

**GENERAL AGREEMENT ON
TARIFFS AND TRADE**

RESTRICTED

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EUROPEAN ECONOMIC COMMUNITY - PREFERENCES ON
IMPORTS OF CITRUS FRUIT AND PRODUCTS

Communication from the EEC

The following communication, dated 24 June 1982, has been received from the delegation of the Commission of the European Communities, with the request that it be circulated to contracting parties.

The United States delegation has circulated a note (L/5337) requesting the establishment of a Panel to consider the European Communities' preferential tariff arrangements on citrus fruits. This matter is on the agenda for the meeting of the GATT Council on 29 June.

The European Community recalls that these arrangements are one element of a series of agreements between the Community and a number of Mediterranean countries which have been examined in GATT under the procedures of Article XXIV. Paragraph 5 of this Article stipulates: "the provisions of this Agreement shall not prevent, as between the territories of contracting parties, the formation ... of a free-trade area or the adoption of an interim agreement necessary for the formation ... of a free-trade area".

Paragraph 7 of the same Article gives the possibility to the CONTRACTING PARTIES to make recommendations to the parties to agreements relating to a free-trade area but, in the case of the Community's agreements in question, no such recommendations have ever been made or proposed.

In consequence, the European Community considers that these tariff arrangements are consistent with Article XXIV and that the United States complaint is thus inadmissible.

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