

AGREEMENT

in the form of an Exchange of Letters between the European Community and the Republic of Iceland concerning additional trade preferences in agricultural products undertaken on the basis of Article 19 of the Agreement on the European Economic Area

A. Letter from the European Community

Brussels,

Sir,

I have the honour to refer to the trade negotiations between the European Community and the Republic of Iceland on agricultural products, held from 6 March 2005 to 14 December 2006, undertaken on the basis of Article 19 of the Agreement on the European Economic Area.

With the aim of fostering a harmonious development of trade between the Parties, the European Community and the Republic of Iceland have agreed to additional bilateral trade preferences concerning agricultural products, with due consideration to the respective agricultural policies and circumstances, including the evolution of the bilateral trade and trade with other partners.

I hereby confirm that the results of the negotiations were as follows:

1. From 1 March 2007, the European Community and the Republic of Iceland will reciprocally consolidate at bilateral level the existing zero duty lines, be it applied duties or existing concessions, and, if not already at zero level, to reciprocally eliminate duties on bilateral imports, for all products originating in the parties, which are listed in Annex I.
2. From 1 March 2007, the European Community will provide tariff quotas on imports into the Community of products originating in Iceland, which are listed in Annex II.
3. From 1 March 2007, the Republic of Iceland will provide tariff quotas on imports into Iceland of products originating in the Community, which are listed in Annex III.
4. From 1 March 2007 the Republic of Iceland will grant the European Community the preferential tariffs listed in Annex IV.

These bilateral concessions replace and consolidate all existing bilateral concessions in agricultural products that are currently in force, in application of Article 19 of the Agreement on the European Economic Area ⁽¹⁾.

5. The Republic of Iceland agrees to end its unilateral and temporary *erga omnes* reductions in applied tariffs on agricultural products put in place in 2002 and prolonged so far on a yearly basis.
6. The provisions of Protocol 3 to the Agreement between the European Economic Community and the Republic of Iceland ⁽²⁾ concerning the definition of the concept of 'originating products' and methods of cooperation shall apply *mutatis mutandis* to the products mentioned in Annexes I, II, III and IV.
7. The Parties will take steps to ensure that the benefits, which they grant each other, will not be jeopardised by other restrictive import measures.

⁽¹⁾ Council Decision 81/359/EEC of 28 April 1981 (OJ L 137, 23.5.1981, p. 1).

Council Decision 93/239/EEC of 15 March 1993 (OJ L 109, 1.5.1993, p. 1).

Council Decision 93/736/EC of 13 December 1993 (OJ L 346, 31.12.1993, p. 16).

Council Decision 95/582/EC of 20 December 1995 (OJ L 327, 30.12.1995, p. 17).

⁽²⁾ Decision No 2/2005 of the EC-Iceland Joint Committee of 22 December 2005 (OJ L 131, 18.5.2006, p. 1).

8. The Parties agree to take the necessary steps in order to ensure that tariff quotas will be managed in such a way that imports may take place regularly and that the quantities agreed for import can effectively be imported.
9. The Parties agree to strive for promoting trade of eco-friendly products and products with a geographical indication. The Parties agree to engage in further bilateral discussion with a view to better understanding respective legislation and registration procedures, in order to identify ways to enhance the protection of geographical indications in the territories of both Parties.
10. The Parties agree to exchange at regular intervals information on traded products, tariff quota management, price quotations and any useful information concerning the respective domestic markets and the implementation of the results of these negotiations.
11. Consultations will be held at the request of either party on any question relating to the implementation of the results of these negotiations. In case of difficulty in the implementation of the results of these negotiations, these consultations will be held as promptly as possible, with a view to the adoption of appropriate corrective measures.
12. The first consultations relating to the results of these negotiations will be held before those implementing arrangements are put in place, with a view to facilitating the smooth implementation of these negotiations.
13. The results of these negotiations will be implemented as from 1 March 2007 ⁽¹⁾. Where necessary, tariff quotas will be opened on a pro-rata basis.
14. The Parties agree to resume bilateral negotiations in the framework of Article 19 of the Agreement on the European Economic Area in two years' time, with particular consideration to the outcome of the WTO negotiation process in agriculture.

I have the honour to confirm that the European Community is in agreement with the contents of this letter.

I should be obliged if you would confirm that the Government of the Republic of Iceland is in agreement with the above.

Please accept, Sir, the assurance of my highest consideration.

⁽¹⁾ The opening of the EC tariff quotas will be made as from 1 July, on the basis of nine months quantities for 2007.

