



2024/0028(COD)

27.2.2024

OPINION

of the Committee on Agriculture and Rural Development

for the Committee on International Trade

on the proposal for a regulation 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 (COM(2024)0050 – C9-0021/2024 – 2024/0028(COD))

Rapporteur for opinion: Juozas Olekas

PA_Legam

AMENDMENTS

The Committee on Agriculture and Rural Development calls on the Committee on International Trade, as the committee responsible, to take the following into account:

Amendment 1

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) Russia's unprovoked and unjustified war of aggression against Ukraine since 24 February 2022 has had a profoundly negative impact on the ability of Ukraine to trade with the rest of the world, both because of the destruction of production capacity and the unavailability of a significant proportion of means of transport due to, for example, the restriction and uncertainty of access to the Black Sea. Under such exceptional circumstances and to mitigate the negative economic impact of Russia's war of aggression against Ukraine, it is necessary to accelerate the development of closer economic relations between the Union and Ukraine in order to provide continued support to the Ukrainian authorities and population. It is therefore necessary and appropriate to continue stimulating trade flows and granting 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 Ukraine.

Amendment

(4) Russia's unprovoked and unjustified war of aggression against Ukraine since 24 February 2022 has had a profoundly negative impact on the ability of Ukraine to trade with the rest of the world, both because of the destruction of production capacity and the unavailability of a significant proportion of means of transport due to, for example, the restriction and uncertainty of access to the Black Sea. Under such exceptional circumstances and to mitigate the negative economic impact of Russia's war of aggression against Ukraine, it is necessary to accelerate the development of closer economic relations between the Union and Ukraine in order to provide continued support to the Ukrainian authorities and population. It is therefore necessary and appropriate to continue stimulating trade flows and granting 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 Ukraine, ***while at the same time preserving the livelihood of the European producers, among others, in countries in vicinity of Ukraine.***

Amendment 2

Proposal for a regulation

Recital 4 a (new)

Text proposed by the Commission

Amendment

(4 a) The trade liberalisation measures, being an important signal of further integration of Ukraine into the EU market, also provide additional stability to Ukrainian economy that relies heavily on exports. Any safeguard measures that limit the trade liberalisation should not become a barrier to the future economic and market integration, but serve as a way to create balanced trade.

Amendment 3

Proposal for a regulation Recital 8

Text proposed by the Commission

Amendment

(8) In order to prevent fraud, the preferential arrangements established by this Regulation should be conditional upon Ukraine complying with all the relevant conditions for obtaining benefits under the Association Agreement, including the rules of origin of products concerned and the procedures related thereto, as well as Ukraine's involvement in close administrative cooperation with the Union, as provided for by the Association Agreement.

(8) In order to prevent fraud, the preferential arrangements established by this Regulation should be conditional upon Ukraine complying with all the relevant conditions for obtaining benefits under the Association Agreement, including the rules of origin of products concerned and the procedures related thereto, as well as Ukraine's involvement in close administrative cooperation with the Union **so as to prevent any major destabilisation of the internal market**, as provided for by the Association Agreement, **and also with the Member States where bilateral mutually agreed solutions have been established.**

Amendment 4

Proposal for a regulation Recital 9

Text proposed by the Commission

Amendment

(9) The preferential arrangements established by this Regulation should also

(9) The preferential arrangements established by this Regulation should also

be conditional upon Ukraine abstaining from introducing new duties or charges having equivalent effect and new quantitative restrictions or measures having equivalent effect, from increasing existing levels of duties or charges, or from introducing any other restrictions on trade with the Union, unless clearly justified in the context of Russia's war of aggression.

Amendment 5

Proposal for a regulation

Recital 11

Text proposed by the Commission

(11) Subject to an assessment by the Commission carried out in the context of the regular monitoring of the impact of this Regulation and launched either following a duly substantiated request from a Member State or on the Commission's own initiative, it is necessary to provide for the possibility to take any necessary measures for imports of any products falling under the scope of this Regulation which are adversely affecting the Union market or the market of one or several Member States for like or directly competing products. There is a particularly precarious situation in the markets for poultry, eggs, and sugar that may harm Union agricultural producers if imports from Ukraine were to increase. It is appropriate to introduce an automatic safeguard for eggs, poultry, and sugar products that is activated if quantities imported pursuant to this Regulation exceed the arithmetic mean of quantities in **2022 and 2023**.

