COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 08.02.2002
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2002/0012 (ACC)

Proposal for a

COUNCIL REGULATION

adopting autonomous measures concerning the importation of fish and fishery products originating in the Republic of Slovenia

(presented by the Commission)

EXPLANATORY MEMORANDUM

On 29 May 2000, the Council authorised the Commission to undertake negotiations on behalf of the Community with the Republic of Slovenia to liberalise reciprocal trade in fish and fishery products.

Negotiations were held on 28-29 August 2000 and 28 November 2000.

The two parties agreed on a model for simple, gradual and reciprocal tariff concessions, whose details have been recorded in the Agreed Minutes signed by each head of delegation. The main commitments made by the Community as a result of the conclusion of negotiations are as follows:

- The Community will eliminate all tariff duties for the products covered by Annex VIII (a) of the Europe Agreement, upon entry into force of the agreement.

- As regards prepared or preserved sardines falling under CN Codes 1604 13 11 and 1604 13 19, the Community will establish a tariff quota of 100 tonnes, at 4%, covering the first 12 months of the agreement. For the quantity above the quota a one-third reduction of the applicable tariffs will be applied. After the 12-month period, the 4% duty rate shall remain applicable for a further 24 months.

- As regards all other fish and fishery products, as covered by the definition set out in Regulation (EC) N° 104/2000, the Community will apply a one-third reduction of the tariff duties at the date of entry into force of the agreement. The following year a further reduction of one-third will be applied. Three years after the date of entry into force of the agreement, the Community shall eliminate all tariff duties on fish and fishery products.

A Protocol laying down the new trade arrangements for fish and fishery products has to be added to the Europe Agreement between the Community and Slovenia. Pending the completing of internal procedures required for the entry into force of the additional Protocol, it is proposed that, through a Council Regulation, the Community adopts autonomous measures enabling the concessions made to Slovenia to apply as early as 1 January 2002. A swift implementation of the agreement is desirable in order to introduce the gradual liberalisation of trade in fish and fishery products and to give a positive political sign to Slovenia in the context of the accession process.

The adoption of the proposed autonomous measures will bring forward the effective starting date for the gradual liberalisation of trade in fish and fishery products between the Community and the Republic of Slovenia. It is therefore necessary to ensure that this circumstance is taken into account at the time when the new Additional Protocol to the Europe Agreement enters into force. For this purpose, the conclusion of an interpretative Exchange of Letters with Slovenia will be proposed shortly.

In light of the above, the Council is requested to adopt the attached Regulation implementing, on an autonomous basis, the concessions agreed between the Community and Slovenia.

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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 Commission,

Whereas:

(1) The Europe Agreement establishing an association between the European Communities and their Member States, of the one part, and the Republic of Slovenia, of the other part[1], provides for certain concessions for fish and fishery products, which are listed in its annexes VIII a) and VIII b).

(2) In accordance with the directives issued by the Council on 29 May 2000, negotiations with Slovenia on a new Additional Protocol to the Europe Agreement were concluded on 28 November 2000.

(3) The new Additional Protocol, based on Article 21(5) and Article 24(1) of the Europe Agreement, provides for further concessions on fish and fishery products.

(4) A swift implementation of the agreement forms an essential part of the results of the negotiations for the conclusion of a new Additional Protocol to the Europe Agreement with Slovenia.

(5) Slovenia will take all useful legislative provisions, on an autonomous basis, in order to enable the reciprocal and simultaneous implementation of concessions to the Community provided for in the Additional Protocol.

(6) It is therefore appropriate for the Community to adopt autonomous measures introducing the concessions provided for in the new Additional Protocol to the Europe Agreement.

(7) As far as the management of the tariff quota is concerned, it is appropriate to follow the chronological order of dates of acceptance of customs declarations in accordance with Commission Regulation (EEC) No 2454/93 of 2 July 1993 laying down

[1] OJ L 51, 26.2.1999, p.3.

provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code[2]

HAS ADOPTED THIS REGULATION:

Article 1

1. The arrangements for the importation into the Community of fish and fishery products originating in the Republic of Slovenia, as set out in Articles 2, 3 and 4 below, shall modify the Europe Agreement with the Republic of Slovenia.

