



Procedure file

Basic information	
<p>COD - Ordinary legislative procedure (ex-codecision procedure) Regulation</p> <p>2014/0279(COD)</p>	Procedure completed
<p>Reduction or elimination of customs duties on goods originating in Ukraine: extension of the application period</p> <p>Amending Regulation (EU) No 374/2014 2014/0090(COD)</p> <p>Subject 6.20.03 Bilateral economic and trade agreements and relations 6.20.04 Union Customs Code, tariffs, preferential arrangements, rules of origin</p> <p>Geographical area Ukraine</p> <p>Legislative priorities EU support to Ukraine</p>	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 International Trade	 LANDSBERGIS Gabrielius	07/10/2014
Council of the European Union			

Key events			
19/09/2014	Legislative proposal published	COM(2014)0597	Summary
20/10/2014	Committee referral announced in Parliament, 1st reading		
20/10/2014	Vote in committee, 1st reading		
20/10/2014	Committee report tabled for plenary, 1st reading	A8-0021/2014	Summary
21/10/2014	Debate in Parliament		
23/10/2014	Results of vote in Parliament		
23/10/2014	Decision by Parliament, 1st reading	T8-0042/2014	Summary
24/10/2014	Act adopted by Council after Parliament's 1st reading		
29/10/2014	Final act signed		

29/10/2014	End of procedure in Parliament		
31/10/2014	Final act published in Official Journal		

Technical information

Procedure reference	2014/0279(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
	Amending Regulation (EU) No 374/2014 2014/0090(COD)
Legal basis	Treaty on the Functioning of the EU TFEU 207-p2
Stage reached in procedure	Procedure completed
Committee dossier	INTA/8/01303

Documentation gateway

Legislative proposal	COM(2014)0597	19/09/2014	EC	Summary
Committee draft report	PE539.661	14/10/2014	EP	
Amendments tabled in committee	PE539.824	15/10/2014	EP	
Committee report tabled for plenary, 1st reading/single reading	A8-0021/2014	20/10/2014	EP	Summary
Text adopted by Parliament, 1st reading/single reading	T8-0042/2014	23/10/2014	EP	Summary
Draft final act	00093/2014/LEX	29/10/2014	CSL	

Additional information

European Commission	EUR-Lex
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Final act

[Regulation 2014/1150](#)
[OJ L 313 31.10.2014, p. 0001](#) Summary

Reduction or elimination of customs duties on goods originating in Ukraine: extension of the application period

PURPOSE: to extend the application of Regulation (EU) No 374/2014 on the reduction or elimination of customs duties on goods originating in Ukraine.

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

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: Ukraine is a priority partner country within the European Neighbourhood Policy (ENP) and the Eastern Partnership. The European Union and Ukraine negotiated in 2007-2011 an Association Agreement, including a Deep and Comprehensive Free Trade Area (DCFTA), which was signed by both parties on 27 June 2014. The European Union and Ukraine are to establish a free trade area over a transitional period of a maximum of 10 years starting from the entry into force of the Association Agreement.

[Regulation \(EU\) No 374/2014](#) on the reduction or elimination of customs duties on goods originating in Ukraine was to apply until Title IV of the Association Agreement enters into force or is applied provisionally. It was intended that this Regulation (would cease to apply on 1 November

2014 at the latest.

In light of the unprecedented security, political and economic challenges faced by Ukraine, and in order to support its economy, it was decided to anticipate the implementation of the Schedule of concessions set out in Annex I-A to the Association Agreement between the EU and Ukraine by means of the autonomous trade preferences provided for under Regulation (EU) No 374/2014. In view of the challenges Ukraine still faces, the application of Regulation (EU) No 374/2014 shall be extended.

CONTENT: in order to support the political and economic stability of Ukraine, the European Commission would propose the extension of the application of Regulation (EU) No 374/2014 on the reduction or elimination of customs duties on goods originating in Ukraine until 31 December 2015. For the purpose of predictability, the customs duties and access to tariff quotas should following the extension remain the same as for 2014.

The autonomous trade preferences provided for by Regulation (EU) No 374/2014 should have full respect for democratic principles, human rights and fundamental freedoms and respect for the principle of the rule of law, promotion of respect for the principles of sovereignty and territorial integrity, inviolability of borders and independence, as well as countering the proliferation of weapons of mass destruction.

