



EUROPEAN PARLIAMENT

2009 - 2014

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*Committee on Agriculture and Rural Development*

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**2013/0324(NLE)**

25.11.2013

## **OPINION**

of the Committee on Agriculture and Rural Development

for the Committee on International Trade

on draft Council decision on the conclusion of a Revised Memorandum of Understanding with the United States of America regarding the importation of beef from animals not treated with certain growth-promoting hormones and increased duties applied by the United States to certain products of the European Union  
(14374/2013 – C7-0377/2013 – 2013/0324(NLE))

Rapporteur: Paolo De Castro

PA\_Leg\_Consent

## SHORT JUSTIFICATION

In May 2009, the European Union and the United States signed a Memorandum of Understanding (MoU) paving the way to the lifting of all trade sanctions imposed by the US on EU agricultural products resulting from the WTO (World Trade Organisation) beef hormones dispute, in exchange for the a zero-duty tariff-rate quota on high quality beef from cattle not treated with growth-promoting hormones.

In agreement with Phase 2 of the MoU, the EU increased its quota for high quality beef to 45,000 tonnes and the US suspended all trade sanctions on EU products resulting from the hormones dispute for the period 1 August 2012 to 1 August 2013. As the Parties were unable to move to Phase 3 of the MoU (under which the US would remove trade sanctions), the Memorandum expired on 1 August 2013. However, the current MoU foresees that the obligations of the Parties remain in place for another six months (i.e. until 1 February 2014).

The Memorandum is an international agreement and its amendment subject to consent from the Parliament. This amendment to the Memorandum proposes to extend the period for Phase 2 until 31 July 2015 to allow more time for the Parties to move to Phase 3, clarifies the management of licenses on first come–first served basis, explicitly prohibits WTO litigation during Phase 2, and envisages the termination of the WTO case when Phase 3 is reached.

This amendment to the Memorandum should be supported for three main reasons. Firstly, should the MoU not be adapted before 1 February 2014, the current MoU would be nullified and the US would be entitled to reintroduce sanctions on the EU agricultural products to an annual value of 1 16.8 million USD. Secondly, the Memorandum makes it possible for the Union to keep its ban on hormone-treated meat and meat products in place, despite the fact that the Union was found in breach of its WTO obligations. Thirdly, by supporting this agreement the European Parliament sends an important political signal to the US at an important time for the Transatlantic Trade and Investment Partnership (TTIP) negotiations.

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The Committee on Agriculture and Rural Development calls on the Committee on International Trade, as the committee responsible, to propose that Parliament give its consent.

## RESULT OF FINAL VOTE IN COMMITTEE

<b>Date adopted</b>	25.11.2013
<b>Result of final vote</b>	+: 22 -: 2 0: 3
<b>Members present for the final vote</b>	José Bové, Luis Manuel Capoulas Santos, Paolo De Castro, Hynek Fajmon, Mariya Gabriel, Iratxe García Pérez, Julie Girling, Sergio Gutiérrez Prieto, Elisabeth Jeggle, Jarosław Kalinowski, Elisabeth Köstinger, Agnès Le Brun, Gabriel Mato Adrover, Mairead McGuinness, Marit Paulsen, Ulrike Rodust, Alfreds Rubiks, Giancarlo Scottà, Alyn Smith, Ewald Stadler, Csaba Sándor Tabajdi, Marc Tarabella
<b>Substitute(s) present for the final vote</b>	Esther de Lange, Karin Kadenbach, Anthea McIntyre, Maria do Céu Patrão Neves, Dimitar Stoyanov