



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 19.11.1999
COM(1999) 595 final

1999/0241 (ACC)

Proposal for a

COUNCIL REGULATION

on the conclusion of the Agreement in the form of an Exchange of Letters between the European Community and the Republic of Tunisia concerning the arrangements for the import into the Community of olive oil originating in Tunisia, laying down general rules for the import and repealing Regulation (EC) No 906/98

(presented by the Commission)

EXPLANATORY MEMORANDUM

1. Protocol 1 to the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Republic of Tunisia, of the other part, in force since 1 March 1998, lays down special arrangements for olive oil originating in Tunisia.
2. These provide for reduced customs duty on imports between 1 January 1996 and 31 December 1999 of up to 46 000 tonnes per marketing year of untreated olive oil originating in Tunisia.

The arrangements expire on 31 December 1999. However, the Agreement also provides for the situation to be reassessed during the second half of 1999 with a view to determining the arrangements to apply from 1 January 2000.

3. Time is too short to conclude the reassessment referred to in point 2 before the end of 1999. So as not to interrupt the traditional trade in olive oil pending its conclusion, the current arrangements should be provisionally extended by one year while continuing to examine the situation with a view to determining the arrangements to apply from 1 January 2001.
4. Consultations with Tunisia on this matter have resulted in the draft exchange of letters which is attached to the enclosed proposal.
5. The purpose of this proposal is to ask the Council to approve the exchange of letters with Tunisia and lay down the measures needed to implement them, and to repeal any rules which have become obsolete.

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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 subparagraph of Article 300(2) thereof,

Having regard to Council Regulation No 136/66/EEC of 22 September 1966 on the establishment of a common organisation of the market in oils and fats¹, as last amended by Regulation (EC) No 1638/98², and in particular Article 36 thereof,

Having regard to the proposal from the Commission,

Whereas:

- (1) Article 3 of Protocol 1 to the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Republic of Tunisia, of the other part³, provides for customs duty of EUR 7,81 per 100 kg on imports into the Community between 1 January 1996 and 31 December 1999 of up to 46 000 tonnes per marketing year of untreated olive oil of CN code 1509 10 10 or 1509 10 90 wholly obtained in Tunisia and transported directly from that country to the Community.
- (2) This arrangement is due to expire on 31 December 1999.
- (3) An Agreement has been reached in the form of an Exchange of Letters between the European Community and the Republic of Tunisia with a view to extending the current arrangements to the period 1 January 2000 to 31 December 2000.
- (4) Council Regulation (EC) No 906/98 laying down general rules for the import of olive oil originating in Tunisia⁴ no longer applies under the new Agreement. It should therefore be formally repealed and new general rules laid down for the period 1 January 2000 to 31 December 2000.
- (5) In order to facilitate the implementation of the provisions of the Agreement, the Commission, in accordance with the procedure laid down in Article 38 of Regulation

¹ OJ 172, 30.9.1966, p. 3025/66.

² OJ L 210, 28.7.1998, p. 32.

³ OJ L 97, 30.3.1998, p. 2.

⁴ OJ L 128, 30.4.1998, p. 20.

No 136/66/EEC, should be authorised to adopt the necessary measures. As these measures are management measures within the meaning of Article 2 of Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission, they must be adopted in accordance with the management procedure laid down in Article 4 of that Decision.

HAS ADOPTED THIS REGULATION:

Article 1

The Agreement in the form of an Exchange of Letters between the European Community and the Republic of Tunisia on imports into the Community of untreated olive oil originating in Tunisia is hereby approved on behalf of the Community.

The text of the Agreement is attached to this Regulation.

Article 2

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

Article 3

1. The quota of 46 000 tonnes per marketing year of untreated olive oil of CN code 1509 10 10 or 1509 10 90, wholly obtained in Tunisia and transported directly from that country to the Community, to which a customs duty of EUR 7,81 per 100 kg applies, shall be opened and managed by the Commission, assisted by the Management Committee for Oils and Fats established by Article 37 of Regulation No 136/66/EEC.
2. The management procedure laid down in Article 4 of Commission Decision 1999/468/EC shall apply when implementing paragraph 1.
The period provided for in Article 4(3) of Decision 1999/468/EC shall be one month.
3. The special arrangements laid down by this Regulation for the import of olive oil originating in Tunisia shall apply between 1 January 2000 and 31 December 2000.

Article 4

Council Regulation (EC) No 906/98 is hereby repealed.

