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AGRI 94
UD 76
UK 70

LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject: Agreement in the form of an exchange of letters between the European Union and the Islamic Republic of Pakistan 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

AGREEMENT
IN THE FORM OF AN EXCHANGE OF LETTERS
BETWEEN THE EUROPEAN UNION
AND THE ISLAMIC REPUBLIC OF PAKISTAN
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

A. Letter from the European Union

Sir/Madam,

I have the honour of referring to the negotiations which took place in accordance with Article XXVIII of the General Agreement on Tariffs and Trade (GATT) 1994 relating to the modification of concessions on tariff-rate quotas included in the European Union Tariff Schedule CLXXV as a consequence of the United Kingdom's withdrawal from the European Union ("EU") as communicated to WTO Members in document G/SECRET/42/Add.2), Pakistan and the EU agree to conclude the consultations on the following basis:

Pakistan agrees with the principle and methodology of apportioning the scheduled quantitative commitments in the form of the tariff-rate quotas of the EU that included the United Kingdom, whereby there is an apportioned quantity taken on by the EU that no longer includes the United Kingdom with the remainder of the quantity taken on by the United Kingdom.

The EU recognises that Pakistan is holding separate consultations with the United Kingdom on the remainder of the quantity taken on by the United Kingdom of the original EU's TRQs.

In respect of the tariff- rate quotas where Pakistan has consultation rights under Article XXVIII of the GATT 1994, Pakistan expresses that it agrees and is satisfied with the proposed apportionment as set out in document G/SECRET/42/Add.2 and the resulting quantitative commitments taken on by the EU after the withdrawal of the United Kingdom.

This Agreement is without prejudice to negotiations between the EU and other WTO Members with rights under Article XXVIII of the GATT 1994 as regards the TRQs concerned. The EU undertakes to consult with Pakistan if the result of those negotiations were to change the shares set out in document G/SECRET/42/Add.2.

The EU acknowledges that Pakistan holds Initial Negotiating Rights (INRs) with respect to tariff line 10062000 Husked Brown Rice, as recognised by the EU in WTO document G/SECRET/18/Add.3 dated 19 June 2013.

The EU and Pakistan shall notify each other of the completion of their internal procedures for the entry into force of this Agreement. This Agreement shall enter into force on the date of the last notification.

I should be obliged if you would confirm that your Government is in agreement with the above.

I have the honour to propose that, if the above is acceptable to your Government, this letter and your confirmation shall together constitute an Agreement in the form of an Exchange of Letters between the European Union and the Islamic Republic of Pakistan, including for the purposes of Article XXVIII:3(a) and (b) of the GATT 1994.

Please accept, Sir/Madam, the assurance of my highest consideration.

For the European Union

B. Letter from Pakistan

Sir/Madam,

I have the honour to acknowledge the receipt of your letter of today's date, which reads as follows:

"I have the honour of referring to the negotiations which took place in accordance with Article XXVIII of the General Agreement on Tariffs and Trade (GATT) 1994 relating to the modification of concessions on tariff-rate quotas included in the European Union Tariff Schedule CLXXV as a consequence of the United Kingdom's withdrawal from the European Union ('EU') as communicated to WTO Members in document G/SECRET/42/Add.2), Pakistan and the EU agree to conclude the consultations on the following basis:

Pakistan agrees with the principle and methodology of apportioning the scheduled quantitative commitments in the form of the tariff-rate quotas of the EU that included the United Kingdom, whereby there is an apportioned quantity taken on by the EU that no longer includes the United Kingdom with the remainder of the quantity taken on by the United Kingdom.

The EU recognises that Pakistan is holding separate consultations with the United Kingdom on the remainder of the quantity taken on by the United Kingdom of the original EU's TRQs.

In respect of the tariff-rate quotas where Pakistan has consultation rights under Article XXVIII of the GATT 1994, Pakistan expresses that it agrees and is satisfied with the proposed apportionment as set out in document G/SECRET/42/Add.2 and the resulting quantitative commitments taken on by the EU after the withdrawal of the United Kingdom.

This Agreement is without prejudice to negotiations between the EU and other WTO Members with rights under Article XXVIII of the GATT 1994 as regards the TRQs concerned. The EU undertakes to consult with Pakistan if the result of those negotiations were to change the shares set out in document G/SECRET/42/Add.2.

The EU acknowledges that Pakistan holds Initial Negotiating Rights (INRs) with respect to tariff line 10062000 Husked Brown Rice, as recognised by the EU in WTO document G/SECRET/18/Add.3 dated 19 June 2013.

The EU and Pakistan shall notify each other of the completion of their internal procedures for the entry into force of this Agreement. This Agreement shall enter into force on the date of the last notification.

I should be obliged if you would confirm that your Government is in agreement with the above.

I have the honour to propose that, if the above is acceptable to your Government, this letter and your confirmation shall together constitute an Agreement in the form of an Exchange of Letters between the European Union and the Islamic Republic of Pakistan, including for the purposes of Article XXVIII:3(a) and (b) of the GATT 1994."

I hereby have the honour to express my Government's agreement with the above letter.

For the Islamic Republic of Pakistan