



USDA Foreign Agricultural Service

# GAIN Report

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## European Union

### Grain and Feed

## EU Commission adopts regulation allowing US greater access to wheat quotas

### 2003

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**Report Highlights:**

The European Commission has adopted an amendment to the low and medium wheat import quota system that enables the U.S. and Canada to use part of the quota previously reserved for other third countries. Roughly 1.4 MMT of additional quota for 2003 will now be available for these two countries' exports to the EU. November 24th is the earliest possible date for bidding for quotas.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Brussels USEU [BE2]  
[E2]

On November 18<sup>th</sup>, the European Commission adopted an amendment that allows the US larger wheat import quotas for the remainder of 2003. The regulation went into force on November 19<sup>th</sup> (Regulation number 2028/2003), and bidding on import licensing may begin at the earliest on November 24<sup>th</sup>.

The United States and Canada will now have access, for 2003, to the part previously earmarked for other third countries. For medium and low quality wheat, there is a global TRQ of 2,981,600 MT per year with a duty of €12/MT. Of this amount, 572,000 MT has been allocated exclusively to the U.S. and 38,000 MT to Canada. The remaining 2,371,300 MT is for other third countries and could not be used by the U.S. or Canada.

The proposed Regulation will only cover the quota for 2003. At the beginning of November, there was just over 1.4 MMT outstanding left to be used up during 2003 for the other countries quota. It is reported that the US has used little of the 572,000 MT available so far in 2003.

Under the EU wheat TRQ system, both the U.S. and Canada may allow their exclusive portions of the quota to be reallocated if it will not be used in a given year, however there was no provision for 'other countries' to have their quota reallocated to enable the US and Canada to use it, thus requiring the proposed Regulation from the Commission to enable this.

Link to Regulation 2028/2003:

[http://europa.eu.int/eur-lex/pri/en/oj/dat/2003/l\\_301/l\\_30120031119en00030004.pdf](http://europa.eu.int/eur-lex/pri/en/oj/dat/2003/l_301/l_30120031119en00030004.pdf)

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