

**EXAMINATION OF THE INTERIM AGREEMENTS BETWEEN
THE EUROPEAN COMMUNITIES AND BULGARIA, AND ROMANIA**

Communication from the European Communities

The following information has been received from the Permanent Delegation of the European Commission, with the request that it be distributed to WTO Members:

- A. Timetables for the elimination of barriers to trade
- B. Trade statistics

A. TIMETABLES FOR THE ELIMINATION OF BARRIERS TO TRADE

A1. Interim Agreement between the European Communities (EC) and Bulgaria

Entry into force of the Interim Agreement: 31 December 1993

Entry into force of the Europe Agreement (EA): 1 February 1995¹

Additional Protocol: Decisions 94/49/EC and 94/55/ECSC of 20 December 1993 (Copenhagen Protocol) - OJ No. L 25 of 29 January 1994

Additional Protocol (Textiles): Decision 94/277/EC of 20 December 1993 - OJ No. L 123 of 17 May 1994

Agreement in the form of an exchange of letters: Decision 94/391/EC of 27 June 1994 (Compensation Bulgaria/Romania) - OJ No. L 178 of 12 July 1994

Second Additional Protocol: Decision 94/981/EC of 22 December 1994 (Alignment Bulgaria/Romania) - OJ No. L 378 of 31 December 1994

Agreement in the form of an exchange of letters (Textiles Protocol): Decision 95/131/EC of 20 February 1995 (Enlargement Textiles) - OJ No. L 94 of 26 April 1995

Agreement in the form of an exchange of letters (Textiles Protocol): Decision 96/225/EC of 22 December 1995 (Revision Textiles Protocol) - OJ No. L 81 of 30 March 1996

Third Additional Protocol: Decision 96/275/EC of 22 April 1996 (Alignment Textiles Bulgaria) - OJ No. L 103 of 26 April 1996

¹Text of the EA: Official Journal of the European Communities (OJ) L 358 of 31 December 1994.

Industrial products other than ECSC and textiles

| | EC | Bulgaria |
|----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|
| Customs duties | At entry into force Annex II(a): on 01/01/94 Annex II(b): on 01/01/95 Annex III: on 01/01/95 | Annex IV: at entry into force Annex V: on 01/01/98 Annex VI: on 01/01/2002 |
| Quantitative restrictions (QRs) on imports and measures having equivalent effect | At entry into force | At entry into force Annex VIII: on 01/01/1998 |
| Duties on exports | On 01/01/1998 | On 01/01/1998 |
| QRs on exports and measures having equivalent effect | At entry into force | At entry into force (Annex IX: on 01/01/1998) |

Textiles Protocol

| | EC | Bulgaria |
|-------------------------------------------|-------------|----------------------------------------------------------------------------------------------------------|
| Customs duties | On 01/01/97 | Same regime as for industrial products other than ECSC and textiles (except for Annex VI: on 01.01.2001) |
| QRs and measures having equivalent effect | On 01/01/98 | At entry into force |

ECSC Protocol

| | EC | Bulgaria |
|------------------------------------------------------|-------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| Customs duties | On 01/01/96 | Steel/coal: Annex II: at entry into force Steel: Annex III: on 01/01/1998 Steel /coal: Annex IV: on 01/01/2002 |
| QRs and measures having equivalent effect on imports | Steel: at entry into force Coal: at entry into force (except for Annex V: on 01/01/97) | At entry into force |

Processed agricultural products

| | EC | Bulgaria |
|-------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|
| Customs duties and/or variable components | 01/01/1993 - 31/12/1995: Progressive reductions without quantitative limits (Annex I) The same in-quota (Annex II) | 1996 - 31/12/1999: Progressive reduction of customs duties (Annex III) |

Agricultural products: Limited concessions listed in Annexes XI(a), XI(b), XII(a), XII(b), XIII(a), XIII(b), XIV(a) and XIV(b).