Съставено в Брюксел на двадесет и втори февруари две хиляди и седма година
 Hecho en Bruselas, el veintidós de febrero del dos mil siete.
 V Bruselu dne dvacátého druhého února dva tisíce sedm.
 Udfærdiget i Bruxelles den toogtyvende februar to tusind og syv.
 Geschehen zu Brüssel am zweiundzwanzigsten Februar zweitausendsieben.
 Kahe tuhande kuuenda aasta veebruarikuu kaheteistkümnendal päeval Brüsselis.
 Έγινε στις Βρυξέλλες, στις είκοσι δύο Φεβρουαρίου δύο χιλιάδες επτά.
 Done at Brussels, on the twenty-second day of February in the Year two thousand and seven.
 Fait à Bruxelles, le vingt-deux février deux mille sept.
 Fatto a Bruxelles, addì ventidue febbraio duemilasette.
 Briselē, divtūkstoš septītā gada divdesmit otrajā februārī.
 Priimta du tūkstančiai septintų metų vasario dvidešimt antrą dieną Briuselyje.
 Kelt Brüsszelben, a kettőezer hetedik év február huszonkettedik napján.
 Magħmul fi Brussel, fit-tnejn u għoxrin jum ta' Frart tas-sena elfejn u sebgha
 Gedaan te Brussel, de tweeëntwintigste februari tweeduizend zeven.
 Sporządzono w Brukseli, dnia dwudziestego drugiego lutego roku dwa tysiące siódmego.
 Feito em Bruxelas, em vinte e dois de Fevereiro de dois mil e sete.
 Întocmit la Bruxelles, douăzeci și doi februarie două mii șapte.
 V Bruseli dňa dvadsiateho druhého februára dvetisícšedem.
 V Bruslju, dvaindvajsetega februarja leta dva tisoč sedem.
 Tehty Brysselissä kahdentenakymmenentenätoisena päivänä helmikuuta vuonna kaksituhattaseitsemän.
 Som skedde i Bryssel den tjugoandra februari tjugohundrasju.

За Европейската общност
 Por la Comunidad Europea
 Za Evropské společenství
 For Det Europæiske Fællesskab
 Für die Europäische Gemeinschaft
 Euroopa Ühenduse nimel
 Για την Ευρωπαϊκή Κοινότητα
 For the European Community
 Pour la Communauté européenne
 Per la Comunità europea
 Eiropas Kopienas vārdā
 Europos bendrijos vardu
 az Európai Közösség részéről
 Ghall-Kominità Ewropea
 Voor de Europese Gemeenschap
 W imieniu Wspólnoty Europejskiej
 Pela Comunidade Europeia
 Pentru Comunitatea Europeană
 Za Európske spoločenstvo
 za Evropsko skupnost
 Euroopan yhteisön puolesta
 På Europeiska gemenskapens vägnar

ANNEX I

Bilateral trade in products of the following chapters or parts of chapters is freed:

ex Chapter 1, Live animals:

Icelandic Code	Icelandic Description of products	CN Code	CN Description of products
0101	Live horses, asses, mules and hinnies	0101	Live horses, asses, mules and hinnies

ex Chapter 2, Meat and edible meat offal:

Icelandic Code	Icelandic Description of products	CN Code	CN Description of products
ex 0208.9008	carcasses and half-carcasses of reindeer meat, frozen	ex 0208 90 60	carcasses and half-carcasses of reindeer meat, frozen

ex Chapter 4, Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere specified or included:

Icelandic Code	Icelandic Description of products	CN Code	CN Description of products
0409	Natural honey	0409 00 00	Natural honey
0410	Edible products of animal origin, not elsewhere specified or included	0410 00 00	Edible products of animal origin, not elsewhere specified or included

Chapter 5 ⁽¹⁾, Products of animal origin, not elsewhere specified or included

ex Chapter 6, Live trees and other plants; bulbs, roots and the like; cut flowers and ornamental foliage:

Icelandic Code	Icelandic description of products	CN Code	CN Description of products
0601	Bulbs, tubers, tuberous roots, corms, crowns and rhizomes, dormant, in growth or in flower; chicory plants and roots other than roots of heading 1212	0601	Bulbs, tubers, tuberous roots, corms, crowns and rhizomes, dormant, in growth or in flower; chicory plants and roots other than roots of heading 1212
ex 0602	Other live plants (including their roots), cuttings and slips; mushroom spawn:	ex 0602	Other live plants (including their roots), cuttings and slips; mushroom spawn:
	- Other than other potted indoor plants not exceeding 1 m in height (tariff heading 0602.9095)	ex 0602 90 91 ex 0602 90 99	Other indoor plants, other than cacti and thistleleaves, potted plants of the genus <i>Bromelia</i> , the plants <i>Erica gracilis</i> and <i>calluna</i> , orchids and other potted plants not exceeding 1 m in height
ex 0603	Cut flowers and flower buds of a kind suitable for bouquets or for ornamental purposes, fresh, dried, dyed, bleached, impregnated or otherwise prepared:	ex 0603	Cut flowers and flower buds of a kind suitable for bouquets or for ornamental purposes, fresh, dried, dyed, bleached, impregnated or otherwise prepared:
0603.1001	-- Imported from 1 December to 30 April	ex 0603 10 20	Carnations, fresh, other than imported from 1 May to 30 November

