



EUROPEAN PARLIAMENT

2009 - 2014

Plenary sitting

31.3.2014

A7-0238/2014/err01

ADDENDUM

to the report

on the proposal for a regulation of the European Parliament and of the Council on the reduction or elimination of customs duties on goods originating in Ukraine
(COM(2014)0166 – C7-0103/2014 – 2014/0090(COD))

Committee on International Trade

Rapporteur: Paweł Zalewski
A7-0238/2014

The draft EP position after legal-linguistic finalisation by Parliament and Council services should read:

**REGULATION (EU) No .../2014
OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

of ...

on the reduction or elimination of customs duties on goods originating in Ukraine

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 207(2) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Acting in accordance with the ordinary legislative procedure¹,

¹ Position of the European Parliament of ...

Whereas:

- (1) Ukraine is a priority partner country within the European Neighbourhood Policy and the Eastern Partnership. The Union has been seeking an increasingly close relationship with Ukraine going beyond mere bilateral cooperation, encompassing gradual progress towards political association and economic integration. In this respect, an Association Agreement between the European Union and its Member States, of the one part, and Ukraine, of the other part ('the Association Agreement') was negotiated in 2007-2011, including a Deep and Comprehensive Free Trade Area (DCFTA), and was initialed by both parties on 30 March 2012. Pursuant to 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.

- (2) In view of the unprecedented security, political and economic challenges faced by Ukraine, and in order to support its economy, it is appropriate not to await the entry into force of the Association Agreement's provisions on DCFTA, but to anticipate its implementation by means of autonomous trade preferences and to start unilaterally the reduction or elimination of Union customs duties on goods originating in Ukraine, in accordance with the Schedule of concessions set out in Annex IA to the Association Agreement.
- (3) In order to prevent any risk of fraud, the entitlement to benefit from autonomous trade preferences should be conditional on compliance by Ukraine with the relevant rules of origin of products and the procedures related thereto, as well as on its involvement in effective administrative cooperation with the Union. Moreover, Ukraine should abstain from introducing new duties or charges having equivalent effect or new quantitative restrictions or measures having equivalent effect for imports originating in the Union, or from increasing existing levels of duties or charges or from introducing any other restrictions.

- (4) It is necessary to provide for the reintroduction of normal Common Customs Tariff duties for any products which cause, or threaten to cause, serious difficulties to Union producers of like or directly competing products, subject to an investigation by the Commission.
- (5) In the event of failure to comply with any of the conditions laid down in this Regulation, implementing powers should be conferred on the Commission to suspend temporarily in whole or in part the preferential arrangements. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council¹.
- (6) This Regulation is to be applied until Title IV (trade and trade-related matters) of the Association Agreement enters into force or, where appropriate, is applied provisionally, and until 1 November 2014 at the latest.
- (7) In view of the urgency of the matter, it is important to apply an exception to the eight-week period referred to in Article 4 of Protocol No 1 on the role of national Parliaments in the European Union, annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union,

HAVE ADOPTED THIS REGULATION:

¹ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

Article 1
Preferential arrangements

Customs duties on goods originating in Ukraine shall be reduced or eliminated in accordance with Annex I.

Article 2
Conditions for entitlement to the preferential arrangements

Entitlement to benefit from the preferential arrangements introduced by Article 1 shall be subject to:

- (a) compliance with the rules of origin of products and the procedures related thereto as provided for in Title IV, Chapter 2, section 2 of Commission Regulation (EEC) No 2454/93¹;
- (b) compliance with the methods of administrative cooperation provided for in Articles 121 and 122 of Regulation (EEC) No 2454/93;
- (c) participation by Ukraine in effective administrative cooperation with the Union in order to prevent any risk of fraud;

¹ Commission Regulation (EEC) No 2454/93 of 2 July 1993 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code (OJ L 253, 11.10.1993, p. 1).

- (d) abstention by Ukraine from introducing new duties or charges having equivalent effect and new quantitative restrictions or measures having equivalent effect for imports originating in the Union, or from increasing existing levels of duties or charges or from introducing any other restrictions from ...⁺.

