

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(83) 98 final

Brussels, 1 March 1983

Recommendation for a  
COUNCIL DECISION  
concerning the conclusion of the Agreement between the  
European Economic Community and Austria negotiated  
pursuant to Article XXVIII of the GATT with  
regard to certain frozen, prepared or  
preserved vegetables

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(submitted to the Council by the Commission)

COM(83) 98

## EXPLANATORY MEMORANDUM

1. In a communication of 26 July 1982, Austria informed the Contracting Parties to the GATT that it intended to withdraw, pursuant to Article XXVIII:5 of the GATT, concessions relating to certain frozen, prepared or preserved vegetables and invited interested parties to enter negotiations on this matter.

The Community, which as Austria's principal supplier for the products in question has negotiating rights, began negotiations with Austria.

2. The Community's main concern in the negotiations was to safeguard its traditional exports to Austria, in other words to prevent Austria from withdrawing concessions in respect of the products concerned and then introducing prohibitive rates of customs duty, and also to obtain compensation in the same sector.
3. In the negotiations, Austria agreed to the Community's request that tariff quotas be introduced for the Community as regards the main group of products, at the level of the best performance attained (1981) and at current bound customs duty levels. In addition, Austria agreed to compensate the Community for its potential loss following the unbinding.
4. The compensation offered is, therefore, satisfactory. It relates to a volume of trade amounting to around \$ 70 million and involves an average tariff reduction of 50 % and even - in one case - the abolition of customs duties; the modifications and withdrawals of concessions, on the other hand, relate only to a volume of trade amounting to \$ 50 million. It should be noted in this connection that Austria is proposing to increase the customs duty on frozen products - at present bound at 20 % - to no more than 28 % (unbound) and, initially, to leave the duty on preserved products unchanged. All the tariff reductions offered to the Community are granted to it on a preferential basis (via exchanges of letters covering agricultural products) under the EFTA Agreements.

Recommendation for a  
COUNCIL DECISION

concerning the conclusion of the Agreement between the European Economic Community and Austria negotiated pursuant to Article XXVIII of the GATT with regard to certain frozen, prepared or preserved vegetables.

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

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

Having regard to the Recommendation from the Commission,

Whereas Austria, pursuant to Article XXVIII of the General Agreement on Tariffs and Trade (GATT), announced its intention of modifying or withdrawing tariff concessions in respect of certain frozen, prepared or preserved vegetables for which the Community is Austria's main supplier ;

Whereas the Commission has entered into negotiations with Austria under Article XXVIII of the GATT; whereas it has reached a satisfactory Agreement with Austria,

HAS DECIDED AS FOLLOWS :

Article 1

The Agreement between the European Economic Community and Austria negotiated pursuant to Article XXVIII of the GATT with regard to certain frozen, prepared or preserved vegetables 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.

A G R E E D M I N U T E S

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1. The Austrian Delegation and the Delegation of the Commission of the European Communities have concluded their negotiations under Article XXVIII of the GATT, with a view to modifying or withdrawing the concessions provided for in List XXXII-AUSTRIA concerning certain frozen, prepared or preserved vegetables, with the following overall agreement:

The concessions set out in List XXXII-AUSTRIA as they appear in Part A of Annex I are replaced by:

- (a) the concessions which will be bound under the GATT, as set out in Part C of Annex I;
- (b) the autonomous concessions as set out in the exchange of letters (Annex II).

The provisions contained in this paragraph will enter into force on the same date.

2. If Austria were to consider ending the autonomous concessions as mentioned under 1(b) above, Austria undertakes to initiate consultations with the Community with a view to compensating the Community. In these consultations, the Community will be able, on a bilateral basis, to assert rights equivalent to those which it would then have under Article XXVIII of the GATT.
3. The Contracting Parties agree to submit this overall agreement for approval by their respective authorities.

Brussels,

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For the Austrian Delegation  
(subject to ratification)

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For the Delegation of the  
Commission of the European  
Communities

To The  
Director General  
GATT  
Geneva

NEGOTIATIONS RELATING TO SCHEDULE XXXII - AUSTRIA

The Delegations of Austria and of the Commission of the European Communities have concluded their negotiations under Article XXVIII for the modification or withdrawal of concessions provided for in Schedule XXXII - Austria as set out in the report attached.

