

EU/Euratom/Ukraine Association Agreement: trade preferences for poultry meat and poultry meat preparations

2019/0132(NLE) - 12/06/2019

PURPOSE: to approve the conclusion, on behalf of the European Union, of the Agreement in the form of an Exchange of Letters between the European Union and Ukraine amending the trade preferences for poultrymeat and poultrymeat preparations provided for in the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Ukraine, of the other part.

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 Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Ukraine, of the other part, entered into force on 1 September 2017.

A new type of poultry cut consists of a traditional breast cap with the humerus bones of the wings attached and can, after minimal transformation in the Union, be marketed in the Union as poultry breast. Unlimited imports of those cuts, of which imports from Ukraine reached 55 500 tons in 2018, therefore risk undermining the conditions under which traditional poultry breast cuts may be imported into the Union under the Association Agreement, in particular the quantitative restrictions in the form of a tariff rate quota. This has the potential to disrupt the delicate balance in the poultry meat market of the EU.

The rapid increase in duty-free imports of this particular piece of poultry meat did not exist and was not foreseeable during the negotiations of the Association Agreement.

On 20 December 2018, the Council authorised the Commission to open negotiations with Ukraine with a view to find a solution by amending the trade preferences for poultry meat and poultry meat preparations provided for by the Association Agreement. The negotiations were successfully concluded on 19 March 2019.

CONTENT: the Commission proposes that the Council decide to approve, on behalf of the Union, the Agreement in the form of an Exchange of Letters between the European Union and Ukraine amending the trade preferences for poultrymeat and poultrymeat preparations provided for in the Association Agreement.

The agreement consists of integrating the two tariff lines CN 0207 13 70 and 0207 14 70 into the existing tariff rate quota (TRQ) of currently 18 400 tons and increasing to 20 000 tons in 2021 (Order Number 09.4273) while the size of the TRQ will be increased by 50 000 tons. Imports under tariff lines CN 0207 13 70 and 0207 14 70 exceeding the TRQ would then become subject to Most Favoured Nation duty rate of EUR 100.8/100 kg net weight.

The proposal establishes a stable and predictable trading environment for poultry meat and ensures reasonable and measured increase in trade with Ukraine.