

Procedure file

Basic information	
<p>COD - Ordinary legislative procedure (ex-codecision procedure) 2022/0138(COD) Regulation</p>	Procedure completed
<p>Temporary trade liberalisation supplementing trade concessions applicable to Ukrainian products under EU/Ukraine Association Agreement</p>	
<p>Subject 6.20.03 Bilateral economic and trade agreements and relations 6.40.15 European neighbourhood policy</p>	
<p>Geographical area Ukraine</p>	
<p>Legislative priorities EU support to Ukraine</p>	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 International Trade	 KALNIETE Sandra	29/04/2022
		Shadow rapporteur	
		 BELKA Marek	
		 GREGOROVÁ Markéta	
		 KRAH Maximilian	
		 WASZCZYKOWSKI Witold Jan	
		 SCHOLZ Helmut	
Council of the European Union			
European Commission	Commission DG Trade	Commissioner DOMBROVSKIS Valdis	

Key events			
27/04/2022	Legislative proposal published	COM(2022)0195	Summary
05/05/2022	Committee referral announced in Parliament, 1st reading		

16/05/2022	Vote in committee, 1st reading		
16/05/2022	Committee report tabled for plenary, 1st reading	A9-0146/2022	
19/05/2022	Results of vote in Parliament		
19/05/2022	Decision by Parliament, 1st reading	T9-0208/2022	Summary
24/05/2022	Act adopted by Council after Parliament's 1st reading		
30/05/2022	Final act signed		
03/06/2022	Final act published in Official Journal		

Technical information

Procedure reference	2022/0138(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 159
Stage reached in procedure	Procedure completed
Committee dossier	INTA/9/08903

Documentation gateway

Legislative proposal	COM(2022)0195	27/04/2022	EC	Summary
Committee report tabled for plenary, 1st reading/single reading	A9-0146/2022	16/05/2022	EP	
Text adopted by Parliament, 1st reading/single reading	T9-0208/2022	19/05/2022	EP	Summary
Draft final act	00021/2022/LEX	30/05/2022	CSL	
Commission response to text adopted in plenary	SP(2022)461	26/07/2022	EC	

Final act

[Regulation 2022/870](#)
[OJ L 152 03.06.2022, p. 0103](#)

Temporary trade liberalisation supplementing trade concessions applicable to Ukrainian products under EU/Ukraine Association Agreement

PURPOSE: to introduce temporary and exceptional trade liberalisation measures in order to support and foster existing trade flows from Ukraine to the EU.

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: the unprovoked and unjustified military aggression by Russia against Ukraine since 24 February 2022 has seriously weakened Ukraine's ability to trade with the rest of the world, also due to the destruction of production capacities and the unavailability of many means of transport because of the closure of access to the Black Sea.

In order to mitigate the negative economic impact of the aggression, the development of closer economic relations between the EU and Ukraine must be accelerated in order to provide rapid support to the Ukrainian authorities and people in these exceptional circumstances.

The Commission therefore considers it necessary to stimulate trade flows and to grant 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 EU and Ukraine.

CONTENT: the proposed regulation introduces trade liberalisation measures in the form of the following three measures, which should apply for one year:

- temporary suspension of all outstanding tariffs under Title IV of the Association Agreement between the EU and Ukraine establishing a deep and comprehensive free trade area (DCFTA). This concerns three categories of products: (i) industrial products subject to duty phase out by the end of 2022; (ii) fruits and vegetables subject to the entry-price system; (iii) 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 (safeguard) with respect of imports originating in Ukraine.

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.

These measures 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.

Normal safeguard procedures would apply.

BUDGETARY IMPLICATION: based on an estimation according to the level of imports from Ukraine in 2021, the EU will see a loss of customs revenue corresponding to less than EUR 31 million annually. The loss of anti-dumping duties is estimated at EUR 34.6 million. This figure is very likely to be significantly lower as the level of imports from Ukraine has been affected by the conflict. Therefore, the impact on the EU's own resources will be very limited.

Temporary trade liberalisation supplementing trade concessions applicable to Ukrainian products under EU/Ukraine Association Agreement

The European Parliament adopted by 515 votes to 32, with 11 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.

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, both because of the destruction of production capacity and the unavailability of a significant proportion of means of transport due to the closure of access to the Black Sea.

Under such exceptional circumstances and to mitigate the negative economic impact of Russia's war of aggression against Ukraine, it is necessary to accelerate the development of closer economic relations between the Union and Ukraine in order to provide quick support to the Ukrainian authorities and population.

The European Parliament adopted its position at first reading under the ordinary legislative procedure by endorsing the Commission's proposal.

This measure aims to stimulate trade flows for all imports from Ukraine by suspending all customs and import duties due on Ukrainian products. The trade liberalisation measures would take the form of a complete elimination of import duties on all products.

Trade liberalisation measures

The proposed Regulation introduces trade liberalisation measures in the form of the following three measures, which should apply for one year:

- the temporary suspension of all customs duties due under Title IV of the Association Agreement between the EU and Ukraine establishing a deep and comprehensive free trade area. This measure concerns three categories of products: (i) industrial products subject to the phasing out of duties by the end of 2022; (ii) fruit and vegetables subject to the entry price system; (iii) agricultural products and processed agricultural products subject to tariff quotas;
- the temporary non-collection of anti-dumping duties on imports originating in Ukraine as from the date of entry into force of this Regulation; and
- the temporary suspension of the common rules for imports (safeguard) in the case of imports originating in Ukraine.

Conditions for entitlement to the preferential arrangements

The preferential arrangements provided for are 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, 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.

Should Ukraine fail to respect the general principles of the Association Agreement, the Commission may temporarily suspend the preferential arrangements established by this Regulation.

Safeguard clause

Subject to an investigation by the Commission, the Regulation provides for the possibility to reintroduce the customs duties otherwise applicable under the Association Agreement for imports of any products falling under the scope of this Regulation which cause, or threaten to cause, serious difficulties to Union producers of like or directly competing products.

The Regulation will enter into force on the day following its publication in the Official Journal of the European Union.