

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(78) 138 final

Brussels, 11 April 1978.

REPORT FROM THE COMMISSION TO THE COUNCIL

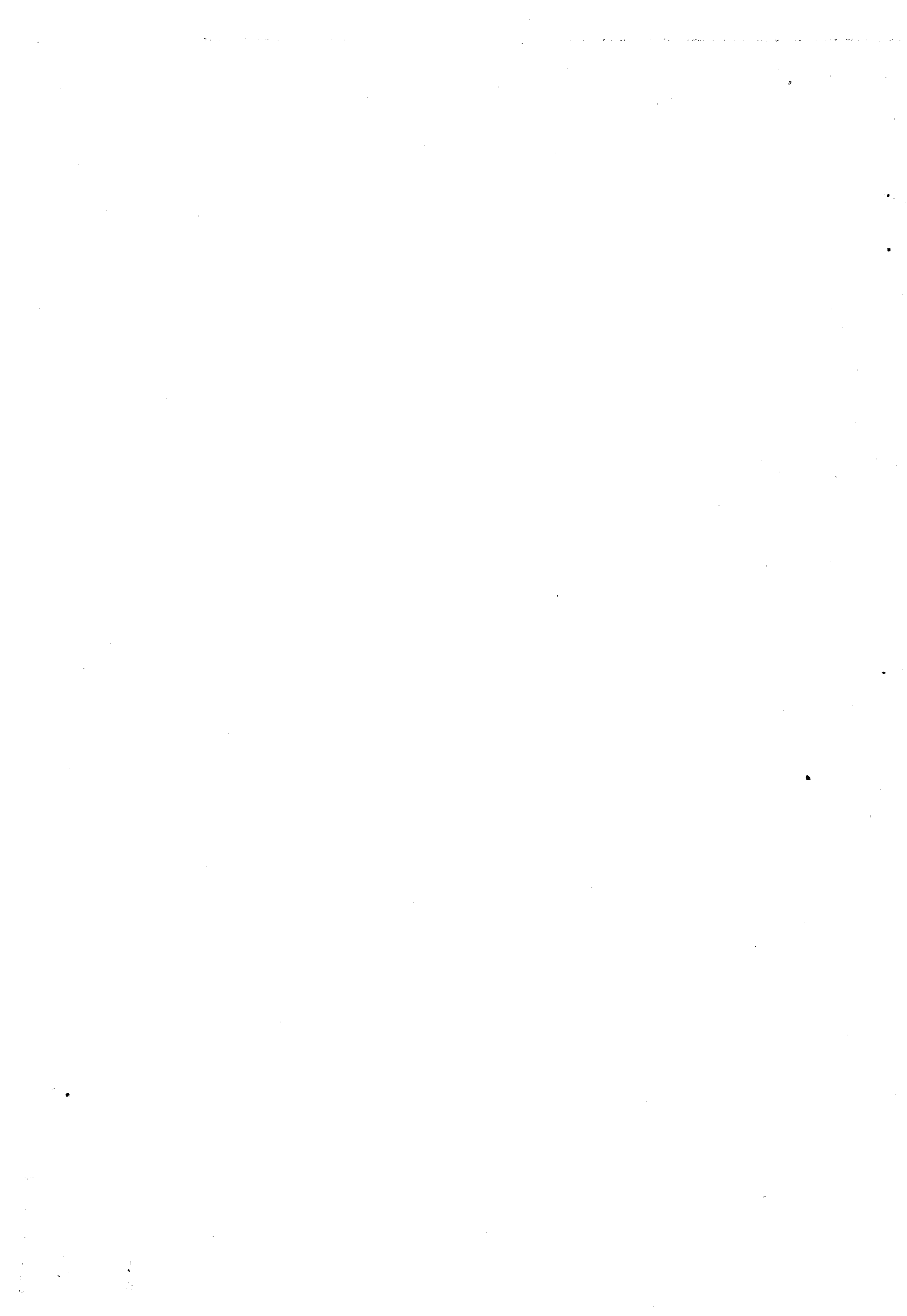
on the outcome of the consultations with Spain concerning
certain cheeses under the EEC-Spain Agreement of 5 June 1970

