



COMMISSION OF THE EUROPEAN COMMUNITIES

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Proposal for a

COUNCIL DECISION

**concerning the conclusion of an agreement between the European Community and the
Russian Federation on trade in certain steel products**

(presented by the Commission)

EXPLANATORY MEMORANDUM

The Community's Partnership and Cooperation Agreement (PCA) with the Russian Federation provides that trade in certain steel products is governed by an Agreement between the Parties.

An earlier Agreement on trade between the Community and the Russian Federation in certain steel products covered the period from January 2005 to 31 December 2006. By its Decision of 13 November 2006, the Council authorised the Commission to negotiate a new Agreement. Negotiations have been completed successfully leading to the initialling of the new Agreement on 23 June 2007.

That new Agreement sets quantitative limits for imports into the Community of certain steel products and will apply from the date of entry into force until 31 December 2008 or until Russia's accession to the WTO, whichever date is earlier. If necessary, the Agreement is renewed annually.

Proposal for a

COUNCIL DECISION

concerning the conclusion of an agreement between the European Community and the Russian Federation on trade in certain steel products

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to the proposal from the Commission,

Whereas:

- (1) The Partnership and Cooperation Agreement between the European Communities and their Member States and the Russian Federation¹, hereinafter referred to as “the PCA”, entered into force on 1 December 1997.
- (2) Article 21(1) of the PCA provides that trade in certain steel products is governed by Title III of that Agreement with the exception of Article 15 thereof, and by the provisions of an agreement on quantitative arrangements.
- (3) For the years 1995-2006, trade in certain steel products was the subject of agreements between the Parties to the PCA. It is therefore appropriate to conclude a new agreement which takes account of the developments in the relationship between the Parties.
- (4) The Agreement should be approved,

HAS DECIDED AS FOLLOWS:

Article 1

1. The Agreement between the European Community and the Russian Federation on trade in certain steel products is hereby approved on behalf of the Community.
2. The text of the Agreement is attached to this Decision.

¹ OJ L 327, 28.11.1997, p. 3.

Article 2

The President of the Council is hereby authorised to designate the person(s) empowered to sign the Agreement in order to bind the Community.

Done at Brussels,

*For the Council
The President*

ANNEX

AGREEMENT BETWEEN THE EUROPEAN COMMUNITY AND THE RUSSIAN FEDERATION ON TRADE IN CERTAIN STEEL PRODUCTS

THE EUROPEAN COMMUNITY,

of the one part, and

THE RUSSIAN FEDERATION,

of the other part,

being the Parties to this Agreement,

Whereas the Partnership and Cooperation Agreement (hereinafter referred to as the “PCA”) establishing a partnership between the European Communities and their Member States, of the one part, and the Russian Federation, of the other part², entered into force on 1 December 1997;

Whereas the Parties are desirous to promote the orderly and equitable development of trade in steel between the European Community (hereinafter referred to as “the Community”) and the Russian Federation (hereinafter referred to as “Russia”);

Whereas Article 21 of the PCA provides that trade in the steel products of the former European Coal and Steel Community, hereinafter referred to as “ECSC”, shall be governed by Title III, save for Article 15 thereof, and by the provisions of an agreement;

Whereas this Agreement is the agreement referred to in Article 21 of the PCA;

Bearing in mind the process of accession of Russia to the World Trade Organisation (WTO) and Community support for the integration of Russia into the international trading system;

Whereas for the years 1995-2006 trade in certain steel products was the subject of agreements; it is appropriate to put in place a new agreement which takes account of developments in the relationship between the Parties;

Whereas this Agreement should be accompanied by cooperation between the Parties in respect of their steel industries, including appropriate exchanges of information, within the Contact Group on coal and steel as foreseen in Protocol 1 to the PCA,

² OJ L 327, 28.11.1997, p. 3.

HAVE AGREED AS FOLLOWS:

Article 1

1. This Agreement applies to trade in former ECSC steel products.
2. Trade in steel products set out in Annex I may be subject to quantitative limits.
3. Trade in steel products not set out in Annex I shall not be subject to quantitative limits.
4. In the case of steel products and subject matters which are not covered by this Agreement, the relevant provisions of the PCA shall apply.

Article 2

1. The Parties agree to establish and maintain for the period of validity of the present Agreement for each calendar year quantitative arrangements fixing the limits set out in Annex II on Russian exports to the Community of the products set out in Annex I. Such exports shall be subject to a double-checking system as specified in Protocol A attached to this Agreement.
2. The Parties agree that imports into the Community from Russia of products included in Annex I as from 1 January 2007 until the entry into force of this Agreement shall be deducted from the quantitative limits set out in Annex II.
3. Imports of quantities in excess of those mentioned in Annex II shall be authorised where the Community's steel industry is unable to meet the internal demand which results in a shortage of supply for one or more products listed in Annex I. Consultations shall take place immediately at the request of either Party to determine the level of the shortage on the basis of objective evidence. Following the conclusions of the consultations, the Community shall instigate its internal procedures to increase the quantitative limits set out in Annex II.
4. In the case where countries candidate for membership of the European Union would accede before the termination of this Agreement, the Parties agree to consider to increase the quantitative limits set out in Annex II.