Icelandic Code	Icelandic Description of products	CN Code	CN Description of products
0603.1003	– Of the genera <i>Protea</i> , <i>Banksia</i> , <i>Leucadendron</i> and <i>Brunia</i>	0603 10 30	Orchids
		ex 0603 10 80	Fresh flowers of the genera <i>Protea</i> , <i>Banksia</i> , <i>Leucadendron</i> , <i>Brunia</i> and <i>Forsythia</i>
0603.1004	– Cut branches with berries or fruit on, not edible, of the genera: <i>Ligustrum</i> , <i>Callicarpa</i> , <i>Gossypium</i> , <i>Hypericum</i> , <i>Ilex</i> or <i>Symphoricarpos</i>		
0603.1005	– Flowers of Orchids		
0603.1006	– Forsythia		
0603.9000	– Other	0603 90 00	Other
0604	Foliage, branches and other parts of plants, without flowers or flower buds, and grasses, mosses and lichens, being goods of a kind suitable for bouquets or for ornamental purposes, fresh, dried, dyed, bleached, impregnated or otherwise prepared	0604	Foliage, branches and other parts of plants, without flowers or flower buds, and grasses, mosses and lichens, being goods of a kind suitable for bouquets or for ornamental purposes, fresh, dried, dyed, bleached, impregnated or otherwise prepared

ex Chapter 7, Edible vegetables and certain roots and tubers:

Icelandic Code	Icelandic Description of products	CN Code	CN Description of products
0702	Tomatoes, fresh or chilled	0702 00 00	Tomatoes, fresh or chilled
ex 0703	Onions, shallots, garlic and other alliaceous vegetables, fresh or chilled	ex 0703	Onions, shallots, garlic and other alliaceous vegetables, fresh or chilled
ex 0704	Cabbages, cauliflowers, kohlrabi, kale and similar edible brassicas, fresh or chilled:	ex 0704	Cabbages, cauliflowers, kohlrabi, kale and similar edible brassicas, fresh or chilled:
0704.2000	– Brussels sprouts	0704 20 00	Brussels sprouts
0704.9005	-- Curly kale (<i>brassica oleracea acepjala</i>)	ex 0704 90 90	Other, excluding Chinese cabbage
0704.9009	-- Other		
0705	Lettuce (<i>Lactuca sativa</i>) and chicory (<i>Cichorium</i> spp.), fresh or chilled:	0705	Lettuce (<i>Lactuca sativa</i>) and chicory (<i>Cichorium</i> spp.), fresh or chilled
ex 0706	Carrots, turnips, salad beetroot, salsify, celeriac, radishes and similar edible roots, fresh or chilled:	ex 0706	Carrots, turnips, salad beetroot, salsify, celeriac, radishes and similar edible roots, fresh or chilled:
0706.9009	– Other	0706 90	Other
0707	Cucumbers and gherkins, fresh or chilled:	0707	Cucumbers and gherkins, fresh or chilled
0708	Leguminous vegetables, shelled or unshelled, fresh or chilled	0708	Leguminous vegetables, shelled or unshelled, fresh or chilled

Icelandic Code	Icelandic Description of products	CN Code	CN Description of products
ex 0709	Other vegetables, fresh or chilled	ex 0709	Other vegetables, fresh or chilled:
0709.10	– Globe artichokes, fresh or chilled	0709 10 00	Globe artichokes
0709.20	– Asparagus, fresh or chilled	0709 20 00	Asparagus
0709.30	– Aubergines (eggplants)	0709 30 00	Aubergines (eggplants)
0709.52	-- Truffles, fresh or chilled	0709 52 00	Truffles
0709.60	– Fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i>	0709 60	Fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i>
0709.70	– Spinach, N-Z spinach and orache spinach (garden spinach), fresh or chilled	0709 70 00	Spinach, New Zealand spinach and orache spinach (garden spinach)
0709.9001	-- Sweet corn	0709 90 60	Sweet corn
0709.9002	-- Courgettes	0709 90 70	Courgettes
0709.9003	-- Olives		Olives:
		0709 90 31	— For uses other than the production of oil
		0709 90 39	— Other
0709.9004	-- Parsley (percille)	0709 90 90	Other
0709.9009	-- Other		
ex 0710 ⁽¹⁾	Vegetables (uncooked or cooked by steaming or boiling in water), frozen:	ex 0710 ⁽¹⁾	Vegetables (uncooked or cooked by steaming or boiling in water), frozen:
	Other than potatoes	0710 21 00	Peas (<i>Pisum sativum</i>)
		0710 22 00	Beans (<i>Vigna spp.</i> , <i>Phaseolus spp.</i>)
		0710 29 00	Other
		0710 30 00	Spinach, New Zealand spinach and orache spinach (garden spinach)
		0710 40 00	Sweetcorn
		0710 80	Other vegetables
		0710 90 00	Mixtures of vegetables
0711 ⁽¹⁾	Vegetables provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption	0711 ⁽¹⁾	Vegetables provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption

