

WORLD TRADE ORGANIZATION

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G/SECRET/15/Add.1

17 July 2003

(03-3850)

Original: English

ARTICLE XXVIII:5 – NEGOTIATIONS

Schedule CXL – European Communities

Addendum

The following communication, dated 2 May 2003, has been received from the Permanent Mission of the European Communities.

As an addendum to the notification of 30 December 2002 (circulated in document G/MA/TAR/RS/90) by the European Communities concerning modifications of certain concessions under tariff items 10019095 (other spelt, common wheat, and meslin) and 10030050 (barley) in Schedule CXL of the European Communities, enclosed herewith¹ are the agreements between the European Community and Canada and the United States of America respectively concerning the above for circulation to Members in accordance with established procedures.

¹ In English only.

AGREEMENT IN THE FORM OF AN EXCHANGE OF LETTERS

between the European Community and Canada pursuant to Article XXVIII of GATT 1994 for the modification of concessions with respect to cereals provided for in EC Schedule CXL annexed to the GATT 1994

A. Letter from the European Community

Sir,

Following negotiations between the European Community (EC) and Canada under Article XXVIII of GATT 1994 for the modification of concessions with respect to cereals provided for in EC Schedule CXL annexed to the General Agreement on Tariffs and Trade 1994 (GATT 1994), the EC agrees to the conclusions as outlined below.

1. With regard to the EC notification G/SECRET/15 of 26 July 2002, for durum wheat and rye as well as for high quality common wheat (as specified in Annex I to Commission Regulation (EC) No 1249/96 (28 June 1996), OJ L 161, p. 125), the concessions contained in the EC Schedule CXL shall continue to apply.
2.
 - (a) For other spelt, medium and low quality common wheat (as specified in Annex I to Commission Regulation (EC) No 1249/96 (28 June 1996), OJ L 161, p. 125) and meslin under item 1001 90 95 (other spelt, common wheat, and meslin), the EC shall establish a tariff quota of 2 981 600 tonnes.
 - (b) Within the tariff quota specified in 2(a), 38 000 tonnes shall be allocated to Canada. Subject to prior approval by Canada, in the event Canada is unable to fill its allocation, this allocation may be opened to other countries.
 - (c) The in-quota tariff rate for the tariff quota specified in 2(a) shall be EUR 12/tonne, and the out-of quota tariff rate shall be no higher than the lower of the bound rate of duty for item 1001 90 95 (other spelt, common wheat, and meslin) in EC Schedule CXL as of 1 July 2002 or the most favoured-nation rate of duty.
3. Once the EC has established the tariff quota as specified in 2, the EC need not apply the concessions for other spelt, medium and low quality common wheat (as specified in Annex I to Commission Regulation (EC) No 1249/96 (28 June 1996), OJ L 161, p. 125) and meslin under item 1001 90 95, contained in headnote 6 of EC Schedule CXL.
4. The tariff quota specified in 2 shall open on 1 January of each year.
5. The tariff quota specified in 2 shall be managed on a first-come, first-served basis. Both parties will consult on the other aspects of the management of the quota.
6. The EC recognises that Canada has initial negotiating rights with respect to the concessions specified in 1 and 2.


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

The provisions of this Agreement shall be applicable from 1 January 2003.

I would be grateful if you could confirm the agreement of your Government to the above.

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

For the European Community

A handwritten signature in black ink, appearing to be 'Juncker', written over a horizontal line.

BRUSSELS, 20 DECEMBER 2002

B. Letter from Canada

Sir,

I have the honour to acknowledge receipt of your letter of today's date, worded as follows:

'Following negotiations between the European Community (EC) and Canada under Article XXVIII of GATT 1994 for the modification of concessions with respect to cereals provided for in EC Schedule CXL annexed to the General Agreement on Tariffs and Trade 1994 (GATT 1994), the EC agrees to the conclusions as outlined below.

1. With regard to the EC notification G/SECRET/15 of 26 July 2002, for durum wheat and rye as well as for high quality common wheat (as specified in Annex I to Commission Regulation (EC) No 1249/96 (28 June 1996), OJ L 161, p. 125), the concessions contained in the EC Schedule CXL shall continue to apply.
2.
 - (a) For other spelt, medium and low quality common wheat (as specified in Annex I to Commission Regulation (EC) No 1249/96 (28 June 1996), OJ L 161, p. 125) and meslin under item 1001 90 95 (other spelt, common wheat, and meslin), the EC shall establish a tariff quota of 2 981 600 tonnes.
 - (b) Within the tariff quota specified in 2(a), 38 000 tonnes shall be allocated to Canada. Subject to prior approval by Canada, in the event Canada is unable to fill its allocation, this allocation may be opened to other countries.
 - (c) The in-quota tariff rate for the tariff quota specified in 2(a) shall be EUR 12/tonne, and the out-of-quota tariff rate shall be no higher than the lower of the bound rate of duty for item 1001 90 95 (other spelt, common wheat, and meslin) in EC Schedule CXL as of 1 July 2002 or the most-favoured-nation rate of duty.
3. Once the EC has established the tariff quota as specified in 2, the EC need not apply the concessions for other spelt, medium and low quality common wheat (as specified in Annex I to Commission Regulation (EC) No 1249/96 (28 June 1996), OJ L 161, p. 125) and meslin under item 1001 90 95, contained in headnote 6 of EC Schedule CXL.
4. The tariff quota specified in 2 shall open on 1 January of each year.
5. The tariff quota specified in 2 shall be managed on a first-come, first-served basis. Both parties will consult on the other aspects of the management of the quota.
6. The EC recognises that Canada has initial negotiating rights with respect to the concessions specified in 1 and 2.