Article 3

1. Imports into the customs territory of the Community for free circulation of the products set out in Annex I shall be subject to the presentation of an import authorization issued by the competent authority of a Member State based on the production of an export licence issued by the authorities of Russia, and to proof of origin in accordance with the provisions of Protocol A attached to this Agreement.

2. Imports into the customs territory of the Community of the products set out in Annex I shall not be subject to the quantitative limits set out in Annex II provided they are declared to be for re-export outside the Community in the same state or after processing, within the administrative system of control which exists within the Community.
3. Carry-over to the corresponding quantitative limits for the following calendar year of the amounts of quantitative limits not used during the first calendar year is authorized up to 7% of the relevant quantitative limit set out in Annex II for a product group in question for the year in which it was not used. Russia shall notify the Community no later than 31 March of the following year if it intends to make use of this provision.
4. Up to 7% of the quantitative limit for a given product group may be transferred to one or more other groups within the same product category, that is to say within categories SA or SB. Furthermore, transfers between SA and SB categories are permitted up to 25000 tonnes. In addition, up to another 25000 tonnes might be transferred between SA and SB following agreement between the Parties. After Russia's request to transfer this additional 25000 tonnes, the Community shall inform Russia of its decision within a reasonable period of time, possible within 60 days from the date of the receipt of the request. Such transfers can take place once in the course of a calendar year. Any adjustments to the quantitative limits resulting from transfers shall only affect the calendar year in progress. Russia shall notify the Community no later than 1 May if it intends to make use of this provision.

Article 4

1. With a view to rendering the double-checking system as effective as possible and to minimize the possibilities for abuse and circumvention:
 - the Community authorities shall inform Russia by the 28th of each month of the import authorizations issued during the preceding month;
 - the Russian authorities shall inform the Community by the 28th of each month of the export licences issued during the preceding month.

In the event of any significant discrepancy taking account of the time factors involved in respect of such information either Party may request consultations which shall be opened immediately.

2. Without prejudice to paragraph 1 and with a view to ensuring the effective functioning of this Agreement, the Community and Russia agree to take all necessary steps to prevent, to investigate and to take any necessary legal and/or administration action against circumvention, notably by transshipment, re-routing, false declaration concerning the country or place of origin, falsification of documents, false declaration concerning quantities, description or classification of merchandise. Accordingly, the Community and Russia agree to establish the necessary legal provisions and administrative procedures permitting effective action to be taken against such circumvention, which shall include the adoption of legally binding corrective measures against exporters and/or importers involved.

3. Should the Community believe on the basis of information available that this Agreement is being circumvented, the Community may request consultations with Russia which shall be held immediately.
4. Pending the results of the consultations referred to in paragraph 3, Russia shall, as a precautionary measure, and if so requested by the Community, take all necessary measures to ensure that, where sufficient evidence of circumvention is provided, adjustments of the quantitative limits liable to be agreed following the consultations referred to in paragraph 3, shall be carried out for the calendar year in which the request for consultations under paragraph 3 was made, or for the following year, if the limit for that calendar year is exhausted.
5. Should the Parties be unable in the course of the consultations referred to in paragraph 3 to reach a mutually satisfactory solution, the Community shall have the right:
 - (a) where there is sufficient evidence that products covered by this Agreement originating in Russia have been imported in circumvention of this Agreement, to set off the relevant quantities against the quantitative limits established under the Agreement.
 - (b) where sufficient evidence shows false declaration concerning quantities description or classification has occurred, to refuse to import the products in question.
6. The Parties agree to cooperate fully to prevent and to address effectively all problems arising from circumvention of this Agreement.

Article 5

1. The quantitative limits established under this Agreement on imports into the Community of the steel products set out in Annex I shall not be broken down by the Community into regional shares.
2. The Parties shall cooperate in order to prevent sudden and prejudicial changes in traditional trade flows into the Community. Should a sudden and prejudicial change in traditional trade flows arise (including regional concentration or the loss of traditional customers), the Community will be entitled to request consultations in order to find a satisfactory solution to the problem. Such consultations shall be held immediately.
3. Russia shall endeavour to ensure that exports into the Community of products set out in Annex I are spaced out as evenly as possible over the year. Should a sudden and prejudicial surge of imports arise, the Community will be entitled to request consultations in order to find a satisfactory solution to the problem. Such consultations shall be held immediately.
4. In addition to the obligation contained in paragraph 3, where licences issued by the Russian authorities have reached 90% of the quantitative limits for the calendar year in question, either Party may request consultations concerning the quantitative limits for that year. Such consultations shall be held immediately. Pending the outcome of such consultations the Russian authorities may continue to issue export licences for

the products set out in Annex I provided they do not exceed the quantities set out in Annex II.