Article 3

Access to tariff quotas

1. The products listed in Annexes II and III shall be admitted for import into the Union within the limits of Union tariff quotas as set out in those Annexes.
2. The tariff quotas referred to in paragraph 1 of this Article shall be administered by the Commission in accordance with Articles 308a, 308b and 308c of Regulation (EEC) No 2454/93, with the exception of the tariff quotas for specific agricultural products referred to in Annex III to this Regulation.
3. Tariff quotas for specific agricultural products referred to in Annex III to this Regulation shall be administered by the Commission pursuant to the rules laid down in accordance with Article 184 of Regulation (EU) No 1308/2013 of the European Parliament and of the Council¹.

⁺ OJ: please insert the date of entry into force of this Regulation

¹ Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 (OJ L 347, 20.12.2013, p. 671).

Article 4
Temporary suspension

Where it finds that there is sufficient evidence of failure to comply with the conditions set out in Article 2, the Commission may adopt implementing acts in order to suspend temporarily in whole or in part the preferential arrangements provided for in this Regulation. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 6(2).

Article 5
Safeguard clause

Where imports of a product originating in Ukraine and included in Annex I to this Regulation cause or threaten to cause serious difficulties to Union producers of like or directly competing products, the Commission may reintroduce the normal Common Customs Tariff duties with regard to such imports subject to the conditions and in accordance with the procedures laid down in Articles 11 and 11a of Council Regulation (EC) No 55/2008¹ which shall apply *mutatis mutandis*.

¹ Council Regulation (EC) No 55/2008 of 21 January 2008 introducing autonomous trade preferences for the Republic of Moldova and amending Regulation (EC) No 980/2005 and Commission Decision 2005/924/EC (OJ L 20, 24.1.2008, p. 1).

Article 6
Committee procedure

1. For the implementation of Article 3(2) and Article 4 of this Regulation, the Commission shall be assisted by the Customs Code Committee established by Article 248a of Council Regulation (EEC) No 2913/92¹. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.
2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

¹ Council Regulation (EEC) No 2913/92 of 12 October 1992 establishing the Community Customs Code (OJ L 302, 19.10.1992, p. 1).

Article 7

Entry into force and application

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

It shall apply until Title IV of the Association Agreement enters into force or, where appropriate, is applied provisionally, and until 1 November 2014 at the latest. The Commission shall publish in the *Official Journal of the European Union* a notice in the event that this Regulation ceases to apply before that date.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at ...,

For the European Parliament

For the Council

The President

The President

ANNEX I

Tariff schedules of EU

(The text of the Annex is not reproduced here due to its length. For that text, please refer to the Commission proposal COM(2014)0166).

ANNEX II

Notwithstanding the rules for the interpretation of the Combined Nomenclature, the wording of the description of the products is to be considered as having no more than an indicative value, the scope of the preferential scheme being determined, within the context of this Annex, by CN codes as they exist on ...*.

Order No	CN code	Description of goods	Quota period From entry into force of this Regulation until 1.11.2014	Annual quota volume (in tonnes net weight unless otherwise specified)
09.3050	0204 22 50 0204 22 90	Sheep legs, other cuts with bone in (excluding carcasses and half carcasses, short forequarters and chines and/or best ends), fresh or chilled		1 500
	0204 23	Boneless meat of sheep, fresh or chilled		
	0204 42 30 0204 42 50 0204 42 90	Frozen cuts of sheep, with bone in (excluding carcasses and half- carcasses, and short forequarters)		
	0204 43 10 0204 43 90	Frozen meat of lamb, boneless frozen meat of sheep, boneless		

* OJ: please insert the date of entry into force of this Regulation.

