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| From: | Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director |
| date of receipt: | 31 August 2021 |
| To: | Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union |
| No. Cion doc.: | C(2021) 6181 final |
| Subject: | COMMISSION DELEGATED REGULATION (EU) .../... of 31.8.2021 amending Delegated Regulation (EU) 2020/760 as regards the management and quantities of certain tariff quotas for Argentina and correcting that Regulation as regards its transitional provisions |

Delegations will find attached document C(2021) 6181 final.

Encl.: C(2021) 6181 final



Brussels, 31.8.2021
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COMMISSION DELEGATED REGULATION (EU) .../...

of 31.8.2021

amending Delegated Regulation (EU) 2020/760 as regards the management and quantities of certain tariff quotas for Argentina and correcting that Regulation as regards its transitional provisions

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE DELEGATED ACT

The Agreement in the form of an exchange of letters between the European Union and the Argentine Republic pursuant to Article XXVIII of the General Agreement on Tariffs and Trade (GATT) 1994 relating to the modification of concessions on all the tariff rate quotas included in the EU Schedule CLXXV as a consequence of the United Kingdom's withdrawal from the European Union, amends the management system of some tariff quotas (TRQs).

The agreement introduces a change to the management of the tariff quota for garlic originating in Argentina from a system of traditional and new importers to the simultaneous examination method – also by merging and eliminating at the same time TRQs with order numbers 09.4099 and 09.4104 – to which the reference quantity requirement does not apply.

It also modifies TRQs under order numbers 09.4213 and 09.4412 and allocates part of their volumes to two newly created TRQs (order numbers 09.4289 and 09.4290).

In addition, following the adoption and publication of Delegated Regulation (EU) 2020/760, which applies for tariff quotas starting on 1 January 2021 and later, a correction necessary with regard to the transitional provisions has been identified as the wording of this provision as published is not in line with its original intention. The correction in Article 26 aims at ensuring legal certainty for operators as regards the calculation of the reference quantity.

2. CONSULTATIONS PRIOR TO THE ADOPTION OF THE ACT

This delegated act was presented and discussed with experts at the GREX (Group of Experts) – Horizontal questions concerning the CAP meetings on 16 March, 15 April and 11 August 2021.

The modifications of Article 9 adapt Delegated Regulation (EU) 2020/760 to the international agreement, which changes neither the substance of the Article, nor the volumes of the TRQs affected by the amendments.

The modification of Article 26 is merely a correction of the transitional provisions and putting it in line with the original purpose of this provision.

3. LEGAL ELEMENTS OF THE DELEGATED ACT

This delegated act provides for the deletion of Article 9(4) and for the amendment of Article 9(6) and (7) of Delegated Regulation (EU) 2020/760, and for a correction of Article 26 of that Regulation.

COMMISSION DELEGATED REGULATION (EU) .../...

of 31.8.2021

amending Delegated Regulation (EU) 2020/760 as regards the management and quantities of certain tariff quotas for Argentina and correcting that Regulation as regards its transitional provisions

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007¹, and in particular Article 185, Article 186 and Article 223(2) thereof,

Having regard to Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008², and in particular Articles 64(6) and 66(3) thereof,

Whereas:

- (1) Commission Delegated Regulation (EU) 2020/760³ supplements Regulation (EU) No 1308/2013 as regards the rules for the administration of import and export tariff quotas for agricultural products subject to licences and Regulation (EU) No 1306/2013 as regards the lodging of securities in the administration of tariff quotas.
- (2) The Agreement in the form of an exchange of letters between the European Union and the Argentine Republic pursuant to Article XXVIII of the General Agreement on Tariffs and Trade (GATT) 1994 relating to the modification of concessions on all the tariff rate quotas included in the EU Schedule CLXXV as a consequence of the United Kingdom's withdrawal from the European Union ('the Agreement'), concluded by Council Decision (EU) 2021/1213⁴, amends the management system of some tariff quotas.

¹ OJ L 347, 20.12.2013, p. 671.

² OJ L 347, 20.12.2013, p. 549.

³ Commission Delegated Regulation (EU) 2020/760 of 17 December supplementing Regulation (EU) No 1308/2013 of the European Parliament and of the Council as regards the rules for the administration of import and export tariff quotas subject to licences and supplementing Regulation (EU) No 1306/2013 of the European Parliament and of the Council as regards the lodging of securities in the administration of tariff quotas (OJ L 185, 12.6.2020, p. 1).

⁴ Council Decision (EU) 2021/1213 of 13 July 2021 on the conclusion, on behalf of the Union, of the Agreement in the form of an Exchange of Letters between the European Union and the Argentine Republic pursuant to Article XXVIII of the General Agreement on Tariffs and Trade (GATT) 1994 relating to the modification of concessions on all the tariff-rate quotas included in the EU Schedule

