

Basic information**2023/0144(COD)**COD - Ordinary legislative procedure (ex-codecision procedure)
Regulation

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

Subject6.20.03 Bilateral economic and trade agreements and relations
6.40.15 European neighbourhood policy
8.20.01 Candidate countries**Geographical area**

Moldova

Procedure completed

Key players

| | | | |
|-------------------------------|---------------------------------|--|------------------|
| European Parliament | Committee responsible | Rapporteur | Appointed |
| | INTA International Trade | GREGOROVÁ Markéta (Greens/EFA) | 27/04/2023 |
| | | Shadow rapporteur KALNIETE Sandra (EPP) TUDOSE Mihai (S&D) PAET Urmas (Renew) WASZCZYKOWSKI Witold Jan (ECR) KRAH Maximilian (ID) SCHOLZ Helmut (The Left) | |
| | Committee for opinion | Rapporteur for opinion | Appointed |
| | BUDG Budgets | The committee decided not to give an opinion. | |
| Council of the European Union | | | |
| European Commission | Commission DG | Commissioner | |
| | Trade and Economic Security | DOMBROVSKIS Valdis | |

| Key events | | | |
|------------|---|---|-------------------------|
| Date | Event | Reference | Summary |
| 02/05/2023 | Legislative proposal published | COM(2023)0245 | Summary |
| 08/05/2023 | Committee referral announced in Parliament, 1st reading | | |
| 27/06/2023 | Vote in committee, 1st reading | | |
| 28/06/2023 | Committee report tabled for plenary, 1st reading | A9-0219/2023 | Summary |
| 11/07/2023 | Decision by Parliament, 1st reading | T9-0252/2023 | Summary |
| 11/07/2023 | Results of vote in Parliament |  | |
| 20/07/2023 | Act adopted by Council after Parliament's 1st reading | | |
| 20/07/2023 | Final act signed | | |
| 24/07/2023 | Final act published in Official Journal | | |

| Technical information | |
|----------------------------|--|
| Procedure reference | 2023/0144(COD) |
| Procedure type | COD - Ordinary legislative procedure (ex-codecision procedure) |
| Procedure subtype | Legislation |
| Legislative instrument | Regulation |
| Legal basis | Treaty on the Functioning of the European Union TFEU 207-p2 |
| Other legal basis | Rules of Procedure EP 165 |
| Stage reached in procedure | Procedure completed |
| Committee dossier | INTA/9/11960 |

| Documentation gateway | | | | |
|---|--------------------------------|------------------------------|------------|-------------------------|
| European Parliament | | | | |
| Document type | Committee | Reference | Date | Summary |
| Committee draft report | | PE747.012 | 05/05/2023 | |
| Committee report tabled for plenary, 1st reading/single reading | | A9-0219/2023 | 28/06/2023 | Summary |
| Text adopted by Parliament, 1st reading/single reading | | T9-0252/2023 | 11/07/2023 | Summary |
| Council of the EU | | | | |
| Document type | Reference | Date | Summary | |
| Draft final act | 00032/2023/LEX | 20/07/2023 | | |
| European Commission | | | | |
| Document type | Reference | Date | Summary | |

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|----------------------|---------------|------------|---------|
| Legislative proposal | COM(2023)0245 | 02/05/2023 | Summary |
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| Additional information | | |
|------------------------|----------|------|
| Source | Document | Date |
| European Commission | EUR-Lex | |

Meetings with interest representatives published in line with the Rules of Procedure

Rapporteurs, Shadow Rapporteurs and Committee Chairs

| Transparency | | | | |
|-----------------|----------------------|-----------|------------|---|
| Name | Role | Committee | Date | Interest representatives |
| TUDOSE Mihai | Shadow rapporteur | INTA | 06/06/2023 | Ion Cantea - Attaché at the Ministry of Foreign Affairs and European Integration of the Republic of Moldova |

| Final act |
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| Regulation 2023/1524 OJ L 185 24.07.2023, p. 0001 |

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

2023/0144(COD) - 02/05/2023 - Legislative proposal

PURPOSE: to increase trade flows for all imports from Moldova by suspending all customs 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: the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Moldova, of the other part constitutes the basis of the relationship between the Union and Moldova.

Russia's unprovoked and unjustified war of aggression against Ukraine since 24 February 2022 had a profoundly negative impact on the ability of Moldova to trade with the rest of the world, notably because Moldova's exports relied for that trade on transit via Ukrainian territory and on Ukrainian infrastructure, which are still largely unavailable.

To mitigate the negative effects on Moldova's economy, it is necessary to:

- **accelerate the development of closer economic relations between the Union and Moldova** and to provide quick support to Moldova's economy under these critical circumstances;

- **continue to stimulate trade flows and grant concessions in the form of trade-liberalisation measures** for all products, in line with the acceleration of the elimination of customs duties on trade between the Union and Moldova.

