



Trade Committee backs plan to remove EU tariffs on imports from Ukraine

Committees Committee on International Trade [20-03-2014 - 11:06]

About 98% of the customs duties that Ukrainian goods exporters pay at EU borders would be removed by a proposal backed by the European Parliament's International Trade Committee on Thursday. This unilateral measure would boost Ukraine's struggling economy by saving its manufacturers and exporters €487 million a year.

„Parliament and other EU institutions should lose no time in passing this law, given the urgency of the situation in Ukraine. Ukraine's new government needs strong and immediate EU help to fight off external pressures and to overcome economic and financial hardships”, said rapporteur MEP Pawel Zalewski (EPP, PL). Trade MEPs backed his proposal by 22 votes to 2, with 1 abstentions by not proposing any amendments to Commission's proposal.

Unilateral – but not without safeguards

This unilateral trade preference measure would not require Ukraine to reciprocate by removing its own customs duties on imports from the EU, but would require it not to raise them.

EU imports from Ukraine would still have to comply with EU rules on origin labelling and the Ukrainian authorities would have to ensure that third country goods do not enter the EU via Ukraine, disguised as Ukrainian products.

The proposal also includes a „safeguard clause” which entitles the EU right to reimpose tariffs if imports from Ukraine flood the EU market in volumes that cause or threaten to cause serious difficulties to EU producers of the same goods.

Timing and „the full deal”

The trade preference measure would apply from the date when it is finally approved until 1 November 2014, or until the EU-Ukraine association agreement, including a deep and comprehensive trade deal, enters into force.

In effect, this measure would give Ukraine the same terms of access to the EU market as it would have under the full trade deal.

Next steps

The proposal has yet to be backed by the full House in the first plenary of April. According to estimated legislative procedure calendar, the trade preferences should become effective already in May this year.

Procedure: Co-decision, 1st reading

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