



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 28.5.2003
COM(2003) 314 final

2003/0108 (ACC)

Proposal for a

COUNCIL DECISION

on the conclusion of the agreement in the form of an exchange of letters between the European Community and the Kingdom of Norway concerning certain agricultural products

(presented by the Commission)

EXPLANATORY MEMORANDUM

1. Article 19 of the Agreement on the European Economic Area states that Parties undertake to continue their efforts with a view to achieving progressive liberalisation of agricultural trade and that Parties will decide, within the framework of this agreement, on a preferential, bilateral or multilateral, reciprocal and mutually beneficial basis, on further reductions of any type of barriers to trade in the agricultural sector.
2. The agreement in the form of an exchange of letters between the Kingdom of Norway and the European Community, is the result of the bilateral trade negotiations in agriculture, which took place from 4 March to 18 December 2002.
3. This arrangement comprises a consolidated arrangement for reciprocal trade in cheese and mutual concessions for a variety of agricultural products, including tariff quotas, which are additional to existing preferences¹. The entry into force of these bilateral concessions is foreseen on 1 July 2003.
4. The Commission therefore proposes that the Council adopt the proposal for a decision on the conclusion of these agreements in the form of an exchange of letters as set out in the Annex.
5. Financial impact: the loss of custom revenues is estimated at EUR 1.6 million.

¹ Council Decision 93/239/EC of 2 May 1992 (OJ L 109, 1.5.1993, p. 1) and Council Decision 95/582/EC of 20 December 1995 (OJ L 327, 30.12.1995, p. 17).

Proposal for a

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on the conclusion of the agreement in the form of an exchange of letters between the European Community and the Kingdom of Norway concerning certain agricultural products

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 133 thereof, read together with the first sentence of Article 300(2),

Having regards to the proposal from the Commission,

Whereas:

- (1) Article 19 of the Agreement on the European Economic Area (EEA) foresees that the contracting parties undertake to continue their efforts with a view to achieving progressive liberalisation of agricultural trade between them.
- (2) The Kingdom of Norway and the European Community held bilateral trade negotiations in agriculture in 2002, on the basis of Article 19 of the EEA, which were concluded satisfactorily on 18 December 2002.
- (3) The Agreement in question, in the form of an exchange of letters, should be approved,

HAS DECIDED AS FOLLOWS:

Article 1

The Agreement in the form of an exchange of letters between the European Community and the Kingdom of Norway, concerning certain agricultural products, is hereby approved on behalf of the Community.

The texts of the Agreement are attached to this Decision.

Article 2

The President of the Council is hereby authorised to designate the person empowered to sign the Agreement in order to bind the Community.

Done at Brussels,

*For the Council
The President*

ANNEX

AGREEMENT

in the form of an exchange of letters between the European Community and the Kingdom of Norway concerning additional trade preferences in agricultural products undertaken on the basis of Article 19 of the agreement on the European Economic Area

A. Letter from the Community

Brussels, 2003

Sir,

I have the honour to refer to the trade negotiations between the European Community and the Kingdom of Norway on agricultural products, held from 4 March 2002 to 18 December 2002, undertaken on the basis of Article 19 of the agreement on the European Economic Area.

With the aim of fostering a harmonious development of trade between parties, the Kingdom of Norway and the European Community have agreed to additional bilateral trade preferences concerning agricultural products. This arrangement comprises a consolidated arrangement for reciprocal trade in cheese and mutual concessions for a variety of agricultural products, including additional tariff quotas to existing preferences.

I hereby confirm that the results of the negotiations were as follows:

1. From 1 July 2003, Norway and the Community will increase their reciprocal trade in cheese. The text and the consolidated annual tariff quotas are set out in Annex I hereto.
2. From 1 July 2003, Norway will open for the Community the annual tariff quotas, for products originating in the Community, set out in Annex II hereto. These bilateral concessions are additional to the ones already in place¹.
3. From 1 July 2003, Norway will reduce or eliminate import duties on products, originating in the Community, set out in Annex III hereto. These bilateral concessions are additional to the ones already in place¹.
4. From 1 July 2003, the Community will eliminate import duties on products, originating in Norway, set out in Annex IV hereto. These bilateral concessions are additional to the ones already in place¹.
5. From 1 July 2003, the Community will open for Norway the annual tariff quotas, for products originating in Norway, set out in Annex V hereto. These bilateral concessions are additional to the ones already in place¹.
6. The parties will take steps to ensure that the benefits, which they grant each other, will not be jeopardised by other import measures.

