



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 13.7.2004
COM(2004) 483 final

2004/0149 (ACC)

Proposal for a

COUNCIL DECISION

concerning the conclusion of an Agreement in the form of an Exchange of Letters between the European Community and the Republic of Moldova establishing a double-checking system without quantitative limits in respect of the export of certain steel products from the Republic of Moldova to the European Community

(presented by the Commission)

EXPLANATORY MEMORANDUM

The Republic of Moldova asked to conclude an Agreement setting up a double-checking system without quantitative limitations in order to monitor the exports into the European Community of certain steel product. From the European Community point of view, the additional aims of the double-checking system are to improve transparency and to avoid possible diversions of trade. It is without prejudice to the application of the relevant provisions of the agreements on trade and trade-related matters, in particular those relating to anti-dumping and safeguard measures.

The system relies on the issuance for each transaction of an export document and of an import document.

The export document is issued by the authorities of the country of the exporting company to the exporter, upon request of the exporter and after the fulfilment of the necessary conditions imposed by those authorities, notably those conditions included in the international agreement. This export document is then given to the EU importer.

To be able to import products covered by the agreement, the EU importer must obtain from relevant EU authorities an import document. This document is released automatically, upon presentation of documents/information/evidence as required by the EU internal implementing legislation, including the original of the export document.

The double-checking system would apply for the period until 31 December 2006. It will be established by means of an Agreement in the form of an Exchange of Letters.

Proposal for a

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 133 in conjunction with the first sentence of Article 300(2) thereof,

Having regard to the proposal from the Commission¹,

Whereas:

- (1) The Partnership and Cooperation Agreement establishing a partnership between the European Communities and their Member States, of one part, and the Republic of Moldova, of the other part², entered into force on 1 July 1998.
- (2) The Commission has finalised the negotiations for an Agreement in the form of an Exchange of Letters between the European Community and the Republic of Moldova establishing a double-checking system without quantitative limits in respect of the export of certain steel products from the Republic of Moldova to the European Community,

HAS DECIDED AS FOLLOWS:

Article 1

1. The Agreement in the form of an Exchange of Letters between the European Community and the Republic of Moldova establishing a double-checking system without quantitative limits in respect of the export of certain steel products from the Republic of Moldova to the European Community is hereby approved on behalf of the Community.
2. The text of the Agreement³ is annexed to this Decision.

¹ OJ C , , p. .

² OJ L 181, 24.6.1998, p. 3.

³ See p. ... of this Official Journal

Article 2

The President of the Council is hereby authorised to designate the person empowered to sign the Agreement in order to bind the European Community.

Done at Brussels,

*For the Council
The President*

AGREEMENT

IN THE FORM OF AN EXCHANGE OF LETTERS
BETWEEN THE EUROPEAN COMMUNITY AND
THE REPUBLIC OF MOLDOVA
ESTABLISHING A DOUBLE-CHECKING SYSTEM
WITHOUT QUANTITATIVE LIMITS
IN RESPECT OF THE EXPORT OF CERTAIN STEEL PRODUCTS
FROM THE REPUBLIC OF MOLDOVA
TO THE EUROPEAN COMMUNITY

A. Letter from the European Community

Sir,

1. I have the honour to refer to the consultations between the European Community and the Government of the Republic of Moldova on trade in certain steel products.

2. Following these consultations the Parties hereby agree to establish a double-checking system, without quantitative limits, in respect of certain steel products in order to improve transparency and to avoid possible diversions of trade. The details of the double-checking system are annexed to this letter.

3. This Exchange of Letters is without prejudice to the application of the relevant provisions of the bilateral agreements on trade and trade-related matters, in particular those relating to anti-dumping and safeguard measures.

4. Either Party may at any time propose amendments to the Annex or the Appendices thereto, which shall require the mutual consent of the Parties and shall take effect as agreed by them. Should anti-dumping or safeguard investigations be initiated or measures introduced in the European Community concerning a product under the double-checking system, Moldova will decide whether to exclude the product in question from the double-checking system. Such a decision shall not affect the entry into free circulation of the product in question into the European Community.

