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*Plenary sitting*

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**B9-0198/2019**

25.11.2019

## **MOTION FOR A RESOLUTION**

to wind up the debate on the statement by the Commission

pursuant to Rule 132(2) of the Rules of Procedure

on measures to address the impact on European agriculture of the WTO ruling  
on the Airbus dispute  
(2019/2895(RSP))

**Paolo De Castro**  
on behalf of the S&D Group

**B9-0198/2019**

**European Parliament resolution on measures to address the impact on European agriculture of the WTO ruling on the Airbus dispute (2019/2895(RSP))**

*The European Parliament,*

- having regard to the decision taken by the arbitrator of the World Trade Organisation (WTO) in the Airbus subsidy dispute (DS316) on 2 October 2019, authorising US countermeasures on EU exports worth USD 7.5 billion (EUR 6.8 billion),
  - having regard to the formal decision taken by the WTO's dispute settlement body on 14 October giving the green light for those sanctions,
  - having regard to the US decision to introduce a new tariff of 25 % *ad valorem* on some agricultural products and 10 % *ad valorem* on non-agricultural products, as of 18 October 2019,
  - having regard to Rule 132(2) of its Rules of Procedure,
- A. whereas the USA is the number one destination for agricultural exports from the EU-28, having accounted for EUR 22.3 billion in 2018; whereas such exports help to maintain a positive trade balance with the US;
- B. whereas EU agri-food exports worth EUR 4.3 billion (60 % of the total value of countermeasures) will be hit by the new tariffs, which will be equivalent to EUR 1.1 billion;
- C. whereas the United Kingdom, France, Spain, Italy, Germany and Ireland are, in that order, the main countries affected by the US decision, accounting for 97 % of the total exports exposed to the new tariffs; whereas the agri-food sectors in other Member States will also be adversely affected;
- D. whereas the main agricultural products targeted by the WTO sanctions will be emblematic EU products that have a very high added value and are often protected under EU quality schemes (wine and spirits, dairy and meat products, olive oil and table olives), which will be exposed to 92 % of all of the US countermeasures on trade;
- E. whereas other agri-food products, such as pork, coffee, sweet biscuits, fruit juice, citrus fruit, and other fruits and vegetables are also targeted, albeit to a lesser extent;
- F. whereas farmers and operators in the agri-food chain are, following the Russian embargo, once again victims of a non-agricultural trade conflict and the US decision to apply these tariffs will stand indefinitely until the Member States comply with the WTO resolution on the Airbus dispute;
- G. whereas the US countermeasures will add more instability to the EU internal market, which is already having to contend with the disturbance caused by the Russian ban and is having to prepare for the potential economic fall-out from the UK's withdrawal from

the EU;

- H. whereas for some sectors, like table olives, olive oil and meat products, the US decision will further jeopardise the already fragile situation of the internal market, and while for other, more stable, sectors, such as wine and dairy, it risks causing serious disturbances in the market overall;
  - I. whereas the products targeted by the new tariffs may incur considerable price increases for consumers; whereas most of these products can be replaced by alternatives from other origins;
  - J. whereas according to the current EU rules, promotion campaigns that have already been approved and target the US market cannot be reprogrammed, and some actions that have already been taken to promote very high value products may prove to be fruitless if the US tariffs are to be applied;
1. Notes the approval given by the WTO dispute settlement body and expresses its deep concern over the decision taken by the USA to impose countermeasures on the European Union as a result of the Airbus dispute, instead of seeking a negotiated solution;
  2. Stresses that these tariffs will not only have a considerable negative impact on those Member States and products targeted, but also on the whole agricultural sector and agri-food chain across the EU;
  3. Expresses its deep regret over the USA's lack of engagement with the EU's attempts to find a timely negotiated solution ahead of the application of the tariffs;
  4. Urges the Commission, in accordance with WTO rules, to mobilise rapid support for the sectors worst affected by these tariffs, and to utilise all available common agricultural policy (CAP) instruments and measures to deal with disturbances in the internal market, such as market withdrawal for fruit and vegetables, and private storage schemes for cheeses and other dairy products, and in this context expresses its deep regret over the lack of ad hoc funding in the 2020 budget;
  5. Calls on the Commission to closely monitor the EU market along the entire food supply chain, in order to ascertain any disturbances that arise from the application of these sanctions and the knock-on effects of products displaced from the food supply chain;
  6. Supports widening the scope of EU promotion campaigns to assist the Member States in strengthening their position in third markets and in finding new outlets for the EU products targeted by the tariffs;
  7. Stresses the need to secure market access for the products affected by the US tariffs by eliminating the persistent technical obstacles that have prevented operators from taking full advantage of the export possibilities under other free trade agreements;
  8. Calls on the Commission to allow greater flexibility in how such promotional campaigns are run in order to enable operators to be responsive and refocus on alternative markets by re-programming activities that have already been approved for

the US market;

9. Urges the Commission to keep negotiations open in order to find a swift solution, de-escalate the rising trade tensions between the two parties and remove these punitive tariffs on EU goods;
10. Instructs its President to forward this resolution to the Council and the Commission.