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I

(Acts whose publication is obligatory)

COUNCIL REGULATION (EEC) No 3245/81

of 26 October 1981

setting up a European Agency for Cooperation

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

HAS ADOPTED THIS REGULATION:

Having regard to the Treaty establishing the European Economic Community, and in particular Article 235 thereof,

Article 1

A European Agency for Cooperation, hereinafter referred to as 'the Agency', is hereby set up.

Having regard to the proposal from the Commission ⁽¹⁾,

Having regard to the opinion of the European Parliament ⁽²⁾,

Article 2

Whereas, in order to implement Community financial and technical cooperation with the developing countries, and in particular with the ACP States, the Commission has set up overseas delegations and provided them with staff; whereas it has furthermore put the staff directly at the disposal of the States in receipt of Community aid;

1. The Agency shall be non-profitmaking. It shall enjoy in the Member States the most extensive legal capacity accorded to legal persons.

2. The headquarters of the Agency shall be in Brussels.

Whereas, in order to ensure that the said financial and technical cooperation is implemented efficiently, the Commission has been called upon to recruit and administer such staff, lay down rules for the administration of local staff and organize training schemes for nationals of the developing countries;

Article 3

The aim of the Agency shall be to assist the Commission:

Whereas, in order to help the Commission fulfil these tasks, there should be set up, within the framework of the European Communities, a European Agency for Cooperation acting in conformity with Community law; whereas it is desirable to specify the conditions under which certain general provisions shall apply;

1. with a view to the recruitment, installation and administration of staff:

(a) placed at the disposal of Commission delegations, which are established in developing countries, linked to the Community by comprehensive preferential cooperation agreements and which have the task of helping the Commission to implement such agreements, or

(b) who are called upon to undertake technical assistance or cooperation tasks financed by the Community in favour of the developing countries referred to in (a);

Whereas such Community action is required for the achievement of the aim described above; whereas, however, the necessary specific powers have not been laid down in the Treaty,

2. with a view to the laying down of rules for administering locally-recruited staff for the delegations referred to in point 1 (a), or in the context of the tasks referred to in point 1 (b), and

⁽¹⁾ OJ No C 129, 3. 6. 1978, p. 4.

⁽²⁾ OJ No C 140, 5. 6. 1979, p. 142.

3. with a view to participation in the execution of the programmes for scholarships and traineeships granted to nationals of developing countries, referred to in point 1 (a), both as regards following the progress of training schemes and as regards the social aspects.

Article 4

The Agency shall be administered by an administrative board and a director.

Article 5

1. The administrative board shall consist of not less than five and not more than 13 members designated by the Commission and chosen from among the members of its staff on the basis of their duties in the Commission departments.
2. The term of office of members of the administrative board shall be five years. It shall be renewable. Upon the expiry of their term of office or in the event of their resignation, members shall remain in office until their appointments are renewed or until they are replaced.
3. The administrative board shall elect its chairman, a deputy chairman, an administrator-delegate and a secretary from among its members.
4. Members of the administrative board shall not be paid for the duties they perform.

Article 6

1. The administrative board shall meet, when convened by the chairman or deputy chairman, as often as the interests of the Agency require and at least once a year.
2. Any member of the administrative board who is unable to attend a meeting may be represented by another member who is specially authorized to attend the meeting in question. A member may represent only one other member.
3. If the chairman is unable to attend, the administrative board shall be chaired by the deputy chairman or, if the latter is unable to attend, by the administrator-delegate.
4. The administrative board shall have a quorum when five members are present.

Decisions of the administrative board shall be adopted by a simple majority of those voting. In the event of a tie the chairman shall have the casting vote.

Article 7

1. The administrative board shall ensure the administration of the Agency.
2. It shall decide whether to accept any legacy, donation or subsidy from other Community sources.

Article 8

1. The director of the Agency shall be appointed by the Commission on the basis of a list of candidates submitted by the administrative board.
2. The director shall be appointed for a maximum period of five years. His term of office shall be renewable.

