

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(82) 596 final

Brussels, 23 September 1982

Recommendation for a

## COUNCIL DECISION

concluding an agreement based on negotiations between  
Norway and the European Economic Community  
on trade in cheese

(submitted to the Council by the Commission)

COM(82) 596 final

CONCLUSION OF A TEMPORARY ARRANGEMENT BETWEEN  
NORWAY AND THE COMMUNITY ON JOINT DISCIPLINE  
IN THEIR TRADE IN CHEESE

(Commission Communication to the Council)

The Commission hereby transmits to the Council:

- (a) a report on the outcome of the negotiations between Norway and the Community on trade in cheese (Annex A);
- (b) a draft agreement comprising agreed minutes, a temporary arrangement and an exchange of letters (Annex B).

The Commission recommends that the Council approve the agreement, and accordingly submits herewith a draft decision concluding the agreement (Annex C).

Report on the  
NEGOTIATIONS BETWEEN NORWAY  
AND THE COMMUNITY ON TRADE IN CHEESE

1. Following a Norwegian request the Commission, as authorized by the Council on 14 December 1980 , opened negotiations with Norway to discuss the situation with regard to trade in cheese.

Both parties expressed dissatisfaction with the situation. They agreed that the existing import arrangements were out of line with the current market situation and should be brought into line with actual circumstances. In order to encourage the orderly development of trade in this sector, Norway and the Community considered that the consumer, in addition to domestically produced cheese, should be offered other types and varieties of imported cheese. It was thought preferable to adopt a provisional, pragmatic solution, rather than to seek a definitive new arrangement which would be difficult to obtain in the present economic circumstances.

2. The result of the negotiations was a three-year temporary arrangement providing for the expansion and stabilization of two-way trade at a given volume and the establishment and mutual assurance of a satisfactory situation of competition based on a new joint discipline clause.
3. The delegations considered that they had come to a balanced agreement satisfactory to both sides. They initialled the agreed minutes (Annex B) in Geneva on 7 July and undertook to submit them to their respective authorities for approval.
4. At a meeting held in Geneva on the same day, 7 July, the Article 113 Committee, which was closely involved at all stages of the talks, was in favour of concluding the agreement.

AGREED MINUTES

Negotiations between the Norwegian and Commission  
Delegations on trade in cheese

The Norwegian Delegation and the Delegation of the Commission of the European Communities have reached agreement on the following:

- (i) A temporary arrangement between Norway and the European Economic Community on joint discipline in their trade in cheese (Annex 1).
- (ii) An exchange of letters between the Commission of the European Communities and Norway on monetary compensatory amounts (Annex 2).

They have agreed to submit the said agreement to their respective authorities for approval.

Done at Geneva, 7 July 1982

For the Norwegian Delegation

(signed)

For the Delegation of the  
Commission of the European  
Communities

(signed)

TEMPORARY ARRANGEMENT BETWEEN NORWAY AND THE EUROPEAN  
ECONOMIC COMMUNITY ON JOINT DISCIPLINE IN THEIR TRADE  
IN CHEESE

1. Desiring to promote the harmonious development of their trade in agricultural products in line with their agricultural policies, the European Economic Community and Norway held consultations regarding their trade in cheese.

In the course of these consultations the parties noted that the development of their reciprocal import and export trade in cheese had not been satisfactory. In order to encourage the harmonious expansion of their trade in this sector, Norway and the Community consider that it might be desirable to offer consumers further types and varieties of imported cheese in addition to home-produced cheeses.

2. Both parties agreed that in order to achieve this, suitable adjustments should be made to their import arrangements.

In the current state of the cheese market they considered it preferable initially to seek a practical temporary solution rather than to change the said arrangements definitively.

3. Norway and the Community agreed to conclude a temporary arrangement to run from 1 January 1983 to 31 December 1985, containing the following provisions:
  - (a) trade in cheese between the Community and Norway will be organized in three stages from 1 January 1983 to 31 December 1985 as follows:

(i) Norwegian import undertaking

Norway shall open an annual quota for imports of cheeses of all types and varieties<sup>1</sup> of which the Community's share shall be not less than:

1. 1 740 tonnes in 1983
2. 1 850 tonnes in 1984
3. 1 960 tonnes in 1985.

(ii) Community import undertaking

The Community undertakes, in respect of:

ex 04.04 E I b) 2 whole Jarlsberg cheeses<sup>2</sup>, with rind<sup>3</sup>, of a minimum fat content of 45% by weight in the dry matter and of a dry matter content, by weight, of not less than 58%, matured for at least three months,

to open an annual tariff quota of:

1. 1 500 tonnes in 1983
2. 1 600 tonnes in 1984
3. 1 700 tonnes in 1985

subject to an import duty of 55 ECU per 100 kg.