Icelandic Code	Icelandic Description of products	CN Code	CN Description of products
0712	Dried vegetables, whole, cut, sliced, broken or in powder, but not further prepared	0712	Dried vegetables, whole, cut, sliced, broken or in powder, but not further prepared
0713	Dried leguminous vegetables, shelled, whether or not skinned or split	0713	Dried leguminous vegetables, shelled, whether or not skinned or split
0714	Manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with high starch or inulin content, fresh, chilled, frozen or dried, whether or not sliced or in the form of pellets; sago pith	0714	Manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with high starch or inulin content, fresh, chilled, frozen or dried, whether or not sliced or in the form of pellets; sago pith

Chapter 8, Edible fruit and nuts; peel of citrus fruit or melons

Chapter 9 ⁽¹⁾, Coffee, tea, maté and spices

Chapter 10 ⁽²⁾, Cereals

Chapter 11 ⁽²⁾, Products of the milling industry; malt; starches; inulin; wheat gluten

Chapter 12 ⁽²⁾, Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder

Chapter 13 ⁽¹⁾, Lac; gums, resins and other vegetable saps and extracts

Chapter 14 ⁽¹⁾, Vegetable plaiting materials; vegetable products not elsewhere specified or included

Chapter 15 ⁽¹⁾ ⁽³⁾, Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes

ex Chapter 18 ⁽¹⁾, Cocoa and cocoa preparations:

Icelandic Code	Icelandic Description of products	CN Code	CN Description of products
1801	Cocoa beans, whole or broken, raw or roasted	1801	Cocoa beans, whole or broken, raw or roasted
1802	Cocoa shells, husks, skins and other cocoa waste	1802	Cocoa shells, husks, skins and other cocoa waste

ex Chapter 20, Preparations of vegetables, fruit, nuts or other parts of plants:

Icelandic Code	Icelandic Description of products	CN Code	CN Description of products
ex 2001 ⁽¹⁾	Vegetable, fruit, nuts and other edible parts of plants, prepared or preserved by vinegar or acetic acid:	ex 2001 ⁽¹⁾	Vegetables, fruit, nuts and other edible parts of plants, prepared or preserved by vinegar or acetic acid:
2001.1000	- Cucumbers and gherkins	2001 10 00	Cucumbers and gherkins
	- Other	2001 90	Other
2001.9005	-- Onion	2001 90 93	Onions
2001.9009	-- Other	2001 90 99	Other, excluding potatoes and products thereof

Icelandic Code	Icelandic Description of products	CN Code	CN Description of products
2002	Tomatoes prepared or preserved otherwise than by vinegar or acetic acid	2002	Tomatoes prepared or preserved otherwise than by vinegar or acetic acid
2003	Mushrooms and truffles, prepared or preserved otherwise than by vinegar or acetic acid	2003	Mushrooms and truffles, prepared or preserved otherwise than by vinegar or acetic acid
2004 ⁽¹⁾	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, frozen:	2004 ⁽¹⁾	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, frozen, other than products of heading 2006:
2004.9002	-- Globe artichokes	ex 2004 90 98	Globe artichokes
2004.9003	-- Green or black olives	ex 2004 90 30	Green or black olives
2004.9004	-- Green peas and beans	2004 90 50	Peas (<i>Pisum sativum</i>) and immature beans of the species <i>Phaseolus</i> spp., in pod
2004.9005	-- Preparations with a basis of flours of leguminous plants	ex 2004 90 98	Preparations with a basis of flours of leguminous plants
2004.9009	-- Other	ex 2004 90 98	Other, excluding products containing meat in a proportion of 3 % up to and including 20 % by weight
2005 ⁽¹⁾	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, not frozen:	2005 ⁽¹⁾	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, not frozen, other than products of heading 2006:
2005.1000	- Homogenised vegetables	2005 10 00	Homogenised vegetables
2005.4000	- Peas (<i>Pisum sativum</i>)	2005 40 00	Peas (<i>Pisum sativum</i>)
	- Beans (<i>Vigna</i> spp., <i>Phaseolus</i> spp.):		Beans (<i>Vigna</i> spp., <i>Phaseolus</i> spp.):
2005.5100	- Beans, shelled	2005 51 00	Beans, shelled
2005.5900	-- Other	2005 59 00	Other
2005.6000	- Asparagus	2005 60 00	Asparagus
2005.7000	- Olives	2005 70	Olives
	- Other vegetables and mixtures of vegetables:	2005 90	Other vegetables and mixtures of vegetables:
2005.9009	- Other	ex 2005 90 80	Other, excluding products containing meat in a proportion of 3 % up to and including 20 % by weight
2008 ⁽¹⁾	Fruit, nuts and other edible parts of plants, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included	2008 ⁽¹⁾	Fruit, nuts and other edible parts of plants, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included

Icelandic Code	Icelandic Description of products	CN Code	CN Description of products
2009	Fruit juices (including grape must) and vegetable juices, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter	2009	Fruit juices (including grape must) and vegetable juices, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter

ex Chapter 22, Beverages, spirits and vinegar:

Icelandic Code	Icelandic Description of products	CN Code	CN Description of products
2201	Waters, including natural or artificial mineral waters and aerated waters, not containing added sugar or other sweetening matter nor flavoured; ice and snow	2201	Waters, including natural or artificial mineral waters and aerated waters, not containing added sugar or other sweetening matter nor flavoured; ice and snow
2204	Wine of fresh grapes, including fortified wines; grape must other than that of heading 2009	2204	Wine of fresh grapes, including fortified wines; grape must other than that of heading 2009

ex Chapter 23, residues and waste from the food industries; prepared animal fodder:

Icelandic Code	Icelandic Description of products	CN Code	CN Description of products
ex 2309	Preparations of a kind used in animal feeding:	ex 2309	Preparations of a kind used in animal feeding:
ex 2309.1000	- Dog or cat food, put up for retail sale, containing no starch or containing not more than 30 % by weight of starch and containing no milk products or containing less than 10 % by weight of such products	2309 10 11 2309 10 31	Dog or cat food, put up for retail sale, containing no starch or containing not more than 30 % by weight of starch and containing no milk products or containing less than 10 % by weight of such products

Chapter 24 ⁽¹⁾, Tobacco and manufactured tobacco substitutes

⁽¹⁾ Other than products covered by Protocol 3 to the Agreement on the European Economic Area.

⁽²⁾ Other than for animal feeding.

⁽³⁾ Other than fish product.

ANNEX II

Tariff quotas granted by the European Community

The European Community will open the following annual tariff quota for the following products originating in Iceland (*)

CN custom tariff heading	Description of products	Annual quantity	Rate of duty
ex 0204	meat of sheep, fresh, chilled or frozen sheepmeat, smoked	1 850 tons (net weight)	0
ex 0210			0
ex 0405	natural butter	350 tons (net weight)	0
ex 0403 (**)	'Skyr'	380 tons (net weight)	0
ex 1601	sausages	100 tons (net weight)	0

(*) the quotas shall apply annually unless otherwise specified.

(**) custom code subject to modification, pending confirmation of classification of the product

ANNEX III

Tariff quotas granted by Iceland

Iceland will open the following annual tariff quotas for the following products originating in the European Community (*)

Icelandic custom tariff heading	Description of products	Annual quantity	Rate of duty
0201 and 0202	meat of bovine animals, fresh, chilled or frozen	100 tons (net weight)	0
0203	meat of swine, fresh, chilled or frozen	200 tons (net weight)	0
0207	meat and edible offal, of the poultry of heading 0105, fresh, chilled or frozen	200 tons (net weight)	0
0208.9003	ptarmigans, frozen	20 tons (net weight)	0
ex 0210	meat and edible meat offal, salted, in brine, dried or smoked; edible flours and meals of meat offal; with protected designation of origin or protection geographical indication (**)	50 tons (net weight)	0
ex 0406	cheese with protected designation of origin or protection geographical indication (**)	20 tons (net drained weight)	0
0406	cheese	80 tons (net drained weight)	0
0701.9001	potatoes, fresh or chilled, with a minimal length of 65 mm	100 tons (net weight)	0
ex 1601	sausages	50 tons (net weight)	0
1602	other prepared or preserved meat, meat offal or blood	50 tons (net weight)	0

(*) the quotas shall apply annually unless otherwise specified.

(**) registered under Council Regulation (EC) No 510/2006 of 20 March 2006 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs (OJ L 93, 31.3.2006, p. 12).

ANNEX IV

Tariff concessions granted by Iceland

Iceland will grant the following preferential tariffs for products originating in the European Community:

			%	ISK/kg
0201		Meat of bovine animals, fresh or chilled:		
	0201.1000	— Carcasses and half-carcasses	18	214
		— Other cuts with bone in:		
	0201.2001	— Loins and cuts thereof	18	422
	0201.2002	— Round and cuts thereof	18	300
	0201.2003	— Shoulders and cuts thereof	18	189
	0201.2009	— Other	18	189
		— Boneless:		
	0201.3001	— Minced	18	306
	0201.3002	— Tenderloin	18	877
	0201.3003	— Top loin	18	652
	0201.3004	— Round	18	608
	0201.3009	— Other	18	359
	0202		Meat of bovine animals, frozen:	
0202.1000		— Carcasses and half-carcasses	18	214
		— Other cuts with bone in:		
0202.1001		— Loins and cuts thereof	18	422
0202.1002		— Round and cuts thereof	18	300
0202.1003		— Shoulders and cuts thereof	18	189
0202.1009		— Other	18	189
		— Boneless:		
0202.3001		— Minced	18	306
0202.3002		— Tenderloin	18	877
0202.3003		— Top loin	18	652
0202.3004		— Round	18	608
0202.3009		— Other	18	359
0203			Meat of swine, fresh, chilled or frozen:	
		— Fresh or chilled:		
	0203.1100	— Carcasses and half-carcasses	18	217
		— Hams, shoulders and cuts thereof, with bone in:		
	0203.1201	— Round and cuts thereof	18	302
	0203.1209	— Shoulders and cuts thereof	18	278
		— Other:		
		— With bone:		
	0203.1901	— Loins and cuts thereof	18	465
	0203.1902	— Other	18	217
		— Boneless:		
	0203.1903	— Minced	18	274
	0203.1904	— Tenderloin	18	717
	0203.1905	— Top loin	18	664
	0203.1906	— Round	18	613
	0203.1909	— Other:	18	274
		— Frozen:		