Amendment 6

Proposal for a regulation

be conditional upon Ukraine abstaining from introducing new duties or charges having equivalent effect and new quantitative restrictions or measures having equivalent effect, from increasing existing levels of duties or charges, or from introducing any other restrictions on trade with the Union, unless clearly justified in the context of Russia's war of aggression **and in mutually agreed cases**.

Amendment

(11) Subject to an assessment by the Commission carried out in the context of the regular monitoring of the impact of this Regulation and launched either following a duly substantiated request from a Member State or on the Commission's own initiative, it is necessary to provide for the possibility to take any necessary measures for imports of any products falling under the scope of this Regulation which are adversely affecting the Union market or the market of one or several Member States for like or directly competing products. There is a particularly precarious situation in the markets for **cereals**, poultry, eggs, and sugar that may harm Union agricultural producers if imports from Ukraine were to increase. It is appropriate to introduce an automatic safeguard for **cereals**, eggs, poultry, and sugar products, that is activated if quantities imported pursuant to this Regulation exceed the arithmetic mean of quantities in **2021 and 2022, as well as adequate safeguard measures for the other products**.

Recital 11 a (new)

Text proposed by the Commission

Amendment

(11a) Draws the Commission's attention to the critical situation in the sugar market, where the import volumes during the first half of 2024 are already very high; emphasises the need, therefore, for the Commission to be vigilant as soon as this Regulation enters into force, by closely monitoring exports on a monthly basis;

Amendment 7

Proposal for a regulation Recital 13 a (new)

Text proposed by the Commission

Amendment

(13 a) Given the candidate status for EU membership of Ukraine, when making the assessment and the annual report, the Commission should take into account the need to start working on a restructuring programme of the Ukrainian agricultural sector as well as their agri-food industry. Such a programme should be compatible with the objectives of the Ukraine accession to the Union as well as the objective of Ukraine remaining a major world exporter of agri-food products and should include an adequate reform of Ukrainian agricultural policies in the period of restructuring and reconstruction. The annual report should also, where appropriate, identify elements for review of the Deep and Comprehensive Free Trade Area as a part of the Association Agreement.

Amendment 8

Proposal for a regulation Recital 13 b (new)

(13 b) Support for and supervision of the development of agricultural trade with Ukraine must be seen in a long-term perspective and not be limited to short-term measures. To this end, the Commission should propose a comprehensive system of import and export licences with Ukraine, to allow detailed monitoring of agricultural products from their entry into an EU Member State to their destination, under the supervision of the Commission, as well as a permanent package of measures including levers adapted to the final destination of each product, investment in storage and logistics and the application of EU standards if the product is destined for the EU market. If refundable duties are applied, this money should be used to fund the war effort in Ukraine

Amendment 9

Proposal for a regulation

Article 2 – paragraph 1 – point b

Text proposed by the Commission

(b) 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***

Amendment

(b) 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 mutually agreed between Ukraine and the EU or a member state of it; and***

Amendment 10

Proposal for a regulation

Article 3 – paragraph 2

Text proposed by the Commission

2. Where a Member State requests that the Commission suspends any of the preferential arrangements on the basis of Ukraine's failure to comply with the conditions set out in Article 2, point (b), the Commission shall provide a reasoned opinion within four **months** of the request on whether the claim of Ukraine's failure to comply is substantiated. If the Commission concludes that the claim is substantiated, it shall initiate the procedure referred to in paragraph 1 of this Article.

