Basic information

2018/0281(NLE) NLE - Non-legislative enactments Decision	Procedure completed
EU/China agreement in connection with the WTO dispute settlement proceedings DS492: measures affecting tariff concessions on certain poultry meat products **Subject** 6.20.01 Agreements and relations in the context of the World Trade Organization (WTO) 6.20.03 Bilateral economic and trade agreements and relations 6.20.04 Union Customs Code, tariffs, preferential arrangements, rules of origin **Geographical area** China	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
INTA International Trade	WINKLER Iuliu (PPE)	29/08/2018
	Shadow rapporteur MOSCA Alessia Maria (S&D) MCCLARKIN Emma (ECR) HIRSCH Nadja (ALDE) SCHOLZ Helmut (GUE/NGL) BUCHNER Klaus (Verts/ALE) BEGHIN Tiziana (EFDD)	

Council of the European Union

European Commission

Commission DG	Commissioner
Agriculture and Rural Development	HOGAN Phil

Key events

Date	Event	Reference	Summary

05/07/2018	Preparatory document	COM(2018)0518	Summary
23/07/2018	Legislative proposal published	10882/2018	Summary
10/12/2018	Committee referral announced in Parliament		
10/12/2018	Vote in committee		
18/12/2018	Committee report tabled for plenary, 1st reading/single reading	A8-0472/2018	Summary
16/01/2019	Decision by Parliament	T8-0018/2019	Summary
16/01/2019	Results of vote in Parliament		
28/01/2019	Act adopted by Council after consultation of Parliament		
28/01/2019	End of procedure in Parliament		
31/01/2019	Final act published in Official Journal		

Technical information

Procedure reference	2018/0281(NLE)
Procedure type	NLE - Non-legislative enactments
Procedure subtype	Consent by Parliament
Legislative instrument	Decision
Legal basis	Treaty on the Functioning of the European Union TFEU 207-p4 Treaty on the Functioning of the European Union TFEU 218-p6a
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	INTA/8/14004

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE627.692	14/09/2018	
Committee report tabled for plenary, 1st reading/single reading		A8-0472/2018	18/12/2018	Summary
Text adopted by Parliament, 1st reading/single reading		T8-0018/2019	16/01/2019	Summary

Council of the EU

Document type	Reference	Date	Summary
Legislative proposal	10882/2018	23/07/2018	Summary
Document attached to the procedure	10883/2018	23/07/2018	

European Commission

Document type	Reference	Date	Summary
Document attached to the procedure	COM(2018)0517	05/07/2018	
Preparatory document	COM(2018)0518	05/07/2018	Summary

Additional information		
Source	Document	Date
European Commission	EUR-Lex	

Final act	
Decision 2019/0143 OJ L 027 31.01.2019, p. 0002	Summary

EU/China agreement in connection with the WTO dispute settlement proceedings DS492: measures affecting tariff concessions on certain poultry meat products

2018/0281(NLE) - 16/01/2019 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 589 votes to 73, with 21 abstentions, a legislative resolution on the draft Council decision 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 People's Republic of China in connection with DS492 European Union - Measures affecting Tariff Concessions on Certain Poultry Meat Products.

Parliament gave its consent to the conclusion of the agreement.

EU/China agreement in connection with the WTO dispute settlement proceedings DS492: measures affecting tariff concessions on certain poultry meat products

2018/0281(NLE) - 05/07/2018

PURPOSE: to conclude, on behalf of the European Union, the Agreement in the form of an Exchange of Letters between the Union and China in connection with the WTO dispute settlement proceedings: DS492 - measures affecting tariff concessions on certain poultry meat products.

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: following the WTO panel report adopted on 19 April 2017 in the WTO dispute settlement proceedings DS492 - measures affecting tariff concessions on certain poultry meat products brought by China against the European Union, the EU needed to comply with the findings.

In particular, the panel found that when allocating quantities within tariff rate quotas to supplying countries under WTO rules, the EU should have taken into account as a '**special factor**' China's increased ability to export poultry products to the EU following the relaxation of sanitary measures in July 2008. The reasonable period of time for the implementation of the Panel Report under the WTO rules began on 19 April 2017.

On 12 March 2018, the Council authorised the Commission to open negotiations on a mutually agreed solution with China. Those negotiations were concluded and an agreement in the form of an Exchange of Letters between the European Union and China was initialled on 18 June 2018.

The agreement was signed on behalf of the Union subject to its conclusion at a later date.

It is now necessary to approve the Agreement on behalf of the European Union.

CONTENT: the present proposal calls on the Council to conclude the Agreement in the form of an Exchange of Letters between the European Union and China in relation to DS492 European Union - measures affecting tariff concessions on certain poultry meat products.