(b) Should trade on either side fail to reach these levels the transition to the next stage will not take place.

(c) Should the levels set for imports into the Community and/or Norway be reached during a quota year, the parties shall, at the request of either, hold consultations to examine the market situation and, if appropriate, to alter by agreement the quantity initially set.

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<sup>1</sup> Subject to an import duty of Nkr 1.20 per kg.

<sup>2</sup> Bearing a certificate from the Norske Meieriers Salgssentral (Norwegian dairy marketing association).

<sup>3</sup> "Whole cheeses, with rind" means whole cheeses weighing from 9 kg to 10 kg inclusive.

For the purposes of these provisions, "rind" is defined as follows:  
The rind of such cheeses is the outer layer formed from the cheese itself having a distinctly more solid consistency and a distinctly darker colour.

4. Norway undertakes to take the necessary steps to ensure that:
  - (a) its exports of Jarlsberg cheese to the Community do not exceed the agreed levels (see 3(a)(ii));
  - (b) import licences will be issued regularly and in such a way that the agreed quantities (see 3(a)(i)) can be imported into Norway from the Community.
5. The Community and Norway shall see that the reciprocal concessions are not compromised by other import measures.
6. Norway and the Community undertake to see that the prices charged by their respective exporters are not such as to cause problems on the market of the importing country.

In that connection they agree to set up two-way information and cooperation machinery along the lines indicated in the annex to this Arrangement.

If problems arise because of the prices being charged, consultations will be held without delay at the request of either party with the aim of taking suitable corrective action.

7. The parties may consult at any time about the operation of this Arrangement and if necessary amend it by common accord to take account, inter alia, of the trend of market prices, production, marketing and consumption of home-produced and imported cheese.
8. In order to maintain continuous cooperation in the day-to-day management of export and import operations, the authorities of Norway and the Community shall each appoint a Delegate. The Delegates shall keep each other notified of the development of trade with regard to prices and the level of sales.
9. Consultations shall take place in the first half of 1985 to decide whether and on what terms this Arrangement shall be renewed.
10. All the provisions of this Arrangement shall come into effect on the same day.

ANNEX

In order to ensure that the prices charged by exporters are not such as to cause problems on the market of the importing country, the following information and cooperation machinery shall be established.

1. Norway shall furnish the Commission of the European Communities with the following information:  
  
two weeks before the start of each calendar quarter, a forecast of of Norwegian exports to the Community for the succeeding quarter, giving predicted quantities, Norwegian free-at-frontier prices and destinations;  
  
three weeks after the close of each calendar quarter, actual Norwegian exports to the Community in the preceding quarter, giving quantities exported, actual Norwegian free-at-frontier prices and Member States of destination.
2. The Commission shall furnish price quotations quarterly and all other relevant particulars of the market in home-produced and imported cheeses.



Your Excellency,

I have the honour to confirm that during the negotiations for the temporary arrangement between Norway and the European Economic Community on joint discipline in their trade in cheese it was agreed that no monetary compensatory amount would be applied to imports into the Community of Jarlsberg cheese from Norway for the lifetime of the said arrangement.

However, should the waiving of the monetary compensatory amount lead to the displacement of traditional trade flows to other Member States, the Community reserves the right, after consulting with Norway, to introduce such monetary compensatory amount.

I should be obliged if you would acknowledge receipt of this letter.

Please accept, Your Excellency, the assurance of my highest consideration.

Sir,

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

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

RECOMMENDATION FOR A COUNCIL DECISION  
concluding an agreement based on negotiations between  
Norway and the European Economic Community on trade  
in cheese

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THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Communities, and  
in particular Article 113 thereof,

Having regard to the recommendation from the Commission,

Whereas the Commission, as authorized by the Council on 16 December 1980,  
has held negotiations with Norway on trade in cheese and has reached a  
satisfactory reciprocal agreement with that country,

HAS DECIDED AS FOLLOWS:

Article 1

The agreement between Norway and the European Economic Community comprising:

- i. a temporary arrangement between Norway and the Community on joint discipline in their trade in cheese;
- ii. an exchange of letters concerning waiver of the monetary compensatory amount on importation into the Community of Jarlsberg cheese,

is hereby approved on behalf of the Community.

The text of the agreement is annexed to this Decision.

Article 2

The president of the Council is hereby authorized to designate the person empowered to sign the agreement in order to bind the Community.

Done at Brussels,

For the Council  
The President