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

2024/0028(COD) - 29/05/2024 - Final act

PURPOSE: to extend the suspension of import duties and quotas on Ukrainian exports to the EU.

LEGSLATIVE ACT: Regulation (EU) 2024/1392 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.

CONTENT: the regulation provides for the extension of the suspension of import duties and quotas on Ukrainian agricultural products for a further year, **until 5 June 2025**, in order to support the country in the context of Russia's war of aggression. The regulation concerns the continued suspension of all customs duties and quotas under Title IV of the Association Agreement between the EU and Ukraine (deep and comprehensive FTA).

Temporary trade-liberalisation measures

The temporary trade-liberalisation measures established by this regulation should take the following form: (i) the suspension of the application of the entry price system to fruit and vegetables; (ii) the suspension of tariff-rate quotas and import duties; and (iii) the suspension of the application of Chapter V and Article 24 of Regulation (EU) 2015/478 of the European Parliament and of the Council on temporary trade-liberalisation measures. Through those measures, the Union will, in effect, temporarily provide appropriate economic and financial support to the benefit of Ukraine and the economic operators that are affected.

The **conditions** for entitlement to the preferential arrangements are as follows:

- compliance by Ukraine with the rules of origin of products and the procedures related thereto as provided for in the Association Agreement;

- Ukraine’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 on trade with the Union, including discriminatory internal administrative measures, unless clearly justified in the war context; and

- Ukraine’s respect for democratic principles, human rights and fundamental freedoms and respect for the principle of the rule of law as well as continued and sustained efforts with regard to the fight against corruption, and illegal activities.

Safeguard mechanisms

The regulation includes two safeguard mechanisms to protect the EU market:

- a strengthened version of the existing mechanism, which will apply on the basis of regular monitoring, allowing the Commission to impose any measure provided that specific conditions are met;

- a new, automatic **safeguard mechanism** which will oblige the Commission to reintroduce tariff-rate quotas if imports of **poultry, eggs, sugar, oats, maize, groats and honey** exceed the arithmetic mean of quantities imported in the second half of 2021, 2022 and 2023. The time period for activation of the automatic safeguard has been shortened from 21 to 14 days.

The Commission commits to **enhancing the monitoring of imports of grain, in particular wheat**, and using the tools at its disposal in the event of market disruptions, as well as a commitment to take the necessary steps under the Association Agreement with Ukraine, as soon as the new ATMs are adopted, to pursue, through consultations with Ukraine, the process of reciprocal tariff liberalisation.

ENTRY INOT FORCE: 6.6.2024. The regulation will apply until 5.5.2025.