EU/Uruguay Agreement: modification of concessions in the schedule of Croatia in the course of its accession to the European Union

2016/0058(NLE) - 30/03/2016 - Legislative proposal

PURPOSE: to conclude an Agreement in the form of an Exchange of Letters between the European Union and the Eastern Republic of Uruguay pursuant to Article XXIV:6 and Article XXVIII of the General Agreement on Tariffs and Trade (GATT) 1994 relating to the modification of concessions in the schedule of the Republic of Croatia in the course of its accession to the European Union.

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: the Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: with the accession of Croatia, the EU enlarged its customs union. Consequently, it was required under World Trade Organisation (WTO) rules (Article XXIV:6 of the GATT 1994) to enter into negotiations with WTO Members having negotiating rights related to the tariff schedule of Croatia in order to eventually agree on a compensatory adjustment.

Such adjustment is due if the adoption of the EU's external tariff regime results in an increase in tariff beyond the level for which the acceding country has bound itself at the WTO.

On 15 July 2013, the Council authorised the Commission to open negotiations under Article XXIV:6 of the GATT 1994.

The Commission has negotiated with the Members of the WTO holding negotiating rights with respect to the withdrawal of specific concessions in relation to the withdrawal of the schedule of Croatia in the course of its accession to the European Union.

Negotiations with Uruguay resulted in a draft Agreement in the form of an Exchange of Letters that was initialled on 18 December 2015 in Nairobi.

Consequently, this proposal asks the Council to adopt a decision to conclude the Agreement in the form of an Exchange of Letters with Uruguay.

In parallel, a separate proposal on the signature of this Agreement is also submitted.

It is now necessary to approve the Agreement on behalf of the EU.

CONTENT: the Council is called upon to adopt a decision to approve, on behalf of the European Union, the Agreement in the form of an Exchange of Letters between the EU and Uruguay pursuant to Article XXIV:6 and Article XXVIII of the General Agreement on Tariffs and Trade (GATT) 1994 relating to the modification of concessions in the schedule of the Republic of Croatia in the course of its accession to the EU.

The text of the Agreement is attached to this decision.

Implementing regulation: as a result of the Agreement the Commission will adopt an implementing Regulation to extend the following tariff rate quotas, pursuant to Article 187(a) of the Single Common Market Organisation (CMO) Regulation (Regulation (EU) No 1308/2013):

- add 76 tonnes in the country allocated (Uruguay) EU tariff rate quota 'boneless meat of bovine animals, fresh or chilled; edible offal of bovine animals, thick skirt and thin skirt, fresh or chilled', tariff item numbers ex 0201 30 00 and ex 0206 10 95, maintaining the present in-quota rate of 20%. The new tariff rate quota shall be 4 076 tonnes;
- add 1 875 tonnes into the EU tariff rate quota 'Meat of bovine animals, frozen – Edible offal of bovine animals, frozen', tariff item numbers 0202 and 0206.29.91, maintaining the present in-quota rate of 20%. The new tariff rate quota shall be 54 875 tonnes.

BUDGETARY IMPLICATION: this proposal has no impact on expenditure. However, it has an impact on revenue (EUR 1.3 million/year).