Article 9

1. The director shall carry out the decisions of the administrative board and shall be responsible for the day-to-day running of the Agency. He shall be the legal representative of the Agency.
2. The director shall prepare and organize the work of the administrative board. He shall participate in an advisory capacity in the work of the administrative board.
3. The director shall be accountable to the administrative board for the execution of his duties.

Article 10

1. By 31 March of each year at the latest, the director shall prepare a general report on the activities, financial situation and future prospects of the Agency and shall submit it to the administrative board.
2. After its adoption by the administrative board, the report shall be forwarded to the Commission and to the members of the Committee referred to in the second subparagraph of Article 12 (2).

Article 11

The Agency's revenue shall comprise:

1. the subsidies posted under specific entries in the budget of the European Communities;
2. the subsidies authorized by the Commission from the resources of the European Development Fund, and
3. any other possible resources.

Article 12

1. The administrative board shall draw up a draft estimate of revenue and expenditure of the Agency for

each calendar year and send it to the Commission. The draft estimate submitted must be in balance. An establishment plan showing the appointed staff of the delegations referred to in Article 3 (1) (a) shall be attached to the draft.

2. The Commission shall send the draft estimate to the EDF Committee and to the corresponding Committees for the operations in respect of which the intervention of the Agency is or will be necessary.

For the purpose of examining the draft estimate, these Committees shall form themselves into a single Committee composed of representatives of the Governments of the Member States and chaired by a representative of the Commission.

At the meeting at which the draft estimate is examined the Committee shall hold an exchange of information and views on general questions relating to the Agency.

The examination of the draft estimate and the exchange of information and views shall form the subject of reports setting out the main conclusions of the Committee and the basic positions adopted by the representatives of the Governments of the Member States.

3. Taking account of the report on the examination of the draft estimate by the Committee referred to in the second subparagraph of paragraph 2, the Commission shall adopt the draft estimate of revenue and expenditure of the Agency and send it to the budget authority with the preliminary draft budget of the European Communities and the aforementioned report so that an examination can take place during the budgetary procedure.

4. The Commission shall adopt the estimate of revenue and expenditure of the Agency before the beginning of the financial year, adjusting it to the subsidies granted by the budget authority.

5. If so requested by a Member State or by the Commission, the chairman may convene the Committee referred to in the second subparagraph of paragraph 2 during the year to examine new facts concerning general questions relating to the Agency.

Article 13

1. Within the framework of the Financial Regulation applicable to the general budget of the European Communities and of the other financial regulations applicable, the provisions concerning the Agency's relations with the Commission and the internal administrative and financial arrangements applicable to the Agency shall be the subject of implementation measures adopted by the Commission and published in the *Official Journal of the European Communities*.

2. The implementation measures referred to in paragraph 1 shall lay down *inter alia* the principles

governing the financial administration and the execution of the estimate of revenue and expenditure, the auditing of revenue and expenditure, the conclusion of contracts, the keeping of accounts and the inventory of movable and immovable assets.

Article 14

The general terms of recruitment and of employment and the general system of remuneration, allowances and additional payments for the staff referred to in Article 3 (1) and for the staff of the Agency's headquarters shall be determined by specific provisions adopted by the Commission after the Committee referred to in the second subparagraph of Article 12 (2) has delivered its opinion.

Article 15

1. The administrative board shall by 31 March each year send the administrative accounts retracing all the revenue and expenditure for the preceding financial year and the financial statement of the Agency to the Commission and to the Court of Auditors.

The Court of Auditors shall examine them in accordance with Article 206a of the Treaty.

2. The Court of Auditors shall communicate to the Commission, not later than 15 July, any observations which it considers should appear in the annual report provided for in Article 206a of the Treaty. The Commission shall forward its replies to the Court of Auditors not later than 31 October.

