EU/Egypt 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

2023/0296(NLE) - 31/05/2024 - Final act

PURPOSE: to conclude, on behalf of the Union, the Agreement in the form of an Exchange of Letters between the European Union and the Arab Republic of Egypt 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.

NON-LEGISLATIVE ACT: Council Decision (EU) 2024/1361 on the conclusion, on behalf of the Union, of the Agreement in the form of an Exchange of Letters between the European Union and the Arab Republic of Egypt 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.

BACKGROUND: in 2018, the EU formally launched the negotiations process under Article XXVIII of the General Agreement on Tariffs and Trade (GATT) of 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 (TRQ). The basis of this approach was that the existing volume of each TRQ would be fully maintained in the future, but split across two separate customs territories: the EU27 and the UK.

The Arab Republic of Egypt has negotiating rights for one erga omnes TRQ on cucumbers. A change in volume has been agreed for this TRQ. The EU27 share had been revised to 647 tonnes, taking into account the reference period from 2013 to 2016.

Negotiations with Egypt resulted in an Agreement in the form of an Exchange of Letters that was initialled on 22 May 2023 in Geneva.

CONTENT: under this Decision, the Agreement in the form of an Exchange of Letters between the European Union and the Arab Republic of Egypt 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 is hereby approved on behalf of the Union

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

On the conclusion of the negotiations, Egypt and the European Union agreed on the following:

- with respect to tariff rate quota 048 (cucumbers, fresh or chilled, from 1 November to 15 May), Egypt and the European Union agree to the following change to the scheduled commitment: the European Union's volume of this erga omnes quota should be adjusted to 647 tonnes;

- with respect to tariff rate quota 048, the European Union will acknowledge Egypt's initial negotiating right.

ENTRY INTO FORCE: 22.04.2024.