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Subject: COUNCIL DECISION on the position to be adopted on the behalf of the European Union within the EU-Algeria Association Committee as regards the modification of the conditions of application of the preferential tariffs for agricultural products and processed agricultural products set out in Article 14 of the Euro-Mediterranean Agreement establishing an Association between the European Community and its Member States, of the one part, and the People's Democratic Republic of Algeria, of the other part

COUNCIL DECISION (EU) 2018/...

of ...

**on the position to be adopted on the behalf of the European Union
within the EU-Algeria Association Committee
as regards the modification of the conditions of application
of the preferential tariffs for agricultural products and processed agricultural products
set out in Article 14 of the Euro-Mediterranean Agreement establishing an Association
between the European Community and its Member States, of the one part,
and the People's Democratic Republic of Algeria, of the other part**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular the first subparagraph of Article 207(4), in conjunction with Article 218(9) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The Euro-Mediterranean Agreement establishing an Association between the European Community and its Member States, of the one part, and the People's Democratic Republic of Algeria, of the other part¹ (the 'Association Agreement'), was signed on 22 April 2002 and entered into force on 1 September 2005.
- (2) In view of the difficulties faced by the People's Democratic Republic of Algeria ('Algeria') in dismantling customs duties for agricultural products and processed agricultural products, the Union and Algeria reached an agreement on the acceptable modifications to the basic duties, quantities and schedule established initially for dismantling tariffs, in accordance with the conditions laid down in Protocol Nos 2 and 5 to the Association Agreement.
- (3) Article 16 of the Association Agreement provides for the potential unilateral modification of the agreed tariff arrangements subject to certain conditions. However, the Party making the modification is to accord imports originating in the other Party a comparable advantage. In accordance with Article 16(2) of the Association Agreement, the EU-Algeria Association Committee (the 'Association Committee') is to meet to take due account of the interests of that other Party. By virtue of Article 97 of the Association Agreement, the Association Committee has the power to take decisions for the management of that Agreement. It is appropriate for the Association Committee to adopt a decision on the modifications envisaged.

¹ OJ L 265, 10.10.2005, p. 2.

- (4) It is appropriate to establish the position to be adopted on the Union's behalf within the Association Committee, given that the decision of the Association Committee is binding on the Union, in accordance with Article 97 of the Association Agreement, and that it will have a decisive influence on the content of Union law, in particular on Protocols Nos 2 and 5 to the Association Agreement,

HAS ADOPTED THIS DECISION:

Article 1

The position to be adopted on the Union's behalf within the EU-Algeria Association Committee as regards the modification of the conditions of application of the preferential tariffs for agricultural products and processed agricultural products set out in Article 14 of the Euro-Mediterranean Agreement establishing an Association between the European Community and its Member States, of the one part, and the People's Democratic Republic of Algeria, of the other part, shall be based on the draft Decision of the Association Committee attached to this Decision.

Article 2

The Decision of the Association Committee shall be published in the *Official Journal of the European Union* once it has been adopted.

Article 3

This Decision shall enter into force on the date of its adoption.

Done at ...,

For the Council

The President

DRAFT

DECISION ... OF THE EU-ALGERIA ASSOCIATION COMMITTEE

of ...

**regarding the modification of the conditions of application
of the preferential tariffs for agricultural products and processed agricultural products
set out in Article 14 of the Euro-Mediterranean Agreement establishing an Association
between the European Community and its Member States, of the one part,
and the People's Democratic Republic of Algeria, of the other part**

THE EU-ALGERIA ASSOCIATION COMMITTEE,

Having regard to the Euro-Mediterranean Agreement establishing an Association
between the European Community and its Member States, of the one part, and the
People's Democratic Republic of Algeria, of the other part¹,

¹ OJ EU L 265, 10.10.2005, p. 2.

