European Parliament



2024-2029

Committee on International Trade

2023/0341(NLE)

13.12.2024

*** DRAFT RECOMMENDATION

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 Kingdom of Norway amending the Agreement of the European Union and the Kingdom of Norway 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

(13817/2023 - C10-0189/2024 - 2023/0341(NLE))

Committee on International Trade

Rapporteur: Željana Zovko

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Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

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PE766.897v01-00

DRAFT EUROPEAN PARLIAMENT 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 Kingdom of Norway amending the Agreement of the European Union and the Kingdom of Norway 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 (13817/2023 – C10-0189/2024 – 2023/0341(NLE))

(Consent)

The European Parliament,

- having regard to the draft Council decision (13817/2023),
- having regard to draft Agreement in the form of an Exchange of Letters between the European Union and the Kingdom of Norway amending the Agreement of the European Union and the Kingdom of Norway 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 (13818/2023),
- having regard to the request for consent submitted on 19 November 2024 by the Council in accordance with Article 207(4), first subparagraph, and Article 218(6), second subparagraph, point (a)(v), of the Treaty on the Functioning of the European Union (C10-0189/2024),
- having regard to Rule 107(1) and (4), and Rule 117(7) of its Rules of Procedure,
- having regard to the opinion of the Committee on Agriculture and Rural Development,
- having regard to the recommendation of the Committee on International Trade (A10-0000/2024),
- 1. Gives its consent to the conclusion of the agreement;
- 2. Instructs its President to forward its position to the Council, the Commission and the governments and parliaments of the Member States and of the Kingdom of Norway.

EXPLANATORY STATEMENT

In 2018, in view of the United Kingdom's (UK) withdrawal from the European Union (EU), the EU launched negotiations at the level of the World Trade Organisation (WTO), under Article XXVIII of the General Agreement on Tariffs and Trade (GATT) 1994, with relevant Members of the WTO, in order to adjust the existing EU's tariff rate quotas (TRQ) agreed at the WTO. The relevant Members had a principal or substantial supplying interest or held an initial negotiating right in relation to these TRQ.

The underlying principle of the negotiations was 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 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 principle of the applied methodology was 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 TRQ.

The methodology is described in detail in Regulation (EU) 2019/216 of the European Parliament and of the Council on the apportionment of tariff rate quotas included in the WTO schedule of the Union following the withdrawal of the United Kingdom from the Union, and amending Council Regulation (EC) No 32/2000. Article 2(b) of Regulation (EU) 2019/216 empowers the Commission to amend the apportionment shares taking into account pertinent information that it may receive either in the context of negotiations under Article XXVIII of GATT 1994 or from other sources with an interest in a specific TRQ.

The negotiations between the EU and Norway resulted in the signature of an Agreement on 17 December 2020, which entered into force on 10 May 2021.

As a result of subsequent negotiations with other WTO Members, the EU agreed to change the shares of three TRQ for which Norway had negotiating rights: two TRQ in the pig meat sector and one on skimmed-milk powder.

The EU27 share of two *erga omnes* TRQ in the pigmeat sector had been revised to 4 786 tonnes and 5 720 tonnes respectively, taking into account a more recent reference period from 2015 to 2017.

The EU27 share of an *erga omnes* TRQ on skimmed-milk powder had been revised to 62 917 tonnes to avoid a non-commercially viable volume on the UK side.

Following bilateral consultations, the Kingdom of Norway agreed with the modifications and the resulting quantitative commitments taken on by the EU that no longer includes the UK.

In accordance with Article 218(6) TFEU, the consent of the European Parliament is needed in order for the Council to adopt a Decision concluding the Agreement and for the latter to come into force in due time.

In the light of the above, the Rapporteur recommends that the Parliament give its consent to the conclusion of the Agreement, without prejudice to its democratic right of continuous scrutiny.

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ANNEX: ENTITIES OR PERSONS FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT

The rapporteur declares under her exclusive responsibility that she did not receive input from any entity or person to be mentioned in this Annex pursuant to Article 8 of Annex I to the Rules of Procedure.