A2. Interim Agreement between the European Communities (EC) and Romania

Entry into force of the Interim Agreement: 1 May 1993

Entry into force of the EA: 1 February 1995²

Additional Protocol: Decisions 94/48/EC and 94/54/ECSC of 20 December 1993

Agreement in the form of an exchange of letters: Decision 94/392/EC of 27 June 1994

Second Additional Protocol: Decisions 94/982 and 94/983/ECSC of 12 December 1994

Agreement (Textile Protocol) in the form of an exchange of letters: Decision 95/131/EC of 20 February 1995

Agreement (Textile Protocol) in the form of an exchange of letters: Decision 96/224/EC of 22 December 1995.

²Text of the EA: OJ L 357 of 31 December 1994.

Industrial products other than ECSC and textiles

| | EC | Romania |
|------------------------------------------------------|-------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Customs duties | At entry into force Annex II(a): on 01/01/94 Annex II(b): on 01/01/95 Annex III: on 01/01/95 | Annex IV: at entry into force Annex V: on 01/01/98 Annex VI: on 01/01/2002 Annex VII: on 01/01/2002 (quotas) Other than Annexes IV-VI: 01/01/2002 |
| QRs on imports and measures having equivalent effect | At entry into force | At entry into force Annex VIII: on 01/01/2001 |
| Duties on exports | On 01/01/1998 | On 01/01/1998 |
| QRs on exports and measures having equivalent effect | At entry into force | At entry into force (Annex IX: on 01/01/1998) |

Textiles Protocol

| | EC | Romania |
|------------------------------------------------------|-------------|---------------------------------------------------------------------------------------------------------------------|
| Customs duties | On 01/01/97 | Annex IV: same regime as for industrial products other than ECSC and textiles Other than Annex IV: on 01.01.2002 |
| QRs and measures having equivalent effect on imports | On 01/01/98 | At entry into force |

ECSC Protocol

| | EC | Romania |
|------------------------------------------------------|--------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| Customs duties | On 01/01/96 | Steel: Annex II(a): at entry into force Annex II(b): on 01/01/1998 Other than Annexes II(a), II(b): on 01/01/2002 Coal: at entry into force |
| QRs and measures having equivalent effect on imports | Steel: at entry into force Coal: on 01/01/1994 (for Annex III: on 01/01/97) | At entry into force |

Processed agricultural products: See Protocol 3.

Agricultural products: Limited concessions listed in Annexes XI(a), XI(b), XII(a), XII(b) and XIII.

B. TRADE STATISTICS

B1. EU trade with Bulgaria

Table 1: EU's exports to and imports from Bulgaria in 1993-1997

| | Exports | Imports | Balance | Export/ import ratio | Export growth | Import growth | Export share in extra-EU trade | Import share in extra-EU trade |
|--------------|-------------|---------|---------|----------------------------|------------------|------------------|--------------------------------------|--------------------------------------|
| | Billion ECU | | | % | Annual % change | | % | |
| 1989 | 1.5 | 0.5 | +0.9 | 300 | 5 | 15 | 0.36 | 0.12 |
| 1990 | 0.9 | 0.6 | +0.3 | 150 | -40 | 20 | 0.22 | 0.13 |
| 1991 | 1.0 | 0.8 | +0.3 | 125 | 11 | 33 | 0.24 | 0.15 |
| 1992 | 1.1 | 0.9 | +0.2 | 122 | 10 | 12 | 0.25 | 0.18 |
| 1993 | 1.3 | 0.9 | +0.4 | 144 | 18 | 0 | 0.28 | 0.20 |
| 1994 | 1.6 | 1.3 | +0.3 | 120 | 23 | 44 | 0.30 | 0.25 |
| 1995 (EU-15) | 2.0 | 1.8 | +0.22 | 112 | 17* | 29* | 0.36 | 0.34 |
| 1996 | 1.7 | 1.7 | +0.02 | 101 | -15 | -5 | 0.27 | 0.29 |
| 1997 | 1.8 | 2.1 | -0.3 | 86 | 6 | 23 | 0.25 | 0.31 |

*Compared to 1994 EU-12 figure plus 3 new Member States' trade with Bulgaria.

