




Basic information	
<p>2023/0051(COD)</p> <p>COD - Ordinary legislative procedure (ex-codecision procedure) Regulation</p>	Procedure completed
<p>EU/Euratom/Ukraine Association Agreement: temporary trade liberalisation supplementing trade concessions applicable to Ukrainian products</p> <p>Subject</p> <p>6.20.03 Bilateral economic and trade agreements and relations 6.40.15 European neighbourhood policy</p> <p>Geographical area</p> <p>Ukraine</p>	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<div style="border: 1px solid red; display: inline-block; padding: 2px;">INTA</div> International Trade	KALNIETE Sandra (EPP)	14/03/2023
		Shadow rapporteur BELKA Marek (S&D) PAET Urmas (Renew) GREGOROVÁ Markéta (Greens/EFA) WASZCZYKOWSKI Witold Jan (ECR) KRAH Maximilian (ID) SCHOLZ Helmut (The Left)	
Council of the European Union			

Key events			
Date	Event	Reference	Summary
23/02/2023	Legislative proposal published	COM(2023)0106 	Summary
13/03/2023	Committee referral announced in Parliament, 1st reading		
27/04/2023	Vote in committee, 1st reading		
28/04/2023	Committee report tabled for plenary, 1st reading	A9-0165/2023	
09/05/2023	Decision by Parliament, 1st reading	T9-0125/2023	Summary
09/05/2023	Results of vote in Parliament		
25/05/2023	Act adopted by Council after Parliament's 1st reading		

31/05/2023	Final act signed		
05/06/2023	Final act published in Official Journal		

Technical information	
Procedure reference	2023/0051(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
Legal basis	Treaty on the Functioning of the EU TFEU 207-p2
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	INTA/9/11367

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Committee draft report		PE745.307	14/03/2023	
Committee report tabled for plenary, 1st reading/single reading		A9-0165/2023	28/04/2023	
Text adopted by Parliament, 1st reading/single reading		T9-0125/2023	09/05/2023	Summary
Council of the EU				
Document type	Reference	Date	Summary	
Draft final act	00019/2023/LEX	31/05/2023		
European Commission				
Document type	Reference	Date	Summary	
Legislative proposal	COM(2023)0106 	23/02/2023	Summary	

Final act	
Regulation 2023/1077 OJ L 144 05.06.2023, p. 0001	Summary

EU/Euratom/Ukraine Association Agreement: temporary trade liberalisation supplementing trade concessions applicable to Ukrainian products

The European Parliament adopted by 537 votes to 42, with 38 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council on temporary trade liberalisation supplementing trade concessions applicable to Ukrainian products under the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Ukraine, of the other part.

The European Parliament adopted its position at first reading in accordance with the ordinary legislative procedure by **taking over** the Commission's proposal.

The Commission adopted a proposal for a Regulation on temporary trade liberalisation supplementing trade concessions applicable to Ukrainian products under the Association Agreement between the Union and Ukraine. This proposal for a Regulation **renews these trade liberalisation measures**. It should apply for a period of one year from the date of expiry of the current measures. These measures will expire on 6 June 2023.

The proposal provides for **temporary suspension of all outstanding customs duties** under Title IV of the Association Agreement between the EU and Ukraine establishing a deep and comprehensive free trade area (DCFTA). This concerns two categories of products: (a) fruits and vegetables subject to the entry-price system; (b) agricultural products and processed agricultural products subject to tariff-rate quotas.

The preferential arrangements will be subject to the following conditions:

- compliance with the rules of origin of products and the procedures related thereto as provided for in the Association Agreement;
- Ukraine's abstention from introducing new duties or charges having equivalent effect and new quantitative restrictions or measures having equivalent effect for imports originating in the Union, from increasing existing levels of duties or charges or from introducing any other restrictions on trade with the Union, including discriminatory internal administrative measures, unless clearly justified in the war context; and
- Ukraine's respect for democratic principles, human rights and fundamental freedoms and respect for the principle of the rule of law as well as continued and sustained efforts with regard to the fight against corruption, and illegal activities provided for in Articles 2, 3 and 22 of the Association Agreement.

The proposal introduces **expedited safeguard procedures** which will apply on the basis of regular monitoring, allowing for the possible reintroduction of custom duties.

EU/Euratom/Ukraine Association Agreement: temporary trade liberalisation supplementing trade concessions applicable to Ukrainian products

2023/0051(COD) - 05/06/2023 - Final act

PURPOSE: to renew the temporary trade liberalisation supplementing trade concessions applicable to Ukrainian products.

LEGISLATIVE ACT: Regulation (EU) 2023/1077 of the European Parliament and of the Council on temporary trade-liberalisation measures supplementing trade concessions applicable to Ukrainian products under the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Ukraine, of the other part.

CONTENT: Russia's unprovoked and unjustified war of aggression against Ukraine since 24 February 2022 has had a profoundly negative impact on the ability of Ukraine to trade with the rest of the world. In these exceptional circumstances, it is necessary to continue stimulating trade flows and granting concessions in the form of trade-liberalisation measures for all products, in line with the acceleration of the elimination of customs duties on trade between the Union and Ukraine.