¹ Council Decision 93/239/EC of 2 May 1992 (OJ L 109, 1.5.1993, p. 1) and Council Decision 95/582/EC of 20 December 1995 (OJ L 327, 30.12.1995, p. 17).

7. The parties agree to take the necessary steps in order to ensure that tariff quotas will be managed in such a way that imports may take place regularly and that the quantities agreed for import can effectively be imported. Where necessary, tariff quotas will be opened in 2003 on a pro-rata basis.
8. The parties agree to exchange at regular interval information on tariff quota management, price quotations and any useful information concerning the respective domestic markets and the implementation of this agreement.
9. Consultations will be held at the request of either party on any question relating to the operation of this agreement. In case of difficulties, these consultations will be held as promptly as possible, with a view to the adoption of appropriate corrective measures.
10. The rules of origin for the purpose of implementing the concessions referred to in Annexes I to V of this agreement are set out in Annex IV of the exchange of letters of 2 May 1992. However, paragraph 2 of Annex IV shall refer to the list in Annex II of Protocol 4 to the Agreement on the European Economic Area, to be applied according to Annex I of the same Protocol, instead of the list in the Appendix referred to in paragraph 2 of Annex IV of the exchange of letters of 2 May 1992.
11. Norway and the European Community agree to resume bilateral negotiations in the framework of Article 19 of the agreement on the European Economic Area in two years time.

This exchange of letters shall be approved by the contracting parties in accordance with their own procedures.

I have the honour to confirm that the European Community is in agreement with the content of this letter.

I should be obliged if you would confirm that the Government of the Kingdom of Norway is in agreement with the content of this letter.

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

*For the European Community
On behalf of the Council of the EU*

B. Letter from Norway

Brussels, 2003

Sir,

I have the honour to refer to your letter dated XXX which reads as follows:

“I have the honour to refer to the trade negotiations between the European Community and the Kingdom of Norway on agricultural products, held from 4 March 2002 to 18 December 2002, undertaken on the basis of Article 19 of the agreement on the European Economic Area.

With the aim of fostering a harmonious development of trade between parties, the Kingdom of Norway and the European Community have agreed to additional bilateral trade preferences concerning agricultural products. This arrangement comprises a consolidated arrangement for reciprocal trade in cheese and mutual concessions for a variety of agricultural products, including additional tariff quotas to existing preferences.

I hereby confirm that the results of the negotiations were as follows:

1. From 1 July 2003, Norway and the Community will increase their reciprocal trade in cheese. The text and the consolidated annual tariff quotas are set out in Annex I hereto.
2. From 1 July 2003, Norway will open for the Community the annual tariff quotas, for products originating in the Community, set out in Annex II hereto. These bilateral concessions are additional to the ones already in place¹.
3. From 1 July 2003, Norway will reduce or eliminate import duties on products, originating in the Community, set out in Annex III hereto. These bilateral concessions are additional to the ones already in place¹.
4. From 1 July 2003, the Community will eliminate import duties on products, originating in Norway, set out in Annex IV hereto. These bilateral concessions are additional to the ones already in place¹.
5. From 1 July 2003, the Community will open for Norway the annual tariff quotas, for products originating in Norway, set out in Annex V hereto. These bilateral concessions are additional to the ones already in place¹.
6. The parties will take steps to ensure that the benefits, which they grant each other, will not be jeopardised by other import measures.
7. The parties agree to take the necessary steps in order to ensure that tariff quotas will be managed in such a way that imports may take place regularly and that the quantities agreed for import can effectively be imported. Where necessary, tariff quotas will be opened in 2003 on a pro-rata basis.

¹ Council Decision 93/239/EC of 2 May 1992 (OJ L 109, 1.5.1993, p. 1) and Council Decision 95/582/EC of 20 December 1995 (OJ L 327, 30.12.1995, p. 17).