Whereas:

- (1) In view of the difficulties faced by the People's Democratic Republic of Algeria ('Algeria') in dismantling the customs duties for agricultural products and processed agricultural products established in accordance with the conditions laid down in Protocols Nos 2 and 5 to the Euro-Mediterranean Agreement establishing an Association between the European Community and its Member States, of the one part, and the People's Democratic Republic of Algeria, of the other part (the 'Association Agreement'), a group of experts from the European Commission and Algeria met six times between September 2010 and July 2011.
- (2) As a result of the consultations, an agreement was reached on the acceptable modifications to the basic duties, quantities and schedule initially established for dismantling tariffs, in accordance with the conditions laid down in Protocols Nos 2 and 5 to the Association Agreement.

- (3) Article 16 of the Association Agreement makes provision for the potential unilateral modification of the agreed tariff arrangements subject to certain conditions. However, the Party making the modification is to accord imports originating in the other Party a comparable advantage. In accordance with Article 16(2) of the Association Agreement, the EU-Algeria Association Committee ('the Association Committee') is to meet to take due account of the interests of that Party.
- (4) By virtue of Article 97 of the Association Agreement, the Association Committee has the power to take decisions for the management of that Agreement. It is therefore necessary for the Association Committee to adopt a decision in respect of the modifications envisaged,

HAS ADOPTED THIS DECISION:

Article 1

The rate and duration conditions agreed during the bilateral consultations and set out in the Annex to this Decision shall modify the tariff conditions established initially for the respective agricultural products and processed agricultural products in Protocols Nos 2 and 5 to the Association Agreement.

Article 2

This Decision shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

Done at ...,

*For the EU-Algeria Association
Committee
The President*

ANNEX

1. Following the submission by the People's Democratic Republic of Algeria ('Algeria') of a formal request to revise the schedule for dismantling the tariffs for agricultural products and processed agricultural products at the fifth session of the Association Council held on 15 June 2010 and following six consultation sessions, on 11 July 2011 the Parties agreed on new provisions to modify the tariff arrangements set out in Protocols Nos 2 and 5 to the Euro-Mediterranean Agreement establishing an Association between the European Community and its Member States, of the one part, and the People's Democratic Republic of Algeria, of the other part ('the Association Agreement') based on a list of 36 tariff subheadings (34 subheadings for agricultural products and two subheadings for processed agricultural products).
2. In accordance with Article 16 of the Association Agreement, the Party that modifies the arrangements laid down in that Agreement is to provide the other Party with compensation with equivalent effect.

The Algerian memorandum of June 2010 envisaged the elimination of preferential tariffs for the Union for 34 tariff subheadings for agricultural products and of two subheadings for processed agricultural products.

3. Following six meetings (from September 2010 to July 2011) resulting in an agreement in the form of a memorandum dated 11 July 2011, the Parties agreed to eliminate 25 preferential tariff subheadings for agricultural products in Protocol No 2 to the Association Agreement and two subheadings for processed agricultural products in Protocol No 5 to the Association Agreement for Union exports to Algeria. They also reached an agreement on the compensation for the Union with the same effect in terms of lost customs duties for Union operators by increasing two preferential tariff subheadings for agricultural products: pure-bred breeding animals of the bovine species and common wheat, other than for sowing.

Details of these changes are set out in this Annex.

4. The preferential tariffs initially established in Protocols Nos 2 and 5 to the Association Agreement shall apply to the remaining products referred to in Article 14(2) of that Agreement.
5. The modifications to the tariff arrangements set out in Protocols Nos 2 and 5 to the Association Agreement were unilaterally applied by Algeria from 1 January 2011 and were then revised following the consultations between the Parties. Algeria has applied the following provisions since 1 October 2012.

The preferential quotas granted to the Union in Protocol No 2 to the Association Agreement in relation to the following agricultural products were repealed by Algeria on 1 October 2012:

Algerian nomenclature	Description	Applied tariff (%)	Reduction in customs duties (%)	Preferential tariff quotas (tonnes)	Union code
0105.11.10	Day-old broiler chicks	5	100	20	0105.11
0105.11.20	Day-old layer chicks	5			
0105.11.30	Day-old breeding, broiler chicks	5			
0105.11.40	Day-old breeding, layer chicks	5			
0713.10.90	Peas	5	100	3 000	0713.10.90
0713.20.90	Chickpeas	5			0713.20.00
0713.31.90	Mungo, Hepper or radiata beans	5			0713.31.00
0713.32.90	Small red beans	5			0713.32.00
0713.33.90	Kidney beans	5			0713.33.90
0713.39.90	Other beans	5			0713.39.00
0713.40.90	Lentils	5			0713.40.00
0713.50.90	Broad beans	5			0713.50.00
0713.90.90	Other leguminous vegetables	5			0713.90.00