The Court of Auditors shall send its annual report, together with the Commission's replies not later than 30 November to the European Parliament, to the Council and to the Commission and shall ensure its publication in the *Official Journal of the European Communities*.

A discharge shall be given to the administrative board in respect of the financial administration of the Agency under the procedure laid down in Article 206b of the Treaty.

3. The Financial Controller of the Commission shall be responsible for checking the commitment and payment of all expenditure and the recording and recovery of all revenue of the Agency.

Article 16

Members of the administrative board, the director, the staff and all other persons participating in the activities of the Agency shall be required, even after their duties have ceased, not to disclose information of the kind covered by the obligation of professional secrecy.

Article 17

The Agency and its staff shall enjoy the privileges and immunities corresponding to those provided for in

Chapters I and V of the Protocol on the privileges and immunities of the European Communities.

Article 18

1. The contractual liability of the Agency shall be governed by the law applicable to the contract in question.

The Court of Justice of the European Communities shall have jurisdiction in all disputes between the Agency and its staff within the limits and on the conditions laid down in the general terms of recruitment and employment applicable to the said staff.

2. In the case of non-contractual liability, the Agency shall, in accordance with the general principles common to the laws of the Member States, make good any damage caused by the Agency or its staff in the performance of their duties.

The Court of Justice of the European Communities shall have jurisdiction in disputes relating to compensation for any such damage.

Article 19

1. Any Member State, any member of the administrative board and any third party directly and personally involved may refer to the Commission for examination any act of the Agency, whether express or implied.

2. Referral shall be made to the Commission within 30 days of the day on which the party concerned first became aware of the act in question.

3. If an act of the Agency which has been referred to the Commission is, at the request of a Member State, being examined simultaneously in the Committee referred to in the second subparagraph of Article 12 (2), the Commission shall not take a decision unless the Committee has expressed its opinion.

The Committee shall express its opinion within 90 days of the matter being referred to it.

The Commission shall forthwith inform the party concerned of the date of referral to the Committee and the date on which the Committee expressed or should have expressed its opinion.

4. The Commission shall take a decision within 30 days of referral of the matter to it or, where appropriate, of the date on which the Committee referred to in the second subparagraph of Article 12 (2) expressed or should have expressed its opinion.

5. If no decision has been taken by the Commission within 30 days, the case shall be deemed to have been dismissed.

Article 20

This Regulation shall enter into force on the third day following its publication in the *Official Journal of the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Luxembourg, 26 October 1981.

For the Council
The President
CARRINGTON

COUNCIL REGULATION (EEC) No 3246/81
of 26 October 1981

on the conclusion of the Agreement for commercial and economic cooperation between the
European Economic Community and India

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 113 and 235 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament ⁽¹⁾,

Whereas the conclusion by the European Economic Community of the Agreement for commercial and economic cooperation between the European Economic Community and India appears necessary for the attainment of the ends of the Community in the sphere of external economic relations; whereas it appears that certain measures of economic cooperation provided for by the Agreement exceed the powers of action provided for in the Treaty, and in particular those specified in the field of the common commercial policy,

HAS ADOPTED THIS REGULATION:

Article 1

The Agreement for commercial and economic cooperation between the European Economic

Community and India is hereby approved on behalf of the Community.

The text of the Agreement is attached to this Regulation.

Article 2

The President of the Council shall give the notification provided for in Article 15 of the Agreement ⁽²⁾.

Article 3

The Community shall be represented on the Joint Commission set up in Articles 10 and 11 of the Agreement by the Commission, assisted by representatives of the Member States.

Article 4

This Regulation shall enter into force on the day following its publication in the *Official Journal of the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Luxembourg, 26 October 1981.

For the Council
The President
CARRINGTON

⁽¹⁾ Opinion delivered on 16 October 1981 (not yet published in the Official Journal).

⁽²⁾ The date of entry into force of the Agreement will be published in the *Official Journal of the European Communities* by the General Secretariat of the Council.