8. The parties agree to exchange at regular interval information on tariff quota management, price quotations and any useful information concerning the respective domestic markets and the implementation of this agreement.
9. Consultations will be held at the request of either party on any question relating to the operation of this agreement. In case of difficulties, these consultations will be held as promptly as possible, with a view to the adoption of appropriate corrective measures.
10. The rules of origin for the purpose of implementing the concessions referred to in Annexes I to V of this agreement are set out in Annex IV of the exchange of letters of 2 May 1992. However, paragraph 2 of Annex IV shall refer to the list in Annex II of Protocol 4 to the Agreement on the European Economic Area, to be applied according to Annex I of the same Protocol, instead of the list in the Appendix referred to in paragraph 2 of Annex IV of the exchange of letters of 2 May 1992.
11. Norway and the European Community agree to resume bilateral negotiations in the framework of Article 19 of the agreement on the European Economic Area in two years time.

This exchange of letters shall be approved by the contracting parties in accordance with their own procedures.

I have the honour to confirm that the European Community is in agreement with the content of this letter.

I should be obliged if you would confirm that the Government of the Kingdom of Norway is in agreement with the content of this letter.”

I have the honour to confirm that the Government of the Kingdom of Norway is in agreement with the content of this letter.

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

*For the Government
of the Kingdom of Norway*

ANNEX I

Trade in cheese

1. The European Community shall abolish import duties on the existing cheese quota and shall increase these quotas. The consolidated annual tariff quotas are as follows:

| CN Code | Description of products ⁽¹⁾ | Annual quantity (in tons) | Rate of duty |
|---------------|--|------------------------------|--------------|
| ex 0406 90 23 | Norwegian Edam | 3 467 | free |
| 0406 90 39 | Jarlsberg | | |
| ex 0406 90 78 | Norwegian Gouda | | |
| 0406 90 86 | | | |
| 0406 90 87 | Other cheeses | | |
| 0406 90 88 | | | |
| 0406 10 | Fresh cheeses | 533 | free |

- (1) Notwithstanding the rules for the interpretation of the combined nomenclature, the wording for the description of the products is to be considered as having no more than an indicative value, the applicability of the preferential scheme determined, for the purpose of this Annex, by the coverage of the CN codes.

2. Norway shall abolish import duties on the existing cheese quota and shall increase these quotas. The consolidated annual tariff quota is as follows:

| CN Code | Description of products | Annual quantity (in tons) | Rate of duty |
|---------|-------------------------|------------------------------|--------------|
| 0406 | Cheese and curd | 4 000 | free |

3. Norway will improve its current import management system based on import licences attributed on the basis of historical rights, in particular by improving the access to licences to newcomers. Norway will continue to administer a quantity of 2 360 tons of cheeses of the consolidated annual cheese tariff quota on the basis of a cheese list, according to the exchange of letters of 11 April 1983. Additional quantities within the consolidated cheese tariff quotas will not be subject to this cheese list and will be imported with no condition relating to the type of cheese. However, imports of cheese for processing should be minimised, with the exception to cheeses used in the preparation of ready-made food (e.g. pizzas or cheese-snacks).
4. The Community will manage the annual cheese tariff quota under the general licensing system applied in the dairy sector. The IMA1 certificate system will be abandoned.
5. These provisions shall replace previous arrangements between the European Community and the Kingdom of Norway concerning reciprocal trade in cheese.

ANNEX II

Additional tariff quotas granted by Norway

1. Norway will open the following annual tariff quotas for the following products originating in the Community*:

| Norwegian Customs Tariff heading | Description of products | Annual quantity (in tons) | Rate of duty |
|----------------------------------|--|---------------------------|--------------|
| 0206 41 00 | Livers of swine, frozen | 250 | 5 NOK/kg |
| 0210 11 00 | Hams, shoulders and cuts thereof, with bone in, of swine | 200 | free |
| 0705 11 11 0705 11 21 | Iceberg lettuce | 600 | free |
| 0712 90 11 | Potatoes, whether or not cut or sliced, but not further prepared | 300 | free |
| ex 0808 10 11 | Apples from 1 May to 1 August | 2000 | free |
| 0810 10 23 0810 10 24 | Strawberries, fresh, from 9 June to 9 September | 300 | free |
| 0811 10 01 | Strawberries, frozen, containing added sugar or sweetening matter | 500 | free |
| 0811 10 09 | Other strawberries | | |
| 0812 10 00 | Cherries, provisionally preserved | 100 | 4,3 NOK/kg |
| ex 1209 23 00 | Fescue seed, for lawn | 55 (1) | free |
| ex 1209 24 00 | Kentucky blue grass (<i>Poa pratensis</i>) seed, for lawn | 100 (1) | free |
| 1209 25 00 | Rye grass (<i>Lolium multiflorum Lam.</i> , <i>Lolium perenne L.</i>) seed | 600 | free |
| 1214 90 91 | Hay | 10 000 (1) | free |
| 1601 00 00 | Sausages and similar products, of meat, meat offal or blood; food preparations based on these products | 200 | free |
| 1602 49 10 | "Bacon crisp" | 200 (1) (2) | free |
| ex 1602 50 00 | Meatballs | 150 | free |
| 2009 71 00 | Apple juice of a Brix value not exceeding 20 | 1000 | free |
| 2009 79 00 | Other apple juice | | |

