



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 13.06.2003  
SEC(2003)676 final/2

DECLASSIFIED PART

**RECOMMENDATION FROM THE COMMISSION TO THE COUNCIL**

**in order to authorise the Commission to open negotiations with a view to amending the bilateral agreements on trade in certain steel products concluded between the European Coal and Steel Community and, respectively, the Government of the Russian Federation and the Government of the Republic of Kazakhstan**

## A. EXPLANATORY MEMORANDUM

Under the Partnership and Cooperation Agreements with the Government of the Russian Federation and the Government of the Republic of Kazakhstan,<sup>1</sup> the European Coal and Steel Community (ECSC) concluded bilateral agreements on trade in certain steel products.

Those agreements set quantitative limits on the import of certain steel products and are in principle applicable until 31 December 2004. They provide that if the candidate countries accede before the termination of the agreements, the parties agree to consider increasing the quantitative limits set out in the annexes to the agreements.<sup>2,3</sup>

The ECSC Treaty expired on 23 July 2002. However, following the decisions of 19 July 2002 by the representatives of the Member State governments meeting within the Council and the Council of the European Union,<sup>4</sup> the European Community became the contracting party to these bilateral agreements on 24 July 2002.

Accordingly, negotiations for the amendment of the agreements must be launched by the European Community in the coming months. The new agreements must be published and implemented before the date of accession so that the new quantitative limits are available as of that date.

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<sup>1</sup> OJ L 195, 24.7.2002, p. 55, and OJ L 222, 19.8.2002, p. 20 respectively.

<sup>2</sup> Articles 2(4) and 2(6) respectively.

<sup>3</sup> Negotiations for a similar bilateral agreement are under way between the EC and Ukraine and may be concluded in the coming weeks. If such an agreement is concluded it will be similarly amended.

<sup>4</sup> OJ L 194, 23.7.2002, pp 35 and 36.

## **B. RECOMMENDATION**

In the light of the foregoing, the Commission recommends that:

1. the Council authorise the Commission to open negotiations with a view to amending the bilateral agreements on trade in certain steel products concluded between the European Coal and Steel Community and, respectively, the Government of the Russian Federation and the Government of the Republic of Kazakhstan;<sup>5</sup>
2. the Commission conduct the negotiations on behalf of the European Community in consultation with the committee designated by the Council;
3. the Council adopt the attached negotiating directives.

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<sup>5</sup> Negotiations for a similar bilateral agreement are under way between the EC and Ukraine and may be concluded in the coming weeks. If such an agreement is concluded it will be similarly amended.

(Annex: EU RESTRICTED)