

COMMISSION OF THE EUROPEAN COMMUNITIES

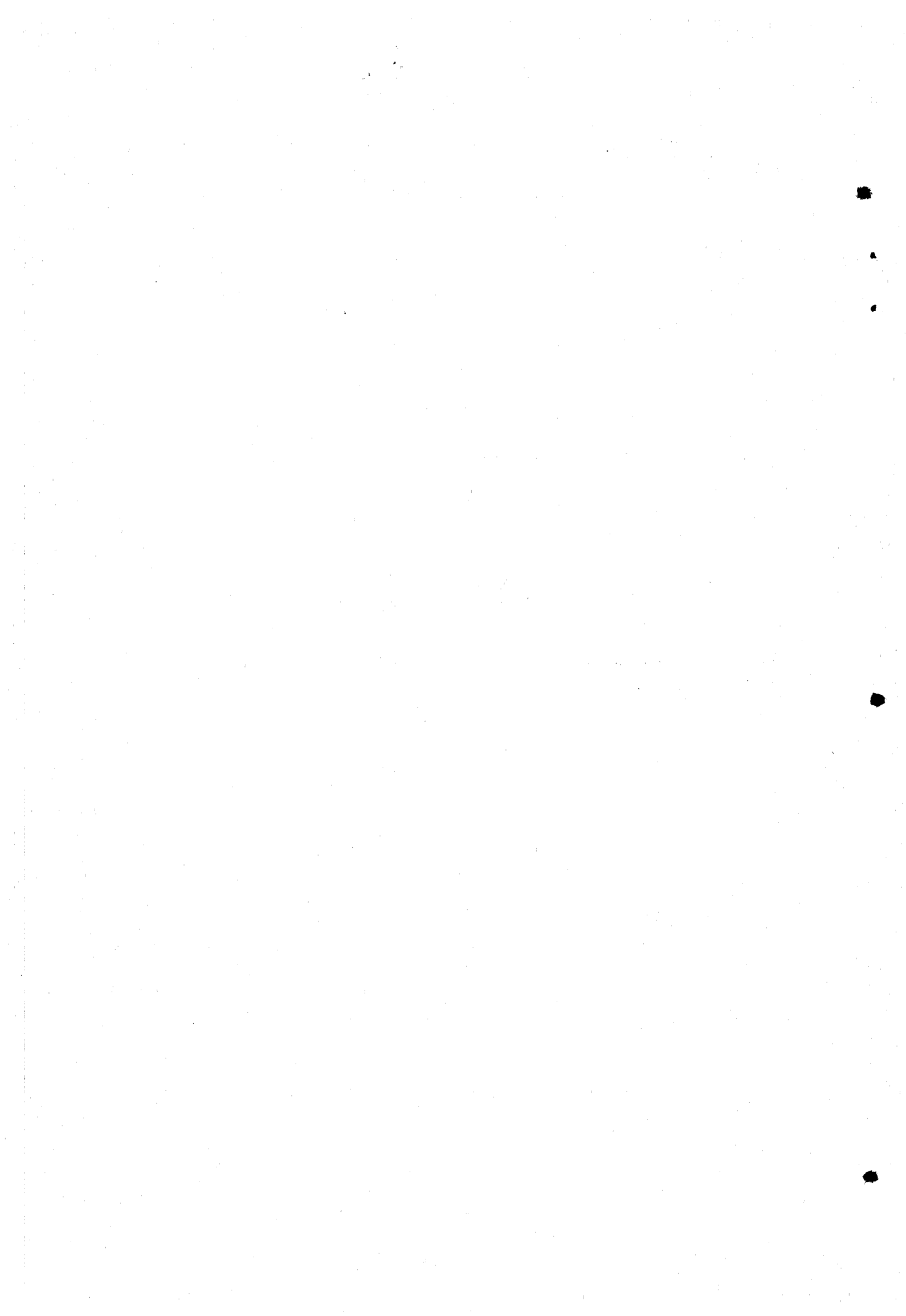
COM(80) 835 final

Brussels, 9 December 1980

Recommendation for
COUNCIL REGULATION (EEC) /
concerning the conclusion of a second Additional Protocol to the
Agreement between the European Economic Community
and the State of Israel

(submitted to the Council by the Commission)

COM(80) 835 final



EXPLANATORY MEMORANDUM

1. It was laid down in Article 22 of the Agreement between the European Economic Community and the State of Israel that, from the beginning of 1978, the Contracting Parties were to carry out a first review of the results of the Agreement on the basis of experience and consider any improvements which could be made.

