



Bulletin 21-41 June 15, 2021

CIAA Bulletin

An Exclusive CIAA Member  
Update

## US and EU Agree to Suspend Large Civil Aircraft Dispute Tariffs for Five Years

Early this morning, the U.S. and European Union [announced an understanding](#) to end the long-standing Large Civil Aircraft Dispute. As a part of this understanding, both governments have agreed to a five-year tariff suspension of the retaliatory tariffs authorized by the WTO, which affected in total a value of \$11.5 billion of trade. These tariffs have resulted in EU and US businesses paying over \$3.3 billion in duties.

As previously reported, the initial onslaught of duties occurred in October 2019 when the U.S. imposed on new European large civil aircrafts and 25 percent tariffs on agricultural and other products. This included a large number of cheeses and dairy products imported from various EU countries and the UK. The EU then imposed tariffs on \$4 billion of American products in November 2020. This announcement is a major step in potentially resolving the 17-year transatlantic dispute over aircraft subsidies.

- As part of the *Understanding on a cooperative framework for Large Civil Aircraft*, the US and EU expressed their intention to:
- Establish a Working Group on Large Civil Aircraft led by each side's respective Minister responsible for Trade,
- Provide financing to large civil aircraft producers on market terms,
- Provide R&D funding through an open and transparent process and make the results of fully government funded R&D widely available, to the extent permitted by law,
- Not to provide R&D funding as well as specific support (such as specific tax breaks) to their own producers that would harm the other side,
- Collaborate on addressing non-market practices of third parties that may harm their respective large civil aircraft industries,

- Continue to suspend application of their countermeasures, for a period of 5 years, avoiding billions of euros in duties for importers on both sides of the Atlantic.

According to statements made by U.S. Trade Representative Katherine Tai, the tariffs would remain suspended as long as the terms of the agreement are upheld and while they work on addressing issues including outstanding subsidies already paid.

Both the US and EU governments are welcoming the truce as a way to enhance transatlantic trade and enhance cooperation between the EU and the US to solve the other issues to both government's mutual benefit.

This announcement comes on the heels of the CIAA and European Dairy Association sending a [joint letter](#) to Ambassador Katherine Tai and EU Executive Vice President Valdis Dombrovskis regarding the dispute on Monday, June 14, 2021. The joint letter applauds the governments for the current tariff suspension but urges a swift resolution to the dispute and if that is not possible before July 11 for the governments to continue the tariff suspension.

The CIAA continues to monitor developments related to this trade dispute and keep members updated as occur. Members with questions regarding these developments should contact the Husch Blackwell LLP team at [CIAAGeneralCounsel@huschblackwell.com](mailto:CIAAGeneralCounsel@huschblackwell.com).

#### Cheese Importers Association of America

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## INDUSTRY DATES TO REMEMBER

### **JULY 1, 2021**

Last day for an exporting country that is not designating importers for calendar year 2021 to notify FAS.

### **AUGUST 31, 2021**

Last day to enter dairy products into U.S. Customs territory that may be used to qualify and establish eligibility for a calendar year 2021 license.

### **SEPTEMBER 1, 2021**

First day of license eligibility period for next quota year-plus one. Example: entries made on or after September 1, 2021 can be used to establish eligibility for a license for calendar year 2022.

### **SEPTEMBER 1, 2021**

Last date to request globalization of a calendar year 2020 license. First transmission date for applications for reallocated license amounts for calendar year 2020. First transmission date for all applications for calendar year 2021 licenses.

**SEPTEMBER 15, 2021**

(no exceptions!) Last transmission date for licensees applying for reallocated license amounts for calendar year 2021.

**OCTOBER 1, 2021**

(no exceptions!) Last transmission date for licensees to surrender all or the unused portion of their calendar year 2021 licenses.

**OCTOBER 15, 2021**

(no exceptions!) Last transmission date for all applications for calendar year 2022 licenses.

**OCTOBER 31, 2021**

Exporting countries that are designating U.S. importers for calendar year 2022 must submit their designations to FAS by this date.

**NOVEMBER 5, 2021**

Member Meeting

8:45 am - 9:30 am Continental Breakfast

9:30 am - 11:30 am Meeting

Saddle Brook Marriott

Saddle Brook, NJ

**DECEMBER 20, 2021**

(approximately) FAS issues first notice of calendar year 2022 licenses to licensees.

**DECEMBER 31, 2021**

Last day for licensees to make entries to fulfill the requirement to use 85% of their calendar year 2021 license amount. Last day for which calendar year 2021 licenses are valid

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