



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 19.06.2000
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2000/0161 (ACC)

Proposal for a

COUNCIL REGULATION

**establishing certain concessions in the form of Community tariff quotas
for certain agricultural products and providing for an adjustment,
as an autonomous and transitional measure, of certain agricultural
concessions provided for in the Europe Agreement with Hungary**

(presented by the Commission)

EXPLANATORY MEMORANDUM

1. On 30 March 1999, the Council authorised the Commission to open negotiations for additional mutual agricultural concessions in the framework of the Europe Agreements between the European Community and the associated Central and Eastern European Countries.
2. The negotiations, which have been undertaken in the overall context of the accession process, have been based on Article 20(5) of the Europe Agreement with Hungary. Article 20(5) provides that the Community and Hungary shall examine in the Association Council, product by product and on an orderly and reciprocal basis, the possibility of granting each other further concessions taking account of the volume of trade in agricultural products between them, of their particular sensitivity, of the rules of common agricultural policy of the Community and of the rules of the agricultural policy of the associated country.
3. According to the Council decision, the negotiations should lead to a fair equilibrium, both in terms of exports and imports, between the interests of the European Community and its Member States and those of the associated countries.
4. The result of the negotiations between the Commission and the Republic of Hungary on additional agricultural concessions provides for an immediate and full liberalisation of the imports into the Community of some agricultural products, as well as the exports of those products from the Community to the Republic of Hungary. The scope for concessions within tariff quotas has also been enlarged compared to the reciprocally currently granted concession. As a consequence of the new agreement approximately two thirds of the bilateral trade of agricultural products will be free of custom duties.
5. As a result of the adjustments agreed with Hungary, a new Additional Protocol to the Europe Agreement with Hungary has to be established. A swift implementation of the adjustments forms an essential part of the results of the negotiations for the conclusion of a new Additional Protocol to the Europe Agreement with Hungary. Because of the duration of the procedure for the adoption of such a new protocol, a new Additional Protocol cannot enter into force on 1 July 2000.
6. A Council Regulation, made on an autonomous and transitional basis, would enable such a swift implementation of the results of the negotiations. This present Council Regulation would be replaced by the new additional protocol on the entry into force of the latter. The same model was used in 1997, to take into account the Agreement on Agriculture concluded during the Uruguay Round of Multilateral Trade Negotiations and the consequences of the last EU enlargement.
7. The Republic of Hungary will also take all useful legislative provisions, on an autonomous and transitional basis, in order to implement simultaneously the engagements of the Republic of Hungary issued from the results of the negotiations.

8. The purpose of this proposal is to permit the early implementation, from 1 July 2000, of the results of the agricultural negotiations for the conclusion of new Additional Protocols to the Europe Agreement with Hungary. It provides for the amendments of the Annexes of the Europe Agreement with Hungary, which set out the concessions granted by the Community on imports originating in Hungary.
9. The Council is requested to adopt the proposed Regulation.

Proposal for a

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establishing certain concessions in the form of Community tariff quotas for certain agricultural products and providing for an adjustment, as an autonomous and transitional measure, of certain agricultural concessions provided for in the Europe Agreement with Hungary

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 Commission,

Whereas:

- (1) The Europe Agreement concluded between the European Communities and their Member States, of the one part, and the Republic of Hungary, of the other part¹, provide for further concessions for certain agricultural products originating in Hungary.
- (2) Improvements to the preferential agreements of the Europe Agreement with Hungary were provided for in the Protocol adjusting trade aspects of the Europe Agreement establishing an association between the European Communities and their Member States, of the one part, and the Republic of Hungary, of the other part, to take into account of the accession of the Republic of Austria, of the Republic of Finland and of the Kingdom of Sweden to the European Union and the outcome of the Uruguay Round negotiations on agriculture². The Council approved the above-mentioned Protocol on behalf of the Community by Council Decision of 22 October 1998³.
- (3) In accordance with the directives adopted by the Council on 30 March 1999, the Commission and the Republic of Hungary concluded on 14 April 2000 negotiations on a new Additional Protocol to the Europe Agreement.
- (4) The new Additional Protocol, which provide for additional agricultural concessions, will be based on Article 20(5) of the Europe Agreement, establishing that the Community and Hungary shall examine in the

¹ OJ L 347, 31.12.1993, p.2

² OJ L 28, 2.2.1999, p. 3.