* The quotas shall apply annually unless otherwise specified.

(1) Increase of existing quota.

(2) The existing in-quota tariff shall be eliminated.

2. Norway will open the following annual zero-duty tariff quotas for the following products originating in the Community*:

| Norwegian Customs Tariff heading | Description of products | Annual value in million NOK |
|----------------------------------|---|-----------------------------|
| 0602 90 61 | (<i>Condiaeum</i> , <i>Croton</i> , <i>Dieffenbachia</i> , <i>Epipremnum</i> , <i>Scindapsus aureum</i> , <i>Hedera</i> , <i>Nephrolepis</i> , <i>Peperomia obtusifolia</i> , <i>Peperomia rotundifolia</i> , <i>Schefflera</i> , <i>Soleirolia</i> and <i>Helxine</i> , also when imported as part of mixed groups of plants) from 1 May to 14 December | 4 |
| 0602 90 71 | Grass in rolls or plates (lawn) | 4 |

* The quotas shall apply annually unless otherwise specified.

ANNEX III

Additional tariff concessions granted by Norway

Norway will reduce or eliminate import duties on the following products originating in the Community*:

| Norwegian Customs Tariff heading | Description of products | Rate of duty |
|----------------------------------|--|--------------|
| 0602 | Other live plants (including their roots), cuttings and slips; mushroom spawn | |
| | - - Cuttings, unrooted or <i>in vitro</i> , for horticultural purposes: | |
| | - - - Other: | |
| 0602 10 21 | - - - - Begonia, all sorts, <i>Campanula isophylla</i> , <i>Euphorbia pulcherrima</i> , <i>Poinsettia pulcherrima</i> , <i>Fuchsia</i> , <i>Hibiscus</i> , <i>Kalanchoe</i> and <i>Petunia</i> -hanging | 25% |
| 0602 10 22 | - - - - Saintpaulia, <i>Scaevola</i> and <i>Streptocarpus</i> | 15% |
| 0602 10 23 | - - - - <i>Dendranthema x grandiflora</i> and <i>Chrysanthemum x morafloerium</i> , from 1 April to 15 October | 15% |
| 0602 10 24 | - - - - Pelargonium | 35% |
| 0602 10 29 | - - - - Other (1) | free |
| 0602 30 13 | - Rhododendrons and azaleas, grafted or not: - - <i>Azalea indica</i> (Indoor azalea): - - - Other (other than in flower): - - - - from 24 December to 14 November | free |
| | - Roses, grafted or not: | |
| 0602 40 02 | - - Stock | free |
| 0602 40 03 | - - Rooted cuttings, not wrapped for retail sale | free |
| 0602 40 04 | - - Bare-root roses, without any kind of media, not wrapped for retail sale | free |
| | - - - - - Green pot plants from 1 May to 14 December: | |
| 0602 90 62 | - - - - - <i>Asplenium</i> , <i>Begonia x rex-cultorum</i> , <i>Chlorophytum</i> , <i>Euonymus japonicus</i> , <i>Fatsia japonica</i> , <i>Aralia sieboldii</i> , <i>Ficus elastica</i> , <i>Monstera</i> , <i>Philodendron scandens</i> , <i>Radermachera</i> , <i>Stereospermum</i> , <i>Syngonium</i> and <i>X-Fatshedera</i> , also when imported as part of mixed groups of plants | 25% |
| 0602 90 63 | - - - - - Other, also when imported as part of mixed groups of plants (other than <i>Condiaeum</i> , <i>Croton</i> , <i>Dieffenbachia</i> , <i>Epipremnum</i> , <i>Scindapsus aureum</i> , <i>Hedera</i> , <i>Nephrolepis</i> , <i>Peperomia obtusifolia</i> , <i>Peperomia rotundifolia</i> , <i>Schefflera</i> , <i>Soleirolia</i> and <i>Helxine</i>) | free |
| | - - - - - Pot plants in flower: | |
| 0602 90 65 | - - - - - <i>Achimenes</i> , <i>Aster novi-belgii</i> , <i>Calceolaria herbeohybrida</i> , <i>Capsicum annum</i> , <i>Catharanthus roseus</i> , <i>Vinca rosea</i> , <i>Dipladenia</i> , <i>Nematanthus</i> , <i>Hypocyrtia</i> , <i>Osteospermum</i> , <i>Schlumbergera</i> , <i>Senecio x hybridus</i> , <i>Cineraria</i> , <i>Sinningia speciosa</i> , <i>Gloxinia</i> , <i>Solanum</i> and <i>Streptocarpus</i> , also when imported as part of mixed groups of plants | 30% |