The Agreement seeks to open the following tariff rate quotas (TRQ):

- **a TRQ of 6060 tonnes** for the tariff line 1602.3929 (with specific country allocation of 6000 tonnes to China and 60 tonnes to all others), with an in quota duty rate of 10.9%;
- **a TRQ of 660 tonnes** for the tariff line 1602.3985 (with specific country allocation of 600 tonnes to China and 60 tonnes to all others), with an in-quota duty rate of 10.9%;
- **an erga omnes TRQ of 5000 tonnes** for the tariff line 1602.3219, with an inquota duty rate of 8%.

The Commission shall adopt implementing Regulations to expand and manage the relevant quotas. These implementation measures are being prepared in parallel with this proposal. Once the quotas are opened, the EU and China shall notify the Agreement to the WTO Dispute Settlement Body as a mutually agreed solution in relation to the dispute DS492.

The Commission also needs to provide for transparent and appropriate tariff quota management.

Lastly, the Agreement shall also respect rights of other suppliers, which were agreed in the context of past Article XXVIII GATT negotiations.

EU/China agreement in connection with the WTO dispute settlement proceedings DS492: measures affecting tariff concessions on certain poultry meat products

2018/0281(NLE) - 23/07/2018 - Legislative proposal

PURPOSE: to conclude, on behalf of the European Union, the Agreement in the form of an Exchange of Letters between the Union and China in connection with the WTO dispute settlement proceedings: DS492 - measures affecting tariff concessions on certain poultry meat products.

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: following the WTO panel report adopted on 19 April 2017 in the WTO dispute settlement proceedings DS492 Measures affecting Tariff Concessions on Certain Poultry Meat Products brought by the People's Republic of China against the European Union, the EU needed to comply with the findings.

In particular, the panel found that when allocating quantities within tariff rate quotas to supplying countries under WTO rules, the EU should have taken into account as a “special factor” China's increased ability to export poultry products to the EU following the relaxation of sanitary measures in July 2008. The reasonable period of time for the implementation of the Panel Report under the WTO rules began on 19 April 2017.

On 12 March 2018, the Council authorised the Commission to open negotiations on a mutually agreed solution with China. Those negotiations have been concluded and an Agreement in the form of an Exchange of Letters between the European Union and China was initialled on 18 June 2018.

CONTENT: the draft Council Decision seeks the approval, on behalf of the Union, of the Agreement in the form of an Exchange of Letters between the European Union and China in relation to DS492 European Union - measures affecting tariff concessions on certain poultry meat products.

The proposed Agreement seeks to open the following tariff rate quotas (TRQ):

- a TRQ of 6060 tonnes for the tariff line 1602.3929 (with specific country allocation of 6000 tonnes to China and 60 tonnes to all others), with an in quota duty rate of 10.9%;

- a TRQ of 660 tonnes for the tariff line 1602.3985 (with specific country allocation of 600 tonnes to China and 60 tonnes to all others), with an in-quota duty rate of 10.9%;

- an *erga omnes* TRQ of 5000 tonnes for the tariff line 1602.3219, with an in quota duty rate of 8%.

The European Union and China shall notify each other of the completion of the internal procedures necessary for the entry into force of the Agreement. The Agreement shall enter into force fourteen days after the date of receipt of the last notification. The European Union shall open the above-mentioned tariff quotas on the date of entry into force of the agreement.

EU/China agreement in connection with the WTO dispute settlement proceedings DS492: measures affecting tariff concessions on certain poultry meat products

2018/0281(NLE) - 05/07/2018 - Preparatory document

PURPOSE: to conclude, on behalf of the European Union, the Agreement in the form of an Exchange of Letters between the Union and China in connection with the WTO dispute settlement proceedings: DS492 - measures affecting tariff concessions on certain poultry meat products.

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: following the WTO panel report adopted on 19 April 2017 in the WTO dispute settlement proceedings DS492 - measures affecting tariff concessions on certain poultry meat products brought by China against the European Union, the EU needed to comply with the findings.

In particular, the panel found that when allocating quantities within tariff rate quotas to supplying countries under WTO rules, the EU should have taken into account as a '**special factor**' China's increased ability to export poultry products to the EU following the relaxation of sanitary measures in July 2008. The reasonable period of time for the implementation of the Panel Report under the WTO rules began on 19 April 2017.

On 12 March 2018, the Council authorised the Commission to open negotiations on a mutually agreed solution with China. Those negotiations were concluded and an agreement in the form of an Exchange of Letters between the European Union and China was initialled on 18 June 2018.

The agreement was signed on behalf of the Union subject to its conclusion at a later date.

It is now necessary to approve the Agreement on behalf of the European Union.

CONTENT: the present proposal calls on the Council to conclude the Agreement in the form of an Exchange of Letters between the European Union and China in relation to DS492 European Union - measures affecting tariff concessions on certain poultry meat products.

