COMMISSION OF THE EUROPEAN COMMUNITIES

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COMMUNICATION FROM THE COMMISSION TO THE COUNCIL

Goods not covered by Annex I to the Treaty -

Specific measures and inward processing

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Certain goods not covered by Annex I to the Treaty (called non Annex I goods (NAI)) are eligible for the export refunds provided for by the Common Agricultural Policy because of the agricultural raw materials (sugar, dairy products, cereals, eggs) used to make them. These export refunds are designed to compensate the food-processing industry for the high cost of these raw materials in the European Union compared with the world market. These are mainly products of secondary processing such as confectionery, biscuits, drinks, etc. The purpose of this communication is to propose a global approach to the Council to cover both our international undertakings and the budgetary decisions taken by the European Council at the Berlin summit.

I. The present situation and the changes

I-1. In the Agreement concluded following the Uruguay Round multilateral trade negotiations, the European Union undertook to limit the annual amount of refunds which may be granted for certain agricultural products exported in the form of goods not covered by Annex I to the Treaty.

The amount authorised for refunds, under WTO undertakings, is limited to \in 475 million for the budget year 2000 and to \in 415 million for the budget year 2001.

However, for the budget year 2000, because of the carryover (the total balance of the amounts not used during the four previous years) the limit of \in 475 million will not be effective.

On the other hand, the Berlin Council decided to put a ceiling, as from the budget year 2000, on spending under the EAGGF guarantee section.

Thus, for the budget year 2000 the ceiling for spending under the EAGGF guarantee section is \in 41 738 million (of which \in 37 352 million for conventional EAGGF guarantee section spending), which is well below the guideline for the year in question (\in 46 549 million: see Annex 1).

Consequently, in its letter of amendment to the preliminary draft budget for the year 2000 the Commission puts requirements at \in 560 million for export refunds on goods not covered by Annex I to the Treaty.

I-2. Some measures have already been introduced to enable the European Union to comply with its WTO undertakings: the transmission of figures at a faster pace and, more recently, the introduction of a system of certificates. However, these measures cannot solve the problems caused by the increase in spending for the year 2000 compared with the ceiling.

The average amount of refunds in the last few years was \in 560 million, as shown in the table in Annex 2.

Forecasts for the budget year 1999 show spending of about € 570 million; the current forecasts for the year 2000 are about € 578 million (due to the general increase in refund

levels compared with 1999). In addition, this figure does not take account of a possible upturn in the Russian market and/or the Asian market.

It is therefore necessary to introduce measures to ensure that, in the long term, spending on refunds for goods not covered by Annex I to the Treaty is at the level of WTO undertakings, i.e. \in 415 million, rather than \in 560 to 600 million without the measure. Thus, savings of about \in 145 to 185 million must be maid.

It is important, however, that these measures do not impede the development of Community food processing industry exports.

II. The aim

European regulations applicable to goods not covered by Annex I to the Treaty set out to ensure that food processing industries are in a situation of sustainable, fair competition compared with third countries. This will make it possible to safeguard and boost the production of added value and employment in the European Union and, ultimately, to develop the markets for Community agricultural products.

III. The specific measures proposed

In view of the constraints referred to in point I, it is essential to adjust the existing instruments and to supplement them by means of new measures to achieve the above-mentioned aim, while avoiding placing any additional undue burden on the framework in which economic operators perform.

III-1. – <u>Changes to the lists of goods not covered by Annex I to the Treaty which are eligible</u> for refunds

It is proposed reducing the number of goods not covered by Annex I to the Treaty which are eligible for export refunds or the rates of these refunds as follows:

a) - Goods also qualifying for production refunds

The price of sugar or cereals in certain goods is brought to world price levels by the provision of refunds. These are paid regardless of the destination of the goods in question (Community market or for export).

Since they have received production refunds, these goods are eligible, if they are exported, to a supplement

Also, in the case of exports operators have the choice of asking for the production refund and the supplement or the complete refund.

The measure is designed to put an end to or restrict this alternative and to retain the production refund while eliminating the supplement where appropriate.

