

No. 20842

**UNITED STATES OF AMERICA
and
FINLAND**

Letter and related letter constituting a trade agreement concerning cheeses, reached on the Tokyo Round of Multilateral Trade Negotiations (with arrangement and annexes). Geneva, 12 April 1979, and Washington, 30 January 1980

Authentic text: English.

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

**ÉTATS-UNIS D'AMÉRIQUE
et
FINLANDE**

Lettre et lettre connexe constituant un accord commercial concernant les fromages, convenu lors des négociations commerciales multilatérales dites de Tokyo (avec arrangement et annexes). Genève, 12 avril 1979, et Washington, 30 janvier 1980

Texte authentique : anglais.

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

LETTER AND RELATED LETTER CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND FINLAND CONCERNING CHEESES, REACHED ON THE TOKYO ROUND OF MULTILATERAL TRADE NEGOTIATIONS

*The Ambassador to the Permanent Mission of Finland in Geneva
to the American Deputy Special Representative for Trade Negotiations*

PERMANENT MISSION OF FINLAND IN GENEVA

Geneva, 12 April 1979

Sir,

It is the understanding of the Finnish delegation that the distribution of the total quota of 10,500 tons annually will be further elaborated between the Finnish and U.S. governments, especially as the composition of item No. 950.10.D is concerned. The Finnish delegation would like to draw the attention to the desirability of transferring parts of the quota allocated to item 950.10.D to item 950.10.B, if this should prove to be necessary in order to fully utilize the total quota of 10,500 tons agreed under this arrangement.

Yours sincerely,

[Signed]

PAAVO KAARLEHTO
Ambassador

H.E. Mr. Alonzo McDonald
Ambassador, Head of Delegation
United States Delegation to the MTN

ARRANGEMENT BETWEEN THE UNITED STATES
AND FINLAND CONCERNING CHEESES

1. The United States agrees to bind in schedule XX of the General Agreement on Tariffs and Trade² the quota levels by type of cheese listed in annex II. 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.

2. The United States agrees that its import system will be adjusted so that:

- The cheeses which are listed in annex I will not be subject to quotas; and
- The other cheeses will be freely imported within the limits of fixed quotas.

¹ Came into force on 30 January 1980 by the exchange of the said letters, with retroactive effect from 1 January 1980, the date on which schedule XX (United States) to the Geneva (1979) Protocol* became a schedule to the General Agreement on Tariffs and Trade,** in accordance with the provisions of the said letters.

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

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

² *Ibid.*, vol. 55, p. 187. See also note 1 above.

3. The global volume of the quotas granted to Finland for cheeses subject to the quota system will amount to a minimum of 10,500 metric tons. The distribution of the quotas between the different varieties is that listed in annex II of the present arrangement. The U.S. agrees to take all necessary measures to permit the maximum utilization of the quotas. It is, however, understood that, in the event Finland is unable to supply a given annual quota, the U.S. will authorize a temporary country of origin adjustment for the remainder of the quota year so that U.S. importers and licensees may be able to use their import licenses elsewhere.

4. Finland agrees not to grant restitutions or other government payments in a manner so as to result in price of cheese of Finnish origin below the prices of like U.S. domestic cheese at the wholesale level. Any government payments applied in a manner inconsistent with this commitment would be subject to counteraction by the U.S.

ANNEX I

In accordance with the arrangement, the cheeses covered by the following tariff categories of the tariff schedules of the United States shall not be subject to quota:

<i>TSUS No.</i>	<i>Description</i>
117.0020	Stilton cheese, in original loaves, product of England
117.0520	Stilton cheese, other, product of England
117.1000	Bryndza cheese
117.3000	Gjetost cheese, made from goat's milk whey or from whey obtained from a mixture of goat's milk and not more than 20 percent of cow's milk
117.3500	Gjetost cheese, other
ex 117.4060	Goya cheese, in original loaves
117.4500	Roquefort cheese, in original loaves, product of France
117.5000	Roquefort cheese, other, product of France
117.6060	Gammelost and Nokkelost cheeses
117.6500	Cheeses made from sheep's milk, in original loaves and suitable for grating
117.6700	Pecorino cheese, made from sheep's milk, in original loaves, not suitable for grating
117.7000	Other sheep's milk cheese
117.7575	Other goat's milk cheese valued not over 25 cents per pound
117.8575	Other goat's milk cheese valued over 25 cents per pound
(to be established)	Soft ripened cow's milk cheeses meeting the following definition: "Soft ripened cheese is cured or ripened by biological curing agents such as molds, yeasts, and other organisms which have formed a prominent crust on the surface of the cheese. The curing or ripening is conducted so that the cheese visibly cures or ripens from the surface toward the center. Fat content in the dry matter is not less than fifty (50) percent. Moisture-content, calculated by weight of the non-fatty matter is not less than sixty-five (65) percent. "The term soft ripened cheese does not include cheeses with mold, blue or otherwise, distributed throughout the interior of the cheese."

The following non-comprehensive list is given for illustrative purposes only. Administrative cooperation should be established at the technical level concerning any difficulty related to the classification of these cheeses:

Bibress	Munster—from France and Germany along both sides of the Rhine
Brie	Pont l'Evêque
Camembert	Reblochon
Cambre	St. Marcellin
Carré de l'Est	Taleggio
Chaource	(Examples offered for sale under commercial names)
Coulommiers	Boursault
Epoisse	Caprice des Dieux
Limbourg	Ducs (Suprême des)
Livarot	Explorateur
Maroilles	

ANNEX II

CHEESE QUOTAS

FINLAND

<i>TSUS appendix item No.</i>	<i>Commodity</i>	<i>Annual import quota Jan. 1-Dec. 31 (MT)</i>
950.10B	Swiss or Emmenthaler cheese with eye formation	8,000 MT
950.10C	Other than Swiss or Emmenthaler with eye formation (reported statistically as Gruyere-process)	1,000
950.10D	Cheeses and substitutes for cheese provided for in items 117.75 and 117.85, part 4C schedule 1 of the Tariff Schedules of the United States (except cheese not containing cow's milk; cheese, except cottage cheese, containing 0.5 percent or less by weight of butterfat, and articles within the scope of other import quotas provided for in this part)	1,500

RELATED LETTER

OFFICE OF THE SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS

Executive Office of the President

WASHINGTON

January 30, 1980

Dear Mr. Ambassador:

I refer to the April 12, 1979, Finnish letter regarding cheese with the Cheese Arrangement to which it refers, to the Finnish letters of April 12 and December 4,

1979, regarding alcoholic beverages,¹ and to the Finnish letter of April 12, 1979, relating to article XII of GATT,² all of which were agreed upon during the Multilateral Trade Negotiations. In order to comply with certain technical legal requirements, the United States intends to treat these documents as agreements between our two Governments as contracting parties to GATT, effective, in the case of the agreement relating to cheese, on January 1, 1980, when schedule XX (United States) to Geneva (1979) Protocol³ became a schedule to GATT and, in the case of the other two agreements, when that schedule and schedule XXIV (Finland) to the Geneva (1979) Protocol have both become schedules to GATT.

Sincerely,

[Signed]

ROBERT C. CASSIDY, Jr.
General Counsel

His Excellency Jaakko Itoniemi
Ambassador of the Embassy of Finland
Washington, D.C.

¹ See p. 13 of this volume.

² See p. 19 of this volume.

³ United Nations, *Treaty Series*, vols. 1187 to 1193, No. A-814 XC.