

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

2024/0029(COD) - 31/01/2024 - Legislative proposal

**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:** Russia's 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 Moldova's economy of Russia's 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 Moldova's 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 Moldova's 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 Russia's 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 Russia's 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 EU's common commercial policy is conducted in line with the principles and objectives of the EU's 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 Moldova's 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 EU's own resources will be very limited.