Article 6

1. Where any product set out in Annex I is being imported into the Community from Russia under such conditions as to cause or threaten to cause substantial injury to Community producers of like products, the Community shall supply Russia with all relevant information with a view to seeking a solution acceptable to both Parties. The Parties shall commence consultations promptly.
2. Should the consultations referred to in paragraph 1 fail to lead to agreement within 30 days of the Community's request for consultations, the Community may utilise the right to take action concerning safeguard measures pursuant to the provisions of the PCA.
3. Notwithstanding the provisions of this Agreement, the provisions of Article 18 of the PCA shall apply.

Article 7

1. The classification of the products covered by this Agreement is based on the tariff and statistical nomenclature of the Community, hereinafter called the "combined nomenclature", or in abbreviated form "CN". Any amendment to the combined nomenclature (CN) made in accordance with the procedures in force in the Community concerning the products set out in Annex I or any decision relating to the classification of goods shall not have the effect of reducing the quantitative limits of the products set out Annex II.
2. The origin of the products covered by this Agreement shall be determined in accordance with the rules in force in the Community. Any amendment to these rules of origin shall be communicated to Russia and shall not have the effect of reducing the quantitative limits of this Agreement. The procedures for control of the origin of the products referred to above are laid down in Protocol A attached to this Agreement.

Article 8

1. Without prejudice to the periodic exchange of information on export licences and import authorizations pursuant to Article 4 (1), the Parties agree to exchange available statistical information relating to trade in the products set out in Annex I at appropriate intervals, taking account of the shortest periods in which the information in question is prepared, which shall cover export licences and import authorizations issued pursuant to Article 3 and import and export statistics in respect of the products in question.
2. Either Party may request consultations in the event of any significant discrepancy between the information exchanged.

Article 9

1. Without prejudice to provisions concerning consultations provided for in respect of specific circumstances in preceding Articles, consultations shall be held on any problems arising from the application of this Agreement at the request of either Party. Any consultations shall take place in a spirit of cooperation and with a desire to reconcile the differences between the Parties.
2. Where this Agreement provides that consultations shall be held immediately, the Parties undertake to use all reasonable means to ensure that this is achieved.
3. All other consultations shall be governed by the following provisions:
 - any request for consultations shall be notified in writing to the other Party,
 - where appropriate, the request shall be followed within a reasonable period by a report setting out the reasons for the consultations,
 - consultations shall begin within one month from the date of the request,
 - consultations shall endeavour to arrive at a mutually acceptable result within one month of their commencement, unless the period is extended by agreement between the Parties.

Article 10

1. This Agreement shall enter into force on the day of its signature. It shall remain in force until 31 December 2008 subject to any modifications agreed by the Parties and unless it is denounced or terminated in accordance with the provisions of paragraphs 3 or 4. After 31 December 2008 this Agreement shall be automatically renewed year by year provided that neither Party gives the other Party written notice of denunciation of the Agreement at least six months before it expires. With each yearly renewal, quantities in every product group shall be increased by 2,5%.
2. Either Party may at any time propose modifications to this Agreement which shall require the mutual consent of the Parties and take effect as agreed by them.
3. Either Party may denounce this Agreement, provided that at least six months' notice is given. In that event, the Agreement shall come to an end on the expiry of the period of notice and the limits established by this Agreement shall be reduced on a pro rata basis up to the date on which denunciation takes effect unless the Parties decide otherwise.
4. In the event that Russia accedes to the WTO before the expiration of this Agreement, the Agreement shall be terminated as of the date of accession.
5. The Annexes, the agreed minute, the declarations and Protocol A attached to this Agreement shall form an integral part thereof.

This Agreement shall be drawn up in duplicate in the Bulgarian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish, Swedish and Russian languages, each of these texts being equally authentic.