³ OJ L 28, 2.2.1999, p. 1.

Association Council, product by product and on an orderly and reciprocal basis, the possibility of granting each other further concessions.

- (5) A swift implementation of the adjustments forms an essential part of the results of the negotiations for the conclusion of a new Additional Protocol to the Europe Agreement with Hungary.
- (6) It is therefore appropriate to provide for the adjustment, as an autonomous and transitional measure, of the agricultural concessions provided for in the Europe Agreement with Hungary.
- (7) The Republic of Hungary will take all useful legislative provisions, on an autonomous and transitional basis, in order to enable a rapid and simultaneous implementation of the adaptation of the agricultural concessions of the Republic of Hungary provided for in the Europe Agreement.
- (8) Since the measures necessary for the implementation of this Regulation are management measures within the meaning of Article 2 of Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission⁴, they should be adopted by use of the management procedure provided for in Article 4 of that Decision.
- (9) Commission Regulation (EC) No 2454/93 of 2 July 1993 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code⁵ codified the management rules for tariff quotas designed to be used following the chronological order of dates of customs declarations.

HAS ADOPTED THIS REGULATION:

Article 1

- 1. The arrangements for import into the Community applicable to certain agricultural products originating in Hungary as set out in Annex A(a) and A(b) to this Regulation shall replace those set out in Annex VIII to the Europe Agreement establishing an association between the European Communities and their Member States, of the one part, and the Republic of Hungary, of the other part.
- 2. On the entry into force of the new additional protocol adjusting the Europe Agreement referred to in paragraph 1, the concessions provided for in that Protocol shall replace those referred to in Annex A(a) and A(b) to this Regulation.

⁴ OJ L 184, 17.7.1999, p. 23.

⁵ OJ L 253, 11.10.1993, p. 1. Regulation at last amended by Commission Regulation (EC) No 1662/1999 (OJ L 197, 29.7.1999, p. 25).

3. The Commission shall adopt detailed rules for the application of this Regulation in accordance with the procedure laid down in Article 2(2).

Article 2

1. The Commission shall be assisted by the committee instituted by Article 23 of Council Regulation (EC) N° 1766/92 on the common organisation of the market of cereals⁶ or, where appropriate, the committee instituted by the relevant provisions of the other Regulations on the common organisation of agricultural markets.
2. Where reference is made to this paragraph, the management procedure laid down in Article 4 of Decision 1999/468/EC shall apply, in compliance with Article 7(3) thereof.
3. The period provided for in Article 4(3) of Decision 1999/468/EC shall be one month.
4. Tariff quotas with an order number above 09.5100 shall be administered by the Commission in accordance with articles 308a, 308b and 308c of Regulation (EEC) No 2454/93.

Article 3

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

It shall apply from 1 July 2000.

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

Done at Brussels,

For the Council
The President

⁶ OJ L 181, 1.7.1992, p. 21.

ANNEX A(a)

Custom duties on imports applicable in the Community to products originating in Hungary and listed below shall be abolished

