AGREEMENT

in the form of an exchange of letters between the European Community and the Republic of Chile on imports of apples and pears into the Community

Letter from the Community

Brussels,

Sir,

Further to the discussions held between the European Community (hereinafter referred to as the 'Community') and the Republic of Chile (hereinafter referred to as 'Chile') concerning the access of apples and pears from Chile to the Community market, the two parties have agreed upon the following:

1. The Community shall apply the following provisions with regard to the import of apples and pears:

   (a) the entry price for a given exporting country shall be equal to the lowest representative price, or to the weighted average of the lowest representative prices, recorded for at least 60 % of the quantities from the exporting country concerned which are marketed on all representative markets for which prices are available;

   (b) the countervailing charge will be withdrawn if there are no prices below the reference price for four consecutive working days in respect of the exporting country concerned;

   (c) as regards the abolition of a countervailing charge, if only insignificant sales take place for a day, it shall be deemed that no sales have taken place on that day.

2. The Community also commits itself to the following:

   (a) the Community will reduce by 50 % the *ad valorem* base rate of duties indicated in its final Uruguay Round schedule for imported apples and pears, respecting the entry price, during the period 1 April to 31 July. This reduction will be made in the instalments provided for in the schedule;

   (b) the Community shall reduce autonomously by 50 %, for the period 1 April to 30 June, the *ad valorem* customs duties for imports of apples and pears imported below the entry price;

   (c) when implementing the results of the Uruguay Round, the Community shall add the following lines to subheading 0808.10.99 for the period 1 April to 30 June in respect of its attached Annex on Apples:

— not less than ECU 56,4, but less than 57,7:	6 % + ECU 6,3
— not less than ECU 55,2 but less than 56,4:	6 % + ECU 7,5
— equal to or lower than ECU 55,2:	6 % + ECU 29,7

   and shall add the following lines to subheading 0808.20.33 for the period 1 April to 30 June in respect of its attached Annex on Pears:

— not less than ECU 51,2 but less than 52,3:	5 % + ECU 5,7
— not less than ECU 50,1, but less than 51,2:	5 % + ECU 6,8
— equal to or lower than ECU 50,1:	5 % + ECU 29,7

   These figures shall be adjusted in line with the implementation of the Community's Uruguay Round commitments.

3. Chile shall withdraw its GATT complaint on Community restrictions on imports of apples from Chile, upon the adoption of the Community legislation referred to in paragraph 1, and the Community's notification to the GATT of the provisions in paragraph 2 (a).

4. Chile shall not initiate GATT dispute settlement procedures against the Community's system of countervailing charges which was the subject of the GATT panel on Community restrictions on imports of apples from Chile, established by the GATT Council on 22 September 1993.

I should be obliged if you would confirm that your Government is in agreement with the above.

I have the honour to propose that, if the above is acceptable to your Government, this letter and your confirmation shall together constitute an Agreement between the European Community and the Republic of Chile.

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

On behalf of the Council
of the European Union

Letter from Chile

Brussels,

Sir,

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

'Further to the discussions held between the European Community (hereinafter referred to as the "Community") and the Republic of Chile (hereinafter referred to as "Chile") concerning the access of apples and pears from Chile to the Community market, the two parties have agreed upon the following:

1. The Community shall apply the following provisions with regard to the import of apples and pears:

   (a) the entry price for a given exporting country shall be equal to the lowest representative price, or to the weighted average of the lowest representative prices, recorded for at least 60 % of the quantities from the exporting country concerned which are marketed on all representative markets for which prices are available;

   (b) the countervailing charge will be withdrawn if there are no prices below the reference price for four consecutive working days in respect of the exporting country concerned;

   (c) as regards the abolition of a countervailing charge, if only insignificant sales take place for a day, it shall be deemed that no sales have taken place on that day.

2. The Community also commits itself to the following:

   (a) the Community will reduce by 50 % the *ad valorem* base rate of duties indicated in its final Uruguay Round schedule for imported apples and pears, respecting the entry price, during the period 1 April to 31 July. This reduction will be made in the instalments provided for in the schedule;

   (b) the Community shall reduce autonomously by 50 %, for the period 1 April to 30 June, the *ad valorem* customs duties for imports of apples and pears imported below the entry price;

   (c) when implementing the results of the Uruguay Round, the Community shall add the following lines to subheading 0808.10.99 for the period 1 April to 30 June in respect of its attached Annex on Apples:

— not less than ECU 56,4, but less than 57,7:	6 % + ECU 6,3
— not less than ECU 55,2 but less than 56,4:	6 % + ECU 7,5
— equal to or lower than ECU 55,2:	6 % + ECU 29,7

   and shall add the following lines to subheading 0808.20.33 for the period 1 April to 30 June in respect of its attached Annex on Pears:

— not less than ECU 51,2 but less than 52,3:	5 % + ECU 5,7
— not less than ECU 50,1, but less than 51,2:	5 % + ECU 6,8
— equal to or lower than ECU 50,1:	5 % + ECU 29,7

   These figures shall be adjusted in line with the implementation of the Community's Uruguay Round commitments.

