Procedure file



Key players Committee responsible Rapporteur Appointed **European Parliament** 24/01/2024 INTA International Trade epp KALNIETE Sandra Shadow rapporteur S&D **BELKA Marek** PAET Urmas GREGOROVÁ Markéta KRAH Maximilian ECR WASZCZYKOWSKI Witold Jan SCHOLZ Helmut Committee for opinion Rapporteur for opinion Appointed The committee decided not to BUDG Budgets give an opinion. AGRI Agriculture and Rural Development 13/02/2024 S&D **OLEKAS** Juozas

European Commission

Commission DG

Trade

Commissioner DOMBROVSKIS Valdis

Key events				
31/01/2024	Legislative proposal published	COM(2024)0050	Summary	
26/02/2024	Committee referral announced in Parliament, 1st reading			
07/03/2024	Vote in committee, 1st reading			
07/03/2024	Committee report tabled for plenary, 1st reading	<u>A9-0077/2024</u>		
13/03/2024	Decision by Parliament, 1st reading	<u>T9-0154/2024</u>	Summary	
13/03/2024	Matter referred back to the committee responsible			
09/04/2024	Approval in committee of the text agreed at 1st reading interinstitutional negotiations	PE761.015 GEDA/A/(2024)001979		
23/04/2024	Decision by Parliament, 1st reading	<u>T9-0304/2024</u>		

Technical information				
Procedure reference	2024/0028(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			
Stage reached in procedure	Awaiting Council's 1st reading position			
Committee dossier	INTA/9/14115			

Documentation gateway

Legislative proposal		COM(2024)0050	31/01/2024	EC	Summary
Committee draft report		PE758.861	09/02/2024	EP	
Amendments tabled in committee		PE759.640	23/02/2024	EP	
Committee opinion	AGRI	PE759.061	28/02/2024	EP	
Committee report tabled for plenary, 1st reading/single reading		<u>A9-0077/2024</u>	07/03/2024	EP	
Text adopted by Parliament, partial vote at 1st reading/single reading		<u>T9-0154/2024</u>	13/03/2024	EP	Summary
Coreper letter confirming interinstitutional agreement		GEDA/A/(2024)001979	08/04/2024	CSL	
Text agreed during interinstitutional negotiations		<u>PE761.015</u>	08/04/2024	EP	
Text adopted by Parliament, 1st reading/single reading		<u>T9-0304/2024</u>	23/04/2024	EP	

PURPOSE: to increase the trade flows concerning all imports from Ukraine by suspending all outstanding tariffs and import duties applied to 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: Russias unprovoked and unjustified war of aggression against Ukraine since 24 February 2022 has had a profound negative impact on Ukraines ability to trade with the rest of the world, because of the toll imposed on human lives, the need to focus on the defence of the territory, vast populations being displaced, the destruction of production capacity and the unavailability of a significant share of transport means due to the restriction of the access to the Black Sea. In this difficult context, 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.

Regulation (EU) 2023/1077 will be in force until 5 June 2024. These measures have proven to add flexibility and certainty for Ukrainian producers.

CONTENT: in view of Russias continuing war of aggression against Ukraine, the resulting need to continue to support Ukraine economically, and considering that Ukraine was granted EU candidate status in June 2022 and Accession Negotiations were opened in December 2023, the Commission is proposing a Regulation of the European Parliament and of the Council renewing these trade-liberalisation measures, which should apply for a period of one year as of the date the current measures expire (i.e. as of 6 June 2024).

This proposal provides for:

- the 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: (i) fruits and vegetables subject to the entry-price system; (ii) agricultural products and processed agricultural products subject to tariff-rate quotas;

- temporary suspension of the application of Chapter V and Article 24 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. In the same vein, 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.

Furthermore, the trade-liberalising measures contained in this proposal aim at ensuring that the Unions common commercial policy is conducted in the context of the principles and objectives of the Unions external action.

According to the proposal, a safeguard mechanism will apply on the basis of regular monitoring, allowing for any measure which is necessary to be imposed. The safeguard mechanism also includes an obligation for the Commission to take measures if imports of poultry, eggs, and sugar exceed the arithmetic mean of quantities imported in 2022 and 2023.

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 total estimated amount is thus EUR 33.4 million and therefore the impact on the EUs own resources will be very limited.

Temporary trade-liberalisation measures supplementing trade concessions applicable to Ukrainian products under the EU/Euratom/Ukraine Association Agreement

The European Parliament adopted by 347 votes to 117, with 99 abstentions, amendments to the proposal for a regulation 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.

The matter was referred back to the committee responsible for inter-institutional negotiations.

As a reminder, the proposal for a Regulation extends for a further year from their current expiry date (5 June 2024) the EU trade liberalisation measures in force for products from Ukraine, which were initially adopted in May 2022 and extended (a first time) in May 2023.

The proposal provides for the 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: fruits and vegetables subject to the entry-price system, and agricultural products and processed agricultural products which are subject to tariff-rate quotas.

The proposal introduces strengthened safeguard mechanisms to prevent and counteract adverse market effects in the EU Member States. For particularly sensitive products, namely poultry, eggs and sugar, the regulation introduces an automatic safeguard, which ensures that duty free

imports of those products will be capped at 2022-2023 levels.

With these amendments, Parliament wishes to introduce an automatic safeguard for wheat, barley, oats, maize, eggs, poultry, sugar and honey products that is activated if quantities imported pursuant to this Regulation exceed the arithmetic mean of quantities in 2021, 2022 and 2023.

The Commission, within 14 days (instead of 21) and after informing the Committee on Safeguards set up by Regulation (EU) 2015/478, could reintroduce the corresponding tariff quota for these products, suspended until 31 December 2024.

Transparency					
WASZCZYKOWSKI Witold Jan	Shadow rapporteur	INTA	21/02/2024	Ukrainian Agribusiness Club	
WASZCZYKOWSKI Witold Jan	Shadow rapporteur	INTA	21/02/2024	CIUS	
BELKA Marek	Shadow rapporteur	INTA	12/02/2024	Copa-Cogeca	
DECERLE Jérémy	Shadow rapporteur for opinion	AGRI	07/02/2024	Association Générale des Producteurs de Maïs	
BERNHUBER Alexander	Member	19/02/2024	Landwirtschaftskammer Österreich Copa-Cogeca		
WINZIG Angelika	Member	19/02/2024	Landwirtschaftskammer Österreich		