

No. 20819

**UNITED STATES OF AMERICA
and
SWEDEN**

Arrangement concerning cheeses, reached on the Tokyo Round of the Multilateral Trade Negotiations (with annex, exchange of letters dated 5 and 10 July 1979 and related letters dated 30 January and 19 February 1980). Signed at Geneva on 13 June 1979

Authentic text: English.

Registered by the United States of America on 1 March 1982.

**ÉTATS-UNIS D'AMÉRIQUE
et
SUÈDE**

Arrangement relatif aux fromages convenu lors des négociations commerciales multilatérales dites de Tokyo (avec annexe, échange de lettres en date des 5 et 10 juillet 1979 et lettres connexes en date des 30 janvier et 19 février 1980). Signé à Genève le 13 juin 1979

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 1^{er} mars 1982.

ARRANGEMENT¹ BETWEEN THE UNITED STATES AND SWEDEN CONCERNING CHEESES

The United States and Sweden agree on an arrangement concerning cheese, as set forth in the enclosure.

[Signed — Signé]²
For the Delegation of Sweden

[Signed — Signé]³
For the Delegation of the United States

Geneva, June 13, 1979

ARRANGEMENT BETWEEN THE UNITED STATES AND SWEDEN CONCERNING CHEESES

The United States agrees to bind in schedule XX of the General Agreement on Tariffs and Trade⁴ the quota levels by type of cheese listed in annex I. These quotas will be established under the authority of Section 22 of the Agricultural Adjustment Act of 1933 in compliance with the GATT Waiver of 1955.

The global volume of the quotas granted to Sweden for cheeses subject to the quota system will amount to a minimum of 1,350 metric tons. The distribution of the quotas between the different varieties is that listed in annex I of the Arrangement. The United States agrees to take all reasonable measures to permit the maximum utilization of the quotas. It is, however, understood that in the event Sweden is unable to supply a given annual quota, the United States may authorize a temporary country of origin adjustment for the remainder of the quota year so that United States importers and licensees may be able to use their import licenses elsewhere.

Sweden agrees not to grant subsidies on the production or export of cheese shipped to the United States under quota in a manner so as to result in the sale of such cheese on the United States wholesale market at prices below those offered for like United States products. A mechanism to ensure compliance with this commitment will be established under which the United States will consult promptly with Sweden in the event imports are priced below United States wholesale levels by reason of subsidy. Such consultations will be undertaken in order to give Sweden an adequate opportunity to take remedial action to terminate the price undercutting.

As long as the above stated price condition is met, the United States agrees not to take counteraction on cheese imports from Sweden under quota. However, it is understood that should these assurances not be met, the United States will take appropriate countermeasures.

¹ Came into force on 19 February 1980, with retroactive effect from 1 January 1980, the date on which schedule XX (United States) and XXX (Sweden) to the Geneva (1979) Protocol* became schedules to the General Agreement on Tariffs and Trade,** in accordance with the provisions of the related letters.

* United Nations, *Treaty Series*, vols. 1187 to 1193, No. A-814XC.

** *Ibid.*, vol. 55, p. 187.

² Signed by M. Lemmel — Signé par M. Lemmel.

³ Signed by W. E. Culbert — Signé par W. E. Culbert.

⁴ United Nations, *Treaty Series*, vol. 55, p. 187.

ANNEX I

CHEESE QUOTAS
SWEDEN

<i>TSUS Appendix Item No.</i>	<i>Commodity</i>	<i>Annual Import Quota Jan. 1-Dec. 31 (MT)</i>
950.09A	Edam and Gouda cheese	41
950.10D	Other cheese, NSPF	1,059
950.10E	Low-fat cheese	250

EXCHANGE OF LETTERS

I

SWEDISH DELEGATION

Geneva, 5 July 1979

Dear Alonzo,

With reference to our bilateral negotiations on agriculture, I would like to state the following:

1. Sweden will reduce and bind the levy coefficient at 1,6 from 1 January 1980, for the following products. A letter to this effect has been sent to the GATT Secretariat.

16.02.300 Canned poultry meat
16.02.707 Frozen prepared poultry meat
16.02.807 Other prepared poultry meat

2. Sweden will bind at free item ex 10.05.009 "maize for popcorn, put up for sale by retail". Wholesale packages of the same product will also be entered duty free and free of import levy. For technical reasons Sweden reserves its right to implement the levy commitment either through suspension or restitution of the import levy.

3. It is the understanding of my delegation that "margarine cheese" will be entered in the United States under TSUS item No 950.10E "low-fat cheese".

4. In order to permit maximum utilization of the total quota in the arrangement between our two countries concerning cheeses, I would like to stress the desirability of United States consulting with Sweden before unfilled specific quotas are temporarily reallocated to other countries of origin.

I would appreciate your acknowledgement of the above points.

Sincerely yours,

[Signed]

CARL DE GEER
Ambassador

The Honorable Alonzo L. McDonald, Jr.
Ambassador
United States Delegation to the
Multilateral Trade Negotiations
Geneva

II

UNITED STATES DELEGATION TO THE MULTILATERAL TRADE NEGOTIATIONS
GENEVA, SWITZERLAND

July 10, 1979

Dear Mr. Ambassador:

This is to acknowledge receipt of your letter to Ambassador McDonald, dated July 5, 1979, the text of which reads as follows:

[See letter I]

Sincerely,

[Signed]

WILLIAM E. CULBERT
Acting Head of Delegation

H.E. Mr. Carl De Geer
Ambassador
Mission permanente de Suède
auprès de l'Office des Nations Unies
et des autres organisations internationales
à Genève¹
Genève

RELATED LETTERS

I

OFFICE OF THE SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON

January 30, 1980

Dear Mr. Ambassador:

I refer to the Arrangement concerning cheeses of June 13, 1979, and the exchange of letters of July 5 and 10, 1979, regarding cheese and other agricultural products,¹ negotiated during the Multilateral Trade Negotiations. In order to comply with certain technical legal requirements, the United States intends to treat these documents as an agreement between our two Governments as contracting parties to

¹ Permanent Mission of Sweden to the United Nations and to other International Organizations.

² United Nations, *Treaty Series*, vols. 1187 to 1193, No. A-814XC.

GATT, effective January 1, 1980, when schedules XX (United States) and XXX (Sweden) to the Geneva (1979) Protocol¹ both become schedules to GATT.

Sincerely,

[Signed]

ROBERT C. CASSIDY, Jr.
General Counsel

His Excellency Count Wilhelm Wachtmeister
Ambassador of the Royal Swedish Embassy
Washington, D.C.

II

SWEDISH EMBASSY
WASHINGTON, D.C.

February 19, 1980

Dear Mr. Cassidy:

We acknowledge receipt of your letter of January 30, 1980, regarding the Arrangement concerning cheeses of June 13, 1979, and the exchange of letters of July 5 and 10, 1979, regarding cheese and other agricultural products, negotiated during the multilateral trade negotiations.

Sweden intends to treat these documents as an agreement between our two Governments as contracting parties to GATT, effective January 1, 1980, when schedules XX (United States) and XXX (Sweden) to the Geneva (1979) Protocol both become schedules to GATT.

Sincerely,

[Signed]

W. WACHTMEISTER
Ambassador

Mr. Robert C. Cassidy, Jr.
General Counsel
Office of the Special Representative
for Trade Negotiations
Executive Office of the President
Washington, D.C.

¹ United Nations, *Treaty Series*, vols. 1187 to 1193, No. A-814XC.