CN code ⁽¹⁾	CN code ⁽¹⁾	CN code ⁽¹⁾	CN code ⁽¹⁾	CN code ⁽¹⁾	CN code ⁽¹⁾
0101 20 10	0602 90 59	0802 90 50	1006 10 10	1513 19 19	2008 19 11
0104 20 10	0602 90 70	0802 90 60		1513 19 30	2008 19 13
0105 11 11	0602 90 91	0802 90 85	1106 10 00	1513 19 91	2008 19 51
0105 11 19	0602 90 99	0806 20 11	1106 30 90	1513 19 99	2008 19 59
0105 11 91	0604 10 90	0806 20 12		1513 21 11	2008 92 72
0105 11 99	0604 91 21	0806 20 18	1208 10 00	1513 21 19	
0105 12 00	0604 91 29	0806 20 91	1209 11 00	1513 21 30	2302 50 00
0105 19 20	0604 91 41	0806 20 92	1209 19 00	1513 21 90	2306 90 19
0105 19 90	0604 91 49	0806 20 98	1209 21 00	1513 29 11	2308 90 90
0106 00 10	0604 91 90	0808 20 90	1209 23 80	1513 29 19	2309 10 51
0106 00 20	0604 99 90	0810 40 30	1209 29 50	1513 29 30	2309 10 90
		0810 40 50	1209 29 80	1513 29 50	2309 90 10
0205 00 11	0701 10 00	0810 40 90	1209 30 00	1513 29 91	2309 90 31
0205 00 19	0703 10 90	0810 50 00	1209 91 10	1513 29 99	2309 90 41
0205 00 90	0703 20 00	0810 90 85	1209 91 90	1515 11 00	2309 90 51
0207 13 91	0703 90 00	0811 90 70	1209 99 91	1515 19 10	2309 90 93
0207 14 91	0708 10 00	0811 90 85	1209 99 99	1515 19 90	2309 90 95
0207 26 91	0709 51 30	0812 10 00	1210 10 00	1515 21 10	2309 90 97
0207 27 91	0709 51 50	0812 90 40	1210 20 10	1515 21 90	
0207 35 91	0709 51 90	0812 90 50	1210 20 90	1515 29 10	
0207 36 89	0709 52 00	0812 90 60	1211 90 30	1515 29 90	
0208 10 11	0709 60 10	0812 90 70	1212 10 10	1515 30 90	
0208 10 19	0709 90 31	0812 90 95	1212 10 99	1515 50 11	
0208 20 00	0709 90 40	0813 10 00	1214 90 10	1515 50 19	
0208 90 10	0709 90 50	0813 20 00		1515 50 91	
0208 90 50	0710 80 59	0813 30 00	1302 19 05	1515 50 99	
0208 90 60	0711 10 00	0813 40 10		1515 90 29	
0208 90 80	0711 30 00	0813 40 30	1502 00 90	1515 90 39	
0210 90 10	0712 20 00	0813 40 95	1503 00 19	1515 90 40	
0210 90 79	0712 90 50	0813 50 12	1503 00 90	1515 90 51	
	0712 90 90	0813 50 15	1504 10 10	1515 90 59	
0407 00 11	0713 50 00	0813 50 19	1504 10 99	1515 90 60	
0407 00 19	0713 90 10	0813 50 31	1504 20 10	1515 90 91	
0410 00 00	0713 90 90	0813 50 39	1504 30 10	1515 90 99	
	0714 20 10	0813 50 91	1508 10 90	1516 20 95	
0602 10 90	0714 20 90	0813 50 99	1508 90 10	1516 20 96	
0602 20 90	0714 90 90	0814 00 00	1508 90 90	1516 20 98	
0602 30 00			1511 10 90	1518 00 31	
0602 40 10	0802 11 90	0904 12 00	1511 90 11	1522 00 91	
0602 40 90	0802 12 90	0905 00 00	1511 90 19		
0602 90 10	0802 21 00	0907 00 00	1511 90 91	1602 31 11	
0602 90 30	0802 22 00	0910 20 90	1511 90 99	1602 31 19	
0602 90 41	0802 31 00	0910 40 13	1513 11 10	1602 31 30	
0602 90 45	0802 32 00	0910 40 19	1513 11 91	1602 31 90	
0602 90 49	0802 40 00	0910 40 90	1513 11 99		
0602 90 51	0802 50 00		1513 19 11		

⁽¹⁾ As defined in Commission regulation (EC) N° 2204/1999 of 12 October 1999, amending Annex I to Council Regulation (EEC) N° 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff, OJ L 278, 28 October 1999.