This regulation **extends for one year, until June 2024**, the suspension of all customs duties, quotas and trade defence measures on Ukrainian exports to the EU.

Trade liberalisation measures

The regulation will apply for a period of one year and concerns the following:

- all outstanding **customs duties** under Title IV of the Association Agreement between the EU and Ukraine establishing a deep and comprehensive free trade area. This concerns two categories of products: fruits and vegetables subject to the entry-price system, and agricultural products and processed agricultural products subject to tariff-rate quotas;
- the collection of **anti-dumping duties** on imports originating in Ukraine as of the date of entry into force of this Regulation;
- the application of the **common rules for imports** (safeguards) with respect of imports originating in Ukraine.

Conditions for entitlement to the preferential arrangements

The preferential arrangements will be subject to the following conditions:

- compliance with the rules of origin of products and the procedures related thereto as provided for in the Association Agreement;
- Ukraine's abstention from introducing new duties or charges having equivalent effect and new quantitative restrictions or measures having equivalent effect for imports originating in the Union, from increasing existing levels of duties or charges or from introducing any other restrictions on trade with the Union, including discriminatory internal administrative measures, unless clearly justified in the war context; and
- Ukraine's respect for **democratic principles**, human rights and fundamental freedoms and respect for the principle of the rule of law as well as continued and sustained efforts with regard to the fight against corruption, and illegal activities provided for in the Association Agreement.

ENTRY INTO FORCE: 6.6.2023.

EU/Euratom/Ukraine Association Agreement: temporary trade liberalisation supplementing trade concessions applicable to Ukrainian products

2023/0051(COD) - 23/02/2023 - Legislative proposal

PURPOSE: to increase trade flows concerning all imports from Ukraine by suspending all outstanding tariffs and import duties applied on Ukrainian products.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: Russia's war of aggression against Ukraine since 24 February 2022 has had a profoundly negative impact on Ukraine's ability to trade with the rest of the world. In these exceptional circumstances, it is necessary to **accelerate the development of closer economic relations between the EU and Ukraine** to provide continued support to the Ukrainian authorities and people.

Ukraine has asked the EU to do its utmost to enable the country to maintain its trade position vis-à-vis the rest of the world and to further deepen its trade relations with the EU. Measures taken to this end include the facilitation of overland logistics through the EU-Ukraine carriage of freight by road transport Agreement and the EU-Ukraine Solidarity Lanes and an increase in the degree of market liberalisation through Regulation (EU) 2022/870 of the European Parliament and of the Council on temporary trade liberalisation measures supplementing trade concessions applicable to Ukrainian products under the Association Agreement. This regulation entered into force on 4 June 2022 and will be in force until 5 June 2023.

In view of Russia's continuing military aggression against Ukraine, the resulting need to continue to support Ukraine economically, and considering that Ukraine was granted EU candidate status in June 2022, the Commission is proposing a Regulation of the European Parliament and of the Council renewing these trade-liberalisation measures.

CONTENT: the proposal aims at **continuing the trade liberalisation measures for Ukraine** after the expiry of Regulation (EU) 2022/870. It should apply for a period of one year from the date of expiry of the current measures (i.e. from 6 June 2023).

The proposal provides for:

- **temporary suspension of all outstanding customs duties** under Title IV of the Association Agreement between the EU and Ukraine establishing a deep and comprehensive free trade area (DCFTA). This concerns two categories of products: (a) fruits and vegetables subject to the entry-price system; (b) agricultural products and processed agricultural products subject to tariff-rate quotas;
- **temporary non-collection of anti-dumping duties** on imports originating in Ukraine as of the date of entry into force of this Regulation; and
- **temporary suspension** of the application of the common rules for imports (safeguards) with respect of imports originating in Ukraine.

These temporary and exceptional measures will contribute to continuously supporting and fostering the existing trade flows from Ukraine to the Union.

The trade-liberalising measures provided for under the present proposal for a Regulation are taken in observance of the commitment in Article 2 of the Association Agreement which enshrines as an essential element of the Agreement the promotion of respect for the principles of sovereignty and territorial integrity, inviolability of borders and independence.

The trade-liberalising measures themselves would be conditional upon respect for the same basic principles set out in Article 2, including those providing that the respect for democratic principles, human rights and fundamental freedoms and respect for the principle of the rule of law constitute essential elements of that Agreement.

According to the proposal, expedited safeguard procedures will apply on the basis of regular monitoring allowing for potential reintroduction of customs duties.

Budgetary implications

Based on an estimation according to the level of import volumes of products covered by the proposed Regulation in excess of the annual duty-free quota from Ukraine in 2021, the European Union would see a loss of EUR 33.4 million of customs revenue annually. The sole trade defence measure left with regard to Ukraine is an anti-dumping duty on imports of certain seamless pipes and tubes of iron or steel, which have not been collected pursuant to Regulation (EU) 2022/870. This duty will expire on 3 October 2023. In case the measures on certain seamless pipes and tubes of iron or steel are extended after this date, based on the level of imports from Ukraine in 2020 and 2021 the estimated maximum loss of anti-dumping duties would be less than EUR 15 million annually. The total estimated amount is thus EUR 48.4 million and therefore the impact on the EU's own resources will be very limited.