Order No	CN code	Description of goods	Quota period From entry into force of this Regulation until 1.11.2014	Annual quota volume (in tonnes net weight unless otherwise specified)
09.3051	0409	Natural honey		5 000
09.3052	1701 12	Raw beet sugar not containing added flavouring or colouring matter		20 070
	1701 91 1701 99	Other sugar than raw sugar		
	1702 20 10	Maple sugar in solid form, containing added flavouring or colouring matter		
	1702 90 30	Isoglucose in solid form, containing in the dry state 50 % by weight of fructose		
	1702 90 50	Maltodextrine in solid form and maltodextrine syrup, containing in the dry state 50 % by weight of fructose		
	1702 90 71 1702 90 75 1702 90 79	Caramel		
	1702 90 80	Inulin syrup		
	1702 90 95	Other sugars, including invert sugar and other sugar and sugar syrup blends containing in the dry state 50 % by weight of fructose		

Order No	CN code	Description of goods	Quota period From entry into force of this Regulation until 1.11.2014	Annual quota volume (in tonnes net weight unless otherwise specified)
09.3053	1702 30 1702 40 1702 60	Glucose and glucose syrup, not containing fructose or containing in the dry state less than 50 % by weight of fructose, excluding invert sugar Other fructose and fructose syrup, containing in the dry state more than 50 % by weight of fructose, excluding invert sugar		10 000
09.3054	2106 90 30 2106 90 55 2106 90 59	Flavoured or coloured isoglucose syrups Flavoured or coloured glucose syrup and maltodextrine syrup Flavoured or coloured sugar syrups (excl. isoglucose, lactose, glucose and maltodextrine syrups)		2 000

Order No	CN code	Description of goods	Quota period From entry into force of this Regulation until 1.11.2014	Annual quota volume (in tonnes net weight unless otherwise specified)
09.3055	Ex 1103 19 20	Barley groats		6 300
	1103 19 90	Groats and meals of cereals (excl. wheat, rye, oats, maize, rice and barley)		
	1103 20 90	Cereal pellets (excl. wheat, rye, oats, maize, rice and barley)		
	1104 19 10	Rolled or flaked wheat grains		
	1104 19 50	Rolled or flaked maize grains		
	1104 19 61	Rolled barley grains		
	1104 19 69	Flaked barley grains		
1104 29	Worked grains (for example, hulled, pearled, sliced or kibbled), other than of oats, of rye or of maize			
1104 30	Germ of cereals, whole, rolled, flaked or ground			
09.3056	1107	Malt, whether or not roasted		7 000
	1109	Wheat gluten, whether or not dried		

Order No	CN code	Description of goods	Quota period From entry into force of this Regulation until 1.11.2014	Annual quota volume (in tonnes net weight unless otherwise specified)
09.3057	1108 11	Wheat starch		10 000
	1108 12	Maize starch		
	1108 13	Potato starch		
09.3058	3505 10 10	Dextrins and other modified starches (excl. starches, esterified or etherified)		1 000
	3505 10 90			
	3505 20 30	Glues containing, by weight, 25 % or more of starches or dextrins or other modified starches		
	3505 20 50			
3505 20 90				

Order No	CN code	Description of goods	Quota period From entry into force of this Regulation until 1.11.2014	Annual quota volume (in tonnes net weight unless otherwise specified)
09.3059	2302 10 2302 30 2302 40 10 2302 40 90 2303 10 11	Bran, sharps and other residues, whether or not in the form of pellets, derived from the sifting, milling or other working of cereals (excl. those of rice) Residues from the manufacture of starch from maize (excluding concentrated steeping liquors), of a protein content, calculated on the dry product exceeding 40 % by weight		16 000
09.3060	0711 51 2003 10	Mushrooms of the genus <i>Agaricus</i> provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption Mushrooms of the genus <i>Agaricus</i> , prepared or preserved otherwise than by vinegar or acetic acid		500

Order No	CN code	Description of goods	Quota period From entry into force of this Regulation until 1.11.2014	Annual quota volume (in tonnes net weight unless otherwise specified)
09.3061	0711 51	Mushrooms of the genus <i>Agaricus</i> provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption		500
09.3062	2002	Tomatoes prepared or preserved otherwise than by vinegar or acetic acid		10 000