| | | |
|---------------|---|--------------|
| 0602 90 66 | ----- Other, also when imported as part of mixed groups of plants (other than <i>Achimenes</i> , <i>Aster novi-belgii</i> , <i>Calceolaria herbeohybrida</i> , <i>Capsicum annum</i> , <i>Catharanthus roseus</i> , <i>Vinca rosea</i> , <i>Dipladenia</i> , <i>Nematanthus</i> , <i>Hypocyrtia</i> , <i>Osteospermum</i> , <i>Schlumbergera</i> , <i>Senecio x hybridus</i> , <i>Cineraria</i> , <i>Sinningia speciosa</i> , <i>Gloxinia</i> , <i>Solanum</i> and <i>Streptocarpus</i>) | free |
| | ----- Rooted cuttings and young plants: | |
| 0602 90 67 | ----- <i>Begonia</i> (all sorts), <i>Campanula isophylla</i> , <i>Dendranthema x grandiflora</i> , <i>Chrysanthemum x morifolium</i> , <i>Cyclamen</i> , <i>Euphorbia pulcherrima</i> , <i>Fuchsia</i> , <i>Hibiscus</i> , <i>Kalanchoe</i> , <i>Pelargonium</i> , <i>Petunia-heng</i> , <i>Saintpaulia</i> , <i>Scaevola</i> , and <i>Sinningia syn. Gloxinia</i> | 38% |
| 0602 90 68 | ----- Other | free |
| 0602 90 69 | ----- Other | free |
| 0602 90 79 | ----- Other (other than grass in rolls or plates (lawn)) | free |
| ex. 0603 | Cut flowers and flower buds of a kind suitable for bouquets or for ornamental purposes, fresh, dried, dyed, bleached, impregnated or otherwise prepared. | |
| | - Fresh: | |
| 0603 10 12 | --- <i>Argyranthemum frutescens</i> and <i>Chrysanthemum frutescens</i> 1 November to 30 April, <i>Dendranthema x grandiflora</i> and <i>Chrysanthemum x morifolium</i> 15 December to 15 March, <i>Dianthus caryophyllus</i> 1 November to 15 May, <i>Freesia</i> 1 December to 31 March, <i>Rosa</i> 1 November to 31 March and <i>Tulipa</i> 1 May to 31 May, also when imported as parts of mixed bouquets and similar | free |
| 0603 10 98 | ---- <i>Freesia</i> from 1 April to 30 November, <i>Iris</i> , <i>Limonium</i> , <i>Statice</i> , <i>Matthiola</i> , and <i>Narcissus</i> , also when imported as parts of mixed bouquets and similar | free |
| 0603 10 99 | ---- Other, also when imported as parts of mixed bouquets and similar (other than covered by specific code numbers) | free |
| 0603 90 00 | - Other | free |
| ex 0604 | Foliage, branches and other parts of plants, without flowers or flower buds, and grasses, mosses and lichens, being goods of a kind suitable for bouquets or for ornamental purposes, fresh, dried, dyed, bleached, impregnated or otherwise prepared. | |
| | -- Fresh: | |
| 0604 91 10 | --- Maidenhair fern (<i>Adiantum</i>) and <i>Asparagus</i> from 1 June to 31 October | free |
| 0702 00 22 | Tomatoes, fresh or chilled, from 10 to 31 May | 10,21 NOK/kg |
| 0702 00 23 | Tomatoes, fresh or chilled, from 1 June to 10 July | 10,21 NOK/kg |
| 0702 00 30 | Tomatoes, fresh or chilled, from 11 July to 14 October | 6,86 NOK/kg |
| 0702 00 40 | Tomatoes, fresh or chilled, from 15 to 31 October | free |
| ex 0704 90 91 | Savoy cabbage, fresh or chilled, from 1 December to 30 June | free |
| ex 0704 90 92 | Curly kale, fresh or chilled, from 1 December to 31 July | free |
| 0706 10 30 | Turnips | free |
| 0707 00 20 | Snake cucumbers, fresh or chilled, from 1 to 30 November | free |
| 0709 10 10 | Artichokes, fresh or chilled, from 1 June to 30 November | free |
| 0709 52 00 | Truffles, fresh or chilled | free |
| 0709 90 10 | Olives , fresh or chilled | free |
| 0709 90 20 | Capers, fresh or chilled | free |

