

EU/Iceland agreement: additional trade preferences in agricultural products

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The Committee on International Trade adopted the report by David BORELLI (EFDD, IT) on the draft Council decision on the conclusion of the Agreement in the form of an exchange of letters between the European Union and Iceland concerning additional trade preferences for agricultural products.

The committee recommended that Parliament give its consent to the conclusion of the agreement.

As mentioned in the explanatory memorandum accompanying the report, the previous EU-Iceland agreement on liberalising agricultural trade entered into force on 1 January 2007. It set the duty-free access of Icelandic agricultural products to the EU market to 51.9 % of trade and the duty-free access of EU agricultural products to the Icelandic market to 66.4 % of trade.

The latest round of negotiations, which began on 4 July 2012, aimed at increasing the degree of liberalisation on both sides, extending the current tariff rate quotas and opening new tariff rate quotas for additional agricultural products.

The Agreement initialled on 17 September 2015 included additional tariff quotas or tariff reductions for more sensitive products such as meat, dairy products, fruit, vegetables and ornamental plants.

As a result of the negotiations almost 90 % of EU agricultural products will have duty-free access to the Icelandic market. Overall, almost all trade on processed agricultural products will be duty free, with some exceptions, notably of fermented milk products.

The Rapporteur is of the view that the negotiations have led to a balanced outcome, in particular, taking the simultaneously negotiated agreement on GI protection into account.