

EU/Argentina 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

2023/0303(NLE) - 07/12/2023 - Legislative proposal

PURPOSE: to conclude, on behalf of the Union, the Agreement in the form of an Exchange of Letters between the European Union and the Argentine Republic amending the Agreement in the form of an Exchange of Letters between the European Union and the Argentine Republic pursuant to Article XXVIII of the General Agreement on Tariffs and Trade (GATT) 1994 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: on 10 May 2021, the EU and Argentina signed an agreement in the form of an exchange of letters with a view to concluding negotiations in accordance with Article XXVIII of the GATT 1994, which entered into force on 13 July 2021.

The agreement of 10 May 2021 states that "it shall not prejudice negotiations between the European Union and other Members of the WTO benefiting from rights under Article XXVIII of the GATT 1994 with respect to the erga omnes tariff quotas concerned".

Following negotiations with other WTO members, the EU agreed to modify the allocation of two tariff quotas for which Argentina has negotiating rights. As a result, the initial agreement with Argentina must be amended as regards the volume for the EU-27 for these two quotas

CONTENT: the draft Council Decision seeks to approve, on behalf of the Union, the Agreement in the form of an Exchange of Letters between the European Union and the Argentine Republic amending the Agreement in the form of an Exchange of Letters between the European Union and the Argentine Republic pursuant to Article XXVIII of the General Agreement on Tariffs and Trade (GATT) 1994 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.

The objective of the Agreement is to amend the Agreement between the Union and Argentina signed on 10 May 2021 in relation of the volume of two tariff-rate quotas and 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.

Following negotiations between the EU and other WTO members benefiting from rights under Article XXVIII of the GATT 1994, the EU has agreed to modify the shares of two tariff quotas for which Argentina has negotiating rights, as follows:

- Tariff rate quota 030 (**skimmed milk powder**): the EU share of the erga omnes quota is revised to 62 917 tonnes;
- Tariff rate quota 110 (**fruit juice**): the Union share of the erga omnes quota is revised to 6 551 tonnes.