

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

2014/0279(COD) - 29/10/2014 - Final act

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.