

Council of the European Union

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NOTE	
From:	General Secretariat of the Council
To:	Delegations
Subject:	Final determinations for anti-subsidy and anti-dumping duties against Spanish table olives by the US authorities
	- Information from Spanish delegation

Delegations will find in <u>Annex</u> a note from the <u>Spanish delegation</u> on the above subject, concerning an item under "Any other business" at the <u>Council</u> ("Agriculture and Fisheries") on 18 June 2018.

Final determinations for anti-subsidy and anti-dumping duties against Spanish table olives by <u>the US authorities</u>

On June 12, the Department of Commerce (DOC) communicated its final determination on the additional duties applicable to imports of Spanish table olives, as a result of the anti-dumping and countervailing duty operations opened since July 2017.

The opinion sets out an ad valorem countervailable subsidy average duty of 14.75% compared to the provisional 4.47% established in November and an average ad valorem anti-dumping tariff of 20%, compared to the provisional 17.13% established in the month of January.

As a whole, the ad valorem additional duties imposed on Spanish companies range between 30.1% and 41.5%, with an average value of 34.8%.

The anti-dumping duty is applied immediately after the official publication of the final determination, while the countervailable subsidy tariff is suspended until the International Trade Commission (ITC) notifies, on July 24, whether the American companies have suffered any damage as a result of Spanish table olives exports.

From the Government of Spain we would like to reiterate our deep concern about the impact that this case could have on the Community aid model that is decoupled from production.

On the one hand, the imposed tariffs represent a practically insurmountable obstacle for the exports of rusty black olives to the United States market, one of our main export markets. This situation can cause an important damage to the production area of table olives, the South of Spain, due to the local importance of this crop and its great social impact.

On the other hand, it is important to draw attention once again to the fact that this procedure has put the CAP in question as a whole, and the subsidies granted to European farmers through this policy, which generates a dangerous precedent for the European agricultural sector as a whole. Therefore, we believe it is necessary to insist that:

- The direct aid under the CAP is decoupled from production and therefore, according to the WTO methodology, it falls under the green box aid that does not generate distortions to international trade.
- It is essential to respect the rules that we have mutually agreed upon among the WTO members regarding the non-distorting nature of green box measures, since all the effort in changes of the CAP towards subsidies unlinked to production has been based on such standards.