Table 2: Most important EU-15 exports in 1997

| Sector (Common Customs Tariff sections) | Million ECU | % share of total | % change over 1996 |
|-----------------------------------------|-------------|------------------|--------------------|
| 1. Machinery & electrical (XVI) | 381 | 21 | -1 |
| 2. Textiles (XI) | 372 | 20 | 36 |
| 3. Chemical products (VI) | 189 | 10 | 5 |
| 4. Agriculture, incl. processed (I-IV) | 158 | 8 | 2 |
| 5. Transport equipment (XVII) | 140 | 7 | -17 |
| 6. Base metals & articles (XV) | 110 | 6 | 0 |
| 7. Plastic products (VII) | 87 | 5 | 5 |
| Subtotal | 1,437 | 78 | 6 |
| ALL SECTORS | 1,834 | 100 | 7 |

Table 3: Most important EU-15 imports in 1997

| Sector (Common Customs Tariff sections) | Million ECU | % share of total | % change over 1996 |
|-----------------------------------------|-------------|------------------|--------------------|
| 1. Base metals & articles (XV) | 496 | 24 | 37 |
| 2. Textiles (XI) | 477 | 23 | 33 |
| 3. Agriculture, incl. processed (I-IV) | 236 | 11.5 | 7 |
| 4. Chemical products (VI) | 227 | 11 | 7 |
| 5. Machinery & electrical (XVI) | 153 | 7 | 3 |
| 6. Footwear, umbrellas, etc. (XII) | 110 | 5 | 37 |
| 7. Mineral products (V) | 72 | 3 | 56 |
| Subtotal | 1,771 | 85 | 23 |
| ALL SECTORS | 2,082 | 100 | 23 |

Source: Eurostat.

B2. EU trade with Romania**Table 1: EU's exports to and imports from Romania in 1993-1997**

| | Exports | Imports | Balance | Export/ import ratio | Export growth | Import growth | Export share in extra-EU trade | Import share in extra-EU trade |
|--------------|-------------|---------|---------|----------------------------|------------------|------------------|--------------------------------------|--------------------------------------|
| | Billion ECU | | | % | Annual % change | | % | |
| 1989 | 0.7 | 2.5 | -1.9 | 28 | 12 | 14 | 0.16 | 0.57 |
| 1990 | 1.2 | 1.6 | -0.4 | 75 | 78 | -37 | 0.30 | 0.35 |
| 1991 | 1.3 | 1.5 | -0.1 | 87 | 8 | -9 | 0.31 | 0.30 |
| 1992 | 1.9 | 1.4 | +0.5 | 136 | 39 | -4 | 0.43 | 0.29 |
| 1993 | 2.3 | 1.7 | +0.6 | 135 | 24 | 20 | 0.48 | 0.35 |
| 1994 | 2.6 | 2.5 | +0.1 | 105 | 14 | 49 | 0.49 | 0.47 |
| 1995 (EU-12) | 3.6 | 3.3 | +0.3 | 109 | 34 | 30 | 0.60 | 0.57 |
| 1995 (EU-15) | 3.8 | 3.4 | +0.4 | 112 | 35* | 28* | 0.67 | 0.62 |
| 1996 | 4.4 | 3.5 | +0.9 | 126 | 16 | 3 | 0.71 | 0.62 |
| 1997 | 5.0 | 4.4 | +0.6 | 113 | 14 | 26 | 0.73 | 0.66 |

*Compared to 1994 EU-12 figure plus 3 new Member States' trade with Romania.

