

(2002/C 229 E/085)

**WRITTEN QUESTION E-0355/02****by Herbert Bösch (PSE) to the Commission**

(14 February 2002)

*Subject:* Circular traffic with export refunds

The Court of Auditors Special Report 7/2001 on export refunds notes that the Commission will verify the products for which export refunds should not be paid if a preferential arrangement applies when the same products are imported into the EU.

For which products traded between the EU and the candidate countries have export refunds been paid to date, despite a preferential arrangement?

Which products in which non-member States are affected?

In Estonia, because of inadequate precautions with regard to export refunds and preferential arrangements, a case of fraud involving butter has already been uncovered. Is the Commission aware of other cases of what is known as circular traffic? If so, which products and which countries were involved?

What is the Commission's estimate of the financial damage that has been caused in this way?

**Answer given by Mr Fischler on behalf of the Commission**

(29 April 2002)

The Community concluded in year 2000 with the candidate countries trade liberalisation agreements under which so-called 'double-zero-quotas' were included, i.e. duty-free import quotas and removal of the export refunds. The sectors included in the double-zero approach were pig meat, poultry meat, cheese (except Slovenia), tomatoes and apples. Though not generally included, cereals and butter were also partially liberalised in this way with Poland.

A second round of trade liberalisation negotiations was launched between the Union and the candidate countries in December 2001. One of the main aims of the new round of liberalisation is to establish duty-free tariff quotas and to remove the export refunds also in the sectors which were not generally negotiated in the year 2000 (e.g. cereals, beef meat, sheep meat, eggs, dairy products, wine).

With regard to Estonia, the Commission has concluded on 31 January 2002 an agreement that – pending approval by the Council – will enter into force on 1 July 2002 and on the basis of which export refunds for this destination will be removed in basically most sectors.

As regards the Estonian butter case, recovery procedures are ongoing for an amount of € 3,1 million of underpaid customs duties.

A possible abnormal movement of sugar from Croatia and the Federal Republic of Yugoslavia and of isoglucose from Bosnia-Herzegovina was recently detected, and a decision on the most appropriate course of action will be taken shortly by the services concerned.

(2002/C 229 E/086)

**WRITTEN QUESTION E-0357/02****by Michl Ebner (PPE-DE) to the Council**

(22 February 2002)

*Subject:* European Year of Mountains

The year 2002 is the 'European Year of Mountains' and should therefore be devoted to celebrating their special beauty and also to highlighting problems in mountainous areas.