

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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### **Comparison of EU Tariff Rate Quotas for High Quality Bovine Meat**

**Report Categories:**

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**Report Highlights:**

On July 1, 2018 the new EU High Quality Beef Quota year will start. This will be a full quota year and will cover 45,000 MT of product divided over four quarters. U.S. exporters can use this quota as well as the Hilton quota for exporting high quality bovine meat to the European Union. This report details the program and certification requirements for both tariff rate quotas as well as the impact of the Comprehensive Economic and Trade Agreement between Canada and the European Union (CETA) on the quotas.

**General Information:**

This report provides a comparison of the two EU Tariff Rate Quotas (TRQs) for high quality bovine meat that U.S. exporters can use to ship beef to the EU. The Comprehensive Economic and Trade agreement between Canada and the European Union ([CETA](#)) that went into effect on September 21, 2017 affects both quota. The below table clarifies which aspects of both quotas have been modified. The report provides also additional clarity on the role of the authorities in the United States and the European Union/Member States in the implementation of the veterinary and customs legislation that applies to beef trade under the TRQ's. Frequently asked questions regarding bison exports and CETA are included at the end of the report.

**Comparison of EU TRQ 's for High Quality Bovine Meat Accessible to U.S. Exporters (Status on May, 2018)**

Common Reference	Hilton Quota	High Quality Beef (HQB) TRQ
EUR-Lex	<a href="#">Commission Implementing Regulation (EU) No 593/2013 of 21 June 2013 opening and providing for the administration of tariff quotas for high-quality fresh, chilled and frozen beef and for frozen buffalo meat</a>	<a href="#">COMMISSION IMPLEMENTING REGULATION (EU) No 481/2012 of 7 June 2012 laying down rules for the management of a tariff quota for high-quality beef</a>
Basis	Uruguay Round and before	WTO dispute settlement concerning beef treated with hormones
Quantity	Hilton quota is for 66,826 MT of meat of bovine animals with quantities allocated on country-specific basis PLUS two quota for buffalo meat for Australia and Argentina respectively; 11,500 MT of the bovine meat quota is allocated to United States/Canada	45,000 MT (down from 48,200 MT as 3,200 MT from <a href="#">Canada-EU Memorandum of Understanding (MOU)</a> were withdrawn as part of <a href="#">CETA</a> )
Quota #	09.4002 (covers 11,500 MT)	09.2202 (covers entire 45,000 MT)
Eligible Countries	United States and Canada are both eligible for the 11,500 MT of TRQ 09.4002	Erga omnes. Countries recognized by EU as eligible as of 2018: United States, Canada, New Zealand, Australia, Uruguay, Argentina. Access is to full quantity of 45,000 MT. Exporting Countries' <a href="#">Authorities</a> recognized by Commission to issue the required Certificates of Authenticity.
Species	Bovine animals, i.e Beef AND bison	Beef only (as the WTO basis for the TRQ does not include bison. Use of hormones in bison is not approved in the United States)
Customs Code	CN 0201, 0202, 0206 10 95, 0206 29 91 <i>Note: Same for both TRQ's</i>	CN 0201, 0202, 0206 10 95, 0206 29 91
Duty	20 percent on product from the U.S; zero percent duty on product from Canada since September 21, 2017 when the CETA went	zero percent

