



Council of the
European Union

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NOTE

From: General Secretariat of the Council
To: Delegations

Subject: Necessary actions that need to be taken to counteract the market disturbances in the EU Member States most impacted by increased imports of agri-food products from Ukraine
- Information from the Polish delegation, on behalf of the Bulgarian, Hungarian, Polish, Romanian and Slovak delegations

Delegations will find in the Annex a document on the above subject to be presented by the Polish delegation on behalf of the Bulgarian, Hungarian, Polish, Romanian and Slovak delegations under "Any other business" at the "Agriculture and Fisheries" Council on 25 April 2023.

Necessary actions that need to be taken to counteract the market disturbances in the EU Member States most impacted by increased imports of agri-food products from Ukraine

Bulgaria, Hungary, Poland, Romania and Slovakia would like once again to draw attention to the increasing imports of agricultural products from Ukraine which cause serious market disruptions and damage to the EU agricultural producers, especially in the Member States bordering or near the border with Ukraine. Although the topic has been raised repeatedly at the EU Agriculture and Fisheries Council meetings, it has not been adequately addressed so far. We cannot accept a situation in which the entire burden of managing increased imports is placed on just a few EU Member States.

We appreciate the proposed measures presented in the letter of the president of the European Commission and at the on-line meeting on 19th of April. They move in the right direction but are not sufficient. We believe that the proposed exceptional safeguard in the form of allowing imports only for the purposes of transit into the rest of the EU and the rest of the world, should apply to a broader range of products than wheat, maize, rapeseed and sunflower seeds.

We propose to extend the scope to cover also

- Sunflower oil
- Flour
- Honey
- Sugar
- Soft fruits
- Eggs
- Meat – all kinds
- Milk and dairy products

The continuation of those measures after the expiry of the current ATM regulation should be guaranteed. The withdrawal of these measures may be considered only after market balance has been restored in the bordering Member States or ones near the border.

Likewise, any regular safeguard investigation initiated under the current regulation should be automatically re-initiated after entry into force of the new ATM regulation.

The second support package currently prepared under the agricultural reserve for the Member States bordering or near the border with Ukraine is a necessary supplement of the exceptional safeguard measures. We call for a swift conclusion of the works and implementation of the package without delay.

Ensuring a strong SPS and quality control of imports from Ukraine should continuously be given high priority.

Parallel to implementation of the measures above, the discussion should continue on other measures which might contribute to mitigating the current difficulties and preventing similar problems in the future. Possible solutions include:

1. to introduce a support mechanism, activated automatically in the event of an increase above a certain level of imports of a given product from Ukraine.

The support should apply to agricultural producers in countries or regions of the EU particularly affected by this import increase. The detailed parameters of this mechanism remain to be worked out, including: the level of import growth activating the mechanism and the share of the Member State or region in the import increase entitling it to benefit. Support should also be available to producers of goods for which customs duties on imports from Ukraine have already been fully liberalized under the Association Agreement or *erga omnes*, e.g. sunflower seeds and oil, rapeseed, walnuts.

2. to develop a proposal for a joint EU solution to ensure the purchase of Ukrainian grain - and if necessary also other agricultural products – with aim to distribute it to the developing countries at risk of food insecurity.

The mechanism should be implemented in cooperation with the World Food Programme (WFP) or other international aid organisations. This would maintain food trade flows and mitigate the impact of Russia's invasion of Ukraine on third countries.

- 3. to prepare a proposal for a measure to encourage the transportation of Ukrainian goods already present in neighbouring EU Member States or ones near the border.**

The objective of such a measure would be to facilitate the movement of Ukrainian products towards other EU or third country markets, where these products are actually needed. This could help ease the pressure on neighbouring EU Member States markets. Furthermore this could help regions in deficit, where the goods are needed; also it would help Ukrainian farmers by building up new markets for their products.

- 4. to request a recommendation from the Commission on how the country of transit can secure the possibility of terminating the transit procedure on the territory of another country or make the mandatory delivery of goods to the national customs office of destination, such as a seaport.**