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COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 10.7.2009
COM(2009) 352 final

2009/0093 (ACC)

Proposal for a

COUNCIL REGULATION

concerning the implementation of the Agreement in the form of an Exchange of Letters between the European Community and Brazil pursuant to Article XXIV:6 of GATT 1994, amending and supplementing Annex I to Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff

EXPLANATORY MEMORANDUM

1. Reference is made to Council Decision XXXX, regarding the conclusion of an Agreement with Brazil following negotiations in the framework of Article XXIV:6 and Article XXVIII of GATT 1994.
2. The present proposal for a Council Regulation implements the Agreement entered into by the Community.

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 133 thereof,

Having regard to the proposal from the Commission¹,

Whereas:

- (1) Council Regulation (EEC) No 2658/87² established a goods nomenclature, hereinafter referred to as the 'Combined Nomenclature', and set out the conventional duty rates of the Common Customs Tariff.
- (2) By its Decision 2009/XXX/EC of [day month] 2009 on the conclusion of an Agreement in the form of an Exchange of Letters between the European Community and Brazil, the Council approved, on behalf of the Community, the above-mentioned Agreement with a view to closing negotiations initiated pursuant to Article XXIV:6 of GATT 1994.
- (3) Pursuant to Article 153(3) of Council Regulation (EC) No 1234/2007 of 22 October 2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products³, full-time refiners in the Community enjoy a privileged access to sugar for refining during the first 3 months of the marketing year 2009/2010, i.e. from 1 October to 31 December 2009. In case that this Regulation should apply from a date posterior to 1 October 2009 and in order to respect the priority to full-time refiners in the marketing year 2009/2010, the start of the 3-month period has to be postponed to the first day of application of this Regulation.
- (4) Regulation (EEC) No 2658/87 should therefore be amended and supplemented accordingly,

¹ OJ C [...], [...], p. [...].

² OJ L 256, 7.9.1987, p. 1.

³ OJ L 299, 16.11.2007, p. 1.

HAS ADOPTED THIS REGULATION:

Article 1

In Regulation (EEC) No 2658/87, Annex 7 entitled "WTO tariff quotas to be opened by the competent Community authorities", to Section III of Part Three of Annex I, the quotas with the Order Numbers 10, 14, 28, 31, 101 and 103 shall be replaced by the quotas with the same Order Numbers shown in the Annex to this Regulation.

Article 2

By way of derogation from Article 153(3) of Council Regulation (EC) No 1234/2007, for the quotas with the Order Numbers 101 and 103 as set out in the Annex to this Regulation, the three-month period for the marketing year 2009/2010 shall start from 1 October 2009, or from the first day of application of this Regulation, whichever is the latest.

Article 3

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

The Commission shall publish a notice in the C series of the Official Journal of the European Union stating the date of the signed letter from Brazil referred to in the Agreement in the form of an Exchange of Letters between the European Community and Brazil pursuant to Article XXIV:6 of GATT 1994. This Regulation shall apply two months after the date of that letter.

However, if detailed rules adopted by the Commission for the implementation of the tariff quotas referred to in Article 1 of this Regulation are published in the Official Journal before the date of application referred to in the second paragraph of this Article, then this Regulation shall apply from the day following such publication.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, [...]

For the Council
The President
[...]

ANNEX

Notwithstanding the rules for the interpretation of the Combined Nomenclature, the wording for the description of the products is to be considered as having no more than an indicative value, the concessions being determined, within the context of this Annex, by the coverage of the CN codes as they exist at the time of adoption of the present Regulation. Where ex CN codes are indicated, the concessions are to be determined by application of the CN code and corresponding description taken together.

