

Voluntary Report – Voluntary - Public Distribution

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Report Name: US Beef Imports into the EU High Quality Beef Quota
Increased in 2022

Country: European Union

Post: Brussels USEU

Report Category: Agricultural Situation, Livestock and Products

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Report Highlights:

U.S. beef exports under the EU High Quality Beef (HQB) quota increased by over 2,000 metric tons (MT) in 2022, to 13,438 MT. The quota usage rate increased to 52.9 percent, up from 50.1 percent in 2021, despite an increase in the quota from 23,000 MT in 2021 to 25,400 MT in 2022.

Imports of U.S. beef into the U.S. specific part of the EU High Quality Beef (HQB) quota during 2022 amounted to 13,438.6 MT, or 52.9 percent of the 23,500 MT of quota available for the year. This compares to the 11,532.5 MT exported in 2021, an increase of over 2,000 MT. As the quota availability for the year 2022 was 2,400 MT higher than in 2021, this represents an increase in the quota usage compared to 50.1 percent in 2021.

The increased beef exports under the U.S. specific HQB quota were made possible by the reopening of the EU hospitality sector after restrictions from the COVID-19 crisis were lifted. Nevertheless, looming economic challenges related to high inflation rates and the war in Ukraine might reduce demand for high-priced U.S.-origin beef in 2023.

U.S. HQB Exports to the EU in 2022			
Period	Available quota	EU imports	Unused quota
Quarter 1	6,350 MT	2,437.93 MT	3,912.07 MT
Quarter 2	6,350 MT	3,928.22 MT	2,421.78 MT
Quarter 3	6,350 MT	4,011.47 MT	2,338.53 MT
Quarter 4	6,350 MT	3,060.94 MT	3,289.06 MT
Total 2022	25,400 MT	13,438.56 MT	11,961.44 MT

Background:

The high-quality beef MOU stems from a U.S. WTO win over the EU’s restriction on hormones. The [Implementing Regulation 2019/2179](#) modifying the HQB quota allocation management was published in the OJ on December 20, 2019 and started on January 1, 2020. Under the new agreement, U.S. specific HQB quota share will increase from 18,500 MT in 2020 to 35,000 MT in 2026 in seven incremental steps as follows:

HQB Quota allocation	United States	All other eligible countries
Year 1 (2020)	18,500 MT	26,500 MT
Year 2 (2021)	23,000 MT	22,000 MT
Year 3 (2022)	25,400 MT	19,600 MT
Year 4 (2023)	27,800 MT	17,200 MT
Year 5 (2024)	30,200 MT	14,800 MT
Year 6 (2025)	32,600 MT	12,400 MT
Year 7 and subsequent years	35,000 MT	10,000 MT

As the new quota allocation started in the middle of the 2019-2020 quota year and incremental increases have a full-year validity, different quota allotments apply in the first half of the quota year than in the second half. The quarterly quota distribution from 2020 onwards is detailed in the Annex of the above Implementing Regulation 2019/2179.

Related reports from FAS/USEU:

Country	Title	Date
European Union	High Quality Beef Quota Year 2021-2022 Ends Positively for US Beef Exports	07/29/2022
European Union	Updated Comparison of EU Tariff Rate Quotas for High Quality Bovine Meat	07/01/2022
European Union	COVID-19 Costs US Beef Exporters USD 100 Million of Lost High Quality Beef Sales to the EU in Quota Year 2020-21	07/20/2021
European Union	Update on the Management of EU Tariff Rate Quotas	07/17/2020
European Union	New High Quality Beef TRQ Allocation Starting January 1 of 2020	12/23/2019

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<http://gain.fas.usda.gov/Pages/Default.aspx>

Attachments:

No Attachments.