

AGREEMENT

in the form of an Exchange of Letters between the European Economic Community and the United States of America complementing the Agreement between those Parties for the conclusion of Negotiations under GATT Article XXIV.6

A. Letter from the Community

Madam,

I have the honour to refer to recent consultations between representatives of the European Community and the United States pertaining to the 1986 accession of Portugal and Spain into the European Community and to the 'Agreement for the Conclusion of Negotiations between the United States and the European Community under GATT Article XXIV.6', dated 30 January 1987, together with its Annexes.

In connection therewith, I wish to confirm the agreement reached between the European Community and the United States to extend until 31 December 1991 all of those rights and obligations in the Agreement which would otherwise expire on 31 December 1990. This extension shall be without prejudice to the continuation in force of those rights and obligations in the Agreement which do not expire on 31 December 1990.

In particular, the European Community and the United States have agreed, *inter alia*, that : (1) the reduction of duty rates on an autonomous basis of the products listed, and in the manner described, in Annex I of the Agreement shall be maintained through 31 December 1991, (2) the commitment in paragraph II.C of the Agreement to ensure a minimum annual level of imports of corn sorghum into Spain through 31 December 1990, in accordance with the modalities set forth in Annex II of the Agreement, shall be extended through 31 December 1991, and (3) this extension of the agreement is without prejudice to the legal interpretations of Article XXIV of either party and both parties reserve full GATT rights including those which would otherwise be time-limited.

The European Community and the United States further agree to resume the review referred to in paragraph III of the Agreement not later than during June 1991 in order to achieve a final and mutually satisfactory understanding prior to 30 September 1991.

I have the further honour to propose that if this understanding is shared by your Government, this letter and your affirmative letter in reply shall constitute an agreement between the European Community and the Government of the United States which shall enter into force on the date of your reply.

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

*On behalf of
the Council of the European Communities*

B. Letter from the United States of America

Sir,

I have the honour to acknowledge receipt of your letter dated 21 December 1990, which states :

'I have the honour to refer to recent consultations between representatives of the European Community and the United States pertaining to the 1986 accession of Portugal and Spain into the European Community and to the "Agreement for the Conclusion of Negotiations between the United States and the European Community under GATT Article XXIV.6", dated 30 January 1987, together with its Annexes.

In connection therewith, I wish to confirm the agreement reached between the European Community and the United States to extend until 31 December 1991 all of those rights and obligations in the Agreement which would otherwise expire on 31 December 1990. This extension shall be without prejudice to the continuation in force of those rights and obligations in the Agreement which do not expire on 31 December 1990.

In particular, the European Community and the United States have agreed, *inter alia*, that : (1) the reduction of duty rates on an autonomous basis of the products listed, and in the manner described, in Annex I of the Agreement shall be maintained through 31 December 1991, (2) the commitment in paragraph IIC of the Agreement to ensure a minimum annual level of imports of corn sorghum into Spain through 31 December 1990, in accordance with the modalities set forth in Annex II of the Agreement, shall be extended through 31 December 1991, and (3) this extension of the agreement is without prejudice to the legal interpretations of Article XXIV of either party and both parties reserve full GATT rights including those which would otherwise be time-limited.

The European Community and the United States further agree to resume the review referred to in paragraph III of the Agreement not later than during June 1991 in order to achieve a final and mutually satisfactory understanding prior to 30 September 1991.

I have the further honour to propose that if this understanding is shared by your Government, this letter and your affirmative letter in reply shall constitute an agreement between the European Community and the Government of the United States which shall enter into force on the date of your reply.'

I have the further honour to confirm that the foregoing understanding is shared by my Government and that your letter and this letter in reply constitute an agreement between the European Community and the Government of the United States which shall enter into force on this date.

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

For
the Government of the United States of America