Done at on

For the European Community

For the Russian Federation

ANNEX I

SA Flat-rolled products

| | | | | |
|-------------------|--|---------------|---------------|---|
| <i>SA1. Coils</i> | <i>SA2. Heavy Plate</i> | 7209 17 90 00 | 7212 10 10 00 | |
| | | 7209 18 10 00 | 7212 10 90 11 | 7219 35 10 00 |
| 7208 10 00 00 | 7208 40 00 10 | 7209 18 91 00 | 7212 20 00 11 | 7219 35 90 00 |
| 7208 25 00 00 | | 7209 18 99 00 | 7212 30 00 11 | |
| 7208 26 00 00 | 7208 51 20 10 | 7209 25 00 00 | 7212 40 20 10 | |
| 7208 27 00 00 | 7208 51 20 91 | 7209 26 10 00 | 7212 40 20 91 | 7225 40 12 90 |
| 7208 36 00 00 | 7208 51 20 93 | 7209 26 90 00 | 7212 40 80 11 | 7225 40 90 00 |
| | 7208 51 20 97 | 7209 27 10 00 | 7212 50 20 11 | |
| 7208 37 00 10 | 7208 51 20 98 | 7209 27 90 00 | 7212 50 30 11 | <i>SA4. Alloyed products</i> |
| | | | | |
| 7208 37 00 90 | 7208 51 91 00 | 7209 28 10 00 | 7212 50 40 11 | |
| 7208 38 00 10 | | 7209 28 90 00 | 7212 50 61 11 | 7226 20 00 10 |
| 7208 38 00 90 | 7208 51 98 10 | 7209 90 80 10 | 7212 50 69 11 | 7226 91 20 00 |
| 7208 39 00 10 | 7208 51 98 91 | | 7212 50 90 13 | 7226 91 91 00 |
| 7208 39 00 90 | 7208 51 98 99 | 7210 11 00 10 | | |
| 7211 14 00 10 | 7208 52 91 00 | 7210 12 20 10 | 7212 60 00 11 | 7226 91 99 00 |
| 7211 19 00 10 | | 7210 12 80 10 | 7212 60 00 91 | 7226 99 70 10 |
| 7219 11 00 00 | 7208 52 10 00 | 7210 20 00 10 | | |
| 7219 12 10 00 | 7208 52 99 00 | 7210 30 00 10 | 7219 21 10 00 | <i>SA5. Alloyed quarto plates</i> |
| | | | | |
| 7219 12 90 00 | 7208 53 10 00 | 7210 41 00 10 | 7219 21 90 00 | |
| 7219 13 10 00 | | 7210 49 00 10 | 7219 22 10 00 | 7225 40 12 30 |
| 7219 13 90 00 | 7211 13 00 00 | 7210 50 00 10 | 7219 22 90 00 | |
| 7219 14 10 00 | | 7210 61 00 10 | 7219 23 00 00 | 7225 40 40 00 |
| 7219 14 90 00 | <i>SA3. Other flat rolled products</i> | 7210 69 00 10 | | |
| | | | | |
| | | 7210 70 10 10 | 7219 24 00 00 | 7225 40 60 00 |
| 7225 30 10 00 | 7208 40 00 90 | 7210 70 80 10 | 7219 31 00 00 | 7225 99 00 10 |
| 7225 30 30 10 | 7208 53 90 00 | 7210 90 30 10 | | |
| 7225 30 90 00 | 7208 54 00 00 | 7210 90 40 10 | | <i>SA6. Alloyed cold rolled and coated sheets</i> |
| | | | | |
| | | | | |
| 7225 40 15 10 | | 7210 90 80 91 | 7219 32 10 00 | |
| 7225 50 20 10 | 7208 90 80 10 | | 7219 32 90 00 | 7225 50 80 00 |
| | | 7211 14 00 90 | | 7225 91 00 10 |
| | | 7211 19 00 90 | 7219 33 10 00 | 7225 92 00 10 |
| | 7209 15 00 00 | 7211 23 30 91 | 7219 33 90 00 | 7226 92 00 10 |
| | | | | |
| | 7209 16 10 00 | 7211 23 80 91 | | |
| | 7209 16 90 00 | 7211 29 00 10 | 7219 34 10 00 | |
| | 7209 17 10 00 | 7211 90 80 10 | 7219 34 90 00 | |

