Procedure file

Basic information

COD - Ordinary legislative procedure (ex-codecision procedure)

2024/0029(COD)

Awaiting Council's 1st reading position

Regulation

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

Subject

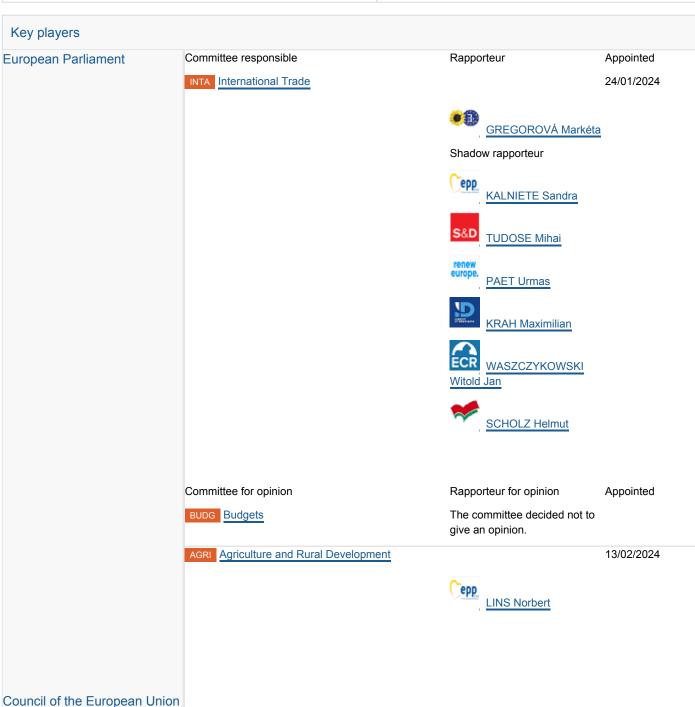
6.20.03 Bilateral economic and trade agreements and relations

6.40.15 European neighbourhood policy

8.20.01 Candidate countries

Geographical area

Moldova



Key events				
31/01/2024	Legislative proposal published	COM(2024)0051	Summary	
26/02/2024	Committee referral announced in Parliament, 1st reading			
07/03/2024	Vote in committee, 1st reading			
08/03/2024	Committee report tabled for plenary, 1st reading	A9-0079/2024		
13/03/2024	Decision by Parliament, 1st reading	T9-0155/2024		

Technical information				
Procedure reference	2024/0029(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	Awaiting Council's 1st reading position			
Committee dossier	INTA/9/14112			

Documentation gateway								
Legislative proposal		COM(2024)0051	31/01/2024	EC	Summary			
Committee draft report		PE759.004	13/02/2024	EP				
Amendments tabled in committee		PE759.641	20/02/2024	EP				
Specific opinion	AGRI	PE759.088	27/02/2024	EP				
Committee report tabled for plenary, 1st reading/single reading		A9-0079/2024	08/03/2024	EP				
Text adopted by Parliament, 1st reading/single reading		<u>T9-0155/2024</u>	13/03/2024	EP				

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

PURPOSE: to increase the trade flows concerning all imports from Moldova by suspending all outstanding tariffs and import duties applied to Moldovan 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 profoundly negative impact on the ability of the Republic of Moldova to trade with the rest of the world, in particular because exports from the Republic of Moldova relied on transit via Ukrainian territory and on Ukrainian infrastructure, which are currently largely unavailable.

Under such critical circumstances, and to mitigate the negative effects on Moldovas economy of Russias war of aggression against Ukraine, it is necessary to accelerate the development of closer economic relations between the Union and Moldova and to provide continued support to Moldovas economy.

Regulation (EU) 2023/1524 of the European Parliament and of the Council will remain in force until 24 July 2024. These measures have provided flexibility and certainty for Moldovan producers and have further deepened Moldovas trade relations with the EU and supported its

economy. However, the situation remains extremely challenging and therefore Moldova has asked the EU to retain the current conditions to enable the country to continue its trade with the EU and with the rest of the world via the EU.

CONTENT: given Russias continued war of aggression against Ukraine and the ongoing impact on Moldova, and considering that Moldova was granted EU candidate status in June 2022 and Accession Negotiations were opened in December 2023, the Commission proposes a Regulation of the European Parliament and of the Council that will renew these trade-liberalisation measures for a period of one year as of the date the current measures expire (i.e. as of 25 July 2024).

The measures should take the form of a temporary suspension of all outstanding tariffs under Title V of the Association Agreement. This concerns fruits and vegetables subject to the entry-price system and seven agricultural products subject to tariff-rate quotas (tomatoes, garlic, table grapes, apples, cherries, plums and grape juice).

Through these measures the Union will deepen economic integration between Moldova and the Union and temporarily provide appropriate economic support to the benefit of the Republic of Moldova and the economic operators that are affected by Russias war of aggression against Ukraine.

The trade-liberalisation measures set out in this proposal for a Regulation are in line with the Association Agreement which commits to respecting democratic principles, human rights and fundamental freedoms as well as to countering the proliferation of weapons of mass destruction, related materials and their means of delivery.

In addition, under the same Article, the Parties commit in particular to respecting the rule of law and good governance, the fight against corruption, criminal activities, organised or otherwise, including those of transnational character, and terrorism, as well as the principles of sustainable development and effective multilateralism. The trade-liberalisation measures themselves would need, as a prerequisite, to respect these essential elements and general principles.

The trade-liberalisation measures outlined in this proposal aim to ensure that the EUs common commercial policy is conducted in line with the principles and objectives of the EUs 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.

Budgetary implications

According to an estimate based on Moldovas imports of the products concerned in 2021, which was the last year before autonomous trade measures were introduced, the EU will see a loss of customs revenue corresponding to around EUR 0.3 million per year. Therefore, the impact on the EUs own resources will be very limited.