ANNEX A(b)

**Imports into the Community of the following products originating in Hungary
shall be subject to the concessions set out below**

(MFN= Most Favoured Nation duty)

Order N°	CN code	Description ⁽¹⁾	Applicable duty (% of MFN) ⁽²⁾	ANNUAL QUANTITY from 1.7.2000 to 30.6.2001 (tonnes)	YEARLY INCREASE as from 1.7.2001 (tonnes)	Specific provisions
	0101 19 90	Live horses, other than for slaughter	67	Unlimited		
09.4598	0102 90 05	Live bovine animals of a live weight not exceeding 80 kg	20	178 000 heads	0	(3)
09.4537	0102 90 21 0102 90 29 0102 90 41 0102 90 49	Live bovine animals of a live weight exceeding 80 kg but not exceeding 300 kg	20	153 000 heads	0	(3)
09.4563	ex 0102 90	Heifers and cows not for slaughter of the following mountain breeds: grey, brown, yellow, spotted Simmental and Pinzgau	6 % <i>ad valorem</i>	7 000 heads	0	(4)
09.4575	0104 10 30 0104 10 80 0104 20 10 0104 20 90 0204	Live sheep or goats Meat of sheep or goats	free	14 125	1 415	(5)
09.4707	0201 0202	Meat of bovines, fresh, chilled or frozen	20	11 375	1 140	
09.4708	ex0203	Meat of domestic swine, fresh, chilled or frozen	free	40 000	4 000	(6) (9)
	0206 80 91 0206 90 91	Edible offal of horses, asses, mules and hinnies	50	Unlimited		
09.5701	0207 11 30 0207 11 90 0207 12 0207 13 50 0207 14 50 0207 13 60 0207 14 60	Chicken carcasses Breasts of chicken Legs of chicken	free	28 000	2 800	(9)
09.5703	0207 13 10 0207 14 10	Boneless cuts of chicken	free	15 000	1 500	(9)
09.5709	0207 26 10 0207 27 10	Boneless cuts of turkey	free	9 000	900	(9)
09.5711	0207 26 50 0207 27 50	Breasts of turkey	free	3 500	350	(9)
09.5713	0207 32 11 0207 32 15 0207 32 19 0207 33 11 0207 33 19 ex02 07 35 15 ex0207 36 15 ex0207 35 53 ex0207 36 53 ex0207 35 63 ex0207 36 63 ex0207 35 79 ex0207 36 79	Ducks Cuts of ducks, boneless Breasts and cuts thereof of ducks, with bone-in legs and cuts thereof of ducks, with bone-in Breasts and cuts thereof of ducks, the ribs of which have been partially or completely removed	free	16 500	1 650	(9)