Examples: modified starches, chemical and pharmaceutical products which qualify for production refunds because of the sugar or cereal which has to be incorporated for production.

b) – Goods less sensitive to the price of agricultural raw materials

The goods not covered by Annex I to the Treaty which are considered to be likely to be imported because of the agricultural raw materials used in them and which are subject to an

agricultural component on importation are listed in Table 1 to Regulation (EC) No 3448/93. Any other goods are therefore considered less sensitive to the prices of any agricultural products incorporated. Furthermore, the total elimination of import duty is planned for some of these goods.

The measure is designed to delete some of these goods from the list of those eligible for refunds, although keeping in mind possible access to agricultural raw materials at world prices and any disturbances already noted on the Community market due to imports from third countries...

These goods are listed in Annex 2 for each type of agricultural product..

c) - Goods made from agricultural products which do not qualify for refunds when exported in the unprocessed state

Where an incorporated processed product covered by Annex I is not eligible for a refund, the refund for the finished product should be abolished to ensure consistency between Community measures for export support and to avoid any transfers of production from one product category to another category whose characteristics are similar.

Examples: Incorporation of yoghurt

d) – Reduction of levels of refunds.

The measure is designed to reduce the levels of refunds for certain goods unlikely to be affected or not covered by the annexes referred to in point b above.

Example: spirits

III-2. Inward processing arrangements

These measures will make for a total saving of around \in 85 million, i.e. less than the savings to be made in future of around \in 145 to 185 million. Consequently, they will not, in the medium- to long-term, cover the gap between the needs forecast by the Community food processing industry and the funding capacity of the European Union, especially if exports increase, as is to be hoped. It is therefore necessary to supplement them by facilitating access, throughout the European Union, for incorporated agricultural products to the inward processing arrangements (while continuing to allow their present use), i.e. to consider that the economic conditions are in place for a certain, predefined quantity which can be reviewed in particular in the light of international demand and changes in the budgetary and regulatory framework.

IV. Secondary measures

Regulation (EC) No 1702/99 introduced a system of certificates intended to guarantee compliance with commitments given. These certificates can be used as a means of notifying the WTO, as is presently the case with agricultural products exported in the unprocessed state.

V. Implementation

The above measures have the effect, among other things, of deleting headings in the annexes relating to goods not covered by Annex I to the Treaty of each base regulation (milk, sugar, cereals, rice and eggs).

The Commission is entitled to amend the annexes to these regulations except for the one concerning the milk sector (R (EC) No 1255/99). In the interests of consistency, therefore, this Council regulation should be amended in order to allow the Commission to amend the annex relating to goods not covered by Annex I to the Treaty.

Also, Council Regulation (EC) No 3448/93 (the basic regulation for goods not covered by Annex I), which lays down the trade arrangements applicable to certain goods resulting from the processing of agricultural products, must incorporate the measures relating to inward processing arrangements (point III-2) and the measure referred to in point IV (use of certificates for WTO notifications)..

It is also planned to amend:

- the Annexes relating to goods not covered by Annex I to the Treaty in the base regulations for the various sectors concerned in order to incorporate the measures referred to in point III-1.
- Commission Regulation (EEC) No 2454/93, which lays down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code, in order to incorporate a regulatory link with the additional facility referred to in point III-2.
- Commission Regulation (EC) No 1222/94 of 30 May 1994 laying down common detailed rules for the application of the system of granting export refunds on certain agricultural products exported in the form of goods not covered by Annex II to the Treaty, and the criteria for fixing the amount of such refunds, in order to incorporate the measure referred to in point III-1 (a).