AGREEMENT

for commercial and economic cooperation between the European Economic Community and India

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

of the one part,

THE GOVERNMENT OF INDIA,

of the other part,

HAVING REGARD to the friendly relations and historic links between India and the Member States of the Community and to the foundations for cooperation laid by the Agreement between India and the Community signed on 17 December 1973 and which came into operation on 1 April 1974,

NOTING with satisfaction the progress achieved during the operation of the said Agreement in the development of commercial and economic relations between India and the Community,

BELIEVING that the time is opportune to give a new impetus to the mutual relationship between India on the one hand, and the Community on the other,

MINDFUL that the more dynamic relationship which both the European Community and India desire calls for closer cooperation across the whole range of commercial and economic endeavour to the full extent of their growing capacity to meet each other's requirements on the basis of comparative advantage, mutual benefit and consistent with their developmental needs,

PERSUADED that such cooperation should be realized in an evolutionary and pragmatic fashion, as their policies develop,

REAFFIRMING their determination to expand mutual trade, and recognizing that trade is not an end in itself but a means of achieving wider economic and social objectives, and as an important instrument for furthering international economic cooperation,

DESIROUS of making their contribution to a new phase of international economic cooperation commensurate with their respective human, intellectual and material resources,

EMPHASIZING their common commitment to the promotion of international economic relations founded on freedom, equality, justice and progress,

HAVE decided to conclude this Agreement and to this end have designated as their Plenipotentiaries:

THE COUNCIL OF THE EUROPEAN COMMUNITIES:

CH. A. van der KLAUW,

President in office of the Council of the European Communities,

Minister for Foreign Affairs of the Kingdom of the Netherlands;

Wilhelm HAFERKAMP,

Vice-President of the Commission of the European Communities;

THE GOVERNMENT OF INDIA:

Shri Khursheed Alam KHAN,

Minister of State for Commerce of the Republic of India;

WHO, having exchanged their full powers, found in good and due form,

HAVE AGREED AS FOLLOWS:

Article 1

The Contracting Parties are determined to consolidate, deepen and diversify their commercial exchanges on the basis of comparative advantage and mutual benefit, with a view to increasing as much as possible mutual trade and its rate of growth.

Article 2

The Contracting Parties shall, in their commercial relations, accord each other most-favoured-nation treatment in conformity with the provisions of the General Agreement on Tariffs and Trade.

Article 3

The Contracting Parties shall grant each other the highest degree of liberalization of imports and exports which they generally apply to third countries and undertake to discuss ways and means of providing maximum facilities compatible with their respective policies and obligations, with regard to products of interest to either Party.

Article 4

In accordance with their respective policies and objectives, and with the need, recognized by both Parties, to promote new relations of dynamic complementarity, based on comparative advantage and mutual benefit, in the industrial field between India and the European Economic Community, the Contracting Parties undertake to promote the development and diversification of their commercial exchanges to the highest possible level. To this end, they shall, in particular, take the following steps:

- (a) maintain consultation and cooperation in the solution of international commercial and economic problems which either Party may consider of interest;
- (b) use their best endeavours to maintain and strengthen an open and equitable international trading system and respect their obligations under the General Agreement on Tariffs and Trade;
- (c) intensify exchanges of available information regarding their respective markets and industries,

and their changing trends and policies with a view to identifying possibilities for increased production and improved marketing prospects in order to attain optimal overall economic growth;

- (d) promote visits by persons, groups and delegations from trade, economic and industrial circles to facilitate industrial and technical exchanges and contacts connected with trade, foster the organization of fairs and exhibitions by both sides, and the appropriate provision of services including publicity for the development of trade in items of special interest to either Party;
- (e) support the institutions which have been or may be set up by them to enhance contacts and cooperation between their commercial organizations;
- (f) bring together economic operators of both sides to better identify sectors and products in which the production and exports of each should be developed, and support market development programmes, based on such identification;
- (g) promote studies for the fulfilment of the objectives of this Article.

