

**AGREEMENT****in the form of an Exchange of Letters between the European Community and the Republic of India  
of the supply of raw sugar to be refined***A. Letter No 1***SPECIAL PREFERENTIAL SUGAR FROM INDIA**

The representatives of India and the European Community have agreed as follows:

1. For the period 1 July 2001 to 30 June 2006:
  - the Community undertakes to open annually a special tariff quota for the import of raw cane sugar for refining which originate in India, on the basis of the needs determined by the Commission of the European Communities in accordance with point 3,
  - in the event of import needs being established, India undertakes to supply 10 000 tonnes (white sugar equivalent) under this tariff quota and under the conditions fixed by this Agreement and by the measures taken by the Commission for the application of this Agreement within the framework of the management of the common organisation of the markets in the sugar sector. Nothing in this indent should prevent the Community offering to India the possibility to supply more than 10 000 tonnes in the event of a shortfall in the total supplies obtained under other agreements.
2. The Commission and India shall establish the cooperation procedures necessary to enable the two Parties to this Agreement to meet the commitments entered into.
3. The import needs of raw sugar for refining under this Agreement shall be established by marketing year on the basis of a Community forward estimate taking account of:
  - the provisions of Council Regulation (EC) No 1260/2001, and in particular Article 39 thereof, concerning the system of preferential import,
  - the quantities which will be offered within the framework of other agreements or other unilateral concessions and which will actually be imported.
4. The special reduced rate of duty shall be fixed for the 2001/2002 to 2005/2006 marketing years at EUR 0 per 100 kg raw sugar of standard quality.

Refiners wishing to participate in this special reduced duty system must pay a minimum purchase price which is equal to the guaranteed price for raw sugar reduced by the adjustment aid fixed for the marketing year concerned in accordance with Article 38 of Regulation (EC) No 1260/2001 mentioned under point 3.
5. Before 1 January 2006, the two Parties to this Agreement shall open discussions on its possible continuation.

I should be obliged if you would acknowledge receipt of this letter and confirm that this letter and your reply constitute an Agreement between the Government of India and the Community.

Please accept, Sir, the assurance of my highest consideration.

*On behalf of the Council of the European Union*

*B. Letter No 2*

Sir,

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

- '1. For the period 1 July 2001 to 30 June 2006:
  - the Community undertakes to open annually a special tariff quota for the import of raw cane sugar for refining which originate in India, on the basis of the needs determined by the Commission of the European Communities in accordance with point 3,
  - in the event of import needs being established, India undertakes to supply 10 000 tonnes (white sugar equivalent) under this tariff quota and under the conditions fixed by this Agreement and by the measures taken by the Commission for the application of this Agreement within the framework of the management of the common organisation of the markets in the sugar sector. Nothing in this indent should prevent the Community offering to India the possibility to supply more than 10 000 tonnes in the event of a shortfall in the total supplies obtained under other agreements.
2. The Commission and India shall establish the cooperation procedures necessary to enable the two Parties to this Agreement to meet the commitments entered into.
3. The import needs of raw sugar for refining under this Agreement shall be established by marketing year on the basis of a Community forward estimate taking account of:
  - the provisions of Council Regulation (EC) No 1260/2001, and in particular Article 39 thereof, concerning the system of preferential import,
  - the quantities which will be offered within the framework of other agreements or other unilateral concessions and which will actually be imported.
4. The special reduced rate of duty shall be fixed for the 2001/2002 to 2005/2006 marketing years at EUR 0 per 100 kg raw sugar of standard quality.

Refiners wishing to participate in this special reduced duty system must pay a minimum purchase price which is equal to the guaranteed price for raw sugar reduced by the adjustment aid fixed for the marketing year concerned in accordance with Article 38 of Regulation (EC) No 1260/2001 mentioned under point 3.
5. Before 1 January 2006, the two Parties to this Agreement shall open discussions on its possible continuation.

I should be obliged if you would acknowledge receipt of this letter and confirm that this letter and your reply constitute an Agreement between the Government of India and the Community.'

I have the honour to confirm the agreement of the Government of the Republic of India with the foregoing.

Please accept, Sir, the assurance of my highest consideration.

*For the Government of the Republic of India*

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