

EU/Iceland agreement: additional trade preferences in agricultural products

2016/0293(NLE) - 07/10/2016 - Legislative proposal

PURPOSE: to conclude the Agreement in the form of an exchange of letters between the European Union and Iceland concerning additional trade preferences in agricultural products.

PROPOSED ACT: Council Decision.

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

BACKGROUND: the EU and Iceland are signatories to the Agreement on the European Economic Area (EEA Agreement). This Agreement provides that the contracting Parties shall undertake to continue their efforts to achieve progressive liberalisation of agricultural trade between them.

The Agreement in the form of an exchange of letters between the European Union and Iceland concerning additional trade preferences in agricultural products was signed subject to its conclusion. The Agreement should now be approved.

CONTENT: the draft Council decision seeks the approval, on behalf of the European Union, of the Agreement in the form of an exchange of letters between the European Union and Iceland concerning additional trade preferences in agricultural products.

The Agreement was initialled by the Parties on 17 September 2015 and provided for further trade preferences for trade in agricultural products, including additional fully liberalised tariff lines.

As a result almost 90 % of EU agricultural products will enter Iceland duty-free. For more sensitive products such as meat, dairy, fruit, vegetable and ornamental plants, additional tariff quotas or tariff reductions have been agreed upon.