

II. Agricultural matters:

A. The Canadian Government accepts the basic components of the European Community's approach to adjusting the GATT obligations of the EC of 12 and those of Austria, Finland and Sweden following the recent enlargement of the Community:

- netting out of export commitments,
- netting out of tariff quotas,
- aggregation of domestic support commitments.

The appropriate legal modalities of implementation remain to be agreed upon.

B. Both sides agree to the following:

To the extent that imports of pork and pork products are covered by both GATT TRQs and preferential TRQs at lower than GATT in-quota rates for Central and Eastern European countries (CEECs) the Commission, in consultation with the countries concerned, will ensure that the imports in question from CEECs are counted in the first place against the preferential TRQs.

The sum of the EC TRQs for pigmeat and pigmeat preparations will remain at 75 600 tonnes at the end of Uruguay Round implementation.