

No. 30629

**AUSTRIA
and
HUNGARY**

**Exchange of letters constituting an agreement concerning
certain arrangements for agricultural products (with an-
nexes). Vienna, 26 March 1993**

Authentic text: English.

Registered by Austria on 11 January 1994.

**AUTRICHE
et
HONGRIE**

**Échange de lettres constituant un accord concernant certains
arrangements relatifs aux produits agricoles (avec an-
nexes). Vienne, 26 mars 1993**

Texte authentique : anglais.

Enregistré par l'Autriche le 11 janvier 1994.

EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT¹ BETWEEN THE REPUBLIC OF HUNGARY AND THE REPUBLIC OF AUSTRIA CONCERNING CERTAIN ARRANGEMENTS FOR AGRICULTURAL PRODUCTS

I

REPUBLIC OF AUSTRIA
MINISTRY FOR ECONOMIC AFFAIRS

Vienna, 26 March 1993

Sir,

I have the honour to refer to the bilateral negotiations concerning trade arrangements for agricultural products between the Republic of Hungary and the Republic of Austria hereinafter called the Contracting Parties of Austria and Hungary² which have taken place in the framework of the negotiations on the Free Trade Agreement between EFTA States and the Republic of Hungary, especially with a view to implement Article 14 of that Agreement.

I hereby confirm that the results of these negotiations are as follows:

Article I

1. Tariff concessions granted by Austria to Hungary are set out in Annex I a and Annex I b to this letter.
2. Concessions granted by Hungary to Austria are set out in Annex II a—f to this letter.
3. For the purpose of implementing Annex I a and I b and Annex II a—f, Annex III lays down the rules of origin and methods of administrative co-operation.
4. Annex I a and I b, Annex II a—f, Annex III constitute an integral part of this Agreement.

Article II

For all products of chapter 1—24 for which quantitative restrictions are applied, the Austrian authorities will grant licences annually relating to the average of the quotas for Hungary of the years 1988—1991 plus 30%.

For all products of chapter 1—24 for which quantitative restrictions are applied, the Hungarian authorities will grant licences annually for the quantities mentioned in Annexes II a—f.

Temporary derogations from these commitments can be requested by either Party and dealt with in the Joint Committee.

The Joint Committee shall make recommendations on the basis of such request. In case of recommending such temporary derogations, compensation shall be granted within the same product group and determined on the basis of the value of the specific commodities as well as of the relevant concessions.

¹ Came into force on 1 October 1993, i.e., the date on which the Agreement between the European Free Trade Association States and Hungary entered into force in relation to Austria and Hungary, in accordance with article IX (1).

² United Nations, *Treaty Series*, vol. 1744, No. I-30373.

Article III

The concessions granted by the Parties to each other shall not preclude the application of trade policy measures resulting from the GATT Uruguay Round¹ or any other future change in the Parties import regimes for agricultural products.

Existing preference margins and current access opportunities shall in all cases be maintained after mutual consultations. The same principle shall apply in cases of possible partial reduction of other basic duties resulting from the GATT Uruguay Round.

Article IV

1. The Contracting Parties shall examine any difficulties that might arise in their trade in agricultural products and shall endeavour to seek appropriate solutions.

2. The Contracting Parties undertake to continue their efforts with a view to achieving progressive liberalization of agricultural trade.

3. To this end, the Contracting Parties will carry out, before the end of 1994 and subsequently at two-yearly intervals, reviews of the conditions of trade in agricultural products.

4. In the light of the results of these reviews, within the framework of their respective agricultural policies and taking into account the results of the Uruguay Round, the Contracting Parties will decide on further liberalization of their agricultural trade.

Article V

In case where a product is being imported in such increased quantities and under such conditions as to cause, or threaten to cause serious injury to domestic producers of like or directly competitive products in the territory of the Contracting Parties, or serious disturbances in any sectors of the economy or difficulties which could bring about serious deterioration in the economic situation of a region, the Republic of Austria or the Republic of Hungary, whichever is concerned, may take appropriate measures *mutatis mutandis* under the conditions and in accordance with the procedure laid down in Article 26 of the Free Trade Agreement between the EFTA States and the Republic of Hungary.

Article VI

Austria and Hungary shall apply their rules in veterinary health and plant health matters in a non-discriminatory fashion or not as a disguised restriction on international trade. If problems should occur, the Parties will provide for discussions between their technical experts with a view to finding mutually acceptable solutions.

Article VII

The Contracting Parties will promote scientific and technical cooperation in agriculture and related fields on the basis of mutual interests. The cooperation may consist *i.a.* of exchange of information and documentation, exchange of experts in areas of interest for one or both Contracting Parties, in the development of techniques and their implementation and organisation of seminars and workshops on the above mentioned themes.

Article VIII

The implementation of this Agreement shall be supervised and administered by a Joint Committee. The Joint Committee in which both Contracting Parties are represented shall act by common accord. For the purpose of the proper implementation of the Agreement, the Contracting parties shall exchange information and, at the request of either Party, shall hold consultations within the Joint Committee. The Committee shall keep under review the possibility of the extension of cooperation and, of the recommendation for amendments in the present Agreement.

¹ United Nations, *Treaty Series*, vols. 1867, 1868 et 1869, No. I-31874.

Article IX

1. This exchange of letters shall be approved by the Contracting Parties in accordance with their own procedures. It shall enter into force at the same date as the Free trade Agreement between the EFTA States and the Republic of Hungary in relation to Hungary and Austria.

2. Should that date not coincide with the beginning of the calendar year, the provisions concerning quotas shall be applied pro rata temporis for the first year.

Article X

This Agreement shall remain in force as long as the Contracting Parties to it are Contracting Parties to the Free Trade Agreement between the EFTA States and Hungary.

I should be obliged if you would confirm that the Republic of Hungary is in agreement with the content of this letter.

Accept, Sir, the assurances of my highest consideration.

For the Republic of Austria:

Dr. WOLFGANG SCHÜSSEL
Minister for Economic Affairs

H. E. Prof. Dr. Béla Kádár
Minister of International
Economic Relations
Budapest