ANNEX 1 Budget year 2000: Appropriation requirements from the EAGGF Guarantee Section

Million Euro

Chapter	Sector		Appropriation requirements based on PDB 2000	Appropriations PDB 2000 (2)	Requirements based on LA in PDB 2000	Appropriation to be entered in LA in	Variation in LA requirements	Variation in LA appropriations
		1999 (1) (2)	On PDB 2000		PDB 2000	PDB 2000 (2)	compared with	compared with PDB
							PDB requirements	
	b	_	d	_	f	_	h = f - d	appropriations
B1 - 10	-	с 17 831	16 815	e 16 704	16 930	g 16 842		i = g - e 138
	Arable crops						115	
B1 - 11	Sugar	1 937	1 873	1 861	2 031	2 020	158	159
B1 - 12 B1 - 13	Olive oil	2 233 388	2 387 385	2 371 382	2 228 387	2 216 385	-159	-155 3
	Died fodder and grain legumes						2	-
B1 - 14	Fibre plants	968	934	928	1 041	1 036	107	108
B1 - 15	Fruit and vegetables	1 701	1 680	1 669	1 682	1 673	2	4
B1 - 16	Wine	661	718	713	708	704	-10	-9
B1 - 17	Tobacco	980	978	972 205	992	987	14	15 9
B1 - 18	Other sectors or vegetable products	290	307	305	316	314		
B1 - 20	Milk and milk products	2 621	2 686	2 668	2 788	2 773	102	105
B1 - 21	Beef/veal	4 916	4 733	4 702	4 542	4 518	-191	-184
B1 - 22	Sheepmeat and goatmeat	1 755	2 050	2 037	1 864	1 854	-186	-183
B1 - 23	Pigmeat, eggs and poultrymeat	365	236	234	472	470	236	236
B1 - 25	Other animal product measures	29	10	10	10	10	0	0
B1 - 26	Fisheries	20	20	20	14	14	-6	-6
B1 - 30	Non-annex I products	610	560	556	560	557	0	1
B1 - 31	Food programmes	368	316	314	340	338	24	24
B1 - 32	POSEI	246	245	243	245	244	0	1
B1 - 33	Veterinary and plant health measures		105.5	104.5	109.5	108.5	4	4
B1 - 36	Monitoring and preventative measures	56	59	59	59	59	0	0
B1 - 37	Clearance of previous years' accounts	-510	-400	-400	-700	-700	-300	-300
B1 - 38	Promotion	92	70.5	70.5	69.5	69.5	-1	-1
B1 - 39	Other measures	266	796	791	849	845	53	54
	Total titles 1.2 and 3	37 823	37 564	37 314	37 537	37 337	-27	23
	"Berlin" subceiling	-	37 352	37 352	37 352	37 352		
	Margin	-	-212	38	-185	15		
B1 - 40	Rural development	2 617	3 587	3 587	3 787	3 787	200	200
	"Berlin" subceiling	-	4 386	4 386	4 386	4 386		
	Margin	-	799	799	599	599		
	Total EAGGF Guarantee	40 440	41 151	40 901	41 324	41 124	173	223
	Guideline	45 188	46 549	46 549	46 549	46 549		
	Margin compared with guideline	4 748	5 398 (3)	5 648 (3)	5 225 (3)	5 425 (3)		

⁽¹⁾ Expenditure or appropriations covered by EAGGF Guarantee in 1999 but subdivide according to the nomenclature proposed for 2000.

⁽²⁾ Including appropriations entered in B0 - 40 (reserve and provision).
(3) SAPARD expenditure is also to be financed within the guideline (529 Mio Euro).

 $\underline{ANNEX~2}$ Refunds for goods not covered by Annex I - (Chap. B1-30)

	1993/94	1994/95	1995/96	1996/97	1997/98
Cereals and rice	177.7	127.7	60.7	60.7	56.6
Sugar and isoglucose	186.9	188.3	220.7	244.4	225.4
Milk products	184.3	208.3	195.8	244.8	254.9
Eggs and egg products	11.3	8.5	5.4	5.0	7.6
Other agricultural products	36.4	10.4	3.0	0.1	-0.2
Sub-total	596.4	543.3	485.7	555.0	544.4
Cereals in the form of whisky	35.0	31.0	8.3	14.2	11.6
Other expenditure	-	-	-2.7	-3.3	-3.0
TOTAL	631.4	574.3	491.1	565.9	553.1

Table 1

Goods excluded from the list involving incorporated **cereals** (point III-1-b).