Order N°	CN code	Description ⁽¹⁾	Applicable duty (% of MFN) ⁽²⁾	ANNUAL QUANTITY from 1.7.2000 to 30.6.2001 (tonnes)	YEARLY INCREASE as from 1.7.2001 (tonnes)	Specific provisions
09.5301	0207 32 51 0207 32 59 0207 33 51 0207 33 59 0207 35 11 0207 35 23 0207 35 51 0207 35 61 0207 36 11 0207 36 23 0207 36 51 0207 36 61 ex0207 35 31 ex0207 36 31 ex0207 35 41 ex0207 36 41 ex0207 35 71 ex0207 36 71 ex0207 35 79 ex0207 36 79	Geese Whole wings of geese, with or without tips Backs, necks, backs with necks attached, rumps and wing tips of geese Paletots of geese Breasts and cuts thereof of geese, the ribs of which have been partially or completely removed	free	27 000	2 700	(9)
09.4704	0210 11 11 0210 12 11 0210 19 40 0210 19 51	Meat of domestic swine, salted or in brine	free	1 000	100	(9)
09.5501	ex0210 90 29 ex0210 90 80	Poultry, dried or smoked	free	2 000	200	(9)
09.4731	0402 10	Milk and cream in powder or solid form, fat content < 1,5 %	free	375	40	
09.4733	0406	Cheese and curd	free	3 500	350	(9)
09.4716	0407 00 30	Eggs of poultry in shell, not for hatching	20	2 625	265	
09.4717	0408 91 80	Eggs, dried, for human consumption	20	625	65	
	0409 00 00	Natural honey	60	Unlimited		
	0603 90 00	Cut flowers, not fresh	35	Unlimited		
09.5503	ex0702 00 00	Tomatoes, from 1 to 31 October	20	250	25	(8)
09.5105	0703 10 11 0703 10 19	Onions	free	58 500	5 850	
09.5557	0704 90 10 ex0704 90 90	White cabbages and red cabbages Chinese cabbages from 1 to 31 July	20	2 125	215	
09.5507	0706 90 90	Other edible roots	free	1 125	115	
	0706 90 30	Horse-radish	47	Unlimited		
09.5127	ex0707 00 05	Cucumbers, from 1 November to 15 May	20	250	25	(8)
	ex0707 00 05	Cucumbers, from 16 May to 31 October	80	Unlimited		(8)
09.5509	0709 20 00	Asparagus	free	3 000	300	

Order N°	CN code	Description ⁽¹⁾	Applicable duty (% of MFN) ⁽²⁾	ANNUAL QUANTITY from 1.7.2000 to 30.6.2001 (tonnes)	YEARLY INCREASE as from 1.7.2001 (tonnes)	Specific provisions
09.5133	0709 51 10	Mushrooms of the genus <i>Agaricus</i>	20	8 000	800	
09.5141	0710 21 00	Peas, frozen	20	16 375	1 640	
09.5143	0710 22 00	Beans, frozen	20	6 750	675	
09.5145	0710 29 00	other leguminous, frozen	20	2 625	265	
09.5563	0710 80 51	Sweet peppers, frozen	free	3 375	340	
09.5149	0710 80 85 0710 80 95	Asparagus and other vegetables, frozen	20	21 125	2 115	
09.5151	0710 90 00	Mixtures of vegetables, frozen	20	4 750	475	
	0711 40 00	Cucumbers and gherkins, provisionally preserved	80	Unlimited		
	0711 90 10	Fruits of genus <i>Capsicum</i> and <i>Pimenta</i> , excluding sweet peppers, provisionally preserved	50	Unlimited		
09.5511	ex0806 10 10	Table grapes from 15 July to 31 October	20	750	75	(8)
09.5571	0807 11 00 0807 19 00	melons, including watermelons	free	9 875	990	
09.5157	0808 10 10	Cider apples	20	31 500	3 150	
09.5159	0808 10 20 0808 10 50 0808 10 90	Apples, other than cider apples	20	7 625	765	(8)
09.5513	0808 20	Pears and quinces	20	1 500	150	(8)
09.5161	0809 10	Apricots	20	5 250	525	(8)
	0809 20 05	Sour cherries	73	Unlimited		(8)
09.5515	ex0809 20 95	Cherries other than sour cherries, from 1 May to 15 July	20	500	50	(8)
09.5163	0809 40 05	Plums	20	12 000	1 200	(8)
	0809 40 90	Sloes	47	Unlimited		
	0810 20 10 0810 30 10 0810 30 30 0810 30 90	Raspberries Blackcurrants Redcurrants Other berries	41 41 41 24	Unlimited		(7)
	0811 10 90 ex 0811 20 19 0811 20 31 0811 20 39 0811 20 51	Strawberries, frozen raspberries, frozen, sugar content not more than 13 % by weight Raspberries, frozen Blackcurrants, frozen Redcurrants, frozen	36 34 39 28 33	Unlimited		(7)
09.5573	0812 90	Other fruits and nuts, provisionally preserved	free	1 000	100	
09.5575	0904 20 10 0904 20 39	Fruits of the genus <i>Capsicum</i> or <i>Pimenta</i> , neither crushed or ground	free	1.000	100	
09.4718	ex1001 10 00 ex1001 90 99	Medium and high quality durum wheat and common wheat, as defined in Commission regulation N°2519/98	free	400 000	40 000	(9)
09.4762	ex1003 00 90	Barley, for brewing purposes	free	2 500	250	