**SB Long
products**

SB1. Beams

7207 19 80 10
7207 20 80 10

7216 31 10 00

7216 31 90 00

7216 32 11 00

7216 32 19 00

7216 32 91 00

7216 32 99 00

7216 33 10 00

7216 33 90 00

SB2. Wire rod

7213 10 00 00

7213 20 00 00

7213 91 10 00

7213 91 20 00

7213 91 41 00

7213 91 49 00

7213 91 70 00

7213 91 90 00

7213 99 10 00

7213 99 90 00

7221 00 10 00

7221 00 90 00

7227 10 00 00

7227 20 00 00

7227 90 10 00

7227 90 50 00

7227 90 95 00

*SB3. Other
longs*

7207 19 12 10

7207 19 12 91

7207 19 12 99

7207 20 52 00

7214 20 00 00

7214 30 00 00

7214 91 10 00

7214 91 90 00

7214 99 10 00

7214 99 31 00

7214 99 39 00

7214 99 50 00

7214 99 71 00

7214 99 79 00

7214 99 95 00

7215 90 00 10

7216 10 00 00

7216 21 00 00

7216 22 00 00

7216 40 10 00

7216 40 90 00

7216 50 10 00

7216 50 91 00

7216 50 99 00

7216 99 00 10

7218 99 20 00

7222 11 11 00

7222 11 19 00

7222 11 81 00

7222 11 89 00

7222 19 10 00

7222 19 90 00

7222 30 97 10

7222 40 10 00

7222 40 90 10

7224 90 02 89

7224 90 31 00

7224 90 38 00

7228 10 20 00

7228 20 10 10

7228 20 10 91

7228 20 91 10

7228 20 91 90

7228 30 20 00

7228 30 41 00

7228 30 49 00

7228 30 61 00

7228 30 69 00

7228 30 70 00

7228 30 89 00

7228 60 20 10

7228 60 80 10

7228 70 10 00

7228 70 90 10

7228 80 00 10

7228 80 00 90

7301 10 00 00

ANNEX II

QUANTITATIVE LIMITS

| <u>Products</u> | (tonnes) | |
|--|-----------|-----------|
| | Year 2007 | Year 2008 |
| <u>SA. Flat products</u> | | |
| SA1. Coils | 1.042.090 | 1.035.000 |
| SA2. Heavy plate | 270.820 | 275.000 |
| SA3. Other flat products | 565.770 | 595.000 |
| SA4. Alloyed products | 94.860 | 105.000 |
| SA5. Alloyed quarto plates | 20.460 | 25.000 |
| SA6. Alloyed cold-rolled and coated sheets | 105.000 | 110.000 |
| <u>SB. Long products</u> | | |
| SB1. Beams | 55.800 | 55.000 |
| SB2. Wire rod | 275.000 | 324.000 |
| SB3. Other long products | 474.200 | 507.000 |

Note: SA and SB are product categories
SA1 to SA6 and SB1 to SB3 are product groups

Agreed minute No 1

In the context of this Agreement, the Parties agree that:

- in pursuance of the exchange of information provided for in Article 4(1) concerning export licences and import authorizations, the Parties will supply that information by reference to the Member States in addition to the Community as a whole,
- if the Parties are unable to reach a satisfactory solution during the consultations provided for in Article 5(2), Russia will cooperate, if so requested by the Community, by not issuing export licences for an intended destination where imports pursuant to such licences would aggravate the problems resulting from sudden and prejudicial changes in traditional trade flows, it being understood that Russia may continue to issue licences for other Community destinations,
- the Parties will cooperate closely in order to prevent sudden and prejudicial changes in traditional trade flows in respect of coils (product group SA1); Russia will give priority to deliveries to its traditional customers for these products in order to avoid disturbing the Community market, and both Parties will inform the other immediately in the event of any emerging problems, and
- Russia will take due account of the sensitive nature of small regional markets within the Community both as regards their traditional needs for supplies and the avoidance of regional concentrations.

Declaration No 1

In the case Russian operators were to set up service centers in the Community that would further process products covered by this Agreement imported from Russia, Russia declares that it could request an increase of quantitative limits mentioned in Annex II. In this case, the Community will examine such request of increase and the Parties will enter into consultations if required.

Declaration No 2

The Parties declare that they aim at achieving complete liberalisation of trade in steel products. Both Parties also recognize that it is an important condition for promoting trade between them that competition, state aid and environment provisions applicable within each Party must be compatible. To this end, and upon request from Russia, the Community shall provide technical assistance, within relevant earmarked budgetary limits, to help Russia to adopt and implement legislative provisions compatible with those adopted and applied by the Community. The technical assistance shall be channelled through detailed projects agreed by both Parties.

Declaration No 3

The Parties agree that they shall not apply with respect to the other Party quantitative restrictions, customs duties, charges or any similar measures on the export of ferrous waste and scrap under the EC Combined Nomenclature heading 7204, without prejudice to the provisions of Article 19 of the PCA.

Without prejudice to the previous paragraph, Russia applies currently a tax on exports of ferrous waste and scrap under the EC Combined Nomenclature 7204. The tax is currently set at 15% but not less than € 15 per tonne for all products of 7204, except for product 7204 41 00 where the tax is set at 5%.

The Parties agree to continue the discussion to find a satisfactory solution. Furthermore, it is understood that the quantitative limits set out in Annex II of the Agreement would be increased by 12% if Russia removes completely the tax or by a lower percentage to be determined if such tax is reduced, provided that no other measures that would constitute an obstacle to free export are introduced by Russia.