Table 2: Most important EU-15 exports in 1997

| Sector (Common Customs Tariff sections) | Million ECU | % share of total | % change over 1996 |
|-----------------------------------------|-------------|------------------|--------------------|
| 1. Machinery & electrical (XVI) | 1,399 | 28 | 10 |
| 2. Textiles (XI) | 1,180 | 23 | 31 |
| 3. Chemical products (VI) | 413 | 8 | 7 |
| 4. Base metals & articles (XV) | 261 | 5.2 | 0 |
| 5. Agriculture incl. processed (I-IV) | 250 | 5 | -18 |
| 6. Transport equipment (XVII) | 207 | 4 | 19 |
| 7. Hides and skins (VIII) | 206 | 4 | 18 |
| Subtotal | 3,916 | 78 | 13 |
| ALL SECTORS | 5,004 | 100 | 13 |

Table 3: Most important EU-15 imports in 1997

| Sector (Common Customs Tariff sections) | Million ECU | % share of total | % change over 1996 |
|-----------------------------------------|-------------|------------------|--------------------|
| 1. Textiles (XI) | 1,570 | 35 | 29 |
| 2. Base metals & articles (XV) | 719 | 16 | 29 |
| 3. Footwear, umbrellas, etc. (XII) | 500 | 11 | 32 |
| 4. Machinery & electrical (XVI) | 381 | 8.5 | 19 |
| 5. Misc. manufactures (XX) | 360 | 8 | 9 |
| 6. Agriculture incl. processed (I-IV) | 153 | 3.5 | 14 |
| 7. Chemical products (VI) | 130 | 3 | -13 |
| Subtotal | 3,813 | 86 | 24 |
| ALL SECTORS | 4,405 | 100 | 23 |

Source: Eurostat.

B3. EU-15 trade with 10 Associated CEECs³

Table 1: EU-15 exports to and imports from 10 Associated CEECs in 1996-1997

| | Exports | Imports | Balance | Export/ import ratio | Export growth | Import growth | Export share in extra-EU trade | Import share in extra-EU trade |
|------|-------------|---------|---------|----------------------------|------------------|------------------|--------------------------------------|--------------------------------------|
| | Billion ECU | | | % | Annual % change | | % | |
| 1996 | 51.3 | 47.1 | +4.2 | 109 | ... | ... | 10.2 | 8.1 |
| 1997 | 78.2 | 56.6 | +21.6 | 138 | 52 | 20 | 10.9 | 8.4 |

Table 2: Most important EU-15 exports in 1997

| Sector (Common Customs Tariff sections) | Million ECU | % share of total | % change over 1996 |
|-----------------------------------------|-------------|------------------|--------------------|
| 1. Machinery & electrical (XVI) | 24,391 | 31 | 28 |
| 2. Transport equipment (XVII) | 9,195 | 12 | 26 |
| 3. Textiles (XI) | 7,213 | 9.2 | 17 |
| 4. Chemical products (VI) | 7,046 | 9 | 22 |
| 5. Base metals & articles (XV) | 5,864 | 7.5 | 28 |
| 6. Plastic products (VII) | 4,855 | 6.2 | 27 |
| 7. Agriculture, incl. processed (I-IV) | 4,766 | 6 | 6 |
| Subtotal | 63,330 | 81 | 23 |
| ALL SECTORS | 78,266 | 100 | 23 |

Table 3: Most important EU-15 imports in 1997

| Sector (Common Customs Tariff sections) | Million ECU | % share of total | % change over 1996 |
|-----------------------------------------|-------------|------------------|--------------------|
| 1. Machinery & electrical (XVI) | 12,736 | 22.5 | 40 |
| 2. Textiles (XI) | 7,972 | 14 | 14 |
| 3. Base metals & articles (XV) | 7,463 | 13 | 18 |
| 4. Transport equipment (XVII) | 5,310 | 9 | 29 |
| 5. Misc. manufactures (XX) | 3,464 | 6 | 14 |
| 6. Agriculture, incl. processed (I-IV) | 3,056 | 5.4 | 5 |
| 7. Mineral products (V) | 3,007 | 5 | 2 |
| Subtotal | 43,008 | 76 | 23 |
| ALL SECTORS | 56,656 | 100 | 20 |

Source: Eurostat.

³Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, the Slovak Republic and Slovenia.