RECOMMENDATION FOR REGULATION OF THE COUNCIL

on the conclusion of the Agreement amending the Agreement of
5 June 1970 between the European Economic Community and Spain
on certain cheeses

(submitted to the Council by the Commission)

COM(78) 138 final



CONSULTATIONS WITH SPAIN CONCERNING CERTAIN CHEESES UNDER THE EEC-SPAIN
AGREEMENT OF 5 JUNE 1970 CONCLUDED UNDER ARTICLE XIX OF THE GATT

(Commission Communication to the Council)

The Commission herewith presents to the Council :

1. A report on the outcome of the consultations which it has held with Spain (Annex I).
2. A recommendation for a Council Regulation on the conclusion of the Agreement in the form of two exchanges of letters amending the Agreement of 5 June 1970 between the European Economic Community and Spain on certain cheeses (Annex II).

At its meeting in Geneva on 16 February 1978, the Article 113 Committee delivered a favourable opinion on the outcome of the consultations.

The Commission recommends that the Council adopt the above mentioned Regulation.

R E P O R T

on the outcome of the consultations with Spain concerning certain cheeses under the EEC-Spain Agreement of 5 June 1970 concluded under Article XIX of the GATT

The consultations which had begun on 15 February 1978 at the request of the Spanish Delegation under the Agreement of 5 June 1970 between Spain and the European Economic Community ended in agreement between the Spanish Delegation and the EEC Delegation on the following arrangements, subject to approval by their respective authorities.

I. Modification of threshold prices

The two Delegations agreed that the threshold prices for the Spanish 1978/79 milk year would be fixed on the basis of the prices indicated in the attached list and adjusted in line with variations in the price of milk in Spain by the application of the coefficients indicated in the same list.

The two Delegations recognized that it was advisable to pay special attention to the trend of trade in 1978 in order to evaluate, in particular, the incidence of the coefficients applicable to :

- blue-veined cheeses falling within subheading 04 04 C2 of the Spanish Customs Tariff;
- Edam cheese falling within subheading 04 04 G1 b3 of the Spanish Customs Tariff;
- soft cheese falling within subheadings 04 04 G1 b5, G1 b6, G1 c1, G1 c2 or G2 of the Spanish Customs Tariff.

The system of coefficients could be extended unchanged for the 1979/80 milk year, unless one of the two parties requested prior consultations.

II. Preferential margin and inclusion of certain cheeses in the Agreement of 5 June 1970

The Spanish Delegation formally undertook :

- to apply for the 1978/79 milk year, the preferential margin of 6.30% for the threshold price of Edam cheese falling within subheading 04 04 G1 b3 of the Spanish Customs Tariff;
- to include in the Spanish Customs Tariff the cheeses of the three new Member States - and in particular Elbo, Molbo, Tybo and Esrom - among the cheeses falling within subheading 04 04 G1 b3 of that Tariff. ↵

III. Amendment of the Agreement of 5 June 1970

The two Delegations agreed to propose that the Agreement of 5 June 1970 be amended to take account of all the amendments made since that date.

A draft of the new text would be submitted to the relevant authorities on both sides as soon as possible.

Spanish Customs Tariff No.	Products	Basic price (Pesetas/100 kg)	Coefficient
A1 a1	Whole Emmentaler cheeses	25 570.29	14
A1 a2	Whole Emmentaler cheeses	26 623.24	14
A1 b1	Emmentaler pieces	27 026.42	14
A1 b2	Emmentaler pieces	27 904.34	14
A1 c1	Emmentaler pieces	27 746.24	14
A1 c2	Emmentaler pieces	28 715.81	14
A2	Emmentaler, other	26 623.24	14
C2	Blue-veined cheeses	24 558.82	12.25
D1 a and b	Processed Emmentaler cheese	24 012.66	13
D1 c	Processed Emmentaler cheese	24 387.51	13
D2 a	Other processed cheese	23 217.65	13
D2 b	Other processed cheese	23 621.32	13
D2 c	Other processed cheese	24 015.60	13
D3	Other processed cheese	26 775.00	13
G1 a1	Parmigiano, Grana	25 413.82	17
G1 a2	Other cheese (except Parmigiano)	27 410.80	17
G1 b1	Cheddar	25 056.00	13
G1 b1	Cheddar (processed)	22 944.00	13
G1 b2	Provolone, Asiago	24 743.82	14
G1 b3	Edam (erga omnes)	25 288.58	13.02
G1 b3	Edam (EEC)	23 789.82	12.25
G1 b4	Soft cheese (Camembert, etc.)	-	-
G1 b5	Other soft cheese	26 677.83	11.25
G1 b6	Other cheese	26 677.83	11.25
G1 c1	Fresh cheese	26 677.83	11.25
G1 c2	Other fresh cheese	26 677.83	11.25
G2	Other	26 677.83	11.25