Amendment

2. Where a Member State requests that the Commission suspends any of the preferential arrangements on the basis of Ukraine's failure to comply with the conditions set out in Article 2, point (b), the Commission shall provide a reasoned opinion within four **weeks** of the request on whether the claim of Ukraine's failure to comply is substantiated. If the Commission concludes that the claim is substantiated, it shall initiate the procedure referred to in paragraph 1 of this Article.

Amendment 11

Proposal for a regulation

Article 4 – paragraph 1 – subparagraph 1

Text proposed by the Commission

If a product covered by Article **1(1)** originating in Ukraine is imported under conditions which adversely affect the Union market or the market of one or several Member States for like or directly competing products, the Commission may impose any measure which is necessary **by means of an implementing act**. That implementing act shall be adopted in accordance with the examination procedure referred to in Article 5(3).

Amendment

If a product covered by Article **1, or any other product** originating in Ukraine is imported under conditions which adversely affect the Union market or the market of one or several Member States for like or directly competing products, the Commission may, **by means of an implementing act**, impose any measure which is necessary, **including employing funds under Regulation (EU) 2024/... of the European Parliament and of the Council establishing the Ukraine Facility (COD 2023/0200) to purchase Ukrainian agricultural products destined for third countries in the framework of the Union's humanitarian food assistance which may also involve storage within Union territory**. That implementing act shall be adopted in accordance with the examination procedure referred to in Article 5(3).

Justification

Safeguard measures based on article 4 should be applicable to all products imported from Ukraine. Article 1(2) applies to all imports from Ukraine and suspends the possibility of applying standard WTO safeguards. Therefore the possibility of safeguard measures under article 4 of ATM regulation should also apply to all imports. In addition, among the necessary measures, the Commission should be allowed to use funds under the Facility to stabilize market prices, through purchases of agricultural products for humanitarian objectives.

Amendment 12

Proposal for a regulation

Article 4 – paragraph 2 – subparagraph 2

Text proposed by the Commission

The Commission shall inform the Member States of the results of the regular monitoring every **two months**, starting from the entry into force of this Regulation.

Amendment

The Commission shall inform the Member States **and the European Parliament** of the results of the regular monitoring every **month**, starting from the entry into force of this Regulation.

Amendment 13

Proposal for a regulation

Article 4 – paragraph 3 – subparagraph 2

Text proposed by the Commission

The assessment referred to in the first subparagraph shall be concluded within **four** months of its launch.

Amendment

The assessment referred to in the first subparagraph shall be concluded within **two** months of its launch.

Amendment 14

Proposal for a regulation

Article 4 – paragraph 4 – subparagraph 1 – point a

Text proposed by the Commission

(a) the rate and amount of the increase in imports from Ukraine of the product concerned in absolute and relative terms,

Amendment

(a) the rate and amount of the increase in imports from Ukraine of the product concerned in absolute and relative terms **to both the EU as a whole and each member**

of it,

Amendment 15

Proposal for a regulation

Article 4 – paragraph 5

Text proposed by the Commission

5. In critical circumstances where delay would cause damage that would be difficult to repair, the Commission may provisionally impose any measure which is necessary by means of an implementing act. Such measures may only be imposed upon a duly substantiated request from a Member State pursuant to paragraph 3(a) of this Article and shall be adopted within **21** days after the request has been received. The implementing act shall be adopted in accordance with the advisory procedure referred to in Article 5(4). The duration of a provisional safeguard measure shall not exceed 120 days.

Amendment

5. In critical circumstances where delay would cause damage that would be difficult to repair, the Commission may provisionally impose any measure which is necessary by means of an implementing act. Such measures may only be imposed upon a duly substantiated request from a Member State pursuant to paragraph 3(a) of this Article and shall be adopted within **10** days after the request has been received. The implementing act shall be adopted in accordance with the advisory procedure referred to in Article 5(4). The duration of a provisional safeguard measure shall not exceed **150** days.