The products of particular interest for the Community are: 7204 10 00, 7204 21 10, 7204 41 10, 7204 49 10, 7204 49 30, 7204 49 91 and 7204 49 99.

PROTOCOL A

TITLE I

CLASSIFICATION

Article 1

The competent authorities of the Community undertake to inform Russia of any changes in the combined nomenclature (CN) with complete description of products covered by this Agreement at least one month before the date of their entry into force in the Community.

TITLE II

ORIGIN

Article 2

1. Products covered by this Agreement originating in Russia (origin as defined by the relevant Community Regulations) to be exported to the Community in accordance with the arrangements established by this Agreement shall be accompanied by a certificate of Russian origin conforming to the model annexed to this Protocol.
2. The certificate of origin shall be certified by the competent Russian organizations authorized under Russian legislation as to whether the products in question can be considered products originating in that country.

Article 3

The certificate of origin shall be issued only on application in writing by the exporter or, under the exporter's responsibility, by his authorized representative. The competent Russian organizations authorized under Russian legislation shall ensure that the certificate of origin is properly completed and for this purpose they shall request for any necessary documentary evidence or carry out any checking which they consider appropriate.

Article 4

The discovery of slight discrepancies between the statements made in the certificate of origin and those made in the documents produced to the customs office for the purpose of carrying out the necessary formalities for importing the products shall not ipso facto cast doubt upon the statements in the certificate.

TITLE III

DOUBLE-CHECKING SYSTEM FOR PRODUCTS SUBJECT TO QUANTITATIVE LIMITS

SECTION I

Exportation

Article 5

The appropriate Russian governmental authorities shall issue an export licence in respect of all consignments from Russia of steel products covered by the Agreement up to the relevant quantitative limits set out in Annex II to the Agreement.

Article 6

1. The export licence shall conform to the model annexed to this Protocol and it shall be valid for exports throughout the customs territory of the Community.
2. Each export licence must certify inter alia that the quantity of the product in question has been set off against the relevant quantitative limit established for the product concerned in Annex II to the Agreement.

Article 7

The competent authorities of the Community must be informed immediately of the withdrawal or modification of any export licence already issued.

Article 8

1. Exports shall be set off against the quantitative limits established for the year in which the shipment of goods has been effected even if the export licence is issued after such shipment.
2. For the purposes of applying paragraph 1, shipment of goods is considered to have taken place on the date of their loading onto the exporting transport as evidenced by their bill of lading or other transport document.

SECTION II

Importation

Article 9

The release for free circulation into the Community of the products covered by the Agreement shall be subject to the presentation of an import authorization.

Article 10

1. The presentation by the importer of an export licence shall be made not later than 31 March of the year following that in which the goods covered by the licence have been shipped.
2. The competent authorities of the Community shall issue the import authorization referred to in Article 9, within 10 working days of the presentation by the importer of the original of the corresponding export licence.
3. The import authorizations shall be valid for four months from the date of their issue for importation throughout the customs territory of the Community.
4. The competent authorities of the Community shall cancel the import authorization already issued whenever the corresponding export licence has been withdrawn.

However, if the competent authorities of the Community are notified of the withdrawal or the cancellation of the export licence only after the release for free circulation of the products into the Community, the relevant quantities shall be set off against the limits established for the product.

Article 11

If the competent authorities of the Community find that the total quantity of the products covered by export licences issued by the competent authorities of Russia exceed the limits set out in Annex II to the Agreement, the Community authorities shall suspend the further issue of import authorizations. In this event, the competent authorities of the Community shall immediately inform the competent authorities of Russia and immediate consultations pursuant to Article 9(2) of the Agreement shall be initiated.

TITLE IV

FORM AND PRODUCTION OF EXPORT LICENCES AND CERTIFICATES OF ORIGIN, AND COMMON PROVISIONS CONCERNING EXPORTS TO THE COMMUNITY

Article 12

1. The export licence and the certificate of origin may comprise additional copies duly indicated as such. They shall be made out in English. If they are completed by hand, entries must be in ink and in printed script.

These documents shall measure 210 x 297 mm. The paper used shall be white writing paper, sized, not containing mechanical pulp, and weighing not less than 25 g/m²; If the documents have several copies only the top copy, which is the original, shall be printed with the guilloche pattern background. This copy shall be clearly marked 'original' and the other copies 'copies'. Only the original shall be accepted by the competent authorities of the Community as being valid for the purpose of export to the Community in accordance with the provisions of the Agreement.