			%	ISK/kg	
	0203.2100	—	Carcasses and half-carcasses	18	217
		—	Hams, shoulders and cuts thereof, with bone in:		
	0203.2201	—	Round and cuts thereof	18	302
	0203.2209	—	Shoulders and cuts thereof	18	278
		—	Other:		
		—	With bone:		
	0203.2901	—	Loins and cuts thereof	18	465
	0203.2902	—	Other	18	217
		—	Boneless:		
	0203.2903	—	Minced	18	274
	0203.2904	—	Tenderloin	18	717
	0203.2905	—	Top loin	18	664
	0203.2906	—	Round	18	613
	0203.2909	—	Other	18	274
0204			Meat of sheep or goats, fresh, chilled or frozen:		
	0204.1000	—	Carcasses and half-carcasses of lamb, fresh or chilled	18	164
		—	Other meat of sheep, fresh or chilled:		
	0204.2100	—	Carcasses and half-carcasses	18	164
		—	Other cuts with bone in:		
	0204.2201	—	Loins and cuts thereof	18	229
	0204.2202	—	Round and cuts thereof	18	229
	0204.2203	—	Shoulders and cuts thereof	18	145
	0204.2209	—	Other	18	145
		—	Boneless:		
	0204.2301	—	Minced	18	234
	0204.2302	—	Tenderloin	18	568
	0204.2303	—	Top loin	18	530
	0204.2304	—	Round	18	530
	0204.2309	—	Other	18	234
	0204.3000	—	Carcasses and half-carcasses of lamb, frozen	18	164
		—	Other meat of sheep, frozen:		
	0204.4100	—	Carcasses and half-carcasses	18	164
		—	Other cuts with bone in:	0	0
	0204.4201	—	Loins and cuts thereof	18	229
	0204.4202	—	Round and cuts thereof	18	229
	0204.4203	—	Shoulders and cuts thereof	18	145
	0204.4209	—	Other	18	145
		—	Boneless:		
	0204.4301	—	Minced	18	234
	0204.4302	—	Tenderloin	18	568
	0204.4303	—	Top loin	18	530
	0204.4304	—	Round	18	530
	0204.4309	—	Other	18	234
	0204.5000	—	Meat of goats	18	229
0205	0205.0000		Meat of horses, asses, mules or hinnies, fresh, chilled or frozen	18	154

			%	ISK/kg
0206		Edible offal of bovine animals, swine, sheep, goats, horses, asses, mules or hinnies, fresh, chilled or frozen:		
	0206.1000	— Of bovine animals, fresh or chilled	18	253
		— Of bovine animals, frozen:		
	0206.2100	— Tongues	18	253
	0206.2200	— Livers	18	146
	0206.2900	— Other	18	210
	0206.3000	— Of swine, fresh or chilled	18	121
		— Of swine, frozen:		
	0206.4100	— Livers	18	121
	0206.4900	— Other	18	121
		— Other, fresh or chilled:		
	0206.8001	— Sheep heads	18	130
	0206.8009	— Other	18	130
		— Other, frozen:		
	0206.9001	— Sheep heads	18	130
	0206.9009	— Other	18	130
0207		Meat and edible offal, of the poultry of heading 0105, fresh, chilled or frozen:		
		— Of fowls of the species <i>Gallus domesticus</i> :		
	0207.1100	— Not cut in pieces, fresh or chilled	18	362
	0207.1200	— Not cut in pieces, frozen	18	263
		— Cuts and offal, fresh or chilled:		
	0207.1301	— Boneless	18	299
	0207.1302	— Liver	18	299
	0207.1309	— Other	18	299
		— Cuts and offal, frozen:		
	0207.1401	— Boneless	18	540
	0207.1402	— Liver	12	299
	0207.1409	— Other	18	263
		— Of turkeys:		
	0207.2400	— Not cut in pieces, fresh or chilled	18	362
	0207.2500	— Not cut in pieces, frozen	18	362
		— Cuts and offal, fresh or chilled:		
	0207.2601	— Boneless	18	299
	0207.2602	— Liver	18	299
	0207.2609	— Other	18	299
		— Cuts and offal, frozen:		
	0207.2701	— Boneless	18	600
	0207.2702	— Liver	12	299
	0207.2709	— Other	18	362
		— Of ducks, geese or guinea fowls:		
	0207.3200	— Not cut in pieces, fresh or chilled	18	362
	0207.3300	— Not cut in pieces, frozen	18	362
	0207.3400	— Fatty livers, fresh or chilled	18	154
		— Other, fresh or chilled:		
	0207.3501	— Boneless	18	299
	0207.3502	— Liver	18	299