Order No	CN code	Description of goods	Quota period From entry into force of this Regulation until 1.11.2014	Annual quota volume (in tonnes net weight unless otherwise specified)
09.3063	2009 61 90	Grape juice (including grape must), of a Brix value not exceeding 30, of a value exceeding 18 EUR per 100 kg net weight		10 000
	2009 69 11	Grape juice (including grape must), of a Brix value exceeding 67, of a value not exceeding 22 EUR per 100 kg net weight		
	2009 69 71 2009 69 79 2009 69 90	Grape juice (including grape must), of a Brix value exceeding 30 but not exceeding 67, of a value not exceeding 18 EUR per 100 kg net weight		
	2009 71 2009 79	Apple juice		

Order No	CN code	Description of goods	Quota period From entry into force of this Regulation until 1.11.2014	Annual quota volume (in tonnes net weight unless otherwise specified)
09.3064	0403 10 51 0403 10 53 0403 10 59 0403 10 91 0403 10 93 0403 10 99 0403 90 71 0403 90 73 0403 90 79 0403 90 91 0403 90 93 0403 90 99	Butter milk, curdled milk and cream, yogurt, kephir and other fermented or acidified milk and cream, concentrated or not, flavoured or containing added fruit, nuts or cocoa		2 000
09.3065	0405 20 10 0405 20 30	Dairy spreads of a fat content, by weight, of 39 % or more but not exceeding 75 %		250
09.3066	0710 40 0711 90 30 2001 90 30 2004 90 10 2005 80	Sweetcorn		1 500

Order No	CN code	Description of goods	Quota period From entry into force of this Regulation until 1.11.2014	Annual quota volume (in tonnes net weight unless otherwise specified)
09.3067	1702 50 1702 90 10 Ex 1704 90 99 1806 10 30 1806 10 90 Ex 1806 20 95	Chemically pure fructose Chemically pure maltose Other sugar confectionery, not containing cocoa, containing 70 % or more by weight of sucrose Cocoa powder, containing 65 % or more by weight of sucrose or isoglucose expressed as sucrose Other preparations in blocks, slabs or bars weighing more than 2 kg or in liquid, paste, powder, granular or other bulk in containers or immediate packings, of a content exceeding 2 kg, containing less than 18 % by weight of cocoa butter and 70 % or more by weight of sucrose		2 000

Order No	CN code	Description of goods	Quota period From entry into force of this Regulation until 1.11.2014	Annual quota volume (in tonnes net weight unless otherwise specified)
	<p>Ex 1901 90 99</p> <p>2101 12 98 2101 20 98</p> <p>3302 10 29</p>	<p>Other food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing less than 40 % of cocoa calculated on a totally defatted basis, containing 70 % or more by weight of sucrose</p> <p>Preparations with a basis of coffee, tea or mate</p> <p>Mixtures of odoriferous substances and mixtures with a basis of one or more of these substances, of a kind used in the drink industries, containing all flavouring agents characterising a beverage, of an actual alcoholic strength by volume not exceeding 0,5 %</p>		
09.3068	<p>1903</p> <p>1904 30</p>	<p>Tapioca and substitutes therefor prepared from starch, in the form of flakes, grains, pearls, siftings or similar forms</p> <p>Bulgur wheat</p>		2 000

Order No	CN code	Description of goods	Quota period From entry into force of this Regulation until 1.11.2014	Annual quota volume (in tonnes net weight unless otherwise specified)
09.3069	1806 20 70	Chocolate milk crumb		300
	2106 10 80	Other protein concentrates and textured protein substances		
	2202 90 99	Non-alcoholic beverages other than waters, containing 2 % or more by weight of fat obtained from the products of headings 0401 to 0404		
09.3070	2106 90 98	Other food preparations not elsewhere specified or included		2 000
09.3071	2207 10 2208 90 91 2208 90 99	Undenatured ethyl alcohol		27 000
	2207 20	Ethyl alcohol and other spirits, denatured, of any strength		
09.3072	2402 10	Cigars, cheroots and cigarillos, containing tobacco		2 500
	2402 20 90	Cigarettes containing tobacco, not containing cloves		

