EU/New Zealand Agreement: modification of concessions in the schedule of Croatia in the course of its accession to the EU

2017/0137(NLE) - 04/07/2018 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 565 votes to 75, with 34 abstentions, a legislative resolution on the draft Council decision on the conclusion of the Agreement in the form of an Exchange of Letters between the European Union and New Zealand 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.

Parliament **gave its consent** to the conclusion of the agreement.

The Agreement between the European Union and New Zealand was negotiated following the accession of the Republic of Croatia to the European Union. With the accession of Croatia, the European Union enlarged its customs union. Consequently, under World Trade Organisation (WTO) rules (Article XXIV:6 of the GATT 1994) the EU has 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.

Negotiations with New Zealand resulted in a draft Agreement in the form of an Exchange of Letters that was initialled on 18 May 2017 and signed on 13 March 2018.