CN Code	Description
Ex 1302	Vegetable saps and extracts; pectic substances, pectinates and pectates; agar-agar and other mucilages and thickeners, whether or not modified, derived from vegetable products:
1302 31 00	-Agar-agar
1302 32	other mucilages and thickeners, whether or not modified, derived from vegetable products:
1302 39 00	other
Ex 1518 00	Animal or vegetable fats and oils and their fractions, boiled, oxidised, dehydrated, sulphurised, blown, polymerised by heat in vacuum or in inert gas or otherwise chemically modified, excluding those of heading No 1516; inedible mixtures or preparations or animal or vegetable fats or oils or of fractions of different fats or oils of this Chapter, not elsewhere specified or included:
1518 00 10	Linoxyn
1702 90 10	Chemically pure maltose
Ex 1901	Malt extract; food preparations of flour, meal, starch or malt extract, not containing cocoa or containing less than 40 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included; food preparations of goods of heading Nos 0401 to 0404, not containing cocoa or containing less than 5 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included:
	- other :
	other:
1901 90 91	containing no milk fats, sucrose, isoglucose, glucose or starch or containing less than 1,5 % milk fat, 5 % sucrose (including invert sugar) or isoglucose, 5 % glucose or starch, excluding food preparations in powder form of goods of heading Nos 0401 to 0404
Ex 2008	Fruits, nuts and other edible parts of plants, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included:
	- Nuts, ground-nuts and other seeds, whether or not mixed together :
	Ground-nuts:
2008 11 10	Peanut butter
2008 91 00	Palm hearts
Ex 2101	Extracts, essences and concentrates, of coffee, tea or maté, and preparations with a basis of these products; roasted chicory, extracts, essences or concentrates:
	- Extracts, essences and concentrates of coffee and preparations with a basis of these extracts, essences or concentrates or with a basis of coffee :
2101 11	Extracts, essences and concentrates
	Preparations with a basis of extracts, essences or concentrates or with a basis of coffee:

CN Code	Description
2101 12 92	Preparations with a basis of extracts, essences or concentrates of coffee
	- Extracts, essences and concentrates of tea or maté, and preparations with a basis of these extracts, essences or concentrates or with a basis of tea or maté:
2101 20 20	Extracts, essences and concentrates
	Preparations :
2101 20 92	with a basis of extracts, essences or concentrates of tea or maté:
Ex 2102	Yeasts (active or inactive); other single-cell micro-organisms, dead (but not including vaccines of heading No 3002); prepared baking powders:
	- Inactive yeasts; other single-cell micro-organisms, dead :
2102 20 11 and 2102 20 19	Inactive yeasts
Ex 2104	Sauces and preparations therefor; mixed condiments and mixed seasonings; mustard flour and meal and prepared mustard:
2103 10 00	- Soya sauce
2103 20 00	- Tomato ketchup and other tomato sauces
2103 90	- other
	Soups and broths and preparations therefor; homogenised composite food preparations:
2104 10 00	- Soups and broths and preparations therefor
2105 00	Ice cream and other edible ice, whether or not containing cocoa
	Food preparations not elsewhere specified or included :
2106 10	- Protein concentrates and textured protein substances
	- other:
	other :
2106 90 92	containing no milk fats, sucrose, isoglucose, glucose or starch or containing less than 1,5 % milk fat, 5 % sucrose or isoglucose, 5 % glucose or starch
2203 00	Malt beers
Ex 2520	Gypsum; anhydrite; plasters, whether or not coloured, with or without small quantities of accelerators or retarders:
2520 20	- Plasters
Ex 2839	Silicates; commercial alkali metal silicates:
2839 90 00	- other
Chapter 29	Organic chemicals:
Chapter 30	Pharmaceutical products

