

Proposal for a Council Decision on trade in certain steel products between the European Community and Ukraine

(2003/C 45 E/30)

COM(2002) 627 *final* — 2002/0265(ACC)

(Submitted by the Commission on 15 November 2002)

EXPLANATORY MEMORANDUM

The Partnership and Cooperation Agreement between the European Communities and their Member States, on the one hand, and Ukraine, on the other, provides in Article 22, paragraph 1, that trade in some steel products shall be the subject of a specific agreement. The previous bilateral agreement between the ECSC and the Government of Ukraine on trade for certain steel products expired on 31 December 2001. The Parties agreed to conclude a new agreement for the years 2002-2004. Negotiations on the new steel agreement were completed in December 2001, and pending its entry into force, a Decision of the Representatives of the Governments of the Member States meeting within the Council of 19 December 2001 was adopted, setting out quantitative limits for the same products covered by the new steel agreement for the period 1 January – 30 June 2002. A second Decision was adopted on 17 June 2002, amending the first one, and setting quantitative limits for the full year 2002 at the level of 2001, that is below that agreed in the new agreement, pending the resolution of the VAT refund issue on exports of scrap from Ukraine. Indeed, the draft Agreement foresees that there must be no obstacles whatsoever in trade of scrap between the Parties. The signature of the agreement has been postponed until the resolution of this trade issue.

Pending its resolution, it is necessary to extend the validity period of the above mentioned Decision.

This draft Council Decision extends the validity period of the above mentioned Decision to cover the year 2003. Quantitative limits applicable for year 2003 are those applicable for the year 2002 increased by 2,5 %. This draft Council Decision would be automatically repealed when the new agreement on trade for some steel products enters into force.

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 Partnership and Cooperation Agreement between the European Communities and their Member States, on the one part, and Ukraine, of the other part ⁽¹⁾, provides in its Article 22, paragraph 1, that trade in some steel products shall be the subject of a specific agreement;

(2) The previous bilateral agreement between the ECSC and the Government of Ukraine on trade for certain steel products expired on 31 December 2001;

(3) The Parties agreed to conclude a new agreement and the negotiations of this new agreement have been completed;

(4) Quantitative limits for the year 2002 have been fixed by Decision 2001/933/ECSC of the representatives of the Government of the Member States meeting within the Council of 19 December 2001 ⁽²⁾, as amended by Decision 2002/476/ECSC ⁽³⁾;

(5) Pending the signature and the entry into force of the new agreement, the above mentioned Decision must be amended to cover the year 2003,

⁽¹⁾ OJ L 49, 19.2.1998, p. 3.

⁽²⁾ OJ L 345, 29.12.2001, p. 75.

⁽³⁾ OJ L 164, 22.6.2002, p. 37.

HAS DECIDED AS FOLLOWS:

Article 2

The provisions of the agreement on trade in certain steel products together with any measures to give effect to it, shall as from the date of entry into force of the agreement replace the provisions of this Decision.

Article 1

Decision 2001/933/ECSC of the representatives of the Government of the Member States meeting within the Council of 19 December 2001 is hereby amended as follows:

1. In Article 1, the words 'During the period 1 January 2002 to 30 June 2002' are replaced by the words 'During the period 1 January 2002 to 31 December 2003'.
2. Annex II is replaced by the Annex to this Decision.

Article 3

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

ANNEX

QUANTITATIVE LIMITS

Products	(tonnes)
	1.1.2002—31.12.2003
<i>SA. Flat products</i>	
SA1. Coils	55 513
SA2. Heavy plate	212 463
SA3. Other flat products	17 142
<i>SB. Long products</i>	
SB1. Beams	7 472
SB2. Wire rod	106 758
SB3. Other long products	134 515