				%	ISK/kg
	0207.3509	—	Other	18	299
		—	Other, frozen:		
	0207.3601	—	Boneless	18	600
	0207.3602	—	Liver	12	299
	0207.3609	—	Other	18	362
0208			Other meat and edible meat offal, fresh, chilled or frozen:		
	0208.1000	—	Of rabbits or hares	18	236
		—	Other:		
	0208.9001	—	Pigeons	18	218
	0208.9002	—	Pheasants	18	218
	0208.9003	—	Ptarmigans, frozen	18	268
	0208.9004	—	Deer	18	218
	0208.9007	—	Boneless reindeer meat, frozen	18	608
	0208.9008	—	Reindeer meat with bone, frozen ⁽¹⁾	18	608
	0208.9009	—	Frogs' legs	18	236
	0208.9019	—	Other	18	218
0209	0209.0000		Pig fat, free of lean meat, and poultry fat, not rendered or otherwise extracted, fresh, chilled, frozen, salted, in brine, dried or smoked	18	60
0210			Meat and edible meat offal, salted, in brine, dried or smoked; edible flours and meals of meat or meat offal:		
		—	Meat of swine:		
	0210.1100	—	Hams, shoulders and cuts thereof, with bone in	18	302
	0210.1200	—	Bellies (streaky) and cuts thereof	18	217
		—	Other:		
		—	Smoked:		
	0210.1901	—	Boneless	30	447
	0210.1902	—	Other	18	717
	0210.1909	—	Other	18	465
		—	Meat of bovine animals:		
	0210.2001	—	Boneless	18	877
	0210.2009	—	Other	18	422
		—	Other:		
	0210.9910	—	Poultry liver, dried or smoked	18	299
		—	Sheep meat, salted:		
	0210.9921	—	Boneless	18	568
	0210.9929	—	Other	18	270
		—	Sheep meat, smoked (hangikjöt):		
	0210.9931	—	Boneless	18	568
	0210.9939	—	Other	18	270
	0210.9990	—	Other	30	363

⁽¹⁾ Tariff concession for products not already covered by the duty free concession granted in Annex I for ex 0208.9008 'carcasses and half-carcasses of reindeer meat, frozen'.

B. Letter from the Republic of Iceland

Reykjavik,

Sir,

I have the honour to acknowledge receipt of your letter of today's date which reads as follows:

I have the honour to refer to the trade negotiations between the European Community and the Republic of Iceland on agricultural products, held from 6 March 2005 to 14 December 2006, undertaken on the basis of Article 19 of the Agreement on the European Economic Area.

With the aim of fostering a harmonious development of trade between the Parties, the European Community and the Republic of Iceland have agreed to additional bilateral trade preferences concerning agricultural products, with due consideration to the respective agricultural policies and circumstances, including the evolution of the bilateral trade and trade with other partners.

I hereby confirm that the results of the negotiations were as follows:

1. From 1 March 2007, the European Community and the Republic of Iceland will reciprocally consolidate at bilateral level the existing zero duty lines, be it applied duties or existing concessions, and, if not already at zero level, to reciprocally eliminate duties on bilateral imports, for all products originating in the parties, which are listed in Annex I.
2. From 1 March 2007, the European Community will provide tariff quotas on imports into the Community of products originating in Iceland, which are listed in Annex II.
3. From 1 March 2007, the Republic of Iceland will provide tariff quotas on imports into Iceland of products originating in the Community, which are listed in Annex III.
4. From 1 March 2007 the Republic of Iceland will grant the European Community the preferential tariff listed in Annex IV.

These bilateral concessions replace and consolidate all existing bilateral concessions in agricultural products that are currently in force, in application of Article 19 of the Agreement on the European Economic Area ⁽¹⁾.

5. The Republic of Iceland agrees to end its unilateral and temporary *erga omnes* reductions in applied tariffs on agricultural products put in place in 2002 and prolonged so far on a yearly basis.
6. The provisions of Protocol 3 to the Agreement between the European Economic Community and the Republic of Iceland ⁽²⁾ concerning the definition of the concept of "originating products" and methods of cooperation shall apply *mutatis mutandis* to the products mentioned in Annexes I, II, III and IV.
7. The Parties will take steps to ensure that the benefits, which they grant each other, will not be jeopardised by other restrictive import measures.
8. The Parties agree to take the necessary steps in order to ensure that tariff quotas will be managed in such a way that imports may take place regularly and that the quantities agreed for import can effectively be imported.

⁽¹⁾ Council Decision 81/359/EEC of 28 April 1981 (OJ L 137, 23.5.1981, p. 1).
Council Decision 93/239/EEC of 15 March 1993 (OJ L 109, 1.5.1993, p. 1).
Council Decision 93/736/EC of 13 December 1993 (OJ L 346, 31.12.1993, p. 16).
Council Decision 95/582/EC of 20 December 1995 (OJ L 327, 30.12.1995, p. 17).