2. From the date of entry into force of the new Additional Protocol to the Europe Agreement with Slovenia, the concessions provided therein shall apply taking account of the implementation measures already adopted by both Parties, in a reciprocal manner, in advance of that date. Accordingly, on the date of entry into force of the Additional Protocol, its provisions shall replace and supersede the relevant provisions of this Regulation.

Article 2

As from 1 January 2002, the Community shall eliminate the tariff duties on all the products covered by Annex VIII (a) of the Europe Agreement with Slovenia..-

Article 3

From 1 January until 31 December 2002 the Community shall establish for prepared or preserved sardines falling under CN Codes 1604 13 11 and 1604 13 19 a tariff quota with order number 09.1751 of 100 tonnes at 4% duty. For quantities imported into the Community above the tariff quota, the provisions of Article 4 shall apply.

This tariff quota shall be managed by the Commission in accordance with Articles 308a and 308b of Regulation (EC) No 2454/93.

From 1 January 2003 until 31 December 2004 the 4% duty rate shall remain applicable without any quantitative limitation.

Article 4

As from 1 January 2002, the Community shall apply a one-third reduction of the tariff duties applied to all other fish and fishery products, as defined in Article 1 of Council Regulation (EC) No 104/2000[3].

As from 1 January 2003, the Community shall apply a further one-third reduction of the tariff duties as they were at the time this Regulation became applicable.

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[2] OJ L 253, 11.10.1993, p.1. Regulation as last amended by Regulation (EC) No 993/201 (OJ L 141, 28.5.2001, p.1.

[3] OJ L 17, 21.1.2000, p.22.

As from 1 January 2005, the Community shall eliminate the tariff duties on all fish and fishery products.

Article 5

The calculation of the reductions mentioned in Articles 3 and 4 will be carried out using common mathematical principles.

In particular, the following rules shall apply:

(a) all the figures which have less than 50 (included) after the decimal point shall be rounded down to the nearest whole number;

(b) all the figures which have more than 50 after the decimal point shall be rounded up to the nearest whole number;

(c) all the tariffs below 2% shall automatically be fixed at 0%.

Article 6

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

It shall apply from 1 January 2002.

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

Done at Brussels,

For the Council
The President

FINANCIAL STATEMENT

1. TITLE OF OPERATION

Proposal to adopt autonomous measures bringing forward in time the application of the provisions of an Additional Protocol to the Europe Agreement with Slovenia laying down the trade arrangements for fish and fishery products. Reciprocal concessions have been agreed and will be implemented over a period of three years, leading to full liberalisation of trade in the products concerned.

2. BUDGET HEADING(S) INVOLVED

Chapter 12, Article 120

3. LEGAL BASIS

Article 133 of the Treaty establishing the European Community

4. DESCRIPTION OF OPERATION

4.1 General objective

Full trade liberalisation in fish and fishery products in preparation for accession of Slovenia to the European Community.

5. CLASSIFICATION OF EXPENDITURE OR REVENUE

5.1 Type of revenue involved

Import duties

6. TYPE OF EXPENDITURE OR REVENUE

– The proposed operation will cause a reduction in import duties levied on fish and fishery products originating in Slovenia.

– However, the operation will also cause a reduction in import duties paid by the Community's operators when exporting fishery products to Slovenia.

7. FINANCIAL IMPACT

7.1 Method of calculating total cost of operation (relation between individual and total costs)

The cost of the operation has been based on trade in 1998, 1999 and 2000. Due to the unpredictable levels of trade and the varying rates of duty applied to the products concerned, an average estimated duty level of 12% has been used to calculate the duty levied in 1998, 1999 and 2000. Import duties levied in 1999 showed an increase of almost 30% over 1998; duties in 2000 showed a decrease of almost 46% over 1999. An average increase in duty level of 8% has thus been used to calculate the estimated import duties foreseen. This has then been reduced by one third for year one and a further one third for year two.

As the entry into force of the arrangements is expected to take place in the course of the year 2001, the estimated cost will be made as though 2001 is year one, 2002 is year two, 2003 is year three.

7.2 Itemised breakdown of cost

Commitment appropriations EUR million (at current prices)

Breakdown	2002	2002+1	2002+2				
Estimated import duties = (yr 2000 x 8%)-33.3% = (0.27 x 8%)-33.3%	0.27						
Estimated import duties = (yr 2002 x 8%)-33.3% = (0.2 x 8%)-33.3%		0.14					
Estimated import duties = 2002+2			0				
Total	0.27	0.14	0				