



EUROPEAN
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ANNEX 1 – PART 1/5

ANNEX

to the

Proposal for a COUNCIL DECISION

on the conclusion of an agreement in the form of an exchange of letters between the European Union and the Kingdom of Norway concerning additional trade preferences in agricultural products

Agreement in the form of an exchange of letters between the European Union and the Kingdom of Norway concerning additional trade preferences in agricultural products, reached on the basis of Article 19 of the Agreement on the European Economic Area

Agreement in the form of an exchange of letters between the European Union and the Kingdom of Norway concerning additional trade preferences in agricultural products,

A. Letter from the European Union

Sir,

I have the honour to refer to the negotiations between the European Union and the Kingdom of Norway ('the Parties') on bilateral trade in agricultural products, concluded on 5 April 2017.

A new round of agricultural trade negotiations between the European Commission and the Norwegian Government was undertaken on the basis of Article 19 of the Agreement on the European Economic Area ('the EEA Agreement') with a view to furthering the progressive liberalisation of agricultural trade between the Parties on a preferential, reciprocal and mutually beneficial basis. The negotiations were carried out on an orderly basis, with due consideration given to developments in the Parties' respective agricultural policies and circumstances, including developments in bilateral trade and trade conditions with other trading partners.

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

1. Norway undertakes to grant duty-free access to products originating in the European Union, listed in Annex I to this Agreement.
2. Norway undertakes to establish tariff quotas for products originating in the European Union, listed in Annex II to this Agreement.
3. The European Union undertakes to grant duty-free access to products originating in Norway, listed in Annex III to this Agreement.
4. The European Union undertakes to establish tariff quotas for products originating in Norway, listed in Annex IV to this Agreement.
5. The tariff codes set out in Annexes I to IV to this Agreement are the tariff codes that apply to the Parties as of 1 January 2017.
6. The existing tariff quotas for imports into Norway of 600 tonnes of swine meat, 800 tonnes of poultry meat and 900 tonnes of bovine meat, as listed in Annex II to the Agreement in the form of an exchange of letters between the European Union and the Kingdom of Norway signed on 15 April 2011 ('the 2011 Agreement'), will not be affected by the implementation of a possible future WTO agreement on agriculture. Point 7 of the 2011 Agreement is therefore deleted.
7. As regards the additional tariff quota for imports into Norway of 1 200 tonnes of cheese and curd, the Parties agree that 700 tonnes will be administered by auction and 500 tonnes by the licensing system.
8. The Parties will continue efforts to consolidate all bilateral concessions (those already in force and those set out in this Agreement) in a new exchange of letters, which should replace their existing bilateral agricultural agreements.
9. The rules of origin for the purpose of implementing the concessions referred to in Annexes I to IV to this Agreement are set out in Annex IV to the Agreement in the form of an exchange of letters of 2 May 1992 ('the 1992 Agreement'). However,

Annex II to Protocol 4 to the EEA Agreement shall be applied instead of the Appendix to Annex IV to the 1992 Agreement.

10. The Parties will ensure that the concessions that they grant to each other will not be undermined.
11. The Parties agree to ensure that tariff quotas will be managed in such a way that imports can take place regularly and that the agreed quantities can actually be imported.
12. The Parties agree to exchange at regular intervals information on traded products, tariff quota management, price quotations and any useful information concerning their respective domestic markets and the implementation of the results of these negotiations.
13. Consultations will be held at the request of either Party on any question relating to the implementation of the results of these negotiations. If difficulties with implementation arise, such consultations will be held as promptly as possible, with a view to adopting appropriate corrective measures.
14. The Parties reaffirm their commitment, in accordance with Article 19 of the EEA Agreement, to continue their efforts with a view to achieving progressive liberalisation of agricultural trade. To this end, the Parties agree to carry out, in two years' time, a new review of the conditions of trade in agricultural products, with a view to exploring possible concessions.
15. In the event of further enlargement of the European Union, the Parties will assess the impact on bilateral trade, with a view to adapting bilateral preferences so that pre-existing preferential trade flows between Norway and acceding countries can continue.