RECOMMENDATION FOR A COUNCIL REGULATION

on the conclusion of the Agreement

amending the Agreement of 5 June 1970 between the European Economic
Community and Spain on certain cheeses

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 at the request of Spain the Commission initiated consultations with
that country with a view to re-examining the prices of certain cheeses covered
by the Agreement of 5 June 1970 between the European Economic Community and
Spain ¹, as last amended on 22 July 1975 ²; whereas the Commission Delegation
and the Spanish Delegation have reached an Agreement and whereas the provisions
thereof are acceptable,

HAS ADOPTED THIS REGULATION :

Article 1

The Agreement in the form of two exchanges of letters amending the Agreement
of 5 June 1970 between the European Economic Community and Spain on certain
cheeses is hereby concluded on behalf of the Community.

The text of the Agreement is annexed to this Regulation.

Article 2

The President of the Council is hereby authorized to designate the person
empowered to sign the exchanges of letters referred to in Article 1 and to
confer on him the powers required in order to bind the Community.

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

Done at Brussels,

For the Council
The President

¹ OJ No L 245, 11.11.1970, p. 22

² OJ No L 198, 29.7.1975, p. 1

AGREEMENT

in the form of two exchanges of letters amending the Agreement of 5 June 1970
between the European Economic Community and Spain on certain cheeses

Geneva,

Sir,

Upon the conclusion of the consultations which were initiated at the request of the Spanish Delegation with a view to modifying the threshold prices for imports into Spain of certain cheeses laid down in the Agreement of 5 June 1970 between Spain and the European Economic Community, I note that the Spanish Delegation of the Commission of the European Communities have agreed on the following :

1. The description of the products ("articulos") falling within subheading 04.04 G 1 b) 3 of the Spanish Customs Tariff shall be amended as follows :

04.04 G 1 b) 3

Butterkäse, Cantal, Edam, Fontal,
Fontina, Gouda, Italico, Kernhem,
Mimolette, St Nectaire, St Paulin
Tilsit, Havarti, Danbo, Samsøe,
Fynbo, Maribo, Elbo, Molbo, Tybo
and Esrom.

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2. The threshold prices applied by Spain to imports of cheeses for the 1978/79 marketing year will be fixed on the basis of the prices indicated in the following list and adjusted in line with variations in the price of milk in Spain by the application of the coefficients indicated in the same list :

Spanish Customs Tariff No.	Products	Basic price (Pesetas/100 kg)	Coefficient
A1 a1	Whole Emmentaler cheeses	25 570.29	14
A1 a2	Whole Emmentaler cheeses	26 624.24	14
A1 b1	Emmentaler pieces	27 026.42	14
A1 b2	Emmentaler pieces	27 904.34	14
A1 c1	Emmentaler pieces	27 746.24	14
A1 c2	Emmentaler pieces	28 715.81	14
A2	Emmentaler, other	26 623.24	14
C2	Blue-veined cheeses	24 558.82	12.25
D1 a and b	Processed Emmentaler cheese	24 012.66	13
D1 c	Processed Emmentaler cheese	24 387.51	13
D2 a	Other processed cheese	23 217.65	13
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G1 b1	Cheddar (processed)	22 944.00	13
G1 b2	Provologne, Asiago	24 743.82	14
G1 b3	Edam	25 288.58	13.02
G1 b4	Soft cheese (Camembert etc.)	-	-
G1 b5	Other soft cheese	26 677.83	11.25
G1 b6	Other cheese	26 677.83	11.25
G1 c1	Fresh cheese	26 677.83	11.25
G1 c2	Other fresh cheese	26 677.83	11.25
G2	Other	26 677.83	11.25

3. The two Delegations recognized that it was advisable to pay special attention to the trend of trade in 1978 in order to evaluate, in particular, the incidence of the coefficients applicable to :

- blue-veined cheeses falling within subheading 04 04 C2 of the Spanish Customs Tariff;
- Edam cheese falling within subheading 04 04 G1 b3 of the Spanish Customs Tariff;
- soft cheese falling within subheadings 04 04 G1 b5, G1 b6, G1 c1, G1 c2 or G2 of the Spanish Customs Tariff.