2. Exploratory talks concerning the application of Article 22 were held between the Commission and an Israeli Delegation on 25 September 1978.

After examining the Commission's report on these exploratory talks (1), the Council authorized the Commission to open negotiations with the Israeli representatives in accordance with the following directives :

- A two-year deferment of the date of the next reduction in the Israeli customs tariff for the products listed in Annex A to Protocol No 2 to the Agreement.

 - A two-year deferment of the final date after which Israel is no longer authorized to introduce, increase or re-introduce customs duties to protect its new industries (Article 3 of Protocol No 2).
3. At an initial negotiating meeting held in March 1979 it emerged that the Israeli negotiators regarded the Community's offer as far from adequate since it did not contain any concession for agricultural products, particularly citrus fruit.

When the Commission presented its report on the March negotiations (2) to the Council, therefore, it proposed that the following two points be added to its directives :

(1) COM (78) 662 final.

(2) COM (79) 288 final.

- the reduction in the Common Customs Tariff for fresh oranges falling within subheading 08.02 ex A. would be changed from 60% to 70% ;
- the level of voluntary restraint on exports to the Community of tomato concentrates originating in Israel would be re-evaluated on the basis of the trend of Israel's exports over the last few years, and also with reference to the figures for Community supplies of this product.

The Council was unable to accept the Commission's proposals concerning the addition of these points to its directives. However, at its meeting of 18 March 1980 it authorized the Commission to present to the Israeli Delegation the text of a Community statement on oranges.

The Commission was invited to reply without delay and to conclude the negotiations on the basis of this statement and the concessions already offered by the Community in the first round of discussions.

4. At a further negotiating meeting held in Brussels on 22 September 1980 and in subsequent contacts between Commission officials and representatives of Israel, agreement was reached at negotiator level on the following points :

- the conclusion of an additional protocol to the EEC-Israel Agreement formally establishing the concessions offered by the Community on the dismantling of tariffs by Israel and protection for new industries ;
- an exchange of letters containing :
 - in the letter from the Community negotiator, the text of the statement of 18 March 1980 on oranges ,
 - in the reply from the Israeli negotiator, in addition to an acknowledgement of receipt of the above letter, the text of the statement made in Luxembourg on 7 October 1980 by the President of the Council at the meeting of the Cooperation Council.

5. Accordingly, the purpose of this Communication is :

a) to obtain the Council's approval concerning :

- a proposal for a Council regulation approving a second Additional Protocol to the Agreement of 11 May 1975 ;
- the draft of a second Additional Protocol deferring by two years :
 - . the next stages of tariff dismantling to be undertaken by the State of Israel under Article 1 (2) of Protocol No. 2 ,
 - . the expiry of the provisions of Article 3 of Protocol No. 2 ;

b) to notify the Council of the exchange of letters, which is not for publication, between the negotiators of the Community and Israel.

This Communication replaces the one presented to the Council on 11 December 1979 (COM(79) 752).

RECOMMENDATION FOR
COUNCIL REGULATION (EEC)
CONCERNING THE CONCLUSION OF A SECOND ADDITIONAL PROTOCOL TO THE AGREEMENT
BETWEEN THE EUROPEAN ECONOMIC COMMUNITY AND THE STATE OF ISRAEL

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 the Additional Protocol to the Agreement between the European
Economic Community and the State of Israel, signed in Brussels on
should be concluded,

HAS ADOPTED THIS REGULATION :

Article 1

The second Additional Protocol to the Agreement between the European Economic
Community and the State of Israel is hereby approved on behalf of the
Community.

