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Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Regulation (EU) 2019/216 of the European Parliament and of the Council as regards Union tariff rate quota for high quality beef from Paraguay

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

- **Reasons for and objectives of the proposal**

On 29 March 2017, the Government of the United Kingdom (UK) notified the European Council of the UK's intention to withdraw from the European Union (EU). Since 1 February 2020, the United Kingdom has become a "third country". Since 1 January 2021, after the end of the transition period, the European Union's common commercial policy does no longer apply to the United Kingdom.

UK's decision to withdraw from the EU has created the need to "apportion" the quantitative commitments contained in the EU-28 WTO schedule for the 143 EU agricultural, fish and industrial WTO tariff rate quotas (TRQs). The EU initiated this process in Geneva in October 2018. The basis of this approach has been to fully maintain the existing volume of each TRQ in the future, but split across two separate customs territories: the EU-27 and the UK.

Paraguay has a tariff rate quota of 1 000 tonnes for high quality bovine meat (order number 094455), which is not included in the EU's WTO schedule. This TRQ was erroneously included in the apportionment exercise and thus reduced to 711 tonnes on the EU-27 side without any corresponding volume being opened on the UK side.

This means Paraguay's market access has been reduced from 1 000 tonnes to 711 tonnes with application as of 1 January 2021.

This amending Regulation aims at restoring the correct EU-27 volume (1 000 tonnes) for the TRQ 094455.

- **Consistency with existing policy provisions in the policy area**

This initiative is in line with the EU's ongoing actions to ensure that the consequences of the withdrawal of the UK from the EU are dealt with in an orderly manner.

- **Consistency with other Union policies**

As above.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

- **Legal basis**

Article 207(2) of the Treaty on the Functioning of the European Union (TFEU).

- **Subsidiarity (for non-exclusive competence)**

The common commercial policy is an exclusive competence of the Union.

- **Proportionality**

The envisaged measure is the only way of ensuring the desired result.

- **Choice of the instrument**

The original provision was laid down by a Regulation of the European Parliament and of the Council. Another Regulation of the European Parliament and of the Council is then needed to amend it.

3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

- **Ex-post evaluations/fitness checks of existing legislation**

Not applicable.

- **Stakeholder consultations**

Not applicable.

- **Collection and use of expertise**

Not applicable.

- **Impact assessment**

Not applicable.

- **Regulatory fitness and simplification**

Not applicable.

- **Fundamental rights**

The proposal has no impact on fundamental rights.

4. BUDGETARY IMPLICATIONS

Not applicable.

5. OTHER ELEMENTS

- **Implementation plans and monitoring, evaluation and reporting arrangements**

Not applicable.

- **Explanatory documents (for directives)**

Not applicable.

- **Detailed explanation of the specific provisions of the proposal**

Article 1 amends Regulation (EU) 2019/216 of the European Parliament and of the Council to prevent tariff rate quota with order number 094455 from being apportioned.

Article 2 provides for the entry into force of the Regulation, seven days after its publication in the *Official Journal of the European Union*.

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THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 207(2) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Acting in accordance with the ordinary legislative procedure,

Whereas:

- (1) Following the United Kingdom's withdrawal from the Union, the Union and the United Kingdom notified the other Members of the World Trade Organization (WTO) that their current market access level will be maintained but apportioned respectively between the Union and the United Kingdom. The methodology for this apportionment, as well as the new EU-27 volumes, are laid down in Regulation (EU) 2019/216 of the European Parliament and of the Council¹.
- (2) The Union's tariff rate quotas that are not part of the Union's schedule of concessions and commitments should not be apportioned.
- (3) Council Regulation (EC) No 1149/2002² opens an import tariff quota of 1 000 tonnes of high-quality fresh, chilled or frozen beef. Despite not being part of the Union's WTO schedule, this tariff quota was incorrectly apportioned by Regulation (EU) 2019/216, thus reducing its volume with application as of 1 January 2021. The original volume of that tariff quota should therefore be restored.
- (4) Regulation (EU) 2019/216 should therefore be amended accordingly,

HAVE ADOPTED THIS REGULATION:

Article 1

In the Annex, Part A, to Regulation (EU) 2019/216, the row relating to order number 094455 (High quality meat of bovine animals, fresh, chilled or frozen from Paraguay) is deleted.

¹ Regulation (EU) 2019/216 of the European Parliament and of the Council of 30 January 2019 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 (OJ L 38, 8.2.2019, p. 1).

² Council Regulation (EC) No 1149/2002 of 27 June 2002 opening an autonomous quota for imports of high-quality beef (OJ L 170, 29.6.2002, p. 13).

Article 2

This Regulation shall enter into force on the seventh day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the European Parliament
The President

For the Council
The President