Article 5

This Regulation shall enter into force on the seventh day following its publication in the *Official Journal of the European Communities*.

It shall apply from 1 January 2000.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

*For the Council
The President*

ANNEX

AGREEMENT IN THE FORM OF AN EXCHANGE OF LETTERS

between the European Community and the Republic of Tunisia on the arrangements
for the import into the Community of olive oil originating in Tunisia

A. Letter from the European Community

Brussels,

Sir,

I have the honour to refer to the consultations which took place, under Article 3(3) of Protocol 1 to the Euro-Mediterranean Agreement establishing an association between the European Community and the Republic of Tunisia, between the Tunisian authorities and the Commission of the European Communities on the arrangements for the import of untreated olive oil originating in Tunisia.

The purpose of these consultations was to re-examine the situation with a view to determining the arrangements from 1 January 2000.

Following these consultations, it was agreed to extend the existing arrangements by one year on the same terms, as follows:

Customs duty of EUR 7,81 per 100 kg shall apply to the import into the Community between 1 January 2000 and 31 December 2000 of up to 46 000 tonnes per marketing year of untreated olive oil of CN code 1509 10 10 or 1509 10 90 wholly obtained in Tunisia and transported directly from that country to the Community.

Reassessment of the situation will continue in the meantime with a view to determining the arrangements from 1 January 2001.

This Agreement will be approved by the Parties in accordance with their own procedures.

I should be obliged if you would confirm that your Government is in agreement with the content of this letter.

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

On behalf of the Council of the European Union

B. Letter from the Republic of Tunisia

Brussels,

Sir,

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

“I have the honour to refer to the consultations which took place, under Article 3(3) of Protocol 1 to the Euro-Mediterranean Agreement establishing an association between the European Community and the Republic of Tunisia, between the Tunisian authorities and the Commission of the European Communities on the arrangements for the import of untreated olive oil originating in Tunisia.

The purpose of these consultations was to re-examine the situation with a view to determining the arrangements from 1 January 2000.

Following these consultations, it was agreed to extend the existing arrangements by one year on the same terms, as follows:

Customs duty of EUR 7,81 per 100 kg shall apply to the import into the Community between 1 January 2000 and 31 December 2000 of up to 46 000 tonnes per marketing year of untreated olive oil of CN code 1509 10 10 or 1509 10 90 wholly obtained in Tunisia and transported directly from that country to the Community.

Reassessment of the situation will continue in the meantime with a view to determining the arrangements from 1 January 2001.

This Agreement will be approved by the Parties in accordance with their own procedures.

I should be obliged if you would confirm that your Government is in agreement with the content of this letter.

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

I have the honour to confirm that the Republic of Tunisia is in agreement.

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

On behalf of the Republic of Tunisia

FINANCIAL STATEMENT

1. BUDGET HEADING: Chapter 10 - Agricultural duties		APPROPRIATIONS: EUR 1 102,2 million		
2. TITLE: Council Regulation on the conclusion of the Agreement in the form of an Exchange of Letters between the European Community and the Republic of Tunisia concerning the arrangements for the import into the Community of olive oil originating in Tunisia, laying down general rules for the import and repealing Regulation (EC) No 906/98.				
3. LEGAL BASIS: Article 133 of the Treaty				
4. AIMS: To allow imports of olive oil originating in Tunisia at a reduced customs duty.				
5. FINANCIAL IMPLICATIONS	12 MONTH PERIOD (EUR million)	CURRENT FINANCIAL YEAR (1999) (EUR million)	FOLLOWING FINANCIAL YEAR (2000) (EUR million)	
5.0 EXPENDITURE				
- CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTIONS)	-	-	-	
- NATIONAL AUTHORITIES	-	-	-	
- OTHER				
5.1 REVENUE				
- OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES)	+3,6		+3,6	
- NATIONAL				
	2001	2002	2003	2004
5.0.1 ESTIMATED EXPENDITURE				
5.1.1 ESTIMATED REVENUE				
5.2 METHOD OF CALCULATION: Customs duty: 12 months: 46 000 t x EUR 78,1 (B)/t = EUR 3,6 Mio EUR (B)				
6.0 CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET?			YES	
6.1 CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET?				
6.2 WILL A SUPPLEMENTARY BUDGET BE NECESSARY?			NO	
6.3 WILL APPROPRIATIONS NEED TO BE ENTERED IN FUTURE BUDGETS?			NO	
OBSERVATIONS:				