CN Code	Description
Ex 3307	Pre-shave, shaving or after-shave preparations, personal deodorants, bath preparations, depilatories and other perfumery, cosmetic or toilet preparations, not elsewhere specified or included; prepared room deodorisers, whether or not perfumed or having disinfectant properties:
	- Preparations for perfuming or deodorising rooms, including odoriferous preparations used during religious rites:
3307 49 00	other than Agarbatti'; and other odoriferous preparations which operate by burning
3307 90 00	- other
Ex 3401	Soap; organic surface-active products and preparations for use as soap, in the form of bars, cakes, moulded pieces or shapes, whether or not containing soap; paper, wadding, felt and nonwovens, impregnated, coated or covered with soap or detergent:
3401 19 00	- other
3402	Organic surface-active agents (other than soap); surface-active preparations, washing preparations (including auxiliary washing preparations) and cleaning preparations, whether or not containing soap, other than those of heading No 3401
Ex 3403	Lubricating preparations (including cutting-oil preparations, bolt or nut release preparations, anti-rust or anti-corrosion preparations and mould release preparations, based on lubricants) and preparations of a kind used for the oil or grease treatment of textile materials, leather, furskins or other materials, but excluding preparations containing, as basic constituents, 70 % or more by weight of petroleum oils or of oils obtained from bituminous minerals:
	- Containing petroleum oils or oils obtained from bituminous minerals :
3403 11 00	Preparations for the treatment of textile materials, leather, furskins or other materials
	other:
3403 19 10	Containing 70 % or more by weight of petroleum oils or of oils obtained from bituminous minerals but not as the basic constituent
3405	Polishes and creams, for footwear, furniture, floors, coachwork, glass or metal, scouring pastes and powders and similar preparations (whether or not in the form of paper, wadding, felt, nonwovens, cellular plastics or cellular rubber, impregnated, coated or covered with such preparations), excluding waxes of heading No 3404
3407 00 00	Modelling pastes, including those put up for children's amusement; preparations known as `dental wax' or as `dental impression compounds', put up in sets, in packings for retail sale or in plates, horseshoe shapes, sticks or similar forms; other preparations for use in dentistry, with a basis of plaster
Ex Chapter 35	Albuminoidal substances; modified starches; glues; enzymes, except those of headings 3505 10 10, 3505 10 90 and 3505 20
Chapter 38	Miscellaneous chemical products except those of headings 3809 10 et n°3824 60
Chapter 39	Plastics and articles thereof
Ex 4813	Cigarette paper, whether or not cut to size or in the form of booklets or tubes:
	- other:
4813 90 90	other
4818 10	- Toilet paper
Ex 4823	Other paper, paperboard, cellulose wadding and webs of cellulose fibres, cut to size or shape; other articles of paper pulp, paper, paperboard, cellulose wadding or webs of cellulose fibres:

CN Code	Description
4823 11 and	- Gummed or adhesive paper, in strips or rolls
4823 19 00	
4823 20 00	- Filter paper and paperboard
4823 51 and 4823 59	- Other paper and paperboard, of a kind used for writing, printing or other graphic purposes
4823 90 50 and 4823 90 90	other

 $\label{eq:Table 2} Table \ 2$ Goods excluded from the list involving incorporated $\mbox{\bf rice}$ (point III-1-b).

CN Code	Description
Ex 1901	Malt extract; food preparations of flour, meal, starch or malt extract, not containing cocoa or containing less than 40 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included; food preparations of goods of heading Nos 0401 to 0404, not containing cocoa or containing less than 5 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included:
	- other :
	other:
1901 90 91	containing no milk fats, sucrose, isoglucose, glucose or starch or containing less than 1,5 % milk fat, 5 % sucrose (including invert sugar) or isoglucose, 5 % glucose or starch, excluding food preparations in powder form of goods of heading Nos 0401 to 0404
Ex 2008	Fruits, nuts and other edible parts of plants, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included:
	- Nuts, ground-nuts and other seeds, whether or not mixed together :
	Ground-nuts:
2008 11 10	Peanut butter
Ex 2101	Extracts, essences and concentrates, of coffee, tea or maté, and preparations with a basis of these products; roasted chicory, extracts, essences or concentrates:
	Preparations with a basis of extracts, essences or concentrates or with a basis of coffee:
2101 12 92	Preparations with a basis of extracts, essences or concentrates of coffee
	- Extracts, essences and concentrates of tea or maté, and preparations with a basis of these extracts, essences or concentrates or with a basis of tea or maté:
2101 20 20	Extracts, essences and concentrates
2101 20 92	Preparations :
	with a basis of extracts, essences or concentrates of tea or maté:
2106	Food preparations not elsewhere specified or included:
2106 10	- Protein concentrates and textured protein substances
2106 90 92	containing no milk fats, sucrose, isoglucose, glucose or starch or containing less than 1,5 % milk fat, 5 % sucrose or isoglucose, 5 % glucose or starch

