



**2019/0132(NLE)**

12.9.2019

## **DRAFT OPINION**

of the Committee on Agriculture and Rural Development

for the Committee on International Trade

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 Ukraine amending the trade preferences for poultry meat and poultry meat preparations provided for by the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Ukraine, of the other part  
(10720/2019 – C9-0105/2019 – 2019/0132(NLE))

Rapporteur for opinion: Zbigniew Kuźmiuk

PA\_Leg\_Consent

## SHORT JUSTIFICATION

The rapporteur supports the entry into force as soon as possible of the agreement with Ukraine in the form of an exchange of letters amending the trade preferences for poultry meat and poultry meat preparations provided for by the Association Agreement between the EU and Ukraine. This is necessary to limit the possibility of a further increase in imports from Ukraine of the so-called custom chicken cuts.

From mid-2016, a new type of poultry cut started to be imported from Ukraine to the Union in increasing quantities. This novel cut consists of a traditional breast cap with the humerus bones of the wings attached, the latter making up for a very small part of the total weight of the cut. After minimal transformation, this cut can be marketed in the Union as poultry breast. The exponential increase in duty free imports from around 3700 tonnes in 2016 to more than 55 000 tonnes in 2018 of this particular poultry cut, which was neither existent nor foreseeable during the negotiations of the Association Agreement, has raised great concern. It undermines the protection provided for poultry breast under the Association Agreement and has the potential to disrupt the sensitive balance in the poultry meat market of the EU.

If the agreement enters into force, the rapporteur proposes to split the tariff rate quotas allocated to Ukraine into individual tariff lines and to monthly periods.

The European Commission should consider proposing to Ukraine a modification of the Deep and Comprehensive Free Trade Agreement (DCFTA) to introduce bilateral safeguard measures for trade in agricultural commodities, which would allow for temporary suspension or reduction of tariff preferences in the event of disruption in sensitive sectors of the agricultural market caused by products imported under preferential terms.

The rapporteur calls on the Commission to ensure the enforcement of the full commitment from our partners. In the case of Ukraine, this applies to, among others sanitary and phytosanitary issues, for which Ukraine has undertaken under the DCFTA to bring its legislation into line with Union legislation and to comply with animal welfare requirements.

The negotiated solution consists of increasing the existing quota for poultry meat and poultry meat products by an additional 50 000 tonnes, including the ‘other cuts’ tariff lines CN codes 0207 1370 and 0207 1470 within the scope of the existing tariff rate quota and reinstating the Most Favoured Nation duty rate of 100.8 EUR/100 kg/net for imports under the two ‘other cuts’ tariff lines concerned in excess of the volume of the tariff rate quota.

The rapporteur proposes that the Committee on Agriculture and Rural Development recommends giving consent to this Agreement, as it aims to protect the interests of Union stakeholders and to stop the potential unlimited duty free poultry imports which could undermine the conditions under which traditional poultry breast cuts may be imported into the Union under the DCFTA, in particular the quantitative restrictions in the form of a tariff rate quota.

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The Committee on Agriculture and Rural Development calls on the Committee on International Trade, as the committee responsible, to recommend that Parliament approve 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 Ukraine amending the trade preferences for poultry meat and poultry meat preparations provided for by the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Ukraine, of the other part.