5. In conclusion, I have the honour to propose that if this letter, the Annex and the Appendices thereto are acceptable to your Government, this letter and your confirmation shall together constitute an agreement between the European Community and the Republic of Moldova, which shall enter into force on the date of your reply.

Please accept, Sir, the assurance of my highest consideration,

On behalf of
of the European Community

B. Letter from the Government of the Republic of Moldova

Sir,

I have the honour to acknowledge receipt of your letter of which reads as follows:

“ 1. I have the honour to refer to the consultations between the European Community and the Government of the Republic of Moldova on trade in certain steel products.

2. Following these consultations the Parties hereby agree to establish a double-checking system, without quantitative limits, in respect of certain steel products in order to improve transparency and to avoid possible diversions of trade. The details of the double-checking system are annexed to this letter.

3. This Exchange of Letters is without prejudice to the application of the relevant provisions of the bilateral agreements on trade and trade-related matters, in particular those relating to anti-dumping and safeguard measures.

4. Either Party may at any time propose amendments to the Annex or the Appendices thereto, which shall require the mutual consent of the Parties and shall take effect as agreed by them. Should anti-dumping or safeguard investigations be initiated or measures introduced in the European Community concerning a product under the double-checking system, Moldova will decide whether to exclude the product in question from the double-checking system. Such a decision shall not affect the entry into free circulation of the product in question into the European Community.

5. In conclusion, I have the honour to propose that if this letter, the Annex and the Appendices thereto are acceptable to your Government, this letter and your confirmation shall together constitute an agreement between the European Community and the Republic of Moldova, which shall enter into force on the date of your reply.”

I have the honour to confirm that the above is acceptable to my Government and that your letter, this reply and the attached Annex and Appendices together constitute an agreement, in accordance with your proposal.

Please accept, Sir, the assurance of my highest consideration,

For the Government of
the Republic of Moldova

ANNEX

to the Agreement in the form of an exchange of letters between the European Community and the Republic of Moldova establishing a double-checking system without quantitative limits in respect of the export of certain steel products from the Republic of Moldova to the European Community

- 1.1 For the period running from the date on which this Agreement is applied between the Parties to 31 December 2006, unless both Parties agree to terminate the system earlier, imports into the European Community of the products listed in Appendix I originating in Moldova shall be subject to the presentation of a surveillance document conforming to the model shown in Appendix II issued by the authorities in the European Community.
- 1.2 For the period running from the date on which this Agreement is applied to 31 December 2006, unless both Parties agree to terminate the system earlier, imports into the European Community of the products listed in Appendix I and which originate in Moldova shall, in addition, be subject to the issue of an export document by the competent Moldovan authorities.
- 1.3 In order to obtain the surveillance document, the importer must present the original of the export document fully completed. In any case, the importer must present the original of the export document not later than 31 March of the year following that in which the goods covered by the document were shipped.
- 1.4 The surveillance document and the export document are issued for every transaction.
- 1.5 Shipment is considered to have taken place on the date of loading on to the exporting means of transport.
- 1.6 The export document shall conform to the model shown in Appendix III. It shall be valid for exports throughout the customs territory of the European Community.
- 1.7 The Republic of Moldova shall notify the Commission of the European Communities of the names and addresses of the appropriate Moldova governmental authorities which are authorised to issue and verify export documents together with specimens of the stamps and signatures they use. The Republic of Moldova shall also notify the Commission of any change in these particulars.
- 1.8 The classification of the products covered by this Agreement is based on the tariff and statistical nomenclature of the European Community (hereinafter called "CN"). The origin of the products covered by this Agreement shall be determined in accordance with the rules of non-preferential origin in force in the European Community
- 1.9 The competent authorities of the European Community undertake to inform the Republic of Moldova of any changes in the CN in respect of products covered by this Agreement before their date of entry into force in the European Community.
- 1.10 Certain technical provisions on the implementation of the double-checking system are set out in Appendix IV.
- 2.1 The Republic of Moldova undertakes to supply the European Community with precise statistical information on the export documents issued by the Moldova authorities pursuant to

paragraph 1.2. Such information shall be transmitted to the European Community by the 28th of the month following the month to which the statistics relate.

