EN

COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 10.7.2009
COM(2009) 355 final

2009/0095 (ACC)

Proposal for a

COUNCIL DECISION

on the conclusion of an Agreement in the form of an Exchange of Letters between the European Community and Brazil

EXPLANATORY MEMORANDUM

1. With the accession of the Republic of Bulgaria and Romania, the EC has enlarged its customs union. Consequently, the EC is obliged under WTO rules (GATT Article XXIV:6) to enter into negotiations with third countries having negotiating rights in schedules of any of the acceding Members in order to agree on compensatory adjustment. Such adjustment is due if the adoption of the EC's external tariff regime results in an increase in tariff beyond the level for which the acceding country has bound itself at the WTO, whilst taking 'due account of reductions of duties on the same tariff line made by other constituents of the customs union upon its formation'.

2. On 29 January 2007, the Council authorised the Commission to open negotiations under Article XXIV:6 of GATT 1994 (COM proposal 16703/06 WTO 270).

3. The Commission has negotiated with the Members of the WTO holding negotiating rights with respect to the withdrawal of specific concessions in relation to the withdrawal of the schedules of the Republic of Bulgaria and Romania, in the course of their accession to the European Community.

4. Negotiations have been conducted by the Commission in consultation with the Committee established by Article 133 of the Treaty and within the framework of the negotiating directives issued by the Council.

5. The negotiations have resulted in an Agreement in the form of an exchange of letters with Brazil.

6. This proposal asks the Council to approve this Agreement.

2009/0095 (ACC)

Proposal for a

COUNCIL DECISION

on the conclusion of an Agreement in the form of an Exchange of Letters between the European Community and Brazil

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 133 in conjunction with the first sentence of the first subparagraph of Article 300(2) thereof,

Having regard to the proposal from the Commission,

Whereas:

(1) On 29 January 2007 the Council authorised the Commission to open negotiations with certain other Members of the WTO under Article XXIV:6 of GATT 1994, in the course of the accessions to the European Community of the Republic of Bulgaria and Romania.

(2) Negotiations have been conducted by the Commission in consultation with the Committee established by Article 133 of the Treaty and within the framework of the negotiating directives issued by the Council.

(3) The Commission has finalised negotiations for an Agreement in the form of an Exchange of Letters between the European Community and Brazil. The Agreement should be approved.

(4) The measures necessary for the implementation of this Decision should be adopted in accordance with Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission[1],

HAS ADOPTED THIS DECISION:

Article 1

The Agreement in the form of an Exchange of Letters between the European Community and Brazil on the conclusion of GATT Article XXIV:6 negotiations with respect to the withdrawal of specific concessions in relation to the withdrawal of the schedules of the Republic of Bulgaria and Romania in the course of their accession to the European Union is hereby approved on behalf of the Community.

[1] OJ L 184, 17.7.1999, p. 23.

The text of the Agreement is annexed to this Decision.

Article 2

The detailed rules for implementing the Agreement shall be adopted in accordance with the procedure referred to in Article 195(2) of Regulation (EC) No 1234/2007 of 22 October 2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation)[2].

Article 3

The President of the Council is hereby authorised to designate the person(s) empowered to sign the Agreement in the form of an Exchange of Letters referred to in Article 1 in order to bind the Community.

This Decision is addressed to the Member States.

Done at Brussels, […]

For the Council
The President
[…]

---

2 OJ L 299, 16.11.2007, p. 1.

AGREEMENT

AGREEMENT IN THE FORM OF AN EXCHANGE OF LETTERS

Between the European Community and Brazil pursuant to Article XXIV:6 and Article XXVIII of the General Agreement on Tariffs and Trade (GATT) 1994 relating to the modification of concessions in the schedules of the Republic of Bulgaria and Romania in the course of their accession to the European Union

A. Letter from the European Community

Place, date

Sir,

Following negotiations under Article XXIV:6 and Article XXVIII of the General Agreement on Tariffs and Trade 1994 (GATT) relating to the modification of the Schedules of the Republic of Bulgaria and Romania in the course of their accession to the European Union, the European Community and Brazil have agreed as follows:

The European Community will incorporate in its schedule, for the customs territory of EC 27, the following modifications:

> To incorporate in the schedule of the EC27 the concessions contained in the schedule of the EC25.
>
> On tariff lines 0201 3000, 0202 3090, 0206 1095 and 0206 2991 add 5000 t to the allocation of Brazil under the EC tariff rate quota 'boneless high quality meat of bovine animals, fresh, chilled or frozen', maintaining the present in quota rate of 20%.
>
> On tariff line 0202 3090, add 9000 t (erga omnes) under the EC tariff rate quota 'meat of bovine animals, frozen' maintaining the present in quota rate of 20% or 20% + 45% of the specific rate of duty.
>
> On tariff line 0207 1410, add 2500 t to the allocation of Brazil under the EC tariff rate quota 'cuts of fowls of the species Gallus domesticus', maintaining the present in quota rate of 0%.
>
> On tariff line 0207 2710, create a country allocation (Brazil) of 2500 t under the EC tariff rate quota 'cuts of turkey, frozen', maintaining the present in quota rate of 0%.
>
> On tariff line 1701 1110, add 300 000 t to the allocation of Brazil under the EC tariff rate quota 'raw cane sugar, for refining', maintaining the present in quota rate of 98€/t.
>
> On tariff line 1701 1110 add 250 000 tonnes (erga omnes) under the EC tariff rate quota 'raw cane sugar, for refining', maintaining the present in quota rate of 98€/t.

This agreement will enter into force no later than two months after the date of the signed letter from Brazil.

On behalf of the European Community

B. Letter from Brazil

Place, date

Sir,

With reference to your letter stating:

> "Following negotiations under Article XXIV:6 and Article XXVIII of the General Agreement on Tariffs and Trade 1994 (GATT) relating to the modification of the Schedules of the Republic of Bulgaria and Romania in the course of their accession to the European Union, the European Community and Brazil have agreed as follows:
>
> The European Community will incorporate in its schedule, for the customs territory of EC 27, the following modifications:
>
> To incorporate in the schedule of the EC27 the concessions contained in the schedule of the EC25.
>
> On tariff lines 0201 3000, 0202 3090, 0206 1095 and 0206 2991 add 5000 t to the allocation of Brazil under the EC tariff rate quota 'boneless high quality meat of bovine animals, fresh, chilled or frozen', maintaining the present in quota rate of 20%.
>
> On tariff line 0202 3090, add 9000 t (erga omnes) under the EC tariff rate quota 'meat of bovine animals, frozen' maintaining the present in quota rate of 20% or 20% + 45% of the specific rate of duty.
>
> On tariff line 0207 1410, add 2500 t to the allocation of Brazil under the EC tariff rate quota 'cuts of fowls of the species Gallus domesticus', maintaining the present in quota rate of 0%.
>
> On tariff line 0207 2710, create a country allocation (Brazil) of 2500 t under the EC tariff rate quota 'cuts of turkey, frozen', maintaining the present in quota rate of 0%.
>
> On tariff line 1701 1110, add 300 000 t to the allocation of Brazil under the EC tariff rate quota 'raw cane sugar, for refining', maintaining the present in quota rate of 98€/t.
>
> On tariff line 1701 1110 add 250 000 tonnes (erga omnes) under the EC tariff rate quota 'raw cane sugar, for refining', maintaining the present in quota rate of 98€/t.
>
> This agreement will enter into force no later than two months after the date of the signed letter from Brazil."

I hereby have the honour to express my government's agreement.

On behalf of Brazil