3. Chile shall withdraw its GATT complaint on Community restrictions on imports of apples from Chile, upon the adoption of the Community legislation referred to in paragraph 1, and the Community's notification to the GATT of the provisions in paragraph 2 (a).

4. Chile shall not initiate GATT dispute settlement procedures against the Community's system of countervailing charges which was the subject of the GATT panel on Community restrictions on imports of apples from Chile, established by the GATT Council on 22 September 1993.

I should be obliged if you would confirm that your Government is in agreement with the above.

I have the honour to propose that, if the above is acceptable to your Government, this letter and your confirmation shall together constitute an Agreement between the European Community and the Republic of Chile.'.

I am able to confirm to you that the foregoing is acceptable to my Government in order to let you know also that, in accordance with your proposal, my Government agrees that your letter and this confirmation thereof constitute an agreement between the European Community and the Republic of Chile.

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

On behalf of the Government of the Republic of Chile

ANNEX

APPLES

CN Code	Description	Rate of duty
0808	Apples, pears and quinces, fresh :	
0808 10	– Apples :	
0808 10 10	– – Cider apples, in bulk, from 16 September to 15 December	9 % MIN 0,45 ECU/100 kg net
	– – Other :	
0808 10 91	– – – From 1 August to 31 December :	
	– – – – With an entry price per 100 kg net of :	
	– – – – – not less than 51,6 ECU	14 %
	– – – – – not less than 50,6 ECU but less than 51,6 ECU	14 % + 1,0 ECU/100 kg net
	– – – – – not less than 49,5 ECU but less than 50,6 ECU	14 % + 2,1 ECU/100 kg net
	– – – – – not less than 48,5 ECU but less than 49,5 ECU	14 % + 3,1 ECU/100 kg net
	– – – – – not less than 47,5 ECU but less than 48,5 ECU	14 % + 4,1 ECU/100 kg net
	– – – – – less than 47,5 ECU	14 % + 29,7 ECU/100 kg net
0808 10 93	– – – From 1 January to 31 March :	
	– – – – With an entry price per 100 kg net of :	
	– – – – – not less than 62,7 ECU	8 %
	– – – – – not less than 61,4 ECU but less than 62,7 ECU	8 % + 1,3 ECU/100 kg net
	– – – – – not less than 60,2 ECU but less than 61,4 ECU	8 % + 2,5 ECU/100 kg net
	– – – – – not less than 58,9 ECU but less than 60,2 ECU	8 % + 3,8 ECU/100 kg net
	– – – – – not less than 57,7 ECU but less than 58,9 ECU	8 % + 5,0 ECU/100 kg net
	– – – – – less than 57,7 ECU	8 % + 29,7 ECU/100 kg net
0808 10 99	(a) – – – From 1 April to 30 June :	
	– – – – With an entry price per 100 kg net of :	
	– – – – – not less than 62,7 ECU	6 %
	– – – – – not less than 61,4 ECU but less than 62,7 ECU	6 % + 1,3 ECU/100 kg net
	– – – – – not less than 60,2 ECU but less than 61,4 ECU	6 % + 2,5 ECU/100 kg net
	– – – – – not less than 58,9 ECU but less than 60,2 ECU	6 % + 3,8 ECU/100 kg net
	– – – – – not less than 57,7 ECU but less than 58,9 ECU	6 % + 5,0 ECU/100 kg net
	– – – – – less than 57,7 ECU	6 % + 29,7 ECU/100 kg net
	(b) – – – From 1 July to 31 July :	
	– – – – With an entry price per 100 kg net of :	
	– – – – – not less than 51,6 ECU	6 %
	– – – – – not less than 50,6 ECU but less than 51,6 ECU	6 % + 1,0 ECU/100 kg net
	– – – – – not less than 49,5 ECU but less than 50,6 ECU	6 % + 2,1 ECU/100 kg net
	– – – – – not less than 48,5 ECU but less than 49,5 ECU	6 % + 3,1 ECU/100 kg net
	– – – – – not less than 47,5 ECU but less than 48,5 ECU	6 % + 4,1 ECU/100 kg net
	– – – – – less than 47,5 ECU	6 % + 29,7 ECU/100 kg net

