EU/United States Agreement: modification of concessions on all the tariff rate quotas included in the EU Schedule CLXXV as a consequence of the United Kingdom's withdrawal from the European Union

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PURPOSE: to conclude, on behalf of the European Union, the Agreement between the European Union and the United States of America relating to the modification of concessions on all the tariff rate quotas included in the EU Schedule CLXXV as a consequence of the United Kingdom`s withdrawal from the European Union.

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: in October 2018, the EU formally launched the negotiations process (under Article XXVIII of the General Agreement on Tariffs and Trade (GATT) 1994) with a number of WTO Members in Geneva. The underlying principle of the negotiations is a ‘joint approach’ developed between the EU and the UK back in 2017 on how to ‘apportion’ the quantitative commitments contained in the EU28 WTO schedule for the 143 EU agricultural, fish and industrial WTO tariff rate quotas (TRQs).

The principle of the applied methodology is based on the trade flows into the EU27 and the UK during a representative reference period (of 3 years from 2013 to 2015) for all WTO TRQs. The agreed methodology of the apportionment is described in detail in Regulation (EU) 2019/216 of the European Parliament and of the Council.

On 15 June 2018, the Council authorised the Commission to launch GATT Article XXVIII negotiations with the WTO Members concerned with a view to allocating the Union's WTO tariff rate quota concessions.

The European Commission had previously presented a proposal for a Council decision on the same agreement. Prior to the signature of the agreement, at the request of the US, a change was made to the language regime and, following negotiations with other WTO partners, the volume of two tariff rate quotas (for fruit juices and plywood) was modified. As a result of these changes, the Commission is presenting a new proposal for a Council Decision.

The Council (Trade Policy Committee) has been regularly consulted on the content and progress of the negotiations. The European Commission therefore proposes that the Council authorise the signature of the agreement, subject to its conclusion at a later stage.

CONTENT: the Commission proposes that the Council decide to approve, on behalf of the Union, the Agreement between the European Union and the United States of America under Article XXVIII of the

General Agreement on Tariffs and Trade (GATT) 1994 relating to the modification of concessions with respect to all tariff rate quotas in EU Schedule CLXXV following the withdrawal of the United Kingdom from the EU.

The objective of the Agreement is to provide for the apportionment of the tariff rate quotas included in the EU Schedule CLXXV of the General Agreement on Tariffs and Trade (GATT) 1994 as a consequence of the United Kingdom's withdrawal from the Union, pursuant to Article XXVIII of GATT 1994.

The United States of America has negotiating rights for 70 tariff rate quotas and consultation rights for 16 tariff rate quotas. For the majority of the tariff quotas that concern the US, the US has accepted the original EU proposed apportioned volumes.

Changes in volumes have been agreed for tariff rate quotas in the following sectors: beef, pigmeat, skimmed milk powder, potatoes, tomatoes and carrots, cucumbers, dried onions, almonds, cherries, common wheat, cereals, paddy rice, semi-milled or wholly milled rice, broken rice, grape juice, food preparations, fruit juices, animal feed preparations, dog and cat food, shrimps and plywood.