

WRITTEN QUESTION E-1456/05
by Guido Podestà (PPE-DE)
to the Commission

Subject: Import duty arrangements for husked rice and milled rice

Imports of US rice into the EU have never exceeded a value of EUR 50 million and the duty of EUR 65 decided by the Council allowed the influx of American imports into the EU to increase in the first half of the marketing year.

On 11 March 2005 the Commission had conflicting data on imports of rice in the first half of the year. The United States complained of damage incurred and threatened disproportionate retaliation to a value of \$33 million.

Last February the Commission reached agreement with the US authorities on reducing the duty on husked rice from EUR 65 to 30 per tonne, erga omnes. This agreement will also lead to a loss in revenue of about EUR 70 million for the EU rice sector, thereby jeopardising the survival of the sector and environmental equilibrium.

In view of the fact that the new conditions of competition open the way to applications for new concessions for milled rice, which is now subject to a duty of EUR 175 per tonne, and that a rate of duty on milled rice even only slightly less than the current level would definitely and irreparably jeopardise the competitiveness of the Community product and, paradoxically, also American exports of husked rice, can the Commission say:

- how much husked rice, excluding Basmati rice, was imported into the European Union between 1 September 2004 and 28 February 2005;
- whether it does not consider it appropriate, in view of all this, to consult with the US authorities once again with a view to returning to the arrangements applied during the first six months (September 2004 – February 2005) and if it does not, why not;
- to what extent the agreement concluded with the US authorities in February 2005 takes account of possible concessions connected with the accession of the 10 new Member States and definitively excludes any further concession under Article 24.6 of the GATT agreement;
- how it intends to reject further claims from habitual exporters of milled rice to the EU and restore balance on the market;
- whether and under what conditions, once market equilibrium has been restored, it intends to include rice among the agricultural products that may benefit under EU funding for the promotion of consumption?