Article 5

In the light of their respective policies and economic objectives, the Contracting Parties shall foster economic cooperation in all fields of mutual interest in order to contribute to the development of their respective economies, to raise living standards, and to meet their developmental needs. To this end the Contracting Parties agree to take the following steps:

- (a) promote industrial cooperation and transfer of technology through concerted measures at Community and national levels of both Parties for creating favourable conditions for such cooperation, on a long-term basis through a fuller utilization of each other's material, manpower and technological resources, on the basis of comparative advantage and mutual benefit;
- (b) promote and facilitate increased and mutually beneficial investment, consistent with the relevant laws and policies;
- (c) support institutions which have been or may be set up by them to enhance contacts and cooperation between their economic organizations;
- (d) facilitate exchanges of information on all subjects which may have a bearing upon the prospects for cooperation in the economic field;

- (e) encourage technological and scientific cooperation including joint programmes of research and development, for example in the fields of energy sources, energy conservation, energy-related technology, protection and improvement of the environment.

Article 6

The Community will take all possible measures to intensify its support, within the framework of its programmes in favour of non-associated developing countries, for India's development programmes, through direct concessional transfers as well as through institutional and other sources of finance in accordance with the rules and policies of such institutions.

The Parties shall encourage and facilitate the promotion of cooperation between financial institutions of the two regions.

Article 7

The Contracting Parties shall hold friendly consultations on any problems that may arise in the achievement of the aforesaid objectives and shall exchange information and seek to obtain mutually satisfactory solutions to these problems. At the request of either of the Parties, consultations shall be held as soon as possible, on any problems adversely affecting bilateral commercial and economic relations, and any representation on such problems made by either Party shall be examined in a positive manner.

Article 8

The Contracting Parties recognize that cooperation between operators and organizations concerned in the field of export to, and economic relations with third countries, especially developing countries, will be to their mutual benefit. Accordingly, they undertake to promote such cooperation and to create favourable conditions for furthering it.

Article 9

Without prejudice to the relevant provisions of the Treaty establishing the Community, the present Agreement and any action taken thereunder shall in no way affect the powers of the Member States of the Community to undertake bilateral activities with India

and to conclude, where appropriate, new economic cooperation agreements with India.

Article 10

The Contracting Parties agree to set up a Joint Commission whose tasks shall be to ensure the proper functioning of this Agreement, to devise practical measures for achieving its goals and to discuss and pursue effectively, in the light of its principles and objectives, all matters which may arise in the course of its implementation. It shall be incumbent upon the Joint Commission to examine any difficulties likely to hinder the development and diversification of commercial and economic cooperation between the Contracting Parties and to recommend practical measures for action by the Contracting Parties; while making such recommendations, the Joint Commission shall have due regard to the development plans of India and to the progress of economic, industrial, social, environmental and scientific policies of both Parties as well as their level of economic development.

The Joint Commission shall, in particular, be required:

- (a) to seek ways and means of encouraging the development of economic and commercial cooperation between India on the one part, and the European Economic Community on the other, in accordance with the provisions of this Agreement;
- (b) to study and devise ways and means of overcoming trade barriers, tariff and non-tariff, in the various sectors of trade;
- (c) to examine and recommend ways and means for the progressive adaptation of the trade pattern and marketing structures of the Contracting Parties with a view to promoting the evolution of their commercial and economic relations in accordance with their complementary possibilities as well as the long-term objectives of the economies of the Contracting Parties, so as to avoid imbalances and maladjustments;
- (d) to make recommendations on the use of Community funds available for the implementation of the objectives of the present Agreement. In respect of such funds as may be put at the disposal of the Joint Commission by the Contracting Parties in a jointly agreed manner and in accordance with their respective criteria, to decide expenditure or relevant studies and activities;
- (e) to examine possibilities of and make recommendations for an efficient and coherent utilization of all available instruments, besides most-favoured-nation tariffs and generalized preferences, to promote trade in items of interest to both Parties.