	into effect	
NHTC	Beef: Required ( <a href="#">USDA Export Verification (EV) Program Specified Product Requirements Non-Hormone Treated Cattle (NHTC) for the European Union</a> ) Not Applicable for bison: FSIS Export Library: “An NHTC program is not required for bison”; Hormones not approved by FDA for use in bison	Required ( <a href="#">USDA Export Verification (EV) Program Specified Product Requirements Non-Hormone Treated Cattle (NHTC) for the European Union</a> )
Feeding Requirements	minimum 100 days high energy: ≥70 percent grain and 20 pounds/day; Choice and Prime automatically qualify	minimum 100 days high energy: ≥ 62 percent feed w/ energy content of 12.26 mega joules /kg at a rate of 1.4 percent of live body weight/day AND carcasses have been evaluated by AMS
Cert of Authenticity	Downloadable <a href="#">FSIS Letterhead Certificate</a> of Authenticity for Beef and Veal Regulation (EU) No 593/2013 if Statement A on the SOV is marked OR the beef is graded U.S. Choice or higher. Fillable <a href="#">AMS Statement of Verification for High Quality Beef</a>	Downloadable <a href="#">FSIS Letterhead Certificate</a> of Authenticity for Beef and Veal Regulation (EC) No 481/2012 if Statement B ( <i>note: on feeding AND on AMS carcass grading</i> ) on the Statement of Verification SOV is marked. Fillable <a href="#">AMS Statement of Verification for High Quality Beef</a>
	<b>Bison:</b> Downloadable <a href="#">FSIS Letterhead Certificate</a> with the reference to Regulation (EU) No 593/2013. FSIS Letterhead Certificate of Authenticity, may be issued upon request of the applicant when producer affidavits are provided to FSIS personnel as part of the export certificate application. The affidavits must attest to the origin of the animals (U.S. or Canada) and that the animals meet the age and feeding requirement stated on the certificate. See <a href="#">Specified Product Requirements for Bison (Buffalo) – Canada and the European Union (pdf)</a>	
USDA Eligible Supplier List	Beef: AMS <a href="#">Official Listing of Approved Sources of Non-Hormone Treated Cattle</a>	AMS <a href="#">Official Listing of Approved Sources of Non-Hormone Treated Cattle</a>
	Bison: AMS <a href="#">Official Listing of Eligible Suppliers to the USDA Bovine EV Programs</a>	
EU approved Eligible Exporter List	<a href="#">Meat of Domestic Ungulates</a> Slaughterhouses for beef show footnote: “Complies fully with the requirements of the non-hormone treated cattle programme”; not necessary for establishments only slaughtering bison as no dual program. Footnotes are used to specify the species	<a href="#">Meat of Domestic Ungulates</a> Slaughterhouse for beef show footnote: “Complies fully with the requirements of the non-hormone treated cattle programme”; not necessary for establishments only slaughtering bison as no dual program. Footnotes are used

	<p>authorization (B:Bovinae, Bbis: Bison bison)</p> <p>This is the list of U.S. establishments that are eligible to ship meat of domestic ungulates to any EU country (in accordance with veterinary legislation).</p>	<p>to specify the species authorization (B:Bovinae, Bbis: Bison bison)</p> <p>This is the list of U.S. establishments that are eligible to ship meat of domestic ungulates to any EU country (in accordance with veterinary legislation).</p>
Quota Management	<p>The Hilton quota is managed through import licenses, for which importers can apply on a monthly basis. Importers must have been engaged in trade in two subsequent periods of twelve months prior to their first application of import licenses. Importers must pay a security for obtaining import licenses.</p> <p>The rules for the management of import licenses are laid down in <a href="#">Regulation (EU) No 1308/2013 of the European Parliament and the Council</a> and <a href="#">Commission Regulation (EC) No 1301/2006</a>.</p> <p>Applications for quota access are done at Member State level.</p>	<p>First come, first served. No import license is required. The HQB quota is filled through quarterly tiers.</p> <p>Applications for quota access are done at Member State level.</p>

#### Frequently Asked Questions on Exporting Bovine Meat to the EU:

**Can bison be exported under the Hilton Quota? Commission Implementing Regulation (EU) No 593/2013 specifies that the joint U.S./Canada Hilton beef quota is for meat “from bovine animals”, which includes both beef and bison.**

**Is the NHTC program applicable to bison?** No. Hormones are not approved for use in bison and the use of hormones for beef in the United States is the reason for the NHTC requirement for exports to the EU.

Requirements are specified in the [USDA Export Verification \(EV\) Program Specified Product Requirements Non-Hormone Treated Cattle \(NHTC\) for the European Union](#).

#### **Are the United States and Canada considered together?**

- Hilton quota: The 11,500 MT of the Hilton quota covers both product originating from the United States as well as product originating from Canada. This has not changed following the entry into force of CETA. CETA however, reduced the tariff on imports from Canada under the Hilton TRQ to zero percent, while the duty on U.S. product is 20 percent.
- HQB Quota: The quota amount of the HBQ quota was reduced from 48,200 MT to 45,000 MT with the entry into force of CETA. The original 48,200 MT included 45,000 MT stemming from the U.S.-EU Memorandum of Understanding (MOU) and 3,200 MT stemming from the Canadian-EU MOU. In September 2017, the 3,200 MT of the Canadian MOU was incorporated in CETA. Note: Under HQB, the

full 45,000 MT can be accessed by all countries recognized by EU as eligible as of 2018: U.S., Canada, New Zealand, Australia, Uruguay, and Argentina.