Order N°	CN code	Description ⁽¹⁾	Applicable duty (% of MFN) ⁽²⁾	ANNUAL QUANTITY from 1.7.2000 to 30.6.2001 (tonnes)	YEARLY INCREASE as from 1.7.2001 (tonnes)	Specific provisions
09.5297	1109 00 00	Wheat gluten	20	375	40	
09.4727	1501 00 19	Pig fat (including lard), other	164 EUR/t	2 400	240	
09.5172 09.5173 09.5174	1512 11 10 1512 11 91 1512 19 10	Sunflower seed oil	free	7 500 2 875 1 250	750 290 125	
09.4705	1601 00 91 1601 00 99	Sausages, dry or other	free	8 750	875	(9)
	1602 20 11 1602 20 19 ex1602 90 31 ex1602 90 31	Goose or duck liver preparation of game preparation of rabbit	69 69 47 82	Unlimited		
09.5715	1602 39	Other prepared or preserved meat of other poultry	free	2 250	225	(9)
09.4706	1602 41 10 1602 42 10 1602 49 11 1602 49 13 1602 49 15 1602 49 19 1602 49 30 1602 49 50	Other preparations, preserved meat of domestic swine	free	900	90	(9)
09.5705	1602 50 39	Preparation of bovine animals, other than corned beef	20	2 000	200	
09.5707	ex1605 90 30	Edible snails, of the genus <i>Helix pomatia</i>	free	100	10	
09.5298	1702 30 1702 40	Glucose and glucose syrup	free	875	90	
09.5547	1703 90 00	Molasses other than cane molasses	free	1 375	140	
09.5175	2001 10 00	Cucumbers, preserved	20	26 875	2 690	
	2001 90 20 2005 90 10	Fruits of the genus <i>Capsicum</i> , other than sweet peppers and pimento, preserved	50	Unlimited		
09.5272	2001 90 70	Sweet peppers, preserved	free	1 000	100	
09.5273	2001 90 50 2001 90 60 2001 90 65 2001 90 75 2001 90 85	Preserved vegetables	20	750	75	
09.5585	2001 90 91 2001 90 96	Tropical fruits, preserved Other	20	1 300	130	
09.5177	2002 90 31 2002 90 39	Preserved tomatoes	20	7 500	750	
09.5179	2002 90 91 2002 90 99	Preserved tomatoes	20	2 100	210	
09.5587	2004 90 30 2004 90 50	Other vegetables and mixtures of vegetables preserved otherwise than by vinegar or acetic acid, frozen	20	250	25	
09.5181	2005 90 75	Sauerkraut	20	3 625	365	
09.5521	2005 40 00 2005 59 00	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, not frozen	free	1 125	115	
09.5187	2005 90 70 2005 90 80	Mixtures of vegetables and other vegetables	20	2 000	200	
	2007 99 10 2007 99 31	Plum purée and paste Jams, jellies, marmalades, purées and pastes of cherries	86 83	Unlimited		(8)