This Agreement shall enter into force on the first day of the third month following the date of the deposit of the last instrument of approval.

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

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

Done at Brussels,

For the European Union,

B. Letter from the Kingdom of Norway

Sir,

I have the honour to acknowledge receipt of your letter of *[insert the date of the letter]*, which reads as follows:

"I have the honour to refer to the negotiations between the European Union and the Kingdom of Norway ('the Parties') on bilateral trade in agricultural products, concluded on 5 April 2017.

A new round of agricultural trade negotiations between the European Commission and the Norwegian Government was undertaken on the basis of Article 19 of the Agreement on the European Economic Area ('the EEA Agreement') with a view to furthering the progressive liberalisation of agricultural trade between the Parties on a preferential, reciprocal and mutually beneficial basis. The negotiations were carried out on an orderly basis, with due consideration given to developments in the Parties' respective agricultural policies and circumstances, including developments in bilateral trade and trade conditions with other trading partners.

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

1. Norway undertakes to grant duty free access to products originating in the European Union, listed in Annex I to this Agreement.
2. Norway undertakes to establish tariff quotas for products originating in the European Union, listed in Annex II to this Agreement.
3. The European Union undertakes to grant duty free access to products originating in Norway, listed in Annex III to this Agreement.
4. The European Union undertakes to establish tariff quotas for products originating in Norway, listed in Annex IV to this Agreement.
5. The tariff codes set out in Annexes I to IV to this Agreement are the tariff codes that apply to the Parties as of 1 January 2017.
6. The existing tariff quotas for imports into Norway of 600 tonnes of swine meat, 800 tonnes of poultry meat and 900 tonnes of bovine meat, as listed in Annex II to the Agreement in the form of an exchange of letters between the European Union and the Kingdom of Norway signed on 15 April 2011 ('the 2011 Agreement'), will not be affected by the implementation of a possible future WTO agreement on agriculture. Point 7 of the 2011 Agreement is therefore deleted.
7. As regards the additional tariff quota for imports into Norway of 1 200 tonnes of cheese and curd, the Parties agree that 700 tonnes will be administered by auction and 500 tonnes by the licensing system.
8. The Parties will continue efforts to consolidate all bilateral concessions (those already in force and those set out in this Agreement) in a new exchange of letters, which should replace their existing bilateral agricultural agreements.
9. The rules of origin for the purpose of implementing the concessions referred to in Annexes I to IV to this Agreement are set out in Annex IV to the Agreement in the form of an exchange of letters of 2 May 1992 ('the 1992 Agreement'). However,

Annex II to Protocol 4 to the EEA Agreement shall be applied instead of the Appendix to Annex IV to the 1992 Agreement.

10. The Parties will ensure that the concessions that they grant to each other will not be undermined.
11. The Parties agree to ensure that tariff quotas will be managed in such a way that imports can take place regularly and that the agreed quantities can actually be imported.
12. The Parties agree to exchange at regular intervals information on traded products, tariff quota management, price quotations and any useful information concerning their respective domestic markets and the implementation of the results of these negotiations.
13. Consultations will be held at the request of either Party on any question relating to the implementation of the results of these negotiations. If difficulties with implementation arise, such consultations will be held as promptly as possible, with a view to adopting appropriate corrective measures.
14. The Parties reaffirm their commitment, in accordance with Article 19 of the EEA Agreement, to continue their efforts with a view to achieving progressive liberalisation of agricultural trade. To this end, the Parties agree to carry out, in two years' time, a new review of the conditions of trade in agricultural products, with a view to exploring possible concessions.
15. In the event of further enlargement of the European Union, the Parties will assess the impact on bilateral trade, with a view to adapting bilateral preferences so that pre-existing preferential trade flows between Norway and acceding countries can continue.

This Agreement shall enter into force on the first day of the third month following the date of the deposit of the last instrument of approval."

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

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

Done at Oslo,

For the Kingdom of Norway