II

(Acts whose publication is not obligatory)

COUNCIL

COUNCIL DECISION

of 24 February 1986

concerning the conclusion of an exchange of letters between the European Economic Community and the Government of Canada concerning exports of boneless manufacturing beef from the Community to Canada

(86/101/EEC)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

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

Having regard to the proposal from the Commission,

Whereas the Canadian authorities, following a request by representatives of their cattle industry, have investigated the alleged injurious subsidization of boneless manufacturing beef entering Canada from the Community;

Whereas consultations have been held between the Community and Canada in accordance with Article 3 of the Agreement of Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade (hereinafter referred to as the Code) during which the Community maintained that the conditions for the imposition of a countervailing duty set out in the said Code were not met; whereas the Canadian authorities rejected the Community's arguments and informed the Commission of their intention to impose a provisional countervailing duty as provided for in the Code; whereas the indicated level of the duty envisaged was such that the trade in question would be halted;

Whereas the Code provides for countervailing duties not to be applied if an appropriate undertaking is given by the relevant authority in the exporting country;

Whereas consultations have taken place between the European Economic Community and the Government of Canada under the relevant provisions of the code with a view to entering into such an indertaking;

Whereas these consultations have led to the initialling of an exchange of letters involving a quantity limitation on exports of the product in question for each of the years 1986, 1987 and 1988; whereas during these consultations the Community maintained the view that the conditions for the imposition of a countervailing duty were not met; whereas the approval of this exchange of letters would not prejudice the Community's rights under the Code, and it is therefore in the interest of the Community to approve the said exchange of letters,

HAS DECIDED ÁS FOLLOWS:

Article 1

The exchange of letters between the European Economic Community and the Government of Canada concerning exports of boneless manufacturing beef from the Community to Canada is hereby approved on behalf of the Community.

The text of the exchange of letters is attached hereto.

Article 2

The President of the Council is hereby authorized to designate the person empowered to sign the exchange of letters referred to in Article 1 in order to bind the Community.

Done at Brussels, 24 February 1986.

For the Council

The President

G. BRAKS