Amendment 16

Proposal for a regulation

Article 4 – paragraph 7 – subparagraph 1 – introductory part

Text proposed by the Commission

If, during the period 6 June to 31 December 2024, cumulative import volumes of either eggs, poultry **or** sugar since 1 January 2024 reach the respective arithmetic mean of import volumes recorded in **2022 and 2023**, the Commission shall, within **21** days and after informing the Committee on Safeguards established by Article 3(1) of Regulation (EU) 2015/478:

Amendment

If, during the period 6 June to 31 December 2024, cumulative import volumes of either **common wheat, wheat flours, and pellets, barley, barley flour and pellets, oats, maize, maize flour and pellets, barley groats and meal, cereal grains otherwise worked, sunflower seeds, oil and meals, rapeseed seeds, oil and meal, honey**, eggs, poultry, sugar since 1 January 2024 reach the respective arithmetic mean of import volumes recorded in **2021 and 2022**, the Commission shall, within **10** days and after informing the Committee on Safeguards established by Article 3(1) of Regulation

Amendment 17

Proposal for a regulation

Article 4 – paragraph 7 – subparagraph 1 – point a

Text proposed by the Commission

(a) reintroduce for that product the corresponding tariff-rate quota suspended by Article 1(1), point b, until 31 December 2024; **and**

Amendment

(a) reintroduce for that product the corresponding tariff-rate quota suspended by Article 1(1), point b, until 31 December 2024, **or in the case of cereals and oilseeds introduce a new tariff-rate quota based on the respective arithmetic mean of import volumes recorded in 2021 and 2022, until 31 December 2024;**

Amendment 18

Proposal for a regulation

Article 4 – paragraph 7 – subparagraph 1 – point a a (new)

Text proposed by the Commission

Amendment

(a a) promote Ukraine in exporting any product that has reached the respective arithmetic mean of import volumes recorded in 2021 and 2022, to markets outside the EU; and

Justification

From a geopolitical point of view we have to help Ukraine regain market share outside of the EU, especially those markets and products where we see Russia filling in the gaps.

Amendment 19

Proposal for a regulation

Article 4 – paragraph 7 – subparagraph 1 – point b

Text proposed by the Commission

(b) introduce from 1 January 2025 either a tariff-rate quota equal to five

Amendment

(b) introduce from 1 January 2025 either a tariff-rate quota equal to five

twelfths of that arithmetic mean or the corresponding tariff-rate quota suspended by Article 1(1), point b, whichever is **higher**.

twelfths of that arithmetic mean or the corresponding tariff-rate quota suspended by Article 1(1), point b, whichever is **lower**.

Amendment 20

Proposal for a regulation

Article 4 – paragraph 7 – subparagraph 1 – point b a (new)

Text proposed by the Commission

Amendment

(ba) for maize, movement of the goods concerned is authorised only under the customs transit procedure as provided for under Article 226 of Regulation (EU) No 952/2013, to a country or territory outside the customs territory of the European Union.

Amendment 21

Proposal for a regulation

Article 4 – paragraph 7 – subparagraph 2

Text proposed by the Commission

Amendment

If, during the period 1 January to 5 June 2025, cumulative import volumes of either eggs, poultry **or** sugar for the period since 1 January 2025 reach five twelfths of the respective arithmetic mean of import volumes recorded 2022 and 2023, the Commission shall, within **21** days and after informing the Committee on Safeguards, reintroduce for that product the corresponding tariff-rate quota suspended by Article 1(1), point b.

If, during the period 1 January to 5 June 2025, cumulative import volumes of either **common wheat, flours, and pellets, barley, flour and pellets, oats, maize, flour and pellets, barley groats and meal, cereal grains otherwise worked, sunflower seeds, oil and meals, rapeseed seeds, oil and meal, honey,** eggs, poultry, sugar for the period since 1 January 2025 reach five twelfths of the respective arithmetic mean of import volumes recorded **2021 and 2022**, the Commission shall, within **10** days and after informing the Committee on Safeguards, reintroduce for that product the corresponding tariff-rate quota suspended by Article 1(1) point b **or in the case of cereals; sunflower seeds, oil and meals; rapeseed seeds, oil and meal; introduce a new tariff-rate quota based on the respective arithmetic mean of import**

volumes recorded in 2021, 2022 and 2023.