| | | |
|------------|--|--------------|
| 0709 90 99 | Other vegetables, than covered by specific code numbers | free |
| 0711 20 10 | Olives for uses other than production of oil | free |
| 0711 20 90 | Olives others | free |
| 0711 30 10 | Capers in brine | free |
| 0711 30 90 | Capers other | free |
| 0712 90 91 | Tomatoes, dried | free |
| 0804 40 00 | Avocados, fresh or dried | free |
| 0806 10 19 | Grapes, not for human consumption from 1 August to end February | free |
| 0806 10 99 | Grapes not for human consumption, from 1 March to 31 July | free |
| 0808 10 22 | Apples, fresh, from 1 December to 30 April | free |
| 0808 20 12 | Pears, fresh, from 1 December to 10 August | free |
| 0813 30 00 | Apples, dried | free |
| 0813 40 01 | Bilberries, dried | free |
| 0813 40 02 | Others, dried (other than apricots and prunes) | free |
| 0813 50 99 | Other mixtures, dried (other than specified) | free |
| 1507 10 90 | Soya-bean oil, crude whether or not degummed, not for feed purpose | free |
| 1514 11 90 | Low erucic acid rape or colza oil and its fractions, crude, not for feed purpose | free |
| 1514 91 90 | Other rape or colza oil, not for feed purpose, or mustard oil, not for feed purpose | free |
| 2001 90 20 | Olives, prepared or preserved by vinegar or acetic acid | free |
| 2001 90 61 | Sweet peppers, prepared or preserved by vinegar or acetic acid | free |
| 2001 90 10 | Capers, prepared or preserved by vinegar or acetic acid | free |
| 2002 10 01 | Tomatoes, whole or in pieces, in airtight containers, prepared or preserved | free |
| 2002 10 09 | Other tomatoes, whole or in pieces, prepared or preserved | free |
| 2003 10 08 | Mushrooms of the genus <i>Agaricus</i> , other than cultivated, prepared or preserved otherwise than by vinegar or acetic acid | free |
| 2005 51 00 | Beans, shelled (<i>Vigna</i> spp., <i>Phaseolus</i> spp.), prepared or preserved otherwise than by vinegar or acetic acid | free |
| 2005 59 09 | Beans, prepared, other (except runner beans, string beans, wax beans and French beans) | free |
| 2005 90 03 | Sweet peppers (<i>Capsicum annuum</i> var. <i>annuum</i>), prepared or preserved | free |
| 2008 30 99 | Citrus fruit, other than mandarins, not for feed purpose, prepared or preserved | free |
| 2008 40 00 | Pears, otherwise prepared or preserved | free |
| 2008 92 01 | Mixtures, entirely containing fruits of headings Nos 08.03 - 08.10, otherwise prepared or preserved | free |
| 2009 50 00 | Tomato juice | free |
| 2009 90 00 | Mixtures of fruit or vegetable juices | 26,86 NOK/kg |

* The concessions shall apply annually unless otherwise specified.

(1) 06.02.1029: green plants from 1 May to 14 December, other plants all year.

