DRAFT OPINION

of the Committee on Agriculture and Rural Development

for the Committee on International Trade


Rapporteur: Clara Eugenia Aguilera García
SHORT JUSTIFICATION

The terrorist attack of 26 June 2015 in Sousse prompted a reaction from the EU on the need to further assist Tunisia in its political and economic transition, in a concrete and targeted manner, through actions that can be effective in the short term. Against this background the European Commission is proposing to offer a temporary, unilateral duty-free tariff rate quota of 35 000 tonnes annually for Tunisia's exports of olive oil to the Union, in the form of an autonomous trade measure. This quota will be made available for a period of two years, from 1 January 2016 until 31 December 2017. This additional volume will be opened once the existing duty-free tariff rate quota of 56 700 tonnes, enshrined in the Agreement, is exhausted.

Position of the rapporteur

The rapporteur endorses the need for the EU to help relaunch Tunisia’s economy in what is without doubt a difficult period. She nevertheless notes that the European Union’s solidarity is yet again being deployed at the expense of farmers in southern Europe, in this case olive oil producers. The EU is a world leader in the olive oil sector, and olive oil production is the main backbone of the economy and community in the areas concerned. The olive oil sector provides thousands of jobs across large parts of those EU countries that have been worst hit by the economic crisis, as well as contributing to the EU’s positive balance of trade thanks to its important role in exports to third countries.

Even though this year has seen something of an improvement in prices in the olive oil sector, the trend over the past 10 years has been one of constantly falling prices and declining profitability caused by steadily rising production costs. Mention might also be made of the Commission’s continued opposition to proposals to update the private storage prices, which have remained at 1990s levels even after the most recent reform.

The amendments tabled are primarily aimed at calling on the Commission to assess the impact that this type of measure will have on the European agricultural sector when determining the viability of the proposal. It is important to stress the exceptional and emergency nature of this measure, which should be restricted to the period and amounts proposed. These additional amounts should also be subject to monthly management in order to minimise their impact on the Community olive oil market and prevent a collapse in European prices in certain months of the year.

It might be pointed out that the current quota of 56 700 tonnes set in the Association Agreement, along with imports made under the inward processing arrangements (TPA), already grant Tunisia privileged access to the EU market.

AMENDMENTS

The Committee on Agriculture and Rural Development calls on the Committee on International Trade, as the committee responsible, to take into account the following amendments:
Amendment 1

Proposal for a regulation
Recital 6a (new)

Text proposed by the Commission

(6a) In order to avoid the distorting effects of this type of decision on both market prices and the situation for European producers, the Commission should always carry out a suitable impact assessment to accompany such decisions, or else make provision for a mid-term review. In the present case, once the first year of implementation has elapsed, the Commission should study the actual impact of this measure on the European olive oil market and on the situation for European producers.

Amendment

Or. es

Amendment 2

Proposal for a regulation
Recital 8

Text proposed by the Commission

(8) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred to the Commission as regards the respect of the conditions subject to which the preferential arrangements are provided for. Those implementing powers should be exercised with the assistance of the Committee for the Common Organisation of Agricultural Markets and in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council4.

Amendment

(8) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred to the Commission as regards laying down import certificates issued between January and October of the two years during which this measure is in force and as regards respect of the conditions subject to which the preferential arrangements are provided for. Those implementing powers should be exercised with the assistance of the Committee for the Common Organisation of Agricultural Markets and in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council4.
Amendment 3
Proposal for a regulation
Recital 9

Text proposed by the Commission

(9) The specific autonomous trade measures established by this Regulation are intended to alleviate the difficult economic situation, which Tunisia is currently facing, due to the terrorist attacks. Those measures should therefore be limited in time and be without prejudice to the negotiations between the Union and Tunisia on the establishment of a Deep and Comprehensive Free Trade Area (DCFTA), which are to start in October 2015. An extension of the application period may be contemplated at the end of this period if warranted by the market situation or progress in the DCFTA negotiations.

Amendment

(9) The specific autonomous trade measures established by this Regulation are intended to alleviate the difficult economic situation, which Tunisia is currently facing, due to the terrorist attacks. Those measures should therefore be limited in time and be without prejudice to the negotiations between the Union and Tunisia on the establishment of a Deep and Comprehensive Free Trade Area (DCFTA), which are to start in October 2015.

Or. es

Amendment 4
Proposal for a regulation
Article 1 – paragraph 1

An annual duty free tariff quota of 35 000 tons is opened for imports into the Union of virgin olive oil originating in Tunisia and falling within CN codes 1509 10 10 and 1509 10 90.

An annual duty free tariff quota of 35 000 tons is opened for imports into the Union of virgin olive oil wholly obtained in Tunisia and transported directly from Tunisia to the Union and falling within CN codes 1509 10 10 and 1509 10 90.

The Commission shall administer the tariff rate quota in accordance with Article 184 of Regulation (EU) No 1308/2013.

The Commission shall administer the tariff rate quota in accordance with Article 184 of Regulation (EU) No 1308/2013 and by laying down import certificates to be issued between the months of January and October in 2016 and 2017, in accordance with Regulation (EC) No 1918/2006.\(^1\)

\(^1\) Regulation (EC) No 1918/2006 of 20 December 2006 opening and providing for the administration of tariff quota for olive oil originating in Tunisia.
Union markets and the situation for Union producers one year after the Regulation enters into force. If sufficient evidence is found that these measures are having a distorting effect on Union markets or on the situation for producers, the provisions of paragraph 1 of this article shall be applied.