Order N°	CN code	Description ⁽¹⁾	Applicable duty (% of MFN) ⁽²⁾	ANNUAL QUANTITY from 1.7.2000 to 30.6.2001 (tonnes)	YEARLY INCREASE as from 1.7.2001 (tonnes)	Specific provisions
09.5189	ex2007 99 31 2007 99 33 2007 99 35	Sour cherry jam Strawberry jam raspberry jam	20	4 375	440	(8)
	ex2007 99 39 2007 99 93 ex2007 99 98	Fruit preparations, with sugar content > 30 % by weight, fruit within headings 0801, 0803, 0804 (except figs and pineapples), 0807 20 00, 0810 20 90, 0810 30 90, 0810 40 10, 0810 40 50, 0810 40 90, 0810 90 Of tropical products Other, fruit within headings 0801, 0803, 0804 (except figs and pineapples), 0807 20 00, 0810 20 90, 0810 30 90, 0810 40 10, 0810 40 50, 0810 40 90, 0810 90	27	Unlimited		(8)
	2008 60 61	Sour cherries, containing added sugar	70	Unlimited		
09.5549	ex2008 60	Cherries, not containing added spirits	20	1 125	115	
09.5197	ex2008 99 45	pudding plum pack	20	2 625	265	
09.5199	ex2008 99 49	Preparations of apple or gooseberry	20	2 000	200	
09.5201	ex2008 99 99	Preparations of apple or gooseberry	20	6 875	690	
09.5203	2009 70 19	Apple juice, concentrated, other	20	12 000	1 200	
	2009 70 30 2009 70 93 2009 70 99	Apple juice	48	Unlimited		
09.5205	2009 80	Fruit juice	20	2 125	215	(8)
09.5299	2303 10 11	Residues of starch from maize	20	1 125	115	
09.4723	2309 10	Dog or cat food, put up for retail sale	20	14 125	1 415	
09.5207	2401 10 2401 20	Tobacco	20	4 375	440	

- (1) Notwithstanding the rules for the interpretation of the Combined nomenclature, the wording of the description of the products is to be considered as having no more than indicative value, the preferential scheme being determined, within the context of this Annex, by the coverage of the CN code. Where ex CN codes are indicated, the preferential scheme is to be determined by application to the CN code and corresponding description taken together.
- (2) In cases where a MFN minimum duty exists, the applicable minimum duty is equal to the MFN minimum duty multiplied by the percentage indicated in this column.
- (3) The quota for this product is opened for Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania and the Slovak Republic. Where it appears likely that total Community imports of live bovine animals may exceed 500 000 heads in a given marketing year the Community may take the management measures needed to protect its market, not withstanding any other rights given under the Agreement.
- (4) The quota for this product is opened for Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania and the Slovak Republic.
- (5) The Community may take into account, in the framework of its legislation and when appropriate the supply needs of its market and the need to maintain its market balance.
- (6) Excluding tenderloin presented alone.
- (7) Subject to minimum import price arrangements contained in the Annex to the present Annex.
- (8) The reduction applies only to the *ad valorem* part of the duty.
- (9) This concession is only applicable to products non-benefiting from any kind of export subsidies.

ANNEX TO ANNEX A(b)

Minimum import price arrangement for certain soft fruit for processing

Imports into the Community of the products listed in this Annex originating in Hungary shall be subject to the conditions described below.

1. Minimum import prices are fixed for the following products:

CN Code	Description	Minimum import price (EUR/100 kg net)
ex 0810 20 10	Raspberries, fresh	63,1
ex 0810 30 10	Blackcurrants, fresh	38,5
ex 0810 30 30	Redcurrants, fresh	23,3
ex 0811 10 90	Frozen strawberries, containing no added sugar or other sweetening matter: whole fruit	75,0
ex 0811 10 90	Frozen strawberries, containing no added sugar or other sweetening matter : other	57,6
ex 0811 20 19	Frozen raspberries, containing added sugar or other sweetening matter, with a sugar content not exceeding 13 % by weight: whole fruit	99,5
ex 0811 20 19	Frozen raspberries, containing added sugar or other sweetening matter, with a sugar content not exceeding 13 % by weight: other	79,6
ex 0811 20 31	Frozen raspberries, containing no added sugar or other sweetening matter: whole fruit	99,5
ex 0811 20 31	Frozen raspberries, containing no added sugar or other sweetening matter : other	79,6
ex 0811 20 39	Frozen blackcurrants, containing no added sugar or other sweetening matter: without stalk	62,8
ex 0811 20 39	Frozen blackcurrants, containing no added sugar or other sweetening matter : other	44,8
ex 0811 20 51	Frozen redcurrants, containing no added sugar or other sweetening matter: without stalk	39,0
ex 0811 20 51	Frozen redcurrants, containing no added sugar or other sweetening matter : other	29,5

