

AGREEMENT

in the form of an Exchange of Letters between the European Coal and Steel Community and Ukraine extending the Agreement between the European Coal and Steel Community and Ukraine on trade in certain steel products for the period 1 January to 30 June 1997

Sir,

1. I have the honour to refer to the Agreement between the European Coal and Steel Community and Ukraine on trade in certain steel products signed on 15 December 1995, on to propose that, pending the completion of negotiations on a new bilateral steel agreement and of the formal procedures for its entry into force, the present ECSC agreement should be extended by a period of up to six months (i.e. from 1 January to 30 June 1997). If the new agreement enters into force before 1 July 1997, the present ECSC Agreement shall expire on the day on which the new agreement enters into force.
2. The quantitative limits for the period 1 January to 30 June 1997 shall be those shown in the Annex to this letter. These limits represent two thirds of the Ukraine's quantitative limits for 1996 and are without prejudice to the level at which quantitative limits for 1997 might be agreed with Ukraine under a new bilateral agreement.
3. Export licences issued by Ukraine during 1997 in accordance with the provisions of this exchange of letters and counted against the limits set out in the Annex hereto will be counted against the overall limits established for 1997 in the new agreement when the latter enters into force.
4. The Commission will inform Ukraine of any changes in the combined nomenclature (CN) in respect of products covered by the ECSC Agreement in accordance with the provisions of Article 1 of Protocol A.
5. In conclusion, I have the honour to propose that, if the above is acceptable to your Government, this letter and your confirmation shall together constitute an agreement between the European Coal and Steel Community and Ukraine, which shall enter into force on the first day of the month following the day on which the parties have notified each other that the procedures necessary to this end have been completed.

For the Commission

ANNEX

UKRAINE

QUANTITATIVE LIMITS

Products	(Tonnes)
	1 January to 30 June 1997
SA. Flat products	
SA1. Coils	26 857
SA2. Heavy plate	52 624
SA3. Other flat products	8 077
SB. Long products	
SB1. Beams	5 015
SB2. Wire rod	8 426
SB3. Other long products	38 892

DECLARATION

In the context of the Agreement in the form of an Exchange of Letters initialled in Kiev on 24 October 1996, and more particularly paragraph 2 thereof, the parties confirm that the quantitative limits for the first six months of 1997 have been set at two thirds of their 1996 level in order not to disrupt the trade in Ukrainian steel products, noting that more than half of annual exports normally take place during the first six months. The parties agree that the quantitative limits for the first six months of 1997 cannot be used to justify the setting at any particular level of quantitative limits under a new steel agreement.

Sir,

I have the honour to acknowledge receipt of your letter of ... which reads as follows:

'Sir,

1. I have the honour to refer to the Agreement between the European Coal and Steel Community and Ukraine on trade in certain steel products signed on 15 December 1995, and to propose that, pending the completion of negotiations and a new bilateral steel agreement and of the formal procedures for its entry into force, the present ECSC Agreement should be extended by a period of up to six months (i.e. from 1 January to 30 June 1997). If the new agreement enters into force before 1 July 1997, the present ECSC Agreement shall expire on the day on which the new agreement enters into force.
2. The quantitative limits for the period 1 January to 30 June 1997 shall be those shown in the Annex to this letter. These limits represent two thirds of Ukraine's quantitative limits for 1996 and are without prejudice to the level at which quantitative limits for 1997 might be agreed with Ukraine under a new bilateral agreement.
3. Export licences issued by Ukraine during 1997 in accordance with the provisions of this exchange of letters and counted against the limits set out in the Annex hereto will be counted against the overall limits established for 1997 in the new agreement when the latter enters into force.
4. The Commission will inform Ukraine of any changes in the combined nomenclature (CN) in respect of products covered by the ECSC Agreement in accordance with the provisions of Article 1 of Protocol A.
5. In conclusion, I have the honour to propose that, if the above is acceptable to your Government, this letter and your confirmation shall together constitute an agreement between the European Coal and Steel Community and Ukraine, which shall enter into force on the first day of the month following the day on which the parties have notified each other that the procedures necessary to this end have been completed.'

I have the honour to confirm that my Government is in agreement with the contents of your letter.

For the Government of Ukraine

ANNEX

UKRAINE

QUANTITATIVE LIMITS

		<i>(Tonnes)</i>
Products		1 January to 30 June 1997
SA. Flat products		
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