European Parliament

2019-2024



Plenary sitting

B9-0208/2019

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))

Gilles Lebreton, Mara Bizzotto on behalf of the ID Group

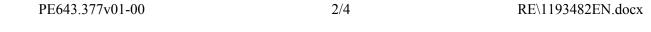
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B9-0208/2019

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 these exports help to support a positive balance in agri-food trade with the US;
- B. whereas France, Italy, Spain, Germany, Ireland and the United Kingdom are the main countries affected by the US decision, as they account for the great majority of the total exports that are exposed to the new tariffs; whereas the agri-food sectors in other Member States will also be adversely affected;
- C. whereas the main agricultural products impacted by the WTO ruling will be emblematic EU products with a very high added value (wine, dairy products such as cheese and butter, olive oil and scotch whiskey), which will be affected by all of the US countermeasures on trade;
- D. whereas a large number of these products are protected under EU quality schemes and represent a key aspect of European agri-food exports;
- E. whereas other agri-food products such as pork, coffee, sweet biscuits and fruit juice are also targeted, albeit to a lesser extent;
- F. whereas farmers and operators in the agri-food chain are once again the victims of a non-agricultural trade conflict;
- G. whereas the US sanctions will add more instability to the EU internal market and the agricultural sector in particular, which is already having to contend with the disturbance of the Russian ban and often has to face the consequences of imports of agricultural products arising from free trade agreements;
- H. whereas for some sectors, like dairy and olive oil, the US decision will further





- jeopardise the already fragile situation of the internal market, while for other sectors that are already functioning well, like wine, it risks causing serious disturbances in the market overall;
- I. whereas the products targeted by the new tariffs may incur considerable price increases at the level of the consumer; whereas most of these products can be replaced by alternatives from other origins;
- J. whereas the products targeted by the new tariffs are already facing stiff competition from counterfeiting, and the cumulative effect could lead to a complete distortion of the US market;
- K. whereas according to the current EU rules, advertising campaigns that have already been approved and target the US market must be re-planned in order to enhance and increase the promotion of European agricultural products on the US market;
- L. whereas countries such as Italy find their products severely affected by the tariffs despite playing no part in the Airbus project;
- 1. Recalls that the WTO is in need of deep reform, with its dispute settlement body facing a substantial crisis that may lead to its complete breakdown by mid-December 2019; recalls that this situation is partly due to the US position towards the organisation;
- 2. Laments the fact that the negative impact of trade disputes is felt all too soon by individual Member States, even those not involved in the causes of the dispute, despite the EU's exclusive competence for trade policy through the role of the Commission;
- 3. Underlines the importance of reforming the procedures of the WTO, recalling that the multilateral trade system needs elements of flexibility and that individual Member States can play an important role in this regard;
- 4. 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 agrifood chain across the EU;
- 5. Deeply regrets the lack of engagement from the EU to resolutely pursue a timely, negotiated solution in advance of the application of the tariffs and urges the Commission to find a swift solution and to de-escalate the rising trade tensions between the two parties;
- 6. Deeply regrets the fact that despite all its concessions to the US, not least when President Juncker visited the country in July 2018 and accepted an increase in the EU's imports of soya beans and liquefied gas and a redistribution in favour of US beef producers of the tariff-rate quota (TRQ) of high-quality beef, the Commission did not manage to obtain a timely negotiated solution to prevent these sanctions;
- 7. Urges the Commission to maintain the budget of the common agricultural policy (CAP), to mobilise rapid support for the sectors worst affected by these tariffs, and to utilise all the CAP instruments and measures at its disposal to deal with disturbances in the internal market;

- 8. Urges the Commission to ensure that all the conditions that gave rise to the WTO judgment on Airbus are addressed, in order to create the best negotiating conditions to remove the tariffs as soon as possible;
- 9. 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;
- 10. Appeals to all the EU institutions to make use of all the instruments available to support the Member States in their promotional campaigns for the products targeted by these tariffs, with a view to strengthening their position in third markets such as the US and finding new outlets;
- 11. Stresses the need to secure market access for the products affected by eliminating the persistent technical obstacles which have prevented operators from taking full advantage of the export possibilities under other free trade agreements;
- 12. 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-programing the activities that have already been approved for the US market;
- 13. Instructs its President to forward this resolution to the Council and the Commission.

