



2024/0029(COD)

13.2.2024

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DRAFT REPORT

on the proposal for a regulation of the European Parliament and of the Council on temporary trade-liberalisation measures supplementing trade concessions applicable to products from the Republic of Moldova 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
(COM(2024)0051 – C9-0022/2024 – 2024/0029(COD))

Committee on International Trade

Rapporteur: Markéta Gregorová

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in ***bold italics***. Deletions are indicated using either the ***■*** symbol or strikeout. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

CONTENTS

	Page
DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION	5
EXPLANATORY STATEMENT	7

DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a regulation of the European Parliament and of the Council on temporary trade-liberalisation measures supplementing trade concessions applicable to products from the Republic of Moldova 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 (COM(2024)0051 – C9-0022/2024 – 2024/0029(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2024)0051),
 - having regard to Article 294(2) and Article 207(2) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C9-0022/2024),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to Rule 59 of its Rules of Procedure,
 - having regard to the report of the Committee on International Trade (A9-0000/2024),
1. Adopts its position at first reading hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

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

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.

initiative, it is ***because of the specific difficulties that have arisen at the moment of the adoption of this regulation*** 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. ***It is important that the regime for safeguard measures provided for in this Regulation allow the Union to address this exceptional situation and does not set a precedent for future trade-liberalisation measures for Moldova. This exceptional situation could justify the open definition of possible safeguard measures and the possibility to apply such measures in situations where adverse effects are limited to the market of one or several Member States as provisions of an exceptional nature.***

Or. en

Amendment 2

Proposal for a regulation Recital 11 a (new)

Text proposed by the Commission

Amendment

(11a) As the application of different measures taken at Member State level would threaten the unity of the Union's common commercial policy and could create obstacles to the internal market, it is necessary that safeguard measures aiming at addressing adverse effects on the Union market or the market of one or several Member States for products covered by this regulation are adopted exclusively pursuant to this Regulation.

Or. en

EXPLANATORY STATEMENT

The illegal and unjustified Russian military aggression against Ukraine has negatively impacted the Republic of Moldova and its ability to sell its products beyond its borders, as Moldova relied heavily on Ukrainian transit routes and infrastructure for its own exports.

In this context, in 2022, the European Parliament and the Council adopted Regulation (EU) 2022/1279, which puts in place temporary trade-liberalisation measures supplementing trade concessions applicable to products from Moldova under the EU-Moldova Association Agreement. This regulation has allowed Moldova to redirect some of its trade with the rest of the world via the EU, as well as to deepen its trade relations with the EU and to stabilise its economy. The trade-liberalisation measures were extended by one year in July 2023.

The present legislative proposal aims to once again renew these trade-liberalisation measures for a period of one year as of the date on which the current measures expire (i.e., as of 25 July 2024). 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 tariff-rate quotas, namely tomatoes, garlic, table grapes, apples, cherries, plums and grape juice. Most Moldovan exports already benefit from duty-free access to the EU market under the Association Agreement. Therefore, the quantities and range of products covered by the present proposal are relatively small.

The proposal introduces a strengthened safeguard mechanism to prevent and counteract adverse market effects in the EU Member States. The Commission can take any necessary measures, including the reintroduction of customs duties if it finds that imports of a specific product covered by this regulation leads to market disturbances in the EU or any of its Member States. The Commission will regularly monitor the impact of the trade-liberalisation measures in terms of import volumes and prices.

In the light of the strengthening of safeguard measures and the expansion of adverse effect from the Union market to one or several Member States, the Rapporteur underlines that any measures resulting by this regulation should be considered as exceptional and should not establish a precedent for the future of temporary trade liberalisation.

The proposed temporary trade-liberalisation measures will facilitate and support the existing trade flows from Moldova to the Union and help Moldova's economy. They are also in line with the main objectives of the Association Agreement, namely to establish the conditions for enhancing economic and trade relations leading toward Moldova's gradual integration into the EU internal market and contributing to the strengthening of democracy and political, economic, and institutional stability in Moldova, which has been an EU candidate country since 2022.

Given the continued hardship the Moldovan people have experienced as a result of the Russian war of aggression against Ukraine, it is vital that the EU continue supporting Moldova both economically and politically. Therefore, the rapporteur anticipates adopting this proposal in a swift manner ahead of the expiry of the existing trade-liberalisation measures.