Algerian nomenclature	Description	Applied tariff (%)	Reduction in customs duties (%)	Preferential tariff quotas (tonnes)	Union code
0805.10.00	Oranges	30	20	100	0805.10
0805.20.00	Mandarins (including tangerines and satsumas); clementines, wilkings and similar citrus hybrids	30			0805.20
0805.40.00	Grapefruit, including pomelos	30			0805.40
0805.50.00	Lemons (<i>Citrus limon</i> , <i>Citrus limonum</i>) and limes (<i>Citrus aurantifolia</i> , <i>Citrus latifolia</i>)	30			0805.50
0805.90.00	Other citrus fruit	30			0805.90
1105.20.00	Flakes, granules and pellets of potatoes	30	20	100	1105.20.00
1107.10.00	Malt, not roasted	30	100	1 500	1107.10
1108.12.00	Maize starch	30	20	1 000	1108.12
2005.40.00	Peas (<i>Pisum Sativum</i>), prepared or preserved otherwise than by vinegar or acetic acid, not frozen, other than products of heading 20.06.	30	100	200	2005.40

Algerian nomenclature	Description	Applied tariff (%)	Reduction in customs duties (%)	Preferential tariff quotas (tonnes)	Union code
2005.60.00	Asparagus	30	100	500	2005.60
2005.90.00	Other vegetables and mixtures of vegetables	30	20	200	2005.99
2007.99.00	Non-homogenised preparations, of other than citrus fruit	30	20	200	2007.99

The preferential quotas granted to the Union in Annex 2 to Protocol No 5 to the Association Agreement in relation to the following processed agricultural products were repealed by Algeria on 1 October 2012:

Algerian nomenclature	Description	Applied tariff (%)	Reduction in customs duties (%)	Preferential tariff quotas (tonnes)	Union code
2105.00.00	Ice cream and other edible ice	30	20		
3505.10.00	Dextrins and other modified starches	15	100		

The preferential quotas granted to the Union in Protocol No 2 to the Association Agreement in relation to the following agricultural products were replaced by Algeria on 1 October 2012 as follows:

Algerian nomenclature	Description	Applied tariff (%)	Reduction in customs duties (%)	Preferential tariff quotas (tonnes)	Union code
0102.10.00	Live bovine animals: pure-bred breeding animals	5	100	4 950	0102.10.00
1001.90.90	Durum wheat, other than for sowing	5	100	403 000	1001.90.99

The preferential quotas granted to the Union in Protocol No 2 to the Association Agreement in relation to the agricultural products below were re-established in their entirety by Algeria on 1 October 2012:

Algerian nomenclature	Description	Applied tariff (%)	Reduction in customs duties (%)	Preferential tariff quotas (tonnes)	Union code
0102.90.10	Dairy cows	5	100	5 000	0102.90
0102.90.20	Heifers in calf and female calves	5			
0102.90.90	Other	30			

Algerian nomenclature	Description	Applied tariff (%)	Reduction in customs duties (%)	Preferential tariff quotas (tonnes)	Union code
0406.90.10	Other soft uncooked cheeses, and other pressed cheeses, half- or fully cooked	30	100	800	0406.90 (except 90.01)
0406.90.90	Other cheeses (of Italian and Gouda style)	30			
10.03.00.90	Barley, other than for sowing	15	50	200 000	1003.00.90
1517.10.00	Margarine, excluding liquid margarine	30	100	2 000	1517.10
1517.90.00	Other	30			1517.90
1701.99.00	Cane or beet sugar and chemically pure sucrose, other than raw, not containing added flavouring or colouring matter	30	100	150 000	1701.99