2.2 The European Community undertakes to supply the Moldova authorities with precise statistical information on surveillance documents issued by Member States in respect of the export documents issued by the Moldova authorities pursuant to paragraph 1.1. Such information shall be transmitted to the Moldova authorities by the 28th of the month following the month to which the statistics relate.

3 If necessary, at the request of either of the Parties, consultations shall be held on any problems arising from the operation of this Agreement. Such consultations shall be held promptly. Any consultations held under this paragraph shall be approached by both Parties in a spirit of cooperation and with a desire to reconcile the difference between them.

3.1 Without prejudice to paragraph 2.2, and with a view to ensuring the effective functioning of this Agreement, the Community and the Republic of Moldova agree to take all necessary steps to prevent and / or investigate, or to take any necessary legal and / or administration action against circumvention, notably by transshipment, re-routing, false declaration concerning the country of origin, falsification of export documents and/or other documents, false declaration concerning quantities, description or classification of merchandise. Accordingly, the Community and the Republic of Moldova agree to establish the necessary legal provisions and administrative procedures, in accordance with their internal legislation, permitting effective action to be taken against such circumvention, which shall include the adoption of legally binding corrective measures against exporters and / or importers involved.

3.2 Should the Parties believe on the basis of information available that this Agreement is being circumvented, the Parties shall request consultations, which shall be held immediately.

3.3 Pending the results of the consultations referred to in paragraph 3.2, each Party shall, as a precautionary measure, and / or if so requested by the other Party, take all necessary measures, provided by internal legislation, to suspend or refuse the issuing of the export document and surveillance document. The Republic of Moldova may also consider to withdraw the issued export documents.

3.4 Should the Parties fail, in the course of the consultations referred to in paragraph 3.2, to reach a mutually satisfactory solution, the Community shall have a right to refuse to import the product in question where sufficient evidence shows false declaration concerning quantities description or classification or country of origin has occurred.

4 Any notices to be given hereunder shall be given:

- in respect of the European Community, to the Commission of the European Communities,
- in respect of Moldova, to the Mission of the Republic of Moldova to the European Communities.

Appendix I

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7203	7303
7206	7304
7207	7305
7208	7306
7209	7307
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15. ATTRIBUTIONS			
Indicate the quantity available in part 1 of column 17 and the quantity attributed in part 2 thereof			
16. Net quantity (net mass or other unit of measure stating the unit)		19. Customs document (form and number) or extract No and date of attribution	20. Name, Member State, stamp and signature of the attributing authority
17. In figures	18. In words for the quantity attributed		
1.			
2.			
1.			
2.			
1.			
2.			
1.			
2.			
1.			
2.			
1.			
2.			

Extension pages to be attached hereto

EUROPEAN COMMUNITY

SURVEILLANCE DOCUMENT

Copy for the issuing authority	2	1. Consignee (name, full address, country, VAT number)	2. Issue number	
	3. Proposed place and date of import			
	4. Authority responsible for issue (name, address and telephone No)			
	2	5. Declarant/representative as applicable (name and full address)	6. Country of origin (and geonomenclature code)	
			7. Country of consignment (and geonomenclature code)	
		8. Last day of validity		
9. Description of goods		10. CN code and category		
		11. Quantity in kilograms (net mass) or in additional units		
		12. Value in euros, cif at European Community frontier		
13. Additional remarks				
14. Competent authority's endorsement				
Date :				
Signature:		Stamp:		

