

EUROPEAN COMMISSION

> Brussels, 15.5.2025 COM(2025) 244 final

2025/0116 (NLE)

Proposal for a

# **COUNCIL REGULATION**

amending Regulation (EU) 2021/2283 opening and providing for the management of autonomous tariff quotas of the Union for certain agricultural and industrial products

# EXPLANATORY MEMORANDUM

# 1. CONTEXT OF THE PROPOSAL

# • Reasons for and objectives of the proposal

Autonomous tariff quotas of the Union are needed for products whose production in the Union is insufficient to meet the needs of the user industry in the Union for a given quota period. Union tariff quotas should be opened at zero or reduced duty rates for appropriate volumes, without disturbing the markets for such products.

On 20 December 2021, the Council of the European Union adopted Regulation (EU) 2021/2283<sup>1</sup> opening and providing for the management of autonomous tariff quotas of the Union for certain agricultural and industrial products so that Union demand for the products in question could be met under the most favourable conditions.

The Regulation is updated every six months to accommodate the needs of Union industry.

The Commission, assisted by the Economic Tariff Questions Group ("ETQG"), has reviewed all requests from the Member States for autonomous tariff quotas duties.

Following this review, the Commission considers that the opening of autonomous tariff quotas is justified for seven products, currently not listed in the Annex to Council Regulation (EU) 2021/2283. In relation to one other products, it has become necessary to assign new CN/TARIC codes. Three products for which a tariff quota is no longer in the Union's economic interest should be withdrawn.

For reasons of clarity, it is advisable to publish a consolidated version of the Annex to Council Regulation (EU) 2021/2283, which will fully replace the previous Annex.

# • Consistency with existing policy provisions in the policy area

This proposal does not affect countries that have a preferential trading agreement with the Union nor candidate countries or potential candidates for preferential agreements with the Union (e.g. Generalised System of Preferences; the African, Caribbean and Pacific group trade regime; Free Trade Agreements).

# Consistency with other Union policies

The proposal is in line with Union policies on agriculture, trade, enterprise, development, environment, and external relations.

# 2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

# Legal basis

The legal basis of this proposal is Article 31 of the Treaty on the Functioning of the European Union (TFEU).

# • Subsidiarity (for non-exclusive competence)

The proposal falls under the Union's exclusive competence. The subsidiarity principle therefore does not apply.

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OJ L 458, 22.12.2021, p.33

# Proportionality

The proposal complies with the principle of proportionality. The measures envisaged are in line with the principles for simplifying procedures for operators engaged in foreign trade, as stated in the Commission communication concerning autonomous tariff suspensions and quotas<sup>2</sup>. This Regulation does not go beyond what is necessary to achieve the objectives pursued in accordance with Article 5(4) of the Treaty on European Union (TEU).

# • Choice of the instrument

By virtue of Article 31 of the TFEU, Common Customs Tariff duties are to be fixed by the Council on a proposal from the Commission. Therefore, a Council Regulation is the appropriate instrument.

# 3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

# • Ex-post evaluations/fitness checks of existing legislation

The autonomous tariff quotas scheme was part of an evaluation study carried out in 2013 on autonomous tariff suspensions<sup>3</sup>.

Autonomous tariff quotas and suspensions are similar, except that autonomous tariff quotas limit the import volumes that benefit from the reduced duty rates, while autonomous tariff suspensions permit the total or partial waiver of the normal duties applicable to certain goods imported to the EU for an unlimited quantity. The evaluation concluded that the core rationale for the scheme remains valid. The cost savings for Union businesses importing goods under the scheme can be significant. In turn, depending on the product, company and sector, these savings can have wider benefits, such as boosting competitiveness, making production methods more efficient, and creating or keeping jobs in the Union. Details of the savings of this Regulation can be found in point 4 and in the attached legislative financial statement.

# Stakeholder consultations

The Economic Tariff Questions Group, which consists of delegations from all the EU Member States and Türkiye, assisted the Commission in the preparation of this proposal.

The ETQG carefully assessed each request (new, or for an amendment). It particularly examined each case to ensure that it was not causing any harm to Union producers and was strengthening and consolidating the competitiveness of Union's production. The members of the ETQG carried out the assessment through discussions, and Member States consulted the concerned industries, associations, chambers of commerce and other stakeholders involved.

All listed tariff quotas were the subject of agreements or compromises reached in the discussions held at the ETQG and with the other Commission services. No potentially serious risks with irreversible consequences were identified.

# Impact assessment

The proposed amendment is of a purely technical nature and concerns only the coverage of tariff quotas listed in the Annex to Regulation (EU) No 2021/2283. An impact assessment was

<sup>&</sup>lt;sup>2</sup> OJ C 363, 13.12.2011, p. 6.