CONTENT: given Russia's continued military aggression against Ukraine and the ongoing impact on Moldova, and considering that Moldova was granted EU candidate status in June 2022, the Commission is proposing a Regulation of the European Parliament and of the Council that will renew these trade-liberalisation measures for a period of 1 year as of the date the current measures expire (i.e. as of 25 July 2023). 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 to tariff-rate quotas.

Under Annex XV-A of the Association Agreement, seven agricultural products from Moldova are subject to tariff-rate quotas. These are: tomatoes, garlic, table grapes, apples, cherries, plums and grape juice. For all these products, it is appropriate to **suspend all tariffs and the entry-price system** to temporarily support the redirection of the export of these products to the EU.

The trade-liberalisation measures set out in this proposal for a Regulation are in line with Article 2 of the Association Agreement which commits to respecting democratic principles, human rights and fundamental freedoms, as well as the fight against the proliferation of weapons of mass destruction, related materials and their means of delivery.

Trade liberalisation measures themselves would be subject to compliance with these essential elements and general principles.

In addition, the trade liberalisation measures contained in the proposal aim to ensure that the Union's common commercial policy is conducted in accordance with the principles and objectives of the Union's external action human rights and fundamental freedoms as well as to countering the proliferation of weapons of mass destruction, related materials and their means of delivery. The trade-liberalisation measures themselves would need, as a prerequisite, to respect these essential elements and general principles.

Furthermore, 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 set out in Article 21 of the Treaty on European Union (TEU).

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.

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

2023/0144(COD) - 28/06/2023 - Committee report tabled for plenary, 1st reading/single reading

The Committee on International Trade adopted the report by Markéta GREGOROVÁ (Greens/EFA, CZ) on the proposal for a regulation of the European Parliament and of the Council on temporary trade liberalisation measures additional to the 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 committee responsible recommended that the European Parliament adopt its position at first reading in accordance with the ordinary legislative procedure by **taking over** the Commission's proposal.

In the context of the Russian military aggression against Ukraine, the European Parliament and the Council adopted Regulation (EC) No 2022/1279 in 2022, which introduced temporary trade liberalisation measures to supplement the trade concessions applicable to products from Moldova under the EU-Moldova Association Agreement.

The purpose of this legislative proposal is to renew and extend these trade liberalisation measures for a period of one year from the date of expiry of the current measures (25 July 2023). Under the proposed regulation, all outstanding tariffs under Title V of the Association Agreement will be suspended. This concerns fruits and vegetables subject to the entry-price system and to tariff-rate quotas, namely tomatoes, garlic, table grapes, apples, cherries, plums and grape juice.

The proposal also includes an expedited safeguard mechanism that can be activated in order to protect the Union market in case of adverse effects.

These temporary and exceptional measures will facilitate and support the existing trade flows from Moldova to the Union and help Moldova's economy.

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

2023/0144(COD) - 11/07/2023 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 577 votes to 36, with 18 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council on temporary trade liberalisation measures additional to the 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 taking over the Commission's proposal.

Russia's war of aggression against Ukraine, which has been ongoing since 24 February 2022, has 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 rely on transit via Ukrainian territory and using 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, the regulation proposes to **renew and extend these trade liberalisation measures for a period of one year** from the date of expiry of the current measures (25 July 2023).

Under the proposed regulation, **all outstanding tariffs under Title V of the Association Agreement will be suspended**. This concerns fruits and vegetables subject to the entry-price system and to tariff-rate quotas, namely tomatoes, garlic, table grapes, apples, cherries, plums and grape juice.

Trade liberalisation measures are subject to the following conditions:

- Moldova's compliance with the rules of origin of products and the related procedures set out in the Association Agreement;
- Moldova abstaining from introducing new duties or charges having equivalent effect or new quantitative restrictions or measures having equivalent effect for imports originating in the Union, from increasing the levels of existing duties or charges or introducing any other restrictions, including discriminatory internal administrative measures, unless clearly justified in the context of Russia's war of aggression against Ukraine; and
- Moldova's respect for **democratic principles, human rights and fundamental freedoms**, as well as the fight against 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, the fight against corruption, organised and unorganised crime, including transnational crime, and terrorism, and respect for the principles of sustainable development and effective multilateralism as provided for in the Association Agreement.

The regulation also includes an **expedited safeguard mechanism** that can be activated in order to protect the Union market in case of adverse effects.

These temporary and exceptional measures will facilitate and support the existing trade flows from Moldova to the Union and help Moldova's economy.

Considering the economic situation in the Republic of Moldova, the regulation should, as a matter of urgency, enter into force on 25 July 2023.