15. ATTRIBUTIONS			
Indicate the quantity available in part 1 of column 17 and the quantity attributed in part 2 thereof			
16. Net quantity (net mass or other unit of measure stating the unit)		19. Customs document (form and number) or extract No and date of attribution	20. Name, Member State, stamp and signature of the attributing authority
17. In figures	18. In words for the quantity attributed		
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Extension pages to be attached hereto

Appendix III

1 Exporter (name, full address, country)	ORIGINAL		2 Number:	
	3 Year	4 Product group		
5 Consignee (name, full address, country)	EXPORT DOCUMENT (steel products)			
	6 Country of origin	7 Country of destination		
8 Place and date of shipment – means of transport	9 Supplementary details			
10 Description of goods - manufacturer	11 CN code	12 Quantity ⁽¹⁾	13 Fob value ⁽²⁾	
14 CERTIFICATION BY THE COMPETENT AUTHORITY				
15 Competent authority (name, full address, country)	At on			
	(Signature)	(Stamp)		

(1) Show net weight (kg) and also quantity in the unit prescribed where other than net weight.

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1 Exporter (name, full address, country)	COPY		2 Number:	
	3 Year		4 Product group	
5 Consignee (name, full address, country)	EXPORT DOCUMENT (steel products)			
	6 Country of origin		7 Country of destination	
8 Place and date of shipment – means of transport	9 Supplementary details			
10 Description of goods - manufacturer		11 CN code	12 Quantity ⁽¹⁾	13 Fob value ⁽²⁾
14 CERTIFICATION BY THE COMPETENT AUTHORITY				
15 Competent authority (name, full address, country)		At on		
		(Signature)		(Stamp)

Appendix IV

MOLDOVA

Technical provisions on the implementation of the double-checking system

1. The export documents shall measure 210 × 297 mm. The paper used shall be white writing paper, sized, not containing mechanical pulp, and weighing not less than 25 g/m². They shall be made out in English. If they are completed by hand, entries must be in ink and in printed script. These documents may comprise additional copies duly indicated as such. If the documents have several copies only the top copy is the original. This copy shall be clearly marked as "original" and other copies as "copies". Only the original shall be accepted by the competent authorities of the European Community as being valid for the control of export to the European Community in accordance with the provisions of the double-checking system.

2. Each document shall bear a standardised serial number, whether or not printed, by which it can be identified. This number shall be composed of the following elements:

- two letters identifying the exporting country as follows: MO = Moldova,
- two letters identifying the intended Member State of customs clearance as follows:

BE = Belgium

DK = Denmark

DE = Germany

EL = Greece

ES = Spain

FR = France

IE = Ireland

IT = Italy

LU = Luxembourg

NL = Netherlands

AT = Austria

PT = Portugal

FI = Finland

SE = Sweden

GB = United Kingdom

CZ = Czech Republic

EE = Estonia

CY = Cyprus

LV = Latvia

LT = Lithuania

HU = Hungary

MT = Malta

PL = Poland

SI = Slovenia

SK = Slovak Republic

– a one-digit number identifying the year, corresponding to the last figure in the respective year, e.g. "4" for 2004,

– a two-digit number from 01 to 99, identifying the particular issuing office concerned in the exporting country,

– a five-digit number running consecutively from 00001 to 99999 allocated to the intended Member State of customs clearance.

3. The export documents shall be valid for the calendar year during which they are issued, as shown in Box No 3 of the export document.

4. Moldova need not show price information on the export document, but that information is available to the Commission authorities on request.

5. Export documents may be issued after the shipment of the products to which they relate. In such cases they must bear the endorsement "issued retrospectively".

6. In the event of a theft, loss or destruction of an export document, the exporter may apply to the competent governmental authority which issued the document for a duplicate to be made out on the basis of the export documents in his possession. The duplicate of any such document so issued shall bear the endorsement "duplicate". The duplicate shall bear the date of the original export document.

7. The competent authorities of the European Community shall be informed immediately of the withdrawal or modification of any export documents already issued and, where relevant, of the basis for such action.