Article 11

The Joint Commission shall be composed of representatives of both sides, at an appropriately high level. The Joint Commission shall meet as often as necessary and at least once a year at an agreed time and place; periodically it shall review the implementation of this Agreement and lay down guidelines for future action. The Joint Commission shall meet alternately in Brussels and New Delhi.

Extraordinary meetings may be convened by common agreement at the request of either Contracting Party. If necessary the Joint Commission may set up specialized subcommissions to assist it in the performance of its tasks.

The representatives of the Contracting Parties in the Joint Commission will transmit the agreed recommendations to their respective authorities, for consideration and action to be taken as speedily and effectively as possible. In the event of the Joint Commission being unable to adopt a recommendation on a matter considered by either Contracting Party to be urgent or important, it shall submit the view of the two sides to the respective authorities in order to arrive at a mutually satisfactory solution.

The Joint Commission shall adopt its own rules of procedure and programme of work.

Article 12

The Contracting Parties agree that it shall also be the task of the Joint Commission to ensure the proper functioning of the sectoral agreements concluded or which may be concluded between India and the European Economic Community on jute, coir and cotton textiles and cottage industry goods (handicrafts and

handlooms) and that, to this end, it shall exercise the responsibilities entrusted to the Joint Commissions set up under these agreements.

Article 13

The Annexes form an integral part of this Agreement.

Article 14

This Agreement shall apply, on the one hand, to the territories in which the Treaty establishing the European Economic Community is applied and under the conditions laid down in the said Treaty, and on the other hand, to the territory of India.

Article 15

This Agreement shall enter into force on the first day of the month following the date on which the Contracting Parties have notified each other of the completion of the procedures necessary for this purpose. It is concluded for a period of five years. It shall be automatically extended from year to year if neither Contracting Party denounces it six months before the date of expiry. If both Contracting Parties agree, amendments to this Agreement may, however, be introduced at any time to take account of emerging situations and evolving policies.

Article 16

This Agreement is drawn up in two copies in the Danish, Dutch, English, French, German, Greek, Italian and Hindi languages, each of these texts being equally authentic.

Til bekræftelse heraf har undertegnede befuldmægtigede underskrevet denne aftale.

Zu Urkund dessen haben die unterzeichneten Bevollmächtigten ihre Unterschriften unter dieses Abkommen gesetzt.

Εἰς πίστωση τῶν ἀνωτέρω, οἱ ὑπογεγραμμένοι πληρεξούσιοι ἔθεσαν τίς ὑπογραφές τους στήν παρούσα συμφωνία.

In witness whereof the undersigned Plenipotentiaries have signed this Agreement.

En foi de quoi, les plénipotentiaires soussignés ont apposé leurs signatures au bas du présent accord.

In fede di che, i plenipotenziari sottoscritti hanno apposto le loro firme in calce al presente accordo.

Ten blijke waarvan de ondergetekende gevolmachtigden hun handtekening onder deze Overeenkomst hebben gesteld.

इसके साक्षीरूप अघोहस्ताक्षरी पूर्वाधिकारियों

ने इस करारनामे पर हस्ताक्षर कर दिया है ।

Udfærdiget i Luxembourg, den treogtyvende juni nitten hundrede og enogfirs.

Geschehen zu Luxemburg am dreiundzwanzigsten Juni neunzehnhunderteinundachtzig.

Έγινε στο Λουξεμβούργο, στις είκοσι τρείς 'Ιουνίου χίλια έννιακόσια όγδόντα ένα.

Done at Luxembourg on the twenty-third day of June in the year one thousand nine hundred and eighty-one.

Fait à Luxembourg, le vingt-trois juin mil neuf cent quatre-vingt-un.

Fatto a Lussemburgo, addì ventitré giugno millenovecentottantuno.