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

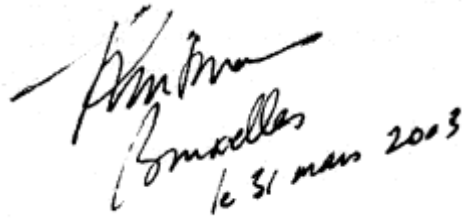
The provisions of this Agreement shall be applicable from 1 January 2003.

I would be grateful if you could confirm the agreement of your Government to the above.'

The Government of Canada has the honour of confirming its agreement with the contents of this letter.

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

On behalf of the Government of Canada



[Handwritten signature]
Busselles
le 31 mars 2003

AGREEMENT IN THE FORM OF AN EXCHANGE OF LETTERS

between the European Community and the United States of America relating to the modification of concessions with respect to cereals provided for in EC Schedule CXL to the GATT 1994

A. Letter from the European Community

Sir,

The European Community (EC) and the United States of America, with respect to the concessions on cereals provided for in EC Schedule CXL to the General Agreement on Tariffs and Trade 1994 (GATT 1994), agree to the conclusions as outlined below.

Common wheat

1. For item 1001 90 95 (other spelt, common wheat, and meslin), the concessions contained in EC Schedule CXL shall continue to apply to high quality common wheat (as specified in Annex I to Commission Regulation (EC) No 1249/96 (28 June 1996), OJ L 161, p. 125).
2.
 - (a) For other spelt, medium and low quality common wheat (as specified in Annex I to Commission Regulation (EC) No 1249/96), and meslin under item 1001 90 95 (other spelt, common wheat, and meslin), the EC shall establish a tariff quota of 2 981 600 metric tonnes.
 - (b) Within the tariff quota specified in 2(a), 572 000 metric tonnes shall be allocated to the United States of America. Subject to prior approval by the United States of America, in the event the United States of America is unable to fill its allocation, this allocation may be opened to other countries.
 - (c) The in-quota tariff rate for the tariff quota specified in 2(a) shall be EUR 12/metric tonne, and the out-of-quota tariff rate shall be no higher than the lower of the bound rate of duty for item 1001 90 95 (other spelt, common wheat, and meslin) in EC Schedule CXL as of 1 July 2002 or the most-favoured-nation rate of duty.
3. Once the EC has established the tariff quota as specified in 2, the EC need not apply the concessions for other spelt, medium and low quality common wheat (as specified in Annex I to Commission Regulation (EC) No 1249/96 (28 June 1996), OJ L 161, p. 125) and meslin under item 1001 90 95, contained in headnote 6 of EC Schedule CXL.

Barley

4.
 - (a) For item 1003 00 50 (barley), the EC shall establish a tariff quota of 50 000 metric tonnes for malting barley (barley intended for the production of malt used for manufacture of beer aged in vats containing beechwood and with quality criteria as specified in Article 2(3) of Commission Regulation (EC) No 1234/2001 (22 June 2001), OJ L 168, p. 12) and a tariff quota for all other barley of 300 000 metric tonnes.

- (b) The in-quota tariff rate for the malting-barley tariff quota specified in 4(a) shall be EUR 8/metric tonne, and the out-of-quota tariff rate shall be no higher than the lower of the bound rate of duty for item 1003 00 50 (barley) in EC Schedule CXL as of 1 July 2002 or the most-favoured-nation rate of duty. The in-quota tariff rate for the all-other-barley tariff quota specified in 4(a) shall be EUR 16/metric tonne, and the out-of-quota tariff rate shall be no higher than the lower of the bound rate of duty for item 1003 00 50 (barley) in EC Schedule CXL as of 1 July 2002 or the most-favoured-nation rate of duty.

5. Once the EC has established the tariff quotas as specified in 4, the EC need not apply the concessions for item 1003 00 50 (barley) contained in headnote 6 of EC Schedule CXL.

General

6. The tariff quotas specified in 2 and 4 shall open on 1 January of each year.
7. The tariff quotas specified in 2 and 4 shall be managed on a first-come, first-served basis.
8. Any modification of concessions in EC Schedule CXL pursuant to 3 and/or 5 shall add the concessions specified in 2, 4, and 6 to EC Schedule CXL.
9. The EC recognises that the United States of America has initial negotiating rights with respect to the concessions contained in headnote 6 of EC Schedule CXL and the concessions specified in 2, 4 and 6.
10. With respect to the notification of 26 July 2002 by the EC of its intention to modify certain concessions in EC Schedule CXL (circulated in G/SECRET/15), the EC is not modifying concessions contained in EC Schedule CXL on item 1001 90 95 as specified in 1 and on items 1001 10 50 (durum wheat), 1002 00 00 (rye), ex 1005 (maize, except hybrid seed), and ex 1007 (grain sorghum, except hybrids for sowing) and shall notify the WTO of such.