2. Each document shall bear a standardized serial number, whether or not printed, by which it can be identified.

This number shall be composed of the following elements:

- two letters identifying the exporting country as follows: RU,
- two letters identifying the intended Member State of customs clearance as follows:

BE = Belgium

BG = Bulgaria

CZ = Czech Republic

DK = Denmark

DE = Germany

EE = Estonia

EL = Greece

ES = Spain

FR = France

IE = Ireland

IT = Italy

CY = Cyprus

LV = Latvia

LT = Lithuania

LU = Luxembourg

HU = Hungary

MT = Malta

NL = Netherlands

AT = Austria

PL = Poland

PT = Portugal

RO = Romania

SI = Slovenia
SK = Slovakia
FI = Finland
SE = Sweden
GB = United Kingdom,

- a one-digit number identifying the year in question corresponding to the last figure in the year, e.g. '7' for year 2007,
- a two-digit number from 01 to 99, identifying the particular issuing office concerned in exporting country,
- a five-digit number running consecutively from 00001 to 99999 allocated to the intended Member State of customs clearance.

Article 13

The export licence and the certificate of origin may be issued after the shipment of the products to which they relate. In such cases, they must bear the endorsement 'issued retrospectively'.

Article 14

1. In the event of the theft, loss or destruction of an export licence or a certificate of origin, the exporter may apply to the competent Russian authorities which issued the document for a duplicate to be made out on the basis of the export documents in his possession. The duplicate of any such certificate or licence so issued shall bear the endorsement 'duplicate'.
2. The duplicate shall bear the date of the original export licence or certificate of origin.

TITLE V

ADMINISTRATIVE COOPERATION

Article 15

The Community and Russia shall cooperate closely in the implementation of the provisions of this Protocol. To this end, contacts and exchanges of views, including on technical matters, shall be facilitated by both Parties.

Article 16

In order to ensure the correct application of this Protocol, the Community and Russia offer mutual assistance for the checking of the authenticity and the accuracy of export licences issued and certificates of origin issued or of any declarations made within the terms of this Protocol.

Article 17

Russia shall send the Community (European Commission) the names and addresses of the competent Russian governmental authorities which are authorized to issue and to verify export licences and the competent Russian organizations authorized under Russian legislation to issue certificates of origin together with specimens of the stamps and signatures they use. Russia shall also notify the Community (European Commission) of any change in these particulars.

Article 18

1. Subsequent verification of certificates of origin or export licences shall be carried out at random, or whenever the competent Community authorities have reasonable doubt as to the authenticity of the certificate or licence or as to the accuracy of the information regarding the true origin of the products in question.
2. In such cases, the competent authorities in the Community shall return the certificate of origin or the export licence or a copy thereof to the appropriate Russian authorities giving, where appropriate, the reasons of form or substance which justify an enquiry. If the invoice has been submitted, such invoice or a copy thereof shall be attached to the certificate or to the licence or their copies. The authorities shall also forward any information that has been obtained suggesting that the particulars given on the said certificate or licence are inaccurate.
3. The provisions of paragraph 1 shall also apply to subsequent verifications of the certificates of origin provided for in Article 2 of this Protocol.
4. The results of the subsequent verifications carried out in accordance with paragraphs 1 and 2 shall be communicated to the competent authorities of the Community within three months at the latest. The information communicated shall indicate whether the disputed certificate or licence applies to the goods actually exported and whether these goods are eligible for export under the arrangements established by the Agreement. The information shall also include, at the request of the Community, copies of all the documentation necessary to fully determine the facts, and in particular the true origin of the goods.
5. For the purpose of subsequent verification of certificates of origin, copies of the certificates as well as any export documents referring to them shall be kept by the competent Russian organizations for at least one year following the end of the Agreement.
6. Recourse to the random verification procedure specified in this Article must not constitute an obstacle to the release for free circulation of the products in question.

Article 19

1. Where the verification procedure referred to in Article 18 or where information available to the competent authorities of the Community or of Russia indicates or appears to indicate that the provisions of this Agreement are being circumvented or infringed, the two Parties shall cooperate closely and with the appropriate urgency in order to prevent any such circumvention or infringement.
2. To this end, the appropriate Russian authorities shall, on their own initiative or at the request of the Community, carry out appropriate inquiries, or arrange for such inquiries to be carried out, concerning operations which are, or appear to the Community to be, in circumvention or infringement of this Protocol. Russia shall communicate the results of these inquiries to the Community, including any other pertinent information enabling the cause of the circumvention or infringement, including the true origin of the goods to be determined.
3. By agreement between the Community and Russia, officials designated by the Community may be present at the inquiries referred to in paragraph 2.
4. In pursuance of the cooperation referred to in paragraph 1, the competent authorities of the Community and Russia shall exchange any information considered by either Party to be of use in preventing circumvention or infringement of the provisions of this Agreement. These exchanges may include information on the trade in the type of products covered by this Agreement between Russia and third countries, particularly where the Community has reasonable grounds to consider that the products in question may be in transit across the territory of Russia prior to their importation into the Community. This information may include, at the request of the Community, copies of all relevant documentation, where available.
5. Where sufficient evidence shows that the provisions of this Protocol have been circumvented or infringed, the competent authorities of Russia and the Community may agree to take any measures necessary to prevent a recurrence of such circumvention or infringement.