ANNEX IV

Additional tariff concessions granted by the Community

The Community will eliminate import duties on the following products originating in Norway:

| CN Code | Description of products | Rate of duty |
|---------------|--|--------------|
| 0602 10 90 | Other unrooted cuttings and slips | free |
| 0602 20 90 | Other trees, shrubs and bushes, grafted or not, of kinds which bear edible fruit or nuts | free |
| ex 0602 30 00 | Rhododendrons | free |
| 0602 90 30 | Vegetables and strawberry plants | free |
| 0602 90 45 | Outdoor plants, rooted cuttings and young plants, other than forest trees | free |
| 0602 90 49 | Outdoor plants, other | free |
| ex 0604 91 90 | Holly | free |

ANNEX V

Additional tariff quotas granted by the Community

1. The Community will open the following annual tariff quota for the following products originating in Norway*:

| CN Code | Description of products | Annual quantity (in tons) | Rate of duty (3) |
|------------|---|---------------------------|------------------|
| 0204 | Meat of sheep or goats, fresh, chilled or frozen. | 300 | free |
| 0210 | Meat and edible meat offal, salted, in brine, dried or smoked; edible flours and meals of meat or meat offal. | 200 | free |
| 0705 11 00 | Cabbage lettuce | 300 | free |
| 0705 19 00 | Other lettuce | 300 | free |
| ex 0809 20 | Cherries, fresh from 16 July to 31 August | 300 (1) | free (2) |
| 0810 10 00 | Strawberries, fresh, from 9 June to 9 September | 300 (1) | free |
| 1601 | Sausages and similar products, of meat, meat offal or blood; food preparations based on these products. | 300 | free |

* The quotas shall apply annually unless otherwise indicated.

(1) Increase of existing quota.

(2) The additional specific duty is applicable.

(3) In cases where an MFN minimum duty exists, the applicable minimum duty is equal to the MFN minimum duty multiplied by the percentage indicated in this column.

2. The Community will open the following annual zero-duty tariff quotas for the following products originating in Norway*:

| CN Code | Description of products | Annual value in million NOK |
|------------|--|-----------------------------|
| 0602 90 51 | Perennial plants | 1 |
| 0602 90 70 | Indoor plants, rooted cuttings and young plants, excluding cacti | 4 |

* The quotas shall apply annually unless otherwise indicated.

FINANCIAL STATEMENT

| | | | | |
|---|------------------------|--|--------------------------------------|----------------------------|
| 1. BUDGET HEADING: Chapter 10 – Agricultural duties | | APPROPRIATIONS: EUR 879,825 million* | | |
| 2. TITLE: Council Decision on the conclusion of the agreement in the form of an exchange of letters between the European Community and the Kingdom of Norway concerning certain agricultural products | | | | |
| 3. LEGAL BASIS: Article 133 of the Treaty | | | | |
| 4. AIMS: Trade concessions with Norway. | | | | |
| 5. FINANCIAL IMPLICATIONS | 12 MONTH PERIOD | CURRENT FINANCIAL YEAR 2003 | FOLLOWING FINANCIAL YEAR 2004 | |
| | (EUR million) | (EUR million) | (EUR million) | |
| 5.0 EXPENDITURE - CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTIONS) - NATIONAL AUTHORITIES - OTHER | | | | |
| 5.1 REVENUE - OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES) - NATIONAL | - 1,6 | - 0,8 | | |
| | 2005 | 2006 | 2007 | 2008 |
| 5.0.1 ESTIMATED EXPENDITURE | | | | |
| 5.1.1 ESTIMATED REVENUE | | | | |
| 5.2 METHOD OF CALCULATION: Loss of custom resources. | | | | |
| 6.0 CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET? | | | | YES / NO |
| 6.1 CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET? | | | | YES / NO |
| 6.2 WILL A SUPPLEMENTARY BUDGET BE NECESSARY? | | | | YES / NO |
| 6.3 WILL APPROPRIATIONS NEED TO BE ENTERED IN FUTURE BUDGETS? | | | | YES / NO |
| OBSERVATIONS: As a result of the bilateral negotiations, custom tariffs will be lowered on a number of agricultural products. The main loss on cheeses is estimated at € 1,6 Mio. Trade in the other Norwegian products benefiting from EC concessions is up to now negligible. For 2004 this measure has already been taken into account in the PDB 2004. * Forecasts from 2003 onwards are net figures. | | | | |