⁽²⁾ Decision No 2/2005 of the EC-Iceland Joint Committee of 22 December 2005 (OJ L 131, 18.5.2006, p. 1).

9. The Parties agree to strive for promoting trade of eco-friendly products and products with a geographical indication. The Parties agree to engage in further bilateral discussion with a view to better understanding respective legislation and registration procedures, in order to identify ways to enhance the protection of geographical indications in the territories of both Parties.
10. The Parties agree to exchange at regular intervals information on traded products, tariff quota management, price quotations and any useful information concerning the respective domestic markets and the implementation of the results of these negotiations.
11. Consultations will be held at the request of either party on any question relating to the implementation of the results of these negotiations. In case of difficulty in the implementation of the results of these negotiations, these consultations will be held as promptly as possible, with a view to the adoption of appropriate corrective measures.
12. The first consultations relating to the results of these negotiations will be held before those implementing arrangements are put in place, with a view to facilitating the smooth implementation of these negotiations.
13. The results of these negotiations will be implemented as from 1 March 2007 ⁽¹⁾. Where necessary, tariff quotas will be opened on a pro-rata basis.
14. The Parties agree to resume bilateral negotiations in the framework of Article 19 of the Agreement on the European Economic Area in two years' time, with particular consideration to the outcome of the WTO negotiation process in agriculture.

I have the honour to confirm that the European Community is in agreement with the contents of this letter.

I should be obliged if you would confirm that the Government of the Republic of Iceland is in agreement with the above.'

I have the honour to confirm that the Government of the Republic of Iceland is in agreement with the content of your letter.

Please accept, Sir, the assurance of my highest consideration,

⁽¹⁾ The opening of the EC tariff quotas will be made as from 1 July, on the basis of nine months quantities for 2007.

Done at Brussels, on the twenty-second day of February in the Year two thousand and seven.
 Съставено в Брюксел на двадесет и втори февруари две хиляди и седма година
 Hecho en Bruselas, el veintidós de febrero del dos mil siete.
 V Bruselu dne dvacátého druhého února dva tisíce sedm.
 Udfærdiget i Bruxelles den toogtyvende februar to tusind og syv.
 Geschehen zu Brüssel am zweiundzwanzigsten Februar zweitausendsieben.
 Kahe tuhande kuuenda aasta veebruarikuu kaheteistkümnendal päeval Brüsselis.
 Έγινε στις Βρυξέλλες, στις είκοσι δύο Φεβρουαρίου δύο χιλιάδες επτά.
 Fait à Bruxelles, le vingt-deux février deux mille sept.
 Fatto a Bruxelles, addì ventidue febbraio duemilasette.
 Briselē, divtūkstoš septītā gada divdesmit otrajā februārī.
 Priimta du tūkstančiai septintų metų vasario dvidešimt antrą dieną Briuselyje.
 Kelt Brüsszelben, a kettőezer hetedik év február huszonkettedik napján.
 Magħmul fi Brussel, fit-tnejn u għoxrin jum ta' Frar tas-sena elfejn u sebgha
 Gedaan te Brussel, de tweeëntwintigste februari tweeduizend zeven.
 Sporządzono w Brukseli, dnia dwudziestego drugiego lutego roku dwa tysiące siódmego.
 Feito em Bruxelas, em vinte e dois de Fevereiro de dois mil e sete.
 Întocmit la Bruxelles, douăzeci și doi februarie două mii șapte.
 V Bruseli dňa dvadsiateho druhého februára dvetisíc sedem.
 V Bruslju, dvaindvajsetega februarja leta dva tisoč sedem.
 Tehty Brysselissä kahdentenakymmenentenätoisena päivänä helmikuuta vuonna kaksituhattasetsemän.
 Som skedde i Bryssel den tjugoandra februari tjugohundrasju.

For the Government of the Republic of Iceland
 За правителството на Република Исландия
 Por el Gobierno de la República de Islandia
 Za vládu Islandské republiky
 For regeringen for Republikken Island
 Für die Regierung der Republik Island
 Islandi Vabariigi Valitsuse nimel
 Για την Κυβέρνηση της Δημοκρατίας της Ισλανδίας
 Pour le gouvernement de la République d'Islande
 Per il governo della Repubblica d'Islanda
 Islandes Republikas valdības vārdā
 Islandijos Respublikos Vyriausybės vardu
 az Izlandi Köztársaság Kormánya részéről
 Għall-Gvern tar-Repubblika ta' l-Islanda
 Voor de Regering van de Republiek IJsland
 W imieniu Rządu Republiki Islandii
 Pelo Governo da República da Islândia
 Pentru Guvernul Republicii Islanda
 Za vládu Islandskej republiky
 Za Vlado Republike Islandije
 Islannin rasavallan hallituksen puolesta
 På Republiken Islands regerings vägnar