<sup>&</sup>lt;sup>3</sup> https://taxation-customs.ec.europa.eu/system/files/2016-09/evaluation\_suspensions\_duties.pdf

not carried out because the proposed changes in the list of products that would benefit from the autonomous Common Customs Tariff quotas are not expected to have significant impacts.

# • Fundamental rights

The proposal has no consequences on fundamental rights.

# 4. BUDGETARY IMPLICATIONS

This proposal has no financial impact on expenditure but has a financial impact on revenue. The annex contains seven new products. The uncollected duties corresponding to the respective tariff quotas are calculated on the basis of requesting Member State projections for 2025. However, due to the deletion of three quotas and the reintroduction of the tariffs, the impact on the collection of customs duties is estimated at a surplus of EUR 21,9 million per year. The overall positive effect on the traditional own resources of the EU budget is estimated at EUR 16,4 million per year (75 % of the total). The legislative financial statement sets out the budgetary implications of the proposal in greater detail.

# 5. OTHER ELEMENTS

# • Implementation plans and monitoring, evaluation and reporting arrangements

The proposed measures are managed within the framework of the Integrated Tariff of the European Union (TARIC) (they are integrated in TARIC and managed by the QUOTA database) and applied by the Member States' customs administrations.

#### 2025/0116 (NLE)

#### Proposal for a

# **COUNCIL REGULATION**

# amending Regulation (EU) 2021/2283 opening and providing for the management of autonomous tariff quotas of the Union for certain agricultural and industrial products

#### THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 31 thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) In order to ensure a sufficient supply of certain agricultural and industrial products that are produced in insufficient quantities in the Union, and thereby avoid any disturbances on the market for those products, autonomous tariff quotas of the Union ('quotas') were opened by Council Regulation (EU) 2021/2283<sup>1</sup>. Within those quotas, products can be imported into the Union at reduced or zero duty rates.
- (2) As it is in the Union's interest to ensure an adequate supply of certain industrial products, and having regard to the fact that identical, equivalent or substitute products are not produced in sufficient quantities within the Union, it is necessary to open new quotas with order numbers 09.2010, 09.2017, 09.2024, 09.2025, 09.2027, 09.2029, 09.2031 at zero duty rates for appropriate quantities of those products, as of 1 July 2025.
- (3) As the scope of the quotas with order numbers 09.2585 has become inadequate to meet the needs of economic operators within the Union, TARIC codes 3907 61 00 20 and 3907 69 00 20 should be added to this quota as of 1 July 2025.
- (4) As it is no longer in the Union's interest to maintain the quotas with order numbers 09.2563, 09.2808, and 09.2925, those quotas should be closed as of 1 July 2025.
- (5) In response to the ongoing aggression by the Russian Federation against Ukraine and the continued involvement of the Republic of Belarus in actions undermining Ukraine's sovereignty and territorial integrity, the Union has adopted restrictive measures aimed at limiting trade benefits granted to Russia and Belarus. Council Regulation (EU) 2022/2563<sup>2</sup> introduced an exception to the application of customs duties under autonomous tariff quotas for certain products originating in Russia and

<sup>&</sup>lt;sup>1</sup> Council Regulation (EU) 2021/2283 of 20 December 2021 opening and providing for the management of autonomous tariff quotas of the Union for certain agricultural and industrial products, and repealing Regulation (EU) No 1388/2013 (OJ L 458, 22.12.2021, p. 33, ELI: <u>http://data.europa.eu/eli/reg/2021/2283/oj</u>).

<sup>&</sup>lt;sup>2</sup> Council Regulation (EU) 2022/2563 of 19 December 2022 amending Regulation (EU) 2021/2283 opening and providing for the management of autonomous tariff quotas of the Union for certain agricultural and industrial products (OJ L 330, 23.12.2022, p. 109, ELI: http://data.europa.eu/eli/reg/2022/2563/oj).

Belarus, specifically for quotas with order numbers 09.2600, 09.2742, 09.2698, and 09.2835, covering products falling under TARIC codes ex 2712 90 39 10, ex 2926 10 00 10, ex 3204 17 00 30, and ex 7604 29 10 30, respectively. Given the persistence of the geopolitical situation and the need to reinforce the effectiveness of the Union's response, it is appropriate to discontinue this exception and to reinstate the application of customs duties on imports originating in Russia and Belarus under these quotas. This measure ensures consistency with the Union's restrictive trade policy and prevents economic benefits from being conferred upon entities operating in or supporting actions contrary to international law.

- (6) Taking into account the amendments to be made and for the