The system of coefficients could be extended unchanged for the 1979/80 milk year, unless one of the two parties requested prior consultations.

4. The two Delegations agreed to propose that the Agreement of 5 June 1970 be amended to take account of all the amendments made since that date. A draft of the new text would be submitted to the relevant authorities on both sides as soon as possible.

I should be grateful if you would confirm whether you are in agreement with the foregoing.

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

Geneva,

Sir,

I have the honour to acknowledge receipt of your letter, the content of which is as follows :

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- 1. The description of the products ("articulos") falling within subheading 04.04 G 1 b) 3 of the Spanish Customs Tariff shall be amended as follows :

04.04 G 1 b) 3

Butterkäse, Cantal, Edam, Fontal, Fontina, Gouda, Italico, Kernhem, Mimolette, St Nectaire, St Paulin, Tilsit, Havarti, Danbo, Samsøe, Fynbo, Maribo, Elbo, Molbo, Tybo and Esrom.

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2. The threshold prices applied by Spain to imports of cheeses for the 1978/79 marketing year will be fixed on the basis of the prices indicated in the following list and adjusted in line with variations in the price of milk in Spain by the application of the coefficients indicated in the same list :

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G1 b6	Other cheese	26 677.83	11.25
G1 c1	Fresh cheese	26 677.83	11.25
G1 c2	Other fresh cheese	26 677.83	11.25
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The system of coefficients could be extended unchanged for the 1979/80 milk year, unless one of the two parties requested prior consultations.

4. The two Delegations agreed to propose that the Agreement of 5 June 1970 be amended to take account of all the amendments made since that date. A draft of the new text would be submitted to the relevant authorities on both sides as soon as possible.

I should be grateful if you would confirm whether you are in agreement with the foregoing."

I am able to confirm on behalf of Spain my agreement with the contents of your letter.

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

Geneva

Sir,

With reference to the exchange of letters initialled this day by our delegations concerning the fixing of the basic prices and the adjustment coefficients for the Spanish 1978/79 milk year in respect of certain cheeses and the amendment of certain Spanish Customs Tariff headings, I note that with regard to tariff subheading 04.04 G 1 b) 3, the new wording of which is as follows, 'Butterkäse, Cantal, Edam, Fontal, Fontina, Gouda, Italico, Kernhem, Mimolette, St. Nectaire, St. Paulin, Tilsit, Havarti, Danbo, Samsø, Fynbo, Maribo, Elbo, Molbo, Tybo and Esrom', the preferential margin separating the threshold price 'erga omnes' from that applicable to the Community is changed from 6.69 pesetas per kg to 6.30 per cent. A basic price of 23 789.82 pesetas/100 kg and an adjustment coefficient of 12.25 are consequently applicable to imports from the Community.

I would be grateful if you would confirm whether you are in agreement with the foregoing.

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

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I have the honour to acknowledge receipt of your letter, the content of which is as follows :

"With reference to the exchange of letters initialled this day by our delegations concerning the fixing of the basic prices and the adjustment coefficients for the Spanish 1978/79 milk year in respect of certain cheeses and the amendment of certain Spanish Customs Tariff headings, I note that with regard to tariff subheading 04.04 G 1 b) 3, the new wording of which is as follows, 'Butterkäse, Cantal, Edam, Fontal, Fontina, Gouda, Italico, Kernhem, Mimolette, St. Nectaire, St. Paulin, Tilsit, Havarti, Danbo, Samso, Fynbo, Maribo, Elbo, Molbo, Tybo and Esrom', the preferential margin separating the threshold price 'erga omnes' from that applicable to the Community is changed from 6.69 pesetas per kg to 6.30 per cent. A basic price of 23 789.82 pesetas/100 kg and an adjustment coefficient of 12.25 are consequently applicable to imports from the Community.

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