Amendment 22

Proposal for a regulation

Article 4 – paragraph 7 – subparagraph 3

Text proposed by the Commission

For the purposes of this paragraph, the terms eggs, poultry **and** sugar refer to all products covered by the tariff-rate quotas in the Appendix to Annex I-A of the Association Agreement for, respectively, eggs and albumins, poultry meat and poultry meat preparations, and sugars, and the arithmetic mean shall be calculated by dividing the sum of import volumes in 2022 and 2023 by **two**.

Amendment

For the purposes of this paragraph, the terms ***common wheat, flours, and pellets, barley, flour and pellets, oats, maize, flour and pellets, barley groats and meal, cereal grains otherwise worked, sunflower seeds, oil and meals, rapeseed seeds, oil and meal, honey***, eggs, poultry, sugar, refer to all products covered by the tariff-rate quotas in the Appendix to Annex I-A of the Association Agreement for, respectively ***common wheat, wheat flours, and pellets, barley, barley flour and pellets, oats, maize, maize flour and pellets, barley groats and meal, cereal grains otherwise worked, sunflower seeds, oil and meals, rapeseed seeds, oil and meal, honey, malt and wheat gluten, starches, starch processed, bran, shaps and residues***, eggs and albumins, poultry meat and poultry meat preparations, and sugars, and the arithmetic mean shall be calculated by dividing the sum of import volumes in ***2021 and 2022*** by two.

Amendment 23

Proposal for a regulation

Article 4 – paragraph 8 – subparagraph 1 (new)

Text proposed by the Commission

Amendment

If a product covered by Article 1(1) originating in Ukraine is imported to the EU or in transit through the EU, the destination for all consignments of that product should be determined by the Ukrainian authorities prior to its entry into the EU. Furthermore, the Ukrainian

authorities should provide the European Commission with all the necessary documentation certifying that those consignments reached their destination.

Justification

Many Ukrainian imports do not reach the areas where they are needed and end up in other locations creating issues with surplus.

Amendment 24

Proposal for a regulation

Article 4 – paragraph 8 a (new)

Text proposed by the Commission

Amendment

8 a. Ukrainian authorities are responsible for the documentation accompanying products, covered by Article 1(1), originating in Ukraine and imported in the EU or in transit through the EU. Relevant products shall be clearly marked with their final destination prior to the import in the EU.

Amendment 25

Proposal for a regulation

Article 4 a (new)

Text proposed by the Commission

Amendment

Article 4a

Reports

The European Commission shall present by 31 May 2024 a report to the European Parliament and the Council of Ministers on the monthly flows of imports into the European Union of Ukrainian agricultural products, such as cereals and oilseeds, not covered by Article 4 of this Regulation, comparing these volumes with the imports recorded in the years 2021 and 2022. The report shall also

describe the evolution of market prices in the European Union. It shall be accompanied, where appropriate, by a legislative proposal for the application of safeguard measures to those products.

Amendment 26

Proposal for a regulation Article 6 – paragraph 1

Text proposed by the Commission

The Commission's annual report on the implementation of the Deep and Comprehensive Free Trade Area shall include a detailed assessment of the implementation of the trade-liberalisation measures provided for in this Regulation and shall include, insofar as appropriate, an assessment of the social impact of those measures in Ukraine and in the Union. Information on imports of products under Article 1(1), point (b), shall be made available via the website of the Commission and shall be updated on a monthly basis.

Amendment

The Commission's annual report on the implementation of the Deep and Comprehensive Free Trade Area shall include a detailed assessment of the implementation of the trade-liberalisation measures provided for in this Regulation and shall include, insofar as appropriate, an assessment of the social impact of those measures in Ukraine and in the Union ***both from economic and rural development perspectives***. Information on imports of products under Article 1(1), point (b), shall be made available via the website of the Commission and shall be updated on a monthly basis.

