

### MUTUAL RESTRAINT ARRANGEMENT

#### between the European Economic Community and the Republic of Finland on trade in cheese

The European Economic Community and the Republic of Finland have held consultations on their trade in cheese.

In the course of these consultations, both parties agreed that it would be advisable, in the light of experience, to conclude a new arrangement containing the following provisions, applicable from 1 January 1986:

1. The European Economic Community and the Republic of Finland agree that, with respect to the annual quantities of cheese listed below, import duties shall be limited as follows:

(a) *Imports into the Community*

Cheeses falling within heading No 04.04 of the Common Customs Tariff, originating in and imported from Finland and accompanied by an approved certificate:

	<i>Import duty (ECU/100 kg)</i>	<i>Quantity (tonnes)</i>
— Finlandia, having a minimum fat content of 45 % by weight of the dry matter, having matured for at least 100 days, in rectangular blocks, weighing not less than 30 kg net, falling within subheading 04.04 E I b) 2 of the Common Customs Tariff	18,13	6 850 <sup>(1)</sup> including a maximum of 3 000 tonnes of Finlandia
— Emmental, Gruyère, Sbrinz and Bergkäse, other than grated or powdered, having a minimum fat content of 45 % by weight of the dry matter, having matured for at least three months, falling within subheading 04.04 A of the Common Customs Tariff:		
— whole cheeses	18,13	
— pieces packed in vacuum or in inert gas, with rind on at least one side, having a net weight of not less than 1 kg and less than 5 kg	18,13	1 700 <sup>(1)</sup>
— Processed cheeses, other than grated or powdered, in the manufacture of which no cheeses have been used other than Emmental, Gruyère Appenzell and, possibly, in addition, Glaris herb cheese (also known as 'Schabziger'), put up for retail sale and having a fat content by weight of the dry matter not exceeding 56 %, falling within subheading 04.04 D of the Common Customs Tariff	36,27	700
— Tilsit, Turunmaa and Lappi, falling within subheading 04.04 E I b) 2 of the Common Customs Tariff	60	

<sup>(1)</sup> The quantities allocated to these categories of cheese are interchangeable up to 25 % of the stated quantities.

(b) *Imports into Finland*

Cheeses falling within heading No 04.04 of the Finnish Customs Tariff, originating in and imported from the Community and accompanied by an approved certificate of quality and origin :

	<i>Import duty</i>	<i>Quantity</i>
04.04.150 Fresh cheeses, curd	$\frac{2}{3}$ of the levy	} 1 500 tonnes with no restrictions on type or quality
200 Processed cheeses	$\frac{1}{3}$ of the levy	
300 'Whey' cheeses	$\frac{2}{3}$ of the levy	
400 'Mould' cheeses	$\frac{1}{6}$ of the levy	
901 Emmental-type cheeses	the whole levy	
902 Edam-Type cheeses	the whole levy	
909 Other cheeses		
— 'cured soft cheeses' (1)	$\frac{1}{6}$ of the levy	
— other	$\frac{1}{3}$ of the levy	

2. The Republic of Finland undertakes to adopt the necessary measures to ensure that :

- the agreed quantities for export from Finland to the European Economic Community (see 1 (a) above) are not exceeded,
- import licences are issued regularly so that the agreed quantities for import into Finland from the Community (see 1 (b) above) are actually imported.

The European Economic Community and the Republic of Finland will ensure that the benefits conferred by the agreement are not compromised by other import arrangements.

3. The European Economic Community and the Republic of Finland each undertake to ensure that the prices paid to their exporters do not create market difficulties in the importing country.

In this connection, they agree to set up a system of mutual information and cooperation, details of which are given in the Annex to this Arrangement.

Should problems arise in connection with prices, consultations will be held at the request of either party, as soon as possible, with a view to adopting appropriate corrective measures.

4. The two parties may consult together at any time regarding the operation of the Arrangement and, if necessary, jointly amend it to take account of such factors as the movement of market prices and trends in the production, marketing and consumption of cheeses, both home-produced and imported.

(1) The expression 'cured cheeses' means cheeses which have been treated or cured by biological agents such as moulds, yeast or other organisms which have caused a visible crust to form on the surface of the cheese. The effects of the treatment or curing must extend visibly from the surface towards the centre of the cheese. The fat content by weight of the dry matter shall not be less than 50 %. The moisture content by weight of the non-fatty matter shall not be less than 65 %. The following cheeses may, for example, meet this definition :

Bibress	Coulommiers	Munster
Brie	Epoisse	Pont-l'Évêque
Camembert	Herve	Reblochon
Cambré	Limbourg	Saint-Marcellin
Carré de l'Est	Livarot	Taleggio
Chaource	Maroilles	

Cheeses sold under trade names (for example) :

Boursault	Ducs (Suprême des)
Caprice des Dieux	Explorateur.

In particular, if, in the course of a quota year, the quantities fixed for import into the Community and/or Finland are reached, both parties will hold consultations, at the request of either party, to consider whether the quantities initially fixed may be changed.

5. The Arrangement may be terminated by giving one year's notice in writing.

If this step is taken, each party shall reserve the rights which it held before the Arrangement was concluded.

6. This Arrangement replaces the temporary mutual restraint arrangement between the Republic of Finland and the European Economic Community on trade in cheese, signed on 9 December 1981 and last amended by the exchange of letters of 23 January 1985.

Done at Brussels, 20 December 1985.

*For the Government of  
the Republic of Finland*

*For the Council of  
the European Communities*  
R. KRIEPS

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ANNEX

**Mutual information**

In order to prevent the prices paid to exporters from creating market difficulties in the importing country, the following information and cooperation mechanisms shall be set up:

- (a) Finland shall supply the Commission of the European Communities with the following information with respect to each of the categories of cheese covered by the Arrangement:
- two weeks before the start of each quarter, forecasts of Finnish exports to the Community over the next quarter (expected quantities, free-at-Finnish-frontier prices and markets),
  - two weeks after the end of each quarter, actual Finnish exports to the Community during the preceding quarter (quantities exported, actual free-at-Finnish-frontier prices and Member States of the Community to which sent).
- (b) The Commission of the European Communities shall supply Finland with periodic price quotations and any other useful information regarding the market in home-produced and import cheeses.
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*Letter No 1*

Sir,

I have the honour to refer to the Arrangement between the European Economic Community and the Republic of Finland on trade in cheese and to the consultations held on 25 July 1985 regarding the conditions for its extension.

This is to confirm that after the accession of Spain and Portugal to the Community, the Community is prepared to open negotiations as soon as possible with a view to amending the Arrangement to take account of the bilateral trade between the acceding States and Finland.

I should be grateful if you would acknowledge receipt of this letter.

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

*On behalf of the Council  
of the European Communities*

*Letter No 2*

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 Arrangement between the European Economic Community and the Republic of Finland on trade in cheese and to the consultations held on 25 July 1985 regarding the conditions for its extension.

This is to confirm that after the accession of Spain and Portugal to the Community, the Community is prepared to open negotiations as soon as possible with a view to amending the Arrangement to take account of the bilateral trade between the acceding States and Finland.

I should be grateful if you would acknowledge receipt of this letter.'

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

*For the Government  
of the Republic of Finland*

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