 $\label{eq:Table 3} Table \ 3$ Goods excluded from the list involving incorporated $milk\ products$ (point III-1-b).

CN Code	Description
Ex 17 02	Lactose and lactose syrup:
17 02 11 00	Containing by weight 99 % or more lactose, expressed as anhydrous lactose, calculated on the dry matter
Ex 1901	Malt extract; food preparations of flour, meal, starch or malt extract, not containing cocoa or containing less than 40 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included; food preparations of goods of heading Nos 0401 to 0404, not containing cocoa or containing less than 5 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included:
1901 90 91	containing no milk fats, sucrose, isoglucose, glucose or starch or containing less than 1,5 % milk fat, 5 % sucrose (including invert sugar) or isoglucose, 5 % glucose or starch, excluding food preparations in powder form of goods of heading Nos 0401 to 0404
Ex 2008	Fruits, nuts and other edible parts of plants, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included:
	- Nuts, ground-nuts and other seeds, whether or not mixed together :
2008 11	Ground-nuts:
2008 11 10	Peanut butter
Ex 2106	Food preparations not elsewhere specified or included :
2106 10	- Protein concentrates and textured protein substances
2106 90	- other:
	other:
2106 90 92	containing no milk fats, sucrose, isoglucose, glucose or starch or containing less than 1,5 % milk fat, 5 % sucrose or isoglucose, 5 % glucose or starch

Table 4

Goods excluded from the list involving incorporated sugar (point III-1-b).

CN Code	Description
Ex 1302	Vegetable saps and extracts; pectic substances, pectinates and pectates; agar-agar and other mucilages and thickeners, whether or not modified, derived from vegetable products:
1302 31 00	-Agar-agar
1302 32	other mucilages and thickeners, whether or not modified, derived from vegetable products:
1302 32 10	Of locust beans or locust bean seeds
1302 32 90	Of guar seeds
1302 39 00	other
1702 90 10	Chemically pure maltose
Ex 1901	Malt extract; food preparations of flour, meal, starch or malt extract, not containing cocoa or containing less than 40 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included; food preparations of goods of heading Nos 0401 to 0404, not containing cocoa or containing less than 5 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included:
1901 90 91	containing no milk fats, sucrose, isoglucose, glucose or starch or containing less than 1,5 % milk fat, 5 % sucrose (including invert sugar) or isoglucose, 5 % glucose or starch, excluding food preparations in powder form of goods of heading Nos 0401 to 0404
2008	Fruits, nuts and other edible parts of plants, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included:
	- Nuts, ground-nuts and other seeds, whether or not mixed together :
2008 11	Ground-nuts:
2008 11 10	Peanut butter
2101	Extracts, essences and concentrates, of coffee, tea or maté, and preparations with a basis of these products; roasted chicory, extracts, essences or concentrates:
	- Extracts, essences and concentrates of coffee and preparations with a basis of these extracts, essences or concentrates or with a basis of coffee :
2101 11	Extracts, essences and concentrates
	Preparations with a basis of extracts, essences or concentrates or with a basis of coffee:
2101 12 92	Preparations with a basis of extracts, essences or concentrates of coffee
	- Extracts, essences and concentrates of tea or maté, and preparations with a basis of these extracts, essences or concentrates or with a basis of tea or maté:

