



Re: Submission on the EU proposal on the “apportionment of tariff rate quotas included in the WTO schedule of the Union”

13 July 2018

To the European Commission,

The International Beef Alliance (IBA) welcomes the opportunity to share our views in the consultation on the European Union (EU) “Proposal for a Regulation of the European Parliament and the Council on the apportionment of tariff rate quotas included in the WTO schedule of the Union following the withdrawal of the United Kingdom from the Union and amending Council Regulation (EC) No 32/2000”.

The IBA is an organization that represents the beef cattle producers from the seven member countries (Australia, Brazil, Canada, Mexico, New Zealand, Paraguay and the United States of America). Together, our Alliance represents producers from countries that account for around half of global beef production and 63% of global beef exports. The role of the IBA is to address any mutual concerns of its members and ensure that global beef trade is facilitated by promoting trade liberalization, and eliminating non-scientific and political trade restrictions.

As major beef exporters, the EU Proposal is of significant commercial interest to our Members. All IBA members have access opportunities under the EU WTO Schedule, either under country specific tariff rate quotas or MFN quotas available to all WTO Members. The commitments made by the EU in its Schedule are legally binding and we therefore expect the EU to honour the quality and quantity of the commitments it has previously made.

Market stability and predictability is paramount. It is important for the beef producers and consumers in Europe, as well the beef producers within our countries. Trade relationships and important commercial relationships have been established over decades of successful trade between all of our countries. It is essential that any outcome at the WTO preserve this stability and continues to promote open trade. An important contributor to this market stability is the ability of exporters to trade into either Continental Europe or the United Kingdom, without further restrictions. Many of our exporters take advantage of distribution networks by using a port as a centre of distribution into a number of European markets. We value this flexibility which is eroded by the EU’s proposal to “apportion” quotas.

Apportionment of quotas also compromises the quality and quantity of quotas, and in the case of smaller quotas, apportionment renders some almost economically unviable. We encourage the EU to



approach this task in the spirit of greater trade liberalization, and work with trading partners to come to a mutually beneficial solution that overcomes these challenges.

We also question the timing of this proposal from the EU given the significant uncertainty around the terms of trade between the UK and the EU after March 2019. There remains a significant amount of detail left to be negotiated between the EU and the UK, and it seems presumptuous to propose a regulation before adequate consultation and negotiation has occurred between affected WTO Members.

Brexit and the trade implications at the WTO will pose a significant challenge to the EU and the UK, but also the WTO membership. At a time where the global trade environment is under pressure, we urge the EU and the UK to undertake genuine and transparent consultations that deliver a fair result for the producers and consumers who benefit from open, facilitative and liberalized trade.

Thank you for the opportunity to comment.

The International Beef Alliance