2. The minimum import prices, as set out in Article 1, will be respected on a consignment by consignment basis. In the case of a customs declaration value being lower than the minimum import price, a countervailing duty will be charged equal to the difference between the minimum import price and the customs declaration value.
3. If the import prices of a given product covered by this Annex show a trend suggesting that the prices could go below the level of the minimum import prices in the immediate future, the European Commission will inform the Hungarian authorities in order to enable them to correct the situation.

4. At the request of either the Community or Hungary, the Association Committee shall examine the functioning of the system or the revision of the level of the minimum import prices. If appropriate, the Association Committee shall take the necessary decisions.
5. To encourage and promote the development of trade and for the mutual benefit of all parties concerned, a consultation meeting will be organised three months before the beginning of each marketing year in the European Community. This consultation meeting will take place between the European Commission and the interested European producers' organisations for the products concerned, of the one part and the authorities', producers' and exporters' organisations of all the associated exporting countries, of the other part.

During this consultation meeting, the market situation for soft fruit including, in particular, forecasts for production, stock situation, price evolution and possible market development, as well as possibilities to adapt supply to demand, will be discussed.

FINANCIAL STATEMENT				
1. BUDGET HEADING: Chapter 10		APPROPRIATIONS: Mio EUR 1 102,2		
2. TITLE: Council Regulation establishing certain concessions in the form of Community tariff quotas for certain agricultural products and providing for the adjustment, as an autonomous and transitional measure of certain agricultural concessions provided for in the Europe Agreement with Hungary.				
3. LEGAL BASIS: Article 133 of the Treaty				
4. AIMS: To establish additional agricultural concessions between the Community and the Republic of Hungary.				
5.	FINANCIAL IMPLICATIONS	12 MONTH PERIOD (Mio EUR)	CURRENT FINANCIAL YEAR [2000] (Mio EUR)	FOLLOWING FINANCIAL YEAR [2001] (Mio EUR)
5.0	EXPENDITURE - CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTIONS) - NATIONAL AUTHORITIES - OTHER			
5.1	REVENUE - OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES) - NATIONAL	- 24,9	- 8,3	- 24,9
5.0.1	ESTIMATED EXPENDITURE	2002	2003	2004
5.1.1	ESTIMATED REVENUE	- 24,9	- 24,9	- 24,9
5.2 METHOD OF CALCULATION: * Annex A (a) Taking into account the average imports from Hungary during the last 3 years as well as the duties actually applied on these imports, the loss of own resources for the community budget can be estimated at 2,8 mio EUR /year for the.abolished duties listed under annex A (a). * Annex A (b) Taking into account the duties actually applied on the average imports of products for which the existing tariff concession is enlarged, and for which the duty is fixed at zero, the loss of own resources for the Community budget can be estimated at 22,1 mio EUR/year. The yearly increase, from 2001 on, of the quantities of the concessions granted has no direct impact on the community budget, as it is estimated that there would be no imports of the concerned products with the full duties, and as such, that there is no loss on the estimated own resources.				
6.0 CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET?		YES		
6.1 CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET?		YES		
6.2 WILL A SUPPLEMENTARY BUDGET BE NECESSARY?		NO		
6.3 WILL APPROPRIATIONS NEED TO BE ENTERED IN FUTURE BUDGETS?		NO		
OBSERVATIONS: The calculations of the loss of own ressources have been based on the average imports and actually applied duties on the concerned products. Measures to prevent the risk of frauds: those foreseen in the Europe Agreement, in particular those concerning customs co-operation and rules of origin.				