

## **Ukraine: unilateral trade measures extended**

The Council today<sup>1</sup> adopted a regulation extending until the end of 2015 unilateral trade preferences applied since April 2014 in favour of Ukraine ([PE-CONS 93/14](#)).

The regulation grants Ukrainian exporters continued preferential access to EU markets without awaiting entry into force of trade provisions under the EU-Ukraine association agreement. The trade preferences were due to expire on 1 November 2014, but are now extended until 31 December 2015. The Commission had submitted its proposal for an extension of the measures on 22 September.

The trade preferences are part of a package of proposals aimed at providing economic and financial support to Ukraine. They involve the temporary reduction or elimination of customs duties in accordance with a schedule of concessions set out in the association agreement.

Political provisions of the association agreement were signed in March 2014 and the remainder of the agreement in June 2014. However the timetable for provisional application has since been amended. Whereas many chapters will provisionally apply from 1 November 2014, the start date for the provisions on free trade is now set for 1 January 2016.

The support package was agreed in response to the unprecedented developments in Ukraine. It was announced by the Commission and endorsed by the European Council in March 2014. The package is intended to encourage the country's political and economic reforms.

According to the Commission, Ukrainian exporters are set to save almost €500mn annually in customs duties once the association agreement has entered into force. The EU accounts for about one third of Ukraine's external trade. In 2012, the value of Ukrainian imports from the EU was €23.8bn while the value of its exports was €14.6bn.

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<sup>1</sup> The decision was taken by written procedure.