The text referred to in the first paragraph is annexed to this Regulation.

Article 2

The President of the Council shall give the notifications provided for in
Article 4 of the second Additional Protocol.

Article 3

This Regulation shall enter into force on the day following its publication
in the Official Journal of the European Communities (1).

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

Done at Brussels,

For the Council
The President

(1) The date of the entry into force of the second Additional Protocol will
be published in the Official Journal of the European Communities by the
General Secretariat of the Council.

SECOND ADDITIONAL PROTOCOL

TO THE AGREEMENT BETWEEN THE EUROPEAN ECONOMIC COMMUNITY AND THE STATE OF ISRAEL

THE EUROPEAN ECONOMIC COMMUNITY,

of the one part, and

THE STATE OF ISRAEL,

of the other part,

HAVING regard to Article 22 of the Agreement between the European Economic Community and the State of Israel,

ANXIOUS to ensure the harmonious development of their trade and in particular to take measures which could help reduce the State of Israel's trade deficit with the Community,

Whereas Israel should have the option, for a further period of two years, of taking the protective measures essential to its industrialization and development, under the conditions laid down in Article 3 of Protocol No 2 to the Agreement,

HAVE DECIDED to conclude this Protocol :

Article 1

The table in Article 1 (2) of Protocol No 2 to the Agreement is hereby replaced by the following :

<u>Timetable</u>	<u>Rate of reduction</u>
from 1 July 1977	5 %
from 1 July 1978	20 %
from 1 July 1981	30 %
from 1 January 1983	50 %
from 1 January 1985	80 %
from 1 January 1987	100 %

Article 2

In Article 3 (1) of Protocol No 2 to the Agreement "31 December 1983" is hereby replaced by 31 December 1985.

Article 3

This Protocol shall form an integral part of the Agreement.

Article 4

This Protocol is drawn up in duplicate in the Danish, Dutch, English, French, German, Greek, Italian and Hebrew languages, each text being equally authentic.

This Protocol shall be approved by the Contracting Parties in accordance with their own procedures.

It shall enter into force on the first day of the first month following the date on which the Contracting Parties notify each other that the necessary procedures have been carried out.

Done at Brussels,

On behalf of the European Economic Community

On behalf of the State of Israel

.....Brussels.....21..November..1980.....

Sir,

As I had occasion to inform you verbally in the negotiations on the application of Article 22 of the EEC-Israel Cooperation Agreement, the Community has adopted the text of the following statement :

" The Community notes the importance to Israel of orange exports to the Community.

It will take account of Israel's concern on this subject in its proceedings concerning the consequences of the enlargement of the Community for third countries."

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

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

Klaus Meyer
President of the Delegation
of the European Economic Community

Mr Itzhak Minerbi
President of the Israeli Delegation
BRUSSELS.

Mission of Israel
To The
European Communities

Brussels, 21 November 1980

Sir,

In your letter of 21 November 1980 you stated :

" As I had occasion to inform you verbally in the negotiations on the application of Article 22 of the EEC-Israel Cooperation Agreement, the Community has adopted the text of the following statement :

" The Community notes the importance to Israel of orange exports to the Community.

It will take account of Israel's concern on this subject in its proceedings concerning the consequences of the enlargement of the Community for third countries."

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

I have the honour to acknowledge receipt of your letter.

The Government of Israel has also taken note of the following statement by the President of the Council of the European Communities at the meeting of the EEC-Israel Cooperation Council in Luxembourg on 7 October 1980:

" The Community will endeavour to take the special concerns of its Mediterranean partners, including Israel, into consideration in its proceedings on the implications for third countries of further enlargement."

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

Itzhak Minerbi
President of the Israeli Delegation

Mr. Klaus Meyer
President of the E.E.C. Delegation
BRUSSELS.

8