



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 16.3.2004
COM(2004) 169 final

2004/0060 (ACC)

Proposal for a

COUNCIL DECISION

on a Community position within the EU-Mexico Joint Council concerning the liberalisation of the tariff treatment of certain products listed in Annex I of Decision 2/2000 of the EU-Mexico Joint Council

(presented by the Commission)

EXPLANATORY MEMORANDUM

Decision 2/2000 of the EU-Mexico Joint Council, establishing the liberalisation of trade between the EU and Mexico, includes a number of review clauses. In particular, article 10.5 specifies a clear time schedule to open and possibly conclude negotiations on a tariff rate quota for tuna loins originating in Mexico. Since 2001 Mexico has stated its desire to open such negotiations, however, the Mexican request was judged excessive in relation to current and future export potential. Furthermore Mexico implemented a number of technical barriers to trade that limited the normal export of similar products originating in the EU to Mexico.

In 2002 Mexico started exporting this product while repealing in the same year its conflictive internal legislation affecting EU exports. Mexico also actively co-operated in reforming the statute of the Inter-American Tuna Tropical Commission so as to permit access, at a later stage, to international entities such as the EU. In the meantime, Mexico agreed to the provisional accession of certain EU Member States to the same Commission. Consequently negotiations resumed in 2003 and a mutually satisfactory conclusion, reproduced in the annexed Draft Joint Council Decision, was achieved.

The 133 Committee has been informed on a regular basis. The enclosed proposal is therefore submitted for approval.

Proposal for a

COUNCIL DECISION

on a Community position within the EU-Mexico Joint Council concerning the liberalisation of the tariff treatment of certain products listed in Annex I of Decision 2/2000 of the EU-Mexico Joint Council

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 133 thereof,

Having regard to the proposal from the Commission,

HAS DECIDED AS FOLLOWS:

Sole Article

To adopt, as a Community position within the EU-Mexico Joint Council, the annexed draft decision.

Done at Brussels,

*For the Council
The President*

ANNEX

DRAFT DECISION OF THE EUROPEAN UNION – MEXICO JOINT COUNCIL

Introducing a tariff rate quota for certain products originating in Mexico and listed in Annex I to Decision 2/2000 of the EU-Mexico Joint Council

THE JOINT COUNCIL,

Having regard to the Economic Partnership, Political Coordination and Cooperation Agreement between the European Community and its Member States, of the one part, and the United Mexican States, of the other part, signed in Brussels on 8 December 1997;

Having regard to Decision 2/2000 of the EU-Mexico Joint Council of 23 March 2000 (hereinafter “Decision 2/2000”) and in particular Article 3 paragraph 5 thereof;

Whereas:

- (1) Article 10 paragraph 5 of Decision 2/2000 states that parties shall enter into negotiations to examine the possibility of opening a preferential tariff rate quota for tuna loins;
- (2) Parties have concluded a mutually satisfactory negotiation;
- (3) Article 3 paragraph 5 gives to the Joint Council the capacity to accelerate the reduction of customs duties more rapidly than is provided for in Articles 4 to 10, or otherwise improve the conditions of access under such Articles;
- (4) A Decision by the Joint Council to accelerate the elimination of a custom duty or otherwise improve conditions of access shall supersede the terms established in Articles 4 to 10 for the product concerned,

HAS DECIDED AS FOLLOWS:

Article 1

The European Community shall introduce a preferential tariff rate quota for tuna loins originating in Mexico, according to Annex III to Decision 2/2000, as set out in the Annex to this Joint Decision.

Article 2

From year 3 onwards the quota yearly increase will be conditional upon the exhaustion of the previous year's quota. For the purposes of this Article the quota shall be considered exhausted if, at 31 December of each year, at least 80% of the total amount available in the year under consideration has been used.

Article 3

The quota will be opened from the day of the entry into force of this Joint Decision.
From year 2 onwards the quota will be opened on 1 January of each year.

Article 4

This Decision shall enter into force thirty days after the day of its adoption.

Done at [...]

For the Joint Council

ANNEX

European Community quota on tuna loins originating in Mexico classified under CN code 1604 14 16

Yearly increase from year 3 onwards is subject to conditions laid down in article 2 of this Decision. The quota is managed under a "first come, first served" basis.

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year10	Following years
5.000 tonnes	6.000 tonnes	7.000 tonnes	8.000 tonnes	9.000 tonnes	10.000 tonnes	11.000 tonnes	12.000 tonnes	13.000 tonnes	14.000 tonnes	15.000 tonnes
Duty rate 6%	Duty rate 6%	Duty rate 6%	Duty rate 6%	Duty rate 6%	Duty rate 6%	Duty rate 6%	Duty rate 6%	Duty rate 6%	Duty rate 6%	Duty rate 6%

FINANCIAL STATEMENT			
			DATE: [...]
1. BUDGET HEADING:		APPROPRIATIONS:	
2. TITLE: EU Mexico Joint Council Decision introducing a tariff rate quota for certain products originating in Mexico (tuna loins) and listed in Annex I to Decision 2/2000 of the EU-Mexico Joint Council ...]			
3. LEGAL BASIS: Art. 133 of the Treaty			
4. AIMS: This Decision will implement the review clause contained in art 10.5 of the EU-Mexico Joint Council Decision 2/2000. The EU will open a tariff quota for tuna loins originating in Mexico for further processing in the EU.			
5. FINANCIAL IMPLICATIONS	12 MONTH PERIOD (EUR million)	CURRENT FINANCIAL YEAR [n] (EUR million)	FOLLOWING FINANCIAL YEAR [n+1] (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			
	[n+2]	[n+3]	[n+4] [n+5]
5.0.1 ESTIMATED EXPENDITURE			
5.1.1 ESTIMATED REVENUE			
5.2 METHOD OF CALCULATION:			
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: The product has been exported to the Community only randomly within the framework of an existing <i>erga omnes</i> preferential tariff quota. Consequently, at this stage, it is not possible to evaluate the impact of the duty preference on the EU customs revenues as no traditional trade data are available.			