Brussels,

signed for the Delegation  
of Austria  
(subject to ratification)

signed for the Delegation  
of the Commission of the  
European Communities

Results of Negotiations under Article XXVIII for the Modification  
or Withdrawal of Concessions in the Schedule XXXII - Austria  
initially negotiated under the Geneva (1967) Protocol

## CHANGES IN SCHEDULE XXXII - AUSTRIA

## A. Concessions to be withdrawn

Tariff item number	Description of products	Rates of duty bound in existing schedule in % ad val. or in Schilling per 100 kg
ex 07.02	Vegetables (whether or not cooked), preserved by freezing, except potatoes	20%
20.02	Vegetables prepared or preserved otherwise than by vinegar or acetic acid:	
	A - In airtight containers of a gross weight of 15 kg or less:	
	5 - Other:	
	ex c - Green beans, green peas, carrots and mixtures of vegetables containing at least one of these vegetables, spinach .....	370,--

## C. Reduction or modification of rates bound in the existing schedules

Tariff item number	Description of products	Rates of duty bound in existing schedule in % ad val. or in Schilling per 100 kg	Rates of duty to be bound in % ad val. or in Schilling per 100 kg
07.02	Vegetables (whether or not cooked), preserved by freezing:		
	C - Celery, tomatoes, cultivated mushrooms, zucchini, kitchen onions, shallots and cabbages of all kinds except broccoli	20%	20% but not less than S 250,-- per 100 kg
	D - Other.....	20%	18%
16.04	Prepared or preserved fish, including caviar and caviar substitutes:		
	B - Other:		
	2 - Otherwise put up:		
	ex b - Salt water fish, frozen, not covered with batter or bread crumbs	530,--	500,--



REPUBLIK ÖSTERREICH  
BUNDESMINISTERIUM  
FÜR HANDEL, GEWERBE UND INDUSTRIE

Brussels, 12. January 1983

Sir,

I have the honour to inform you that, with reference to the Agreement between the European Economic Community and the Republic of Austria of 21 July 1972, and in particular Article 15 thereof, in which the Contracting Parties declare their readiness to foster, so far as their agricultural policies allow, the harmonious development of trade in agricultural products, the Republic of Austria hereby grants to the European Economic Community, on a unilateral basis, the following tariff concessions:

Mr Michel JACQUOT  
Negotiating Advisor  
Directorate General for Agriculture  
Commission of the European Communities  
Rue de la Loi, 200  
B - 1049 BRUSSELS



<u>Tariff item number</u>	<u>Description of products</u>	<u>Rates of duty</u>
07.02	Vegetables (whether or not cooked), preserved by freezing:	
ex B	- Green beans, within the limits of an annual tariff quota of 1 480 metric tons (1)	20% ad valorem
ex B	- Green peas, within the limits of an annual tariff quota of 400 metric tons (1)	20% ad valorem
ex B	- Carrots, within the limits of an annual tariff quota of 1 260 metric tons (1)	20% ad valorem
ex B	- Spinach, within the limits of an annual tariff quota of 150 metric tons (1)	20% ad valorem
ex B	- Sweet peppers, within the limits of an annual tariff quota of 80 metric tons (1)	20% ad valorem
ex B	- Mixtures of vegetables containing at least green beans or green peas or carrots, within the limits of an annual tariff quota of 370 metric tons (1)	20% ad valorem

(1) The granting of this concession is conditional upon the presentation of a certificate ("Kontingentschein") drawn up by the Bundesministerium für Handel, Gewerbe und Industrie, which is responsible for monitoring and allocating the quota. The quota year begins on 1 January of each year. For 1983, the quota will be fixed on a pro rata basis in relation to the annual quota.

<u>Tariff item number</u>	<u>Description of products</u>	<u>Rates of duty</u>
16.04	Prepared or preserved fish, including caviar and caviar substitutes:	
	B-Other:	
	2-Otherwise put up:	
	b-Salt water fish, frozen, not covered with batter or bread crumbs	Free
ex 16.05	Prepared or preserved snails	15% ad valorem
20.02	Vegetables prepared or preserved otherwise than by vinegar or acetic acid:	
	A-In airtight containers of a gross weight of 15 kg or less:	
	5-Other:	
	a-Asparagus	11% ad valorem
	B-Otherwise put up:	
	1-Truffles	10% ad valorem
	2-Olives	S 70,- per 100 kg
	3-Capers	S 55,- per 100 kg
	6-Other:	
	c-Other	S 75,- per 100 kg

The concessions are in addition to those set out in the letter of 21 July 1972 sent by the Head of the Austrian Delegation, Mr A. Marquet, to the Head of the Community Delegation, Mr E.P. Wellenstein.

I should be grateful if you would confirm whether you are in agreement with the content of this letter.

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

(Subject to ratification)

G. WAAS

COMMISSION  
OF THE  
EUROPEAN COMMUNITIES

Brussels

12. January 1983

Sir,

I have the honour to confirm my agreement to the content of your letter of 12. January 1983, which reads as follows:

"I have the honour to inform you that, with reference to the Agreement between the European Economic Community and the Republic of Austria of 21 July 1972, and in particular Article 15 thereof, in which the Contracting Parties declare their readiness to foster, so far as their agricultural policies allow, the harmonious development of trade in agricultural products, the Republic of Austria hereby grants to the European Economic Community, on a unilateral basis, the following tariff concessions:

Mr Gerhard WAAS  
Director  
Bundesministerium für Handel,  
Gewerbe und Industrie  
Stubenring 1  
1010 VIENNA

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	c-Other	S 75,- per 100 kg

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M. Jacquot