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LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject: Agreement between the European Union and New Zealand 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
BETWEEN THE EUROPEAN UNION AND NEW ZEALAND
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 EUROPEAN UNION,

hereinafter referred to as “the Union”

and

NEW ZEALAND,

hereinafter jointly referred to as “the Parties”,

HAVING REGARD to the negotiations which took place under the frame of Article XXVIII of the General Agreement on Tariffs and Trade (GATT) 1994 relating to the proposed 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 Union as communicated to WTO Members in document G/SECRET/42/Add.2,

NOTING that the approach taken in this case reflects the unique circumstances resulting from the United Kingdom's withdrawal from the Union;

HAVE AGREED AS FOLLOWS:

ARTICLE 1

Objectives

Without prejudice to future negotiations under Article XXVIII of the GATT 1994 and for the purposes of United Kingdom's withdrawal from the Union only, the objective of this Agreement is to agree on the modification of the concessions of tariff rate quotas and the resulting quantitative commitments of the Union that no longer includes the United Kingdom, in respect of the tariff rate quotas for which New Zealand has negotiating or consultation rights under Article XXVIII of the GATT 1994.

ARTICLE 2

Approach to be taken to tariff rate quota volumes in this case

The Union and New Zealand understand that the approach to be taken to these WTO tariff rate quota volumes in the unique circumstances of the United Kingdom's withdrawal from the Union will be such that the scheduled quantitative commitments in the form of these WTO tariff rate quotas taken on by the Union, together with the counterpart WTO tariff rate quotas taken on by the United Kingdom following its departure from the Union, will not exceed the volumes for these quotas set out in the Union (EU28) Tariff Schedule.

ARTICLE 3

Tariff rate quotas of the Union that no longer includes the United Kingdom

1. With respect to the tariff rate quotas below, New Zealand and the Union agree on the following changes to scheduled commitments as follows:
 - (a) Tariff rate quota 006 (high quality meat of bovine animals, fresh, chilled or frozen): the Union volume of this New Zealand country-specific quota shall be adjusted to 1 102 tonnes;
 - (b) Tariff rate quota 020 (sheep meat): the Union volume of this New Zealand country-specific quota shall be adjusted to 125 769 tonnes;
 - (c) Tariff rate quota 030 (skimmed-milk powder): the Union volume of this *erga omnes* quota shall be adjusted to 62 917 tonnes.
2. With respect to the tariff rate quotas below, New Zealand and the Union agree on the following changes to scheduled commitments to facilitate the usage of some tariff rate quotas:
 - (a) Tariff rate quota 011 (meat of bovine animals, frozen; edible offal of bovine animals, frozen): the Union shall reduce the *ad valorem* part of the in-quota duty from 20 % to 15 %;

- (b) Tariff rate quota 032 (butter): the Union shall remove the specific product specifications that have applied under this tariff rate quota and align the product specifications to the Combined Nomenclature definition for butter and extend the eligibility to the entire HS code 0405 10; the Union shall also repeal the monitoring obligation contained in Article 51 of Commission Implementing Regulation (EU) 2020/761, currently in place for the weight and fat content of the products imported under this tariff rate quota;
- (c) Tariff rate quota 040 (whole Cheddar cheeses): the Union shall remove the specific product specifications that have applied under this tariff rate quota and extend the eligibility to benefit from this tariff rate quota to the entire CN code 0406 90 21.

3. In respect of the other tariff rate quotas where New Zealand has negotiating or consultation rights under Article XXVIII of the GATT 1994 New Zealand agrees to the proposed tariff rate quota commitments as set out in Document G/SECRET/42/Add.2 taken on by the Union after the withdrawal of the United Kingdom, subject to any adjustments arising from Article 4 below.

ARTICLE 4

The Union's ongoing negotiations under Article XXVIII of the GATT 1994

1. The Parties acknowledge that the Union is continuing to conduct negotiations and consultations with other WTO Members holding negotiating or consultation rights under Article XXVIII of the GATT 1994 as a consequence of the United Kingdom's withdrawal from the Union as communicated to WTO Members.
2. As a result of those negotiations and consultations, the Union may consider a change to the shares and quantities or other conditions set out in Article 3 or those in document G/SECRET/42/Add.2. In the event of such a change with regard to a prior tariff rate quota commitment of the Union as referred to in Article 3 for which New Zealand has a negotiating or consultation right, the Union shall consult New Zealand with a view to seeking a mutually satisfactory outcome before proceeding to any such change, without prejudice to each party's rights under Article XXVIII of the GATT 1994.

ARTICLE 5

Final provisions

1. This Agreement shall enter into force on the day following the date on which the Parties have notified each other of the completion of their respective internal legal procedures necessary for this purpose.
2. This arrangement constitutes an international agreement between the Union and New Zealand, including for the purposes of Article XXVIII:3(a) and (b) of the GATT 1994.
3. This Agreement shall be drawn up in duplicate in the Bulgarian, Croatian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Irish, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish and Swedish languages, each text being equally authentic.

IN WITNESS WHEREOF, the undersigned Plenipotentiaries, duly authorised to this effect, have signed this Agreement.

For the European Union

For New Zealand