CN Code	Description
2101 20 20	Extracts, essences and concentrates
	Preparations :
2101 20 92	with a basis of extracts, essences or concentrates of tea or maté:
	- Roasted chicory and other roasted coffee substitutes, and extracts, essences and concentrates thereof :
	Roasted chicory and other roasted coffee substitutes:
2101 30 11	Roasted chicory
	Extracts, essences and concentrates of roasted chicory and other roasted coffee substitutes:
2101 30 91	Of roasted chicory
2102 20	- Inactive yeasts; other single-cell micro-organisms, dead :
	Inactive yeasts
2102 20 11	In tablet, cube or similar form, or in immediate packings of a net content not exceeding 1 kg
2102 20 19	other
ex 2103	Sauces and preparations therefor; mixed condiments and mixed seasonings; mustard flour and meal and prepared mustard:
2103 10 00	- Soya sauce
2103 20 00	- Tomato ketchup and other tomato sauces
2103 90	- other
Ex 2106	Food preparations not elsewhere specified or included:
2106 10	- Protein concentrates and textured protein substances
2106 90	- other:
	other:
2106 90 92	containing no milk fats, sucrose, isoglucose, glucose or starch or containing less than 1,5 % milk fat, 5 % sucrose or isoglucose, 5 % glucose or starch
Ex 2520	Gypsum; anhydrite; plasters, whether or not coloured, with or without small quantities of accelerators or retarders:
2520 20	- Plasters
Ex 2839	Silicates; commercial alkali metal silicates:
2839 90 00	- other
Chapter 29	Organic chemicals
Chapter 30	Pharmaceutical products

CN Code	Description
3203 00 90	- Colouring matter of animal origin and preparations based thereon
Ex 3204	Synthetic organic colouring matter and preparations based thereon as specified in note 3 to this chapter
3302	Mixtures of odoriferous substances and mixtures (including alcoholic solutions) with a basis of one or more of these substances, of a kind used as raw materials in industry; other preparations based on odoriferous substances, of a kind used for the manufacture of beverages:
3302 10	- Of a kind used in the food or drink industries:
	Of a kind used in the drink industries:
	Preparations containing all flavouring agents characterising a beverage:
	other (Of an actual alcoholic strength by volume equal to or less than 0.5 %):
3302 10 21	Containing no milkfats, sucrose, isoglucose, glucose or starch or containing, by weight, less than 1,5 % milkfat, 5 % sucrose or isoglucose, 5 % glucose or starch
Ex Chapter 35	Albuminoidal substances; modified starches; glues; enzymes, except those of headings 3505 10 10, 3505 10 90 and 3505 20
Chapter 38	Miscellaneous chemical products
	- all products except those of heading 3824 60
Chapter 39	Plastics and articles thereof:
3901 to 3914	- primary form
ex 6809	Articles of plaster or of compositions based on plaster (boards, sheets, panels, tiles and similar articles)

FINANCIAL STATEMENT DATE: 4/11/1999 **BUDGET HEADING:** APPROPRIATIONS: 1. B 1-30 2. TITLE: Specific measures for non-Annex I goods and inward processing LEGAL BASIS: 3. 4. AIMS OF PROJECT: Budget savings and meeting WTO ceilings 5. FINANCIAL IMPLICATIONS PERIOD OF 12 **CURRENT FOLLOWING MONTHS FINANCIAL FINANCIAL** (EUR million) YEAR (98) YEAR (99) (EUR million) (EUR million) 5.0 **EXPENDITURE** CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTION) NATIONAL ADMINISTRATION **OTHER** 5.1 REVENUE OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES) **NATIONAL** 2000 2001 2002 2003 5.0.1 ESTIMATED EXPENDITURE 5.1.1 **ESTIMATED REVENUE** METHOD OF CALCULATION: 5.2 CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN 6.0 THE RELEVANT CHAPTER OF THE CURRENT BUDGET? NO CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS 6.1 OF THE CURRENT BUDGET? NO IS A SUPPLEMENTARY BUDGET NECESSARY? NO WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY? OBSERVATIONS: The measures provided for will not enter into force until after adoption of the different regulations referred to in point V. The overall aim is to abide by the budgetary decisions taken at the Berlin summit and the constraints arising out of the WTO agreement. These measures will all make for an estimated saving of € 85 million to which will be added an unquantifiable saving under IPT.