

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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AGREEMENTS BETWEEN THE EUROPEAN COMMUNITIES AND FINLAND

Information Furnished by the Parties to the Agreements

This report covers the period from 1 October 1979 until 30 September 1981.

The Free Trade Agreement between the EEC and Finland, which entered into force on 1 January 1974, and the Free Trade Agreement between the member States of the ECSC and the ECSC, on the one hand, and Finland, on the other hand, which entered into force on 1 January 1975, have functioned normally and have been applied in accordance with their provisions.

The accession of Greece to the Community on 1 January 1981 necessitated the introduction of certain transitional provisions, which were included in Additional Protocols. An account of these arrangements is given in paragraphs 5, 6, 7 and 8 below. The texts of the Additional Protocols are available in the secretariat.

The objective of the Agreements is to eliminate progressively the obstacles to substantially all the trade between the parties, in accordance with the provisions of the GATT concerning the establishment of free-trade areas.

The main results are as follows:

1. Since 1 July 1977 almost all industrial products are traded free of duty between the parties to the Agreement. For the tariff treatment of other products, see paragraph 2 below.
2. On the date of entry into force of the Agreements no quantitative import restrictions regarding products covered by the Agreements, except those which Ireland is allowed to maintain in accordance with Protocol No. 4 to the Agreement EEC-Finland and those which Finland is allowed to maintain in accordance with Protocol No. 5 of the Agreement EEC-Finland and Protocol No. 1 to the Agreement ECSC-Finland, existed between the parties nor were any such restrictions introduced during the period under review, with the exception of certain transitional arrangements for Greece.
3. Protocol No. 1 to the Agreement EEC-Finland foresees a slower-than-normal rhythm of tariff reduction for certain sensitive products, and Protocol No. 2 to the Agreement EEC-Finland provides for tariff reductions on processed agricultural products. Both Protocols have been applied as foreseen.

4. The rules of origin in Protocol No. 3 to the Agreement EEC-Finland which determine the eligibility of products for the tariff reduction under the Agreements have been applied as foreseen. In accordance with the provisions of this Protocol the rules have, in specific cases, been amended and supplemented in order to facilitate their implementation and application (see Annex).

5. Upon the accession of Greece to the European Communities on 1 January 1981 the Free Trade Agreements also apply to the relations between Greece and Finland. In order to arrange for a smooth transition the parties to the Agreement have agreed to provide for a gradual introduction of some of the provisions of the Agreements. These transitional arrangements have as indicated above been included in Additional Protocols to the Agreements. They are limited to trade between Greece and Finland and will be abolished during a period of five years.

6. According to the Additional Protocol to the Agreement EEC-Finland, Greece has abolished customs duties for several industrial products since 1 January 1981 and will progressively reduce and eliminate remaining customs duties, and charges having effects equivalent to customs duties, on certain industrial products. The reduction shall take place in six steps of which the first was taken on 1 January 1981 and the elimination will be achieved by 1 January 1986. Following the same time-table, Greece will progressively reduce customs duties, other than variable levies, on the processed agricultural products, listed in Protocol No. 2 of the Free Trade Agreement. Quantitative restrictions between Greece and Finland have been abolished from 1 January 1981, with the exception of fourteen products for which Greece may maintain her restrictions during the transitional period. Finland has not introduced any transitional measures on imports from Greece.

7. The Additional Protocol to the Agreement ECSC-Finland contains the time-table according to which Greece and Finland will progressively reduce and eliminate by 1 January 1986 customs duties on products covered by the Agreement. Following the same time-table, Greece will progressively reduce and eliminate charges having effects equivalent to customs duties.

8. The requirements of cash payment and import deposit in force in Greece will be eliminated over a period of three years from 1 January 1981.

9. The two Joint Committees, established to administer and supervise the implementation of the Agreements and also to act as a forum for the information and consultation procedures foreseen in the Agreements, have taken a certain number of decisions which provide for the simplification of the procedures of administrative co-operation and documentation.

10. Commercial incidence

Approximately 99 per cent of the imports of the Communities from Finland are covered by the Agreements. On exports from the Communities to Finland this figure is 97 per cent.

Volume of commercial exchanges EC/Finland in millions of ECU¹

- Imports to the EC from Finland:

1979	3,878
1980	4,427

- Exports to Finland from the EC:

1979	2,657
1980	3,456

¹Source: EEC Statistical Office

ANNEX

List of Decisions of the Joint Committees
under the FTAs on Origin Matters

EEC- Finland

Subject	Decision No.	Official Journal of the EC No.
Amending Lists A and B annexed to Protocol 3 concerning the definition of the concept of originating products and methods of administrative cooperation	1/80	L 257/80
Amending List B annexed to Protocol 3 concerning the definition of the concept of originating products and methods of administrative cooperation	2/80	L 257/80
Amending Protocol 3 concerning the definition of the concept of originating products and methods of administrative cooperation to take account of the accession of the Hellenic Republic to the Community	3/80	L 385/80
Amending Article 8 of Protocol 3 concerning the definition of the concept of originating products and methods of administrative cooperation	1/81	L 247/81
Amending Protocol 3 concerning the definition of the concept of originating products and methods of administrative cooperation to take account of the change in the international method of determining "customs value"	2/81	L 247/81
Adding to and amending Lists A and B annexed to Protocol 3 concerning the definition of the concept of originating products and methods of administrative cooperation	3/81	L 247/81
Amending, as regards products sent in small packages to private persons, Article 8 of Protocol 3 concerning the definition of the concept of originating products and methods of administrative cooperation	4/81	L 247/81