In Regulation (EEC) No 2658/87, Annex 7 entitled 'WTO tariff quotas to be opened by the competent Community authorities', of Section III of Part Three of Annex I, the quotas with the Order numbers 10, 14, 28, 31, 103 and 101 are replaced by the following:

Order No	CN Code	Description	Quota quantity	Rate of duty (%)	Other terms and conditions
1	2	3	4	5	6
10	0201 3000, 0202 3090, 0206 1095, 0206 2991	Boneless high-quality meat of bovine animals, fresh, chilled or frozen, meeting the following definition: 'Selected cuts obtained from steers or heifers having been exclusively fed with pasture grass since their weaning. The carcasses shall be classified as "B" with fat cover "2" or "3", in accordance with the official beef carcass classification established by the Ministry of Agriculture, Livestock and Supply in Brazil (Ministério da Agricultura, Pecuaria e Abastecimento)'	10 000 t	20	Supplying country: Brazil
14	0202 2030 0202 3010	Unseparated or separated forequarters of bovine animals, frozen Forequarters, whole or cut into a maximum of five pieces, each quarter being in a single block; 'compensated'	63 703 t (bone-in weight)	20 (*) 20 + 994,5 €1000 kg/net (**) 20 (*) 20 + 1 554,3 €1000	The meat imported shall be used for processing (*) When the meat is intended for the manufacture of preserved food which does not contain characteristic components other than beef and jelly (**) When the meat is intended for the manufacture of products other than the

		quarters in two blocks, one of which contains the forequarter, whole or cut into a maximum of five pieces, and the other, the hindquarter, excluding the tenderloin, in one piece		kg/net (**)	preserved food referred to above
	0202 3050	Crop, chuck and blade and brisket cuts		20 (*) 20 + 1554,3 €1000 kg/net (**)	The quantity may according to Community provisions be converted into an equivalent quantity of high quality meat
	0202 3090	Other		20 (*) 20 + 2 138,4€100 0 kg/net (**)	
	0206 2991	Thick skirt and thin skirt, frozen		20 (*) 20 + 2 138,4 €1000 kg/net (**)	
28	0207 1410 0207 1450 0207 1470	Cuts of fowls of the species <i>Gallus domesticus</i> , frozen: Boneless Breasts and cuts thereof Other	18 000 t	0	Allocated to supplying countries as follows: - Brazil 9 600 t - Thailand 5 100 t - Other 3 300 t
31		Cuts of turkey, frozen	7 485 t	0	Allocated to supplying countries as follows:

	0207 2710	Boneless			- Brazil 4 300 t
	0207 2720	Halves or quarters			- Other 3 185 t
	0207 2780	Other			
103	1701 1110	Raw cane sugar, for refining	310 124 t	9,8€100 kg/net (*)	(*) This rate applies to raw sugar with a yield of 92% Allocated to Brazil
101	1701 1110	Raw cane sugar, for refining	336 876 t	9,8€100 kg/net (*)	(*) This rate applies to raw sugar with a yield of 92% See also additional Note 2 to Chapter 17

**LEGISLATIVE FINANCIAL STATEMENT FOR PROPOSALS HAVING A
BUDGETARY IMPACT EXCLUSIVELY LIMITED TO THE REVENUE SIDE**

1. NAME OF THE PROPOSAL:

Proposal for a Council Regulation concerning the implementation of the Agreement between the European Community and Brazil relating to compensatory adjustment as provided for by Article XXIV:6 of GATT 1994.

2. BUDGET LINES:

Chapter and Article: Chapter 10 - Agricultural duties

Amount budgeted for the year concerned: 1 403.5 Mio €

3. FINANCIAL IMPACT

- Proposal has no financial implications
- Proposal has no financial impact on expenditure but has a financial impact on revenue – the effect is as follows:

(€million to one decimal place)

Budget line	Revenue ⁴	12 month period, starting dd/mm/yyyy	Year 2009
Article 100...	Impact on own resources	[...]	- 42.5
Article ...	Impact on own resources	[...]	[...]

Situation following action					
	Year 2010	[n+2]	[n+3]	[n+4]	[n+5]
Article 100	-127.4				

⁴ Regarding traditional own resources (agricultural duties, sugar levies, customs duties) the amounts indicated must be net amounts, i.e. gross amounts after deduction of 25 % of collection costs.

Article ...					
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4. ANTI-FRAUD MEASURES

5. OTHER REMARKS