In view of Ukraine's candidate status, the annual report should take into account the need to develop a restructuring program of the Ukrainian agricultural sector as well as their agri-food industry as soon as possible, in full compatibility with the objectives of the Ukraine accession to the Union as well as the objective of Ukraine remaining a major world exporter of agri-food products. The annual report should also, where appropriate, identify elements for review of the Deep and Comprehensive Free Trade Area as a part of the Association Agreement.

Commission shall report twice a year to Member States on the state of play regarding implementation by Ukraine of its obligations under Annex V to the

DCFTA and the process of approximation of Ukrainian law to EU standards and requirements in agricultural production, in particular the food safety and animal welfare standards.

**ANNEX: ENTITIES OR PERSONS
FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT**

The rapporteur has received input from the following entities or persons in the preparation of the opinion, until the adoption thereof in committee:

Entity and/or person
Trade representative of Ukraine
Copa-Cogeca

The list above is drawn up under the exclusive responsibility of the rapporteur.

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	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						
References	COM(2024)0050 – C9-0021/2024 – 2024/0028(COD)						
Committee responsible Date announced in plenary	INTA						
Rapporteur for the opinion Date appointed	Juozas Olekas 13.2.2024						
Date adopted	26.2.2024						
Result of final vote	<table> <tr> <td>+: </td><td>31</td></tr> <tr> <td>–: </td><td>7</td></tr> <tr> <td>0: </td><td>5</td></tr> </table>	+:	31	–:	7	0:	5
+:	31						
–:	7						
0:	5						
Members present for the final vote	Mazaly Aguilar, Clara Aguilera, Attila Ara-Kovács, Benoît Biteau, Franc Bogovič, Daniel Buda, Isabel Carvalhais, Angelo Ciocca, Dacian Cioleş, Ivan David, Paolo De Castro, Herbert Dorfmann, José Manuel Fernandes, Luke Ming Flanagan, Paola Ghidoni, Dino Giarrusso, Francisco Guerreiro, Martin Häusling, Martin Hlaváček, Krzysztof Jurgiel, Jarosław Kalinowski, Elsi Katainen, Camilla Laureti, Gilles Lebreton, Norbert Lins, Chris MacManus, Marlene Mortler, Ulrike Müller, Maria Noichl, Juozas Olekas, Katarína Roth Nevedálová, Bert-Jan Ruissen, Veronika Vrecionová, Sarah Wiener, Juan Ignacio Zoido Álvarez						
Substitutes present for the final vote	Rosanna Conte, Anna Deparnay-Grunenberg, Peter Jahr, Cristina Maestre Martín De Almagro, Alin Mituța, Michaela Šojdrová, Tom Vandenkendelaere						
Substitutes under Rule 209(7) present for the final vote	Iuliu Winkler						

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

31	+
ECR	Mazaly Aguilar, Bert-Jan Ruissen, Veronika Vrecionová
NI	Dino Giarrusso, Katarína Roth Nevedálová
PPE	Franc Bogovič, Daniel Buda, Herbert Dorfmann, José Manuel Fernandes, Peter Jahr, Jarosław Kalinowski, Norbert Lins, Marlene Mortler, Michaela Šojdrová, Tom Vandenkendelaere, Iuliu Winkler, Juan Ignacio Zoido Álvarez
Renew	Dacian Cioloș, Elsi Katainen, Alin Mituța, Ulrike Müller
S&D	Clara Aguilera, Attila Ara-Kovács, Isabel Carvalhais, Paolo De Castro, Camilla Laureti, Cristina Maestre Martín De Almagro, Maria Noichl, Juozas Olekas
The Left	Luke Ming Flanagan, Chris MacManus

7	-
ECR	Krzysztof Jurgiel
ID	Ivan David
Verts/ALE	Benoît Biteau, Anna Deparnay-Grunenberg, Francisco Guerreiro, Martin Häusling, Sarah Wiener

5	0
ID	Angelo Ciocca, Rosanna Conte, Paola Ghidoni, Gilles Lebreton
Renew	Martin Hlaváček

Key to symbols:

+ : in favour

- : against

0 : abstention