

No. 49634

**European Community
and
United States of America**

Agreement in the form of an exchange of letters between the European Community and the United States of America relating to the method of calculation of applied duties for husked rice. Brussels, 27 June 2005, and Washington, 30 June 2005

Entry into force: *30 June 2005, in accordance with the provisions of the said letters*

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8 June 2012*

**Communauté européenne
et
États-Unis d'Amérique**

Accord sous forme d'échange de lettres entre la Communauté européenne et les États-Unis d'Amérique en ce qui concerne le mode de calcul des droits appliqués au riz décortiqué. Bruxelles, 27 juin 2005, et Washington, 30 juin 2005

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AGREEMENT
IN THE FORM OF AN EXCHANGE OF LETTERS
BETWEEN THE EUROPEAN COMMUNITY AND
THE UNITED STATES OF AMERICA
RELATING TO THE METHOD OF CALCULATION OF
APPLIED DUTIES FOR HUSKED RICE

I

A. Letter from the European Community

Brussels, 27 June 2005

Sir,

Following negotiations between the European Community (EC) and the United States of America, the EC agrees to the conclusions as outlined below.

Applied rate of duty for certain husked rice (CN code 1006 20)

1. The EC shall apply a rate of duty for certain husked rice in accordance with paragraphs 2 to 7.
2. Annual reference import level
 - (a) First marketing year: in the first marketing year within the scope of this agreement (1 September 2004 to 31 August 2005), the annual reference import level shall be calculated as the average volume of total husked rice imports entering the EC-25 from all origins in the marketing years 1 September 1999 – 31 August 2000, 1 September 2000 – 31 August 2001, and 1 September 2001 – 31 August 2002, less imports of Basmati husked rice into the EC-25, plus 10% (i.e. 431,678 MT).

- (b) Increase in subsequent marketing years: for each marketing year 2005/06, 2006/07 and 2007/08, the annual reference import level shall be increased by 6 000 MT/year from the level of the previous marketing year. No later than 90 days before the end of the marketing year 1 September 2007, to 31 August 2008, both parties shall enter into consultations on the annual increase for subsequent marketing years, taking into account the developments in the EC's rice market notably as regards the evolution of consumption, and shall agree on the annual increase no later than 31 August 2008.
- 3. Six-month reference import level: in each marketing year, a six-month reference import level shall be calculated as 50 percent of the annual reference import level calculated in paragraph 2 above, which in the first marketing year would be 215,839 MT.
- 4. Mid-year adjustment to applied tariff rate: within 10 days after the end of the first six months of each marketing year, the EC shall review and, if necessary, adjust the applied tariff rate as follows:
 - (a) if actual husked rice imports for the just-completed six-month period are more than 15 percent below the six-month reference import level for that period, as calculated under paragraph 3 above (i.e., for the first marketing year less than 183,463 MT), the EC shall apply a tariff rate of EUR 30/MT;

- (b) if actual husked rice imports for the just-completed six-month period are more than 15 percent above the six-month reference import level for that period, as calculated under paragraph 3 above (i.e., for the first marketing year more than 248,215 MT), the EC shall apply a tariff rate of EUR 65/MT;
- (c) if actual husked rice imports for the just-completed six-month period are within 15 percent (inclusive) of the six-month reference import level for that period, as calculated under paragraph 3 above (i.e., for the first marketing year between 183,463 and 248,215 MT), the applied rate shall be EUR 42,5/MT.

For purposes of (a) through (c) above, actual husked rice imports are all imports entering the EC-25 from all origins under the CN codes 1006 20 less imports of Basmati husked rice into the EC-25.

5. End-of-year adjustment to applied tariff rate: within 10 days after the end of the marketing year, the EC shall review and, if necessary, adjust the applied tariff rate as follows:

- (a) if actual husked rice imports for the just-completed marketing year are more than 15 percent below the annual reference import level for that twelve-month period, as calculated under paragraph 2 above (i.e., for the first marketing year less than 366,926 MT), the EC shall apply a tariff rate of EUR 30/MT;