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

The provisions of this Agreement shall be applicable from 1 January 2003.

I would be grateful if you could confirm the agreement of your Government to the above.

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

For the European Community



BRUSSELS, 20 DECEMBER 2002

B. Letter from the United States of America

Sir,

I have the honour to acknowledge receipt of your letter of today's date, worded as follows:

'The European Community (EC) and the United States of America, with respect to the concessions on cereals provided for in EC Schedule CXL to the General Agreement on Tariffs and Trade 1994 (GATT 1994), agree to the conclusions as outlined below.

Common Wheat

1. For item 1001 90 95 (other spelt, common wheat, and meslin), the concessions contained in EC Schedule CXL shall continue to apply to high quality common wheat (as specified in Annex I to Commission Regulation (EC) No 1249/96 (28 June 1996), OJ L 161, p. 125).
2.
 - (a) For other spelt, medium and low quality common wheat (as specified in Annex I to Commission Regulation (EC) No 1249/96), and meslin under item 1001 90 95 (other spelt, common wheat, and meslin), the EC shall establish a tariff quota of 2 981 600 metric tonnes.
 - (b) Within the tariff quota specified in 2(a), 572 000 metric tonnes shall be allocated to the United States of America. Subject to prior approval by the United States of America, in the event the United States of America is unable to fill its allocation, this allocation may be opened to other countries.
 - (c) The in-quota tariff rate for the tariff quota specified in 2(a) shall be EUR 12/metric tonne, and the out-of-quota tariff rate shall be no higher than the lower of the bound rate of duty for item 1001 90 95 (other spelt, common wheat, and meslin) in EC Schedule CXL as of 1 July 2002 or the most-favoured-nation rate of duty.
3. Once the EC has established the tariff quota as specified in 2, the EC need not apply the concessions for other spelt, medium and low quality common wheat (as specified in Annex I to Commission Regulation (EC) No 1249/96 (28 June 1996), OJ L 161, p. 125) and meslin under item 1001 90 95, contained in headnote 6 of EC Schedule CXL.

Barley

4.
 - (a) For item 1003 00 50 (barley), the EC shall establish a tariff quota of 50 000 metric tonnes for malting barley (barley intended for the production of malt used for manufacture of beer aged in vats containing beechwood and with quality criteria as specified in Article 2(3) of Commission Regulation (EC) No 1234/2001 (22 June 2001), OJ L 168, p. 12) and a tariff quota for all other barley of 300 000 metric tonnes.
 - (b) The in-quota tariff rate for the malting-barley tariff quota specified in 4(a) shall be EUR 8/metric tonne, and the out-of-quota tariff rate shall be no higher than the lower of the bound rate of duty for item 1003 00 50 (barley) in EC Schedule CXL as of 1 July 2002 or the most favoured-nation rate of duty. The in-quota tariff rate for the all-other-barley tariff quota specified in 4(a) shall be EUR 16/metric tonne, and the out-

of-quota tariff rate shall be no higher than the lower of the bound rate of duty for item 1003 00 50 (barley) in EC Schedule CXL as of 1 July 2002 or the most-favoured-nation rate of duty.

5. Once the EC has established the tariff quotas as specified in 4, the EC need not apply the concessions for item 1003 00 50 (barley) contained in headnote 6 of EC Schedule CXL.

General

6. The tariff quotas specified in 2 and 4 shall open on 1 January of each year.

7. The tariff quotas specified in 2 and 4 shall be managed on a first-come, first-served basis.

8. Any modification of concessions in EC Schedule CXL pursuant to 3 and/or 5 shall add the concessions specified in 2, 4, and 6 to EC Schedule CXL.

9. The EC recognises that the United States of America has initial negotiating rights with respect to the concessions contained in headnote 6 of EC Schedule CXL and the concessions specified in 2, 4 and 6.

10. With respect to the notification of 26 July 2002 by the EC of its intention to modify certain concessions in EC Schedule CXL (circulated in G/SECRET/15), the EC is not modifying concessions contained in EC Schedule CXL on item 1001 90 95 as specified in 1 and on items 1001 10 50 (durum wheat), 1002 00 00 (rye), ex 1005 (maize, except hybrid seed), and ex 1007 (grain sorghum, except hybrids for sowing) and shall notify the WTO of such.

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

The provisions of this Agreement shall be applicable from 1 January 2003.

I would be grateful if you could confirm the agreement of your Government to the above.'

The Government of the United States of America has the honour of confirming its agreement with the contents of this letter.

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

On behalf of the Government of the United States of America

Samuel S. Dickey
Geneva, Switzerland
December 27, 2002