Order No	CN code	Description of goods	Quota period From entry into force of this Regulation until 1.11.2014	Annual quota volume (in tonnes net weight unless otherwise specified)
09.3073	2905 43 2905 44 3824 60	Mannitol D-glucitol (sorbitol) Sorbitol other than that of subheading 2905 44		100
09.3074	3809 10 10 3809 10 30 3809 10 50 3809 10 90	Finishing agents, dye carriers to accelerate the dyeing or fixing of dyestuffs and other products and preparations (for example, dressings and mordants), of a kind used in the textile, paper, leather or like industries, not elsewhere specified or included, with a basis of amylaceous substances		2 000
09.3075	0703 20	Garlic, fresh or chilled		500
09.3076	1004	Oats		4 000

ANNEX III

Tariff rate quotas for specific agricultural products referred to in Article 3(3)

Product	Tariff classification	Quantity
Beef meat	0201.10.(00) 0201.20.(20-30-50-90) 0201.30.(00) 0202.10.(00) 0202.20.(10-30-50-90) 0202.30.(10-50-90)	12 000 tons/year expressed in net weight
Pork meat	0203.11.(10) 0203.12.(11-19) 0203.19.(11-13-15-55-59) 0203.21.(10) 0203.22.(11-19) 0203.29.(11-13-15-55-59)	20 000 tons/year expressed in net weight + 20 000 tons/year expressed in net weight (for the CN codes 0203.11.(10) 0203.12.(19) 0203.19.(11-15-59) 0203.21.(10) 0203.22.(19) 0203.29.(11-15-59))
Poultry meat and poultry meat preparations	0207.11.(30-90) 0207.12.(10-90) 0207.13.(10-20-30-50-60-99) 0207.14.(10-20-30-50-60-99) 0207.24.(10-90) 0207.25.(10-90) 0207.26.(10-20-30-50-60-70-80-99) 0207.27.(10-20-30-50-60-70-80-99) 0207.32.(15-19-51-59-90) 0207.33.(11-19-59-90) 0207.35.(11-15-21-23-25-31-41-51-53-61-63-71-79-99) 0207.36.(11-15-21-23-31-41-51-53-61-63-79-90) 0210.99.(39) 1602.31.(11-19-30-90) 1602.32.(11-19-30-90) 1602.39.(21)	16 000 tons/year expressed in net weight + 20 000 tons/year expressed in net weight (for the CN code 0207.12.(10-90))

Product	Tariff classification	Quantity
Milk, cream, condensed milk and yogurts	0401.10.(10-90) 0401.20.(11-19-91-99) 0401.30.(11-19-31-39-91-99) 0402.91.(10-30-51-59-91-99) 0402.99.(10-31-39-91-99) 0403.10.(11-13-19-31-33-39) 0403.90.(51-53-59-61-63-69)	8 000 tons/year expressed in net weight
Milk powder	0402.10.(11-19-91-99) 0402.21.(11-17-19-91-99) 0402.29.(11-15-19-91-99) 0403.90.(11-13-19-31-33-39) 0404.90.(21-23-29-81-83-89)	1 500 tons/year expressed in net weight
Butter and dairy spreads	0405.10.(11-19-30-50-90) 0405.20.(90) 0405.90.(10-90)	1 500 tons/year expressed in net weight
Eggs and albumins	0407.00.(30) 0408.11.(80) 0408.19.(81-89) 0408.91.(80) 0408.99.(80) 3502.11.(90) 3502.19.(90) 3502.20.(91-99)	1 500 tons/year expressed in shell-egg equivalent + 3 000 tons/year expressed in net weight (for the CN code 0407.00.(30))
Common wheat, flours, and pellets	1001.90.(99) 1101.00.(15-90) 1102.90.(90) 1103.11.(90) 1103.20.(60)	950 000 tons/year
Barley, flour and pellets	1003.00.(90) 1102.90.(10) 1103.20.(20)	250 000 tons/year
Maize, flour and pellets	1005.90.(00) 1102.20.(10-90) 1103.13.(10-90) 1103.20.(40) 1104.23.(10-30-90-99)	400 000 tons/year

(Affects all language versions.)