EXPORT LICENCE

| | | | | |
|--|---|----------------------------|-----------------------------|-----------|
| 1 Exporter (name, full address, country) | ORIGINAL | | 2 | No |
| | 3 Year | 4 Product group | | |
| 5 Consignee (name, full address, country) | EXPORT LICENCE (for certain steel products) | | | |
| | 6 Country of origin | 7 Country of destination | | |
| 8 Place and date of shipment – means of transport | 9 Supplementary details | | | |
| 10 Description of goods – manufacturer | 11 TARIC code | 12 Quantity ⁽¹⁾ | 13 Fob value ⁽²⁾ | |
| <p>14 CERTIFICATION BY THE COMPETENT AUTHORITY</p> <p>I, the undersigned, certify that the goods described above have been charged against the quantitative limit established for the year shown in box No 3 in respect of the Product group shown in box No 4 by the provisions regulating trade in certain steel products with the European Community.</p> | | | | |
| 15 Competent authority (name, full address, country) | At on | | | |
| | (Signature) | (Stamp) | | |

(1) Show net weight (kg) and also quantity in the unit prescribed where other than net weight.
 (2) In the currency of the sale contract.

EXPORT LICENCE

| | | | | |
|--|---|----------------------------|-----------------------------|-----------|
| 1 Exporter (name, full address, country) | COPY | | 2 | No |
| | 3 Year | 4 Product group | | |
| 5 Consignee (name, full address, country) | EXPORT LICENCE (for certain steel products) | | | |
| | 6 Country of origin | 7 Country of destination | | |
| 8 Place and date of shipment – means of transport | 9 Supplementary details | | | |
| 10 Description of goods – manufacturer | 11 TARIC code | 12 Quantity ⁽¹⁾ | 13 Fob value ⁽²⁾ | |
| <p>14 CERTIFICATION BY THE COMPETENT AUTHORITY</p> <p>I, the undersigned, certify that the goods described above have been charged against the quantitative limit established for the year shown in box No 3 in respect of the Product group shown in box No 4 by the provisions regulating trade in certain steel products with the European Community.</p> | | | | |
| 15 Competent authority (name, full address, country) | At on (Signature) (Stamp) | | | |

(1) Show net weight (kg) and also quantity in the unit prescribed where other than net weight.
 (2) In the currency of the sale contract.

CERTIFICATE OF ORIGIN

| | | | | |
|---|---|----------------------------|-----------------------------|--|
| 1 Exporter (name, full address, country) | ORIGINAL | | 2 | |
| | | | No | |
| | 3 Year | 4 Product group | | |
| 5 Consignee (name, full address, country) | CERTIFICATE OF ORIGIN (for certain steel products) | | | |
| | 6 Country of origin | 7 Country of destination | | |
| 8 Place and date of shipment – means of transport | 9 Supplementary details | | | |
| 10 Description of goods – manufacturer | 11 CN code | 12 Quantity ⁽¹⁾ | 13 Fob value ⁽²⁾ | |
| 14 CERTIFICATION BY THE COMPETENT AUTHORITY | | | | |
| I, the undersigned, certify that the goods described above originated in the country shown in box No 6, in accordance with the provisions in force in the European Community. | | | | |
| 15 Competent authority (name, full address, country) | At on (Signature) (Stamp) | | | |

(1) Show net weight (kg) and also quantity in the unit prescribed where other than net weight.
 (2) In the currency of the sale contract.

CERTIFICATE OF ORIGIN

| | | | |
|---|--|----------------------------|-----------------------------|
| 1 Exporter (name, full address, country) | COPY | 2 No | |
| | 3 Year | 4 Product group | |
| 5 Consignee (name, full address, country) | CERTIFICATE OF ORIGIN (for certain steel products) | | |
| | 6 Country of origin | 7 Country of destination | |
| 8 Place and date of shipment – means of transport | 9 Supplementary details | | |
| 10 Description of goods – manufacturer | 11 CN code | 12 Quantity ⁽¹⁾ | 13 Fob value ⁽²⁾ |
| 14 CERTIFICATION BY THE COMPETENT AUTHORITY | | | |
| I, the undersigned, certify that the goods described above originated in the country shown in box No 6, in accordance with the provisions in force in the European Community. | | | |
| 15 Competent authority (name, full address, country) | At on | | |
| | (Signature) | (Stamp) | |

(1) Show net weight (kg) and also quantity in the unit prescribed where other than net weight.

(2) In the currency of the sale contract.