

United States and European Union Sign Breakthrough Agreement on U.S. Beef Access to EU

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Washington, DC – The United States will be able to nearly triple its annual duty-free exports of beef to the European Union (EU) over the next seven years under a new agreement signed today at the White House.

American ranchers will be guaranteed a bigger share of Europe’s beef market, with annual duty-free exports expected to grow from \$150 million to \$420 million when the agreement is fully implemented.

“American ranchers produce the best beef in the world. Thanks to President Trump’s leadership, this new agreement ensures that American ranchers can sell more of that beef to Europe,” said U.S. Trade Representative Robert Lighthizer, who signed the agreement with the Honorable Jani Raappana of Finland, representing the Presidency of the EU, and Ambassador Stavros Lambrinidis of the Delegation of the EU.

The new agreement negotiated by the Trump Administration establishes a duty-free tariff rate quota (TRQ) exclusively for the United States. Under the agreement, American ranchers will have an initial TRQ of 18,500 metric tons annually, valued at approximately \$220 million. Over seven years, the TRQ will grow to 35,000 metric tons annually, valued at approximately \$420 million.

Under the current agreement, U.S. duty-free beef exports to the EU are only approximately 13,000 metric tons annually, valued at approximately \$150 million, and risked declines going forward.

Background

In 2016, the National Cattlemen’s Beef Association, U.S. Meat Export Federation, and the North American Meat Institute requested the U.S. Trade Representative to take tariff action under Section 301 of the Trade Act of 1974 to enforce the World Trade Organization dispute finding in favor of the United States against the EU’s ban on the use of hormones in cattle production. USTR held a public hearing on February 15, 2017.

Negotiations resulted in a new agreement, which was approved by the European Council on July 15, 2019. It will go into effect following the European Parliament’s approval, which is expected this fall. With the EU providing a country specific duty-free quota for U.S. beef, the

United States has agreed as a part of the agreement signed today to conclude the proceedings under Section 301 of the Trade Act of 1974 initiated in December 2016.