The proposal ensures that it is appropriate to introduce the possibility to temporarily suspend the preferences in case of failure to respect the fundamental principles of human rights, democracy and the rule of law by Ukraine.

BUDGETARYIMPLICATION: the European Union will see a loss of customs revenue corresponding to EUR 487 million (gross) annually. However, those figures are estimates, having regard to the political and economic situation of Ukraine and can change.

Reduction or elimination of customs duties on goods originating in Ukraine: extension of the application period

The Committee on International Trade adopted the report by Gabrielius LANDSBERGIS (EPP, LT) on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 374/2014 on the reduction or elimination of customs duties on goods originating in Ukraine.

The committee recommended the European Parliament to adopt its position at first reading following the ordinary legislative procedure taking over the Commission proposal.

Members supported the Commission proposal seeking to extend the application of Regulation (EU) No 374/2014 on the reduction or elimination of customs duties on goods originating in Ukraine until 31 December 2015.

The extension of the Regulation (EU) No 374/2014 until the end of 2015 is intended to support Ukraine in its extremely difficult security, political and economic situation through the implementation of EU tariff commitments under the ratified Association Agreement.

Given the objective to ensure the maintenance of the existing conditions for the access to the EU market and minimise the risks of disruption on exports to the EU, Members considered that the most effective solution remains the extension of the autonomous trade measures.

Reduction or elimination of customs duties on goods originating in Ukraine: extension of the application period

The European Parliament adopted by 497 votes to 78, with 56 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 374/2014 on the reduction or elimination of customs duties on goods originating in Ukraine.

Parliament adopted its position at first reading following the ordinary legislative procedure taking over the Commission proposal.

Parliament supported the Commission proposal seeking to extend the application of Regulation (EU) No 374/2014 on the reduction or elimination of customs duties on goods originating in Ukraine until 31 December 2015.

The autonomous preferences provided for under Regulation (EU) No 374/2014 should also be subject to the respect for the fundamental principles of human rights, democracy and the rule of law by Ukraine.

Reduction or elimination of customs duties on goods originating in Ukraine: extension of the application period

PURPOSE: to extend the application of Regulation (EU) No 374/2014 on the reduction or elimination of customs duties on goods originating in Ukraine.

LEGISLATIVE ACT: Regulation (EU) No 1150/2014 of the European Parliament and of the Council amending Regulation (EU) No 374/2014 on the reduction or elimination of customs duties on goods originating in Ukraine.

CONTENT: in order to support the political and economic stability of Ukraine, the European Commission would propose the extension of the application of [Regulation \(EU\) No 374/2014](#) on the reduction or elimination of customs duties on goods originating in Ukraine until 31 December 2015. For the purpose of predictability, the customs duties and access to tariff quotas should following the extension remain the same as for 2014.

Ukraine is a priority partner country within the European Neighbourhood Policy (ENP) and the Eastern Partnership. The European Union and Ukraine negotiated an Association Agreement, including a Deep and Comprehensive Free Trade Area (DCFTA), which was signed by both parties on 27 June 2014. Under the provisions of the DCFTA, the Union and Ukraine are to establish a free trade area over a transitional

period of a maximum of 10 years, starting from the entry into force of the Association Agreement, in accordance with Article XXIV of the General Agreement on Tariffs and Trade 1994.

In light of the unprecedented security, political and economic challenges faced by Ukraine, and in order to support its economy, it was decided to anticipate the implementation of the Schedule of concessions set out in Annex I-A to the Association Agreement by means of the autonomous trade preferences provided for under Regulation (EU) No 374/2014.

The autonomous preferences provided for under Regulation (EU) No 374/2014 should also be subject to 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. Furthermore, it provides that the promotion of respect for the principles of sovereignty and territorial integrity, inviolability of borders and independence, as well as countering the proliferation of weapons of mass destruction.

It is for this reason that the amending Regulation provides the possibility to temporarily suspend the preferences in case of failure to respect the fundamental principles of human rights, democracy and the rule of law by Ukraine.

ENTRY INTO FORCE: 31.10.2014. The Regulation shall apply from 2.11.2014.