- (3) The Agreement introduces a change to the management of the tariff quota for garlic originating in Argentina from a system of traditional and new importers to the simultaneous examination method, to which the reference quantity requirement does not apply. As a consequence, Article 9(4) of Delegated Regulation (EU) 2020/760 should be deleted.
- (4) The Agreement also splits tariff quotas under order numbers 09.4213 and 09.4412, which concern poultry, and allocates part of their quantities to two newly created tariff quotas for goods originating in Argentina: order numbers 09.4289 and 09.4290. References to those new tariff quotas should be inserted in Article 9(6) and (7) of Delegated Regulation (EU) 2020/760.
- (5) In accordance with Article 27(2) of Delegated Regulation (EU) 2020/760, that Regulation applies to the tariff quota periods starting from 1 January 2021 onwards. The transitional provision in Article 26, first paragraph, of that Regulation provides that the reference quantity referred to in Article 9 of that Regulation may be established in accordance with the Regulations repealed by Article 25 of that Regulation in the two first tariff quota periods ‘following the entry into force of this Regulation’. That wording should be aligned to Article 27(2) of Delegated Regulation (EU) 2020/760 by referring to the first two tariff quota periods ‘to which this Regulation applies’.
- (6) A similar correction needs to be made in Article 26, second paragraph, of Delegated Regulation (EU) 2020/760. In addition, it should be clarified in that provision that the reference quantity may be established by using full tariff rate quota periods rather than 12-months periods.
- (7) In order to avoid any confusion, it is appropriate to correct the corresponding recital as well.
- (8) Delegated Regulation (EU) 2020/760 should therefore be amended and corrected accordingly.
- (9) Article 9(4) of Delegated Regulation (EU) 2020/760 should continue to apply to the ongoing tariff quota period for the tariff quota under order number 09.4104, pending the beginning of the first tariff quota period of the tariff quota under order number 09.4288 in accordance with Commission Implementing Regulation (EU) 2020/761⁵.
- (10) The amendment of Article 9(6) and (7) of Delegated Regulation (EU) 2020/760 should apply from the beginning of the first tariff quota period of the tariff quotas under order numbers 09.4289 and 09.4290 starting after the entry into force of this Regulation.

HAS ADOPTED THIS REGULATION:

Article 1
Amendments and corrections of Delegated Regulation (EU) 2020/760

Delegated Regulation (EU) 2020/760 is amended and corrected as follows:

- (1) recital (18) is replaced by the following:

CLXXV as a consequence of the United Kingdom’s withdrawal from the European Union (OJ L 264, 26.7.2021, p. 1).

⁵ Commission Implementing Regulation (EU) 2020/761 of 17 December 2019 laying down rules for the application of Regulations (EU) No 1306/2013, (EU) No 1308/2013 and (EU) No 510/2014 of the European Parliament and of the Council as regards the management system of tariff quotas with licences (OJ L 185, 12.6.2020, p. 24).

‘(18) In order to avoid disrupting trade flows, it is necessary to provide for the continued application of the repealed acts to import licences that were issued on the basis of those acts prior to the application of this Regulation. For the same purpose, it is appropriate to allow licence issuing authorities to establish the reference quantity in accordance with the repealed acts during the first two tariff quota periods starting from 1 January 2021 onwards to which this Regulation applies.’;

(2) Article 9 is amended as follows:

(a) paragraph 4 is deleted;

(b) paragraphs 6 and 7 are replaced by the following:

‘6. By way of derogation from paragraph 2, the reference quantity shall be calculated by cumulating the quantities of products released for free circulation in the Union, which fall within each of the following groups of three or four quota order numbers set out in Annex I to Implementing Regulation (EU) 2020/761:

09.4211, 09.4212, 09.4213 and 09.4290;

09.4214, 09.4215 and 09.4216;

09.4410, 09.4411, 09.4412 and 09.4289.

7. By way of derogation from paragraph 3, for the tariff quotas under order numbers 09.4211, 09.4212, 09.4213 and 09.4290, the total quantity of products covered by licence applications submitted in the tariff quota period for those four tariff quotas shall not exceed the applicant’s total reference quantity for those four tariff quotas. The applicant may choose how to sub-divide the total reference quantity among the tariff quotas for which applications are submitted. This rule shall also apply to tariff quotas under order numbers 09.4214, 09.4215 and 09.4216 and order numbers 09.4410, 09.4411, 09.4412 and 09.4289.’;

(3) Article 26 is replaced by the following:

‘Article 26

Transitional provisions

In the first two tariff quota periods to which this Regulation applies in accordance with Article 27(2), the licence issuing authority may establish the reference quantity referred to in Article 9 in accordance with the relevant repealed Regulations listed in Article 25.

Where in one or both of the two tariff quota periods before the first tariff quota period to which this Regulation applies in accordance with Article 27(2), a tariff quota that is subject to the reference quantity requirement referred to in Article 9 has not been fully used, operators may choose to establish their reference quantity either in accordance with Article 9(1), or using the two last preceding tariff quota periods where the tariff quota was fully used.’.

Article 2
Transitional provision

Article 9(4) of Delegated Regulation (EU) 2020/760 shall continue to apply to the ongoing tariff quota period for the tariff quota under order number 09.4104.

Article 3
Entry into force and application

This Regulation shall enter into force on the third day following that of its publication in the *Official Journal of the European Union*.

However, point (2)(b) of Article 1 shall apply from the beginning of the first tariff quota period of the tariff quotas under order numbers 09.4289 and 09.4290 starting after the entry into force of this Regulation.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 31.8.2021

For the Commission
The President
Ursula VON DER LEYEN