ANNEX

PEARS

CN Code	Description	Rate of duty
0808 20	– Pears and quinces :	
	– – Pears :	
0808 20 10	– – – Perry pears, in bulk, from 1 August to 31 December	9 % MIN 0,45 ECU/100 kg net
	– – – Other :	
0808 20 31	– – – – From 1 January to 31 March :	
	– – – – – With an entry price per 100 kg net of :	
	– – – – – – not less than 56,9 ECU	10 %
	– – – – – – not less than 55,8 ECU but less than 56,9 ECU	10 % + 1,1 ECU/100 kg net
	– – – – – – not less than 54,6 ECU but less than 55,8 ECU	10 % + 2,3 ECU/100 kg net
	– – – – – – not less than 53,5 ECU but less than 54,6 ECU	10 % + 3,4 ECU/100 kg net
	– – – – – – not less than 52,3 ECU but less than 53,5 ECU	10 % + 4,6 ECU/100 kg net
	– – – – – – less than 52,3 ECU	10 % + 29,7 ECU/100 kg net
0808 20 33	– – – – From 1 April to 30 April :	
	– – – – – With an entry price per 100 kg net of :	
	– – – – – – not less than 56,9 ECU	5 %
	– – – – – – not less than 55,8 ECU but less than 56,9 ECU	5 % + 1,1 ECU/100 kg net
	– – – – – – not less than 54,6 ECU but less than 55,8 ECU	5 % + 2,3 ECU/100 kg net
	– – – – – – not less than 53,5 ECU but less than 54,6 ECU	5 % + 3,4 ECU/100 kg net
	– – – – – – not less than 52,3 ECU but less than 53,5 ECU	5 % + 4,6 ECU/100 kg net
	– – – – – – less than 52,3 ECU	5 % + 29,7 ECU/100 kg net
0808 20 34	– – – – From 1 May to 30 June	5 % MIN 2,00 ECU/100 kg net
0808 20 35	– – – – From 1 July to 15 July :	
	– – – – – With an entry price per 100 kg net of :	
	– – – – – – not less than 52,4 ECU	5 %
	– – – – – – not less than 51,4 ECU but less than 52,4 ECU	5 % + 1,0 ECU/100 kg net
	– – – – – – not less than 50,3 ECU but less than 51,4 ECU	5 % + 2,1 ECU/100 kg net
	– – – – – – not less than 49,3 ECU but less than 50,3 ECU	5 % + 3,1 ECU/100 kg net
	– – – – – – not less than 48,2 ECU but less than 49,3 ECU	5 % + 4,2 ECU/100 kg net
	– – – – – – less than 48,2 ECU	5 % + 29,7 ECU/100 kg net
0808 20 36	– – – – From 16 July to 31 July :	
	– – – – – With an entry price per 100 kg net of :	
	– – – – – – not less than 52,4 ECU	10 %
	– – – – – – not less than 51,4 ECU but less than 52,4 ECU	10 % + 1,0 ECU/100 kg net
	– – – – – – not less than 50,3 ECU but less than 51,4 ECU	10 % + 2,1 ECU/100 kg net
	– – – – – – not less than 49,3 ECU but less than 50,3 ECU	10 % + 3,1 ECU/100 kg net
	– – – – – – not less than 48,2 ECU but less than 49,3 ECU	10 % + 4,2 ECU/100 kg net
	– – – – – – less than 48,2 ECU	10 % + 29,7 ECU/100 kg net
0808 20 39	– – – – From 1 August to 31 October :	
	– – – – – With an entry price per 100 kg net of :	
	– – – – – – not less than 44,7 ECU	13 %
	– – – – – – not less than 43,8 ECU but less than 44,7 ECU	13 % + 0,9 ECU/100 kg net
	– – – – – – not less than 42,9 ECU but less than 43,8 ECU	13 % + 1,8 ECU/100 kg net
	– – – – – – not less than 42,0 ECU but less than 42,9 ECU	13 % + 2,7 ECU/100 kg net
	– – – – – – not less than 41,1 ECU but less than 42,0 ECU	13 % + 3,6 ECU/100 kg net
	– – – – – – less than 41,1 ECU	13 % + 29,7 ECU/100 kg net

CN Code	Description	Rate of duty
0808 20 40	– – – – From 1 November to 31 December:	
	– – – – – With an entry price per 100 kg net of:	
	– – – – – – not less than 56,9 ECU	13 %
	– – – – – – not less than 55,8 ECU but less than 56,9 ECU	13 % + 1,1 ECU/100 kg net
	– – – – – – not less than 54,6 ECU but less than 55,8 ECU	13 % + 2,3 ECU/100 kg net
	– – – – – – not less than 53,5 ECU but less than 54,6 ECU	13 % + 3,4 ECU/100 kg net
	– – – – – – not less than 52,3 ECU but less than 53,5 ECU	13 % + 4,6 ECU/100 kg net
	– – – – – – less than 52,3 ECU	13 % + 29,7 ECU/100 kg net