according to Article 22 of the Cooperation Agreement, preferences equivalent to those provided for in the Cooperation Agreement between the European Economic Community and the Arab Republic of Egypt.

It has been agreed that for fresh oranges falling within the code ex 080510 :

1. From 1 December to 31 May and for a maximum quantity of 8,000 tonnes the entry price level from which specific duties will be reduced to zero shall be Ecu 273 Ecu/tonne.
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3. If the entry price of a particular lot is 2%, 4%, 6% or 8% below the agreed entry price, the specific customs duty shall be 2%, 4%, 6% or 8% of the agreed entry price as appropriate.
4. If the entry price of a particular lot is below 92% of the agreed entry price, the specific customs duty bound within the WTO shall apply.

This Agreement shall enter into force upon signature of both parties. It shall be applicable as from 1 December 1996.

I should be grateful if you would kindly inform me whether your government is in agreement with the above.

Please accept the assurance of my highest consideration"

I have the honour to confirm that my Government is in agreement with the contents of your letter.

Please accept the assurance of my consideration

For the Government of the Arab Republic of Egypt

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