The Agreement seeks to open the following tariff rate quotas (TRQ):

- **a TRQ of 6060 tonnes** for the tariff line 1602.3929 (with specific country allocation of 6000 tonnes to China and 60 tonnes to all others), with an in quota duty rate of 10.9%;
- **a TRQ of 660 tonnes** for the tariff line 1602.3985 (with specific country allocation of 600 tonnes to China and 60 tonnes to all others), with an in-quota duty rate of 10.9%;
- **an erga omnes TRQ of 5000 tonnes** for the tariff line 1602.3219, with an inquota duty rate of 8%.

The Commission shall adopt implementing Regulations to expand and manage the relevant quotas. These implementation measures are being prepared in parallel with this proposal. Once the quotas are opened, the EU and China shall notify the Agreement to the WTO Dispute Settlement Body as a mutually agreed solution in relation to the dispute DS492.

The Commission also needs to provide for transparent and appropriate tariff quota management.

Lastly, the Agreement shall also respect rights of other suppliers, which were agreed in the context of past Article XXVIII GATT negotiations.

EU/China agreement in connection with the WTO dispute settlement proceedings DS492: measures affecting tariff concessions on certain poultry meat products

2018/0281(NLE) - 28/01/2019 - Final act

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 China in the context of the World Trade Organisation (WTO) dispute settlement procedure concerning case DS492 - Measures affecting tariff concessions on certain poultry meat products.

NON-LEGISLATIVE ACT: Council Decision (EU) 2019/143 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 People's Republic of China in connection with DS492 European Union — Measures affecting Tariff Concessions on Certain Poultry Meat Products.

CONTENT: the Council approved, on behalf of the Union, the Agreement in the form of an Exchange of Letters between the European Union and China concerning the case DS492 European Union - Measures affecting tariff concessions on certain poultrymeat products, on the other hand.

The Agreement was signed, on behalf of the Union on 30 November 2018, subject to its conclusion at a later date. Under the Agreement, the European Union opens the following tariff quotas:

- a tariff rate quota of 6060 tonnes for the tariff line 1602.3929 with specific country allocation of 6000 tonnes to China and 60 tonnes to all others, having an in-quota duty rate of 10.9%;

- a tariff rate quota of 660 tonnes for the tariff line 1602.3985 with specific country allocation of 600 tonnes to China and 60 tonnes to all others, having an in-quota duty rate of 10.9%;

- an erga omnes tariff rate quota of 5000 tonnes for the tariff line 1602.3219 with an in-quota duty rate of 8%.

After opening of the TRQs, the European Union and China shall notify this Agreement to the Dispute Settlement Body (DSB) as a mutually agreed solution under Article 3.6 of the DSU in relation to DS492 European Union – Measures affecting Tariff Concessions on Certain Poultry Meat Products.

On this basis, China confirms that, with regard to DS492, it will neither request initiation of procedures pursuant to the DSU nor request suspension of concessions or other obligations pursuant to DSU, as long as the European Union is in compliance with all of its obligations under this Agreement.

ENTRY INTO FORCE: 28.1.2019.

EU/China agreement in connection with the WTO dispute settlement proceedings DS492: measures affecting tariff concessions on certain poultry meat products

2018/0281(NLE) - 18/12/2018 - Committee report tabled for plenary, 1st reading/single reading

The Committee on International Trade adopted the recommendation by Iuliu WINKLER (EPP, RO) on the draft Council decision 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 People's Republic of China in connection with DS492 European Union - Measures affecting Tariff Concessions on Certain Poultry Meat Products.

The committee recommended the European Parliament to give its consent to the conclusion of the agreement.

As a reminder, following the WTO panel report adopted on 19 April 2017 in the WTO dispute settlement proceedings DS492 Measures affecting Tariff Concessions on Certain Poultry Meat Products brought by the People's Republic of China against the European Union, the EU needed to comply with the findings.

The proposed agreement grants the following tariff rate quotas:

- a tariff rate quota of 6060 tonnes for the tariff line 1602.3929 (processed duck, geese, guinea fowl meat, cooked, containing 57% or more by weight of poultry meat or offal) with specific country allocation of 6000 tonnes to China and 60 tonnes to all others, having an in-quota duty rate of 10.9%;

- a tariff rate quota of 660 tonnes for the tariff line 1602.3985 (processed duck, geese, guinea fowl meat, cooked, containing less than 57% by weight of poultry meat or offal) with specific country allocation of 600 tonnes to China and 60 tonnes to all others, having an in-quota duty rate of 10.9%;

- an erga omnes tariff rate quota of 5000 tonnes for the tariff line 1602.3219 (of fowls of the species Gallus domesticus, cooked, containing less than 57% by weight of poultry meat or offal), with an in-quota duty rate of 8%.

The EU is under time pressure to conclude this agreement in order to comply with the WTO panel report. The EU should conclude this agreement as soon as possible also in order to confirm once again through specific action the EU’s firm and unwavering commitment to multilateralism through the WTO and, in particular, to WTO’s most efficient mechanism - the dispute settlement system.