Gedaan te Luxemburg, de drieëntwintigste juni negentienhonderd eenentachtig.

लक्सेम्बर्ग में सन उन्नीस सौ एकासी ईस्वी की
तेइसवीं जून को यह करारनामा सम्पन्न हुआ

For Rådet for De europæiske Fællesskaber

Für den Rat der Europäischen Gemeinschaften

Για τό Συμβούλιο τών Ευρωπαϊκών Κοινοτήτων

For the Council of the European Communities

Pour le Conseil des Communautés européennes

Per il Consiglio delle Comunità europee

Voor de Raad van de Europese Gemeenschappen

कृते यूरोपीय समुदायों की परिषद

C. A. van der Kleen
L. Humphrey

For regeringen for Indien

Für die Regierung Indiens

Για τήν Κυβέρνηση τής 'Ινδίας

For the Government of India

Pour le gouvernement de l'Inde

Per il governo dell'India

Voor de Regering van India

कृते भारत गणराज्य की सरकार

स्वरशील पतनस श्री

ANNEX I**Declaration of the European Economic Community concerning tariff adjustments**

The Community confirms that the Generalized Scheme of Preferences (GSP) was autonomously put into force by the European Economic Community on 1 July 1971 on the basis of Resolution 21 (II) of the second United Nations Conference on Trade and Development held in 1968. The Community is prepared, in the course of its endeavours to improve the system of generalized preferences, to take into account the interests of India in the extension and strengthening of its trade relations with the Community.

The Community is also prepared to examine in the Joint Commission the possibilities for further tariff adjustments to promote the development of trade between India and the Community.

The Community understands that India will also be prepared to discuss in the Joint Commission the Community's proposals, if any, with regard to tariff adjustments by India bearing on the development of trade between the Contracting Parties, taking into consideration India's development needs.

ANNEX II**Declaration of the Government of India concerning tariff adjustments**

India understands that the Community is prepared, in the course of its endeavours to improve the system of generalized preferences, to take into account the interests of India in the extension and strengthening of its trade relations with the Community. In this connection, India will identify for consideration by the Community the areas in which the Community's Generalized Scheme of Preferences can be improved, more especially in the context of the provisions of the Joint Declaration of Intent.

India further understands that the Community is also prepared to examine in the Joint Commission the possibilities for further tariff adjustments to promote the development of trade between India and the Community.

In this connection India will notify to the Community the list of the products in respect of which total tariff suspension is desired, for examination by the Joint Commission.

India will also be prepared to discuss in the Joint Commission the Community's proposals, if any, with regard to tariff adjustments by India bearing on the development of trade between the Contracting Parties, taking into consideration India's development needs.

Declaration of the European Economic Community

In the course of the negotiations of the Agreement for commercial and economic cooperation between the Community and India, the Indian side presented a list of products for which a binding at zero of the rate of duty in the Common Customs Tariff of the European Economic Community was requested.

At present these products which are covered by the Indo-EEC Jute and Coir Agreements enter the Community at zero rates of duty under the Generalized Scheme of Preferences (GSP).

57.06	Yarn of jute or of other textile bast fibres of heading No 57.03
57.10 A and B	Woven fabrics of jute or of other textile bast fibres of heading No 57.03
58.02 A I	Coir mats and matting, and tufted carpets, carpeting and rugs
62.03 A II	Sacks and bags, of a kind used for the packing of goods, other than used

The Community confirms that the abovementioned products are all covered at zero-duty in the Generalized Scheme of Preferences which was autonomously put into force by the European Economic Community on 1 July 1971 on the basis of Resolution 21 (II) of the second United Nations Conference on Trade and Development held in 1968, and that it is not its intention to withdraw them from GSP in the foreseeable future.

The Community is prepared, in the course of its endeavours to improve the system of generalized preferences, to take into account the interests of India in the extension and strengthening of its trade relations with the Community.
