



Procedure file

Basic information	
<p>COD - Ordinary legislative procedure (ex-codecision procedure) Regulation</p> <p>2022/0188(COD)</p>	Procedure completed
<p>Temporary trade-liberalisation measures supplementing trade concessions applicable to Moldovan products under the EU/Euratom/Moldova Association Agreement</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>Moldova</p>	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 International Trade	 GREGOROVÁ Markéta	16/06/2022
Council of the European Union			

Key events			
09/06/2022	Legislative proposal published	COM(2022)0288	Summary
22/06/2022	Committee referral announced in Parliament, 1st reading		
30/06/2022	Vote in committee, 1st reading		
01/07/2022	Committee report tabled for plenary, 1st reading	A9-0201/2022	
05/07/2022	Decision by Parliament, 1st reading	T9-0273/2022	Summary
11/07/2022	Act adopted by Council after Parliament's 1st reading		
18/07/2022	Final act signed		
22/07/2022	Final act published in Official Journal		

Technical information	
Procedure reference	2022/0188(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/9/09273

Documentation gateway					
Legislative proposal		COM(2022)0288	09/06/2022	EC	Summary
Committee draft report		PE734.083	28/06/2022	EP	
Committee report tabled for plenary, 1st reading/single reading		A9-0201/2022	01/07/2022	EP	
Text adopted by Parliament, 1st reading/single reading		T9-0273/2022	05/07/2022	EP	Summary
Draft final act		00029/2022/LEX	18/07/2022	CSL	

Final act
Regulation 2022/1279 OJ L 195 22.07.2022, p. 0006

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

PURPOSE: to increase trade flows from Moldova by granting additional tariff-free imports into the Union for Moldovan agricultural products, taking into account the crisis situation in Moldova following the Russian invasion of Ukraine.

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 military aggression against Ukraine since 24 February 2022 has had a profoundly negative impact on Moldova's ability to trade with the rest of the world. In this difficult context, Moldova has asked the EU to ensure as much as possible the conditions for Moldova to reorient its trade with the rest of the world towards the EU and to further deepen its trade relations with the Union.

In order to mitigate the negative effects on the Moldovan economy, it is necessary to increase the degree of market liberalisation, in particular for agricultural products subject to annual duty-free tariff quotas under Annex XV-A of the Association Agreement between the EU and Moldova establishing a deep and comprehensive free trade area.

CONTENT: the Commission is proposing a regulation to introduce temporary trade liberalisation measures for a period of one year with a view to increasing the degree of market liberalisation, in particular with regard to seven agricultural products which are usually subject to annual duty-free tariff quotas.

Under Annex XV-A of the Association Agreement, seven agricultural products from Moldova are subject to TRQs. These products are: tomatoes, garlic, table grapes, apples, cherries, plums and grape juice. Two of these products (plums and table grapes) were exported by Moldova in large volumes to third markets, in particular to Russia, Belarus and Ukraine.

For these products, it is appropriate to introduce additional duty-free quotas to temporarily support the redirection to the Union, if needed, of the sales volumes originally directed to those markets. For the remaining products (tomatoes, garlic, apples, cherries and grape juice), the newly introduced quotas would consist of an additional duty-free volume of the same size as the one foreseen in the Association Agreement.

These temporary and exceptional measures will support and foster the existing trade flows from Moldova to the Union and support Moldovas economy.

The trade-liberalisation 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 essential elements of the Agreement the respect for democratic principles, human rights and fundamental freedoms as well as the countering of the proliferation of weapons of mass destruction, related materials and their means of delivery.

The Parties commit in particular to the general principles of respect for the principle of the rule of law and good governance, the fight against corruption, criminal activities, organised or otherwise, including those of transnational character, and terrorism, and the respect for the principles of sustainable development and effective multilateralism.

Furthermore, the trade-liberalisation 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.

Based on an estimation according to the level of imports from Moldova in 2021, the European Union will see a loss of customs revenue corresponding to around EUR 0.3 million annually. Therefore, the impact on the EUs own resources will be very limited.

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

The European Parliament adopted by 572 votes to 28, with 32 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council on temporary trade-liberalisation measures supplementing trade concessions applicable to Moldovan products under the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and the Republic of Moldova, of the other part.

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

The proposal aims to introduce temporary trade liberalisation measures for a period of one year, with a view to increasing the degree of market liberalisation, in particular as regards seven agricultural products which are usually subject to annual duty-free tariff quotas.

Seven products are concerned, notably: tomatoes, garlic, table grapes, apples, cherries, plums and grape juice. Two of these products (plums and table grapes) were exported by Moldova in large volumes to third markets, in particular to Russia, Belarus and Ukraine

Additional duty-free quotas

The regulation provides for additional duty-free quotas in order to temporarily redirect trade to the EU and to provide Moldova with an accessible market.

The duties for plums and table grapes should be increased to the volume originally intended for third markets. For the remaining products (tomatoes, garlic, apples, cherries and grape juice), the newly introduced duty-free tariff-rate quotas would consist of an additional duty-free volume of the same size as the one provided for in the Association Agreement.

Conditions for entitlement to the trade-liberalisation measures

The trade-liberalisation measures 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;
- Moldova'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
- Moldova's respect for democratic principles, human rights and fundamental freedoms as well as the countering of the proliferation of weapons of mass destruction, related materials and their means of delivery, respect for the principles of the rule of law and good governance, fight against corruption, criminal activities, organised or otherwise, including those of transnational character, and terrorism, and respect for the principles of sustainable development and effective multilateralism.

Where the Commission finds that there is sufficient evidence that Moldova has failed to meet the above conditions, it may, by means of an implementing act, suspend in whole or in part the trade liberalisation measures provided for in the Regulation.

Safeguard clause

Subject to an investigation by the Commission, the Regulation provides for the possibility to suspend temporarily the trade-liberalisation measures referred to in this Regulation with regard to one or more 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.

In examining whether serious difficulties to Union producers of like or directly competing products, the Commission should take account, among other things, of the following factors concerning Union producers, where relevant information is available: (i) market share, (ii) production, (iii) stocks, (iv) production capacity, (v) capacity utilisation, (vi) employment, (vii) imports, (viii) prices.