

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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FINLAND - AGREEMENT WITH THE EUROPEAN ECONOMIC COMMUNITY ON CHEESES

The following communication, dated 7 July 1982, has been received from the Permanent Mission of Finland.

The Permanent Mission of Finland has the honour to notify hereby the following notification under paragraph 3 of the Understanding regarding Notification, Consultation, Dispute Settlement and Surveillance (adopted on 28 November 1979 by the CONTRACTING PARTIES to the GATT).

FINLAND - EEC Agreement

On 1 January 1982 a temporary joint discipline arrangement between Finland and the European Economic Community on mutual trade in cheese entered into force.

The purpose of the arrangement, which will apply for an initial period of three years (1.1.1982-31.12.1984) is to stabilize trade at the traditional level (taking account of the Community's enlargement to ten member States) and to re-establish and maintain a satisfactory competitive position as regards prices.

The main arrangements of the Agreement are:

- imports into Finland: a progressive increase in the size of import quotas and a reduction in the import levies for certain categories of cheese;
- imports into the Community: respect of minimum free-at-frontier prices on entry into the Community, which has until now been the qualifying condition for reduced rate import levies either under a GATT binding (Emmental) or under unilateral Community decisions (certain cheeses originating in and consigned from Finland) is suspended and replaced by a commitment on the part of Finland to limit its exports to the Community to the traditional level;
- reciprocal agreement on prices: the Community and Finland have undertaken to ensure that the prices charged by their exporters do not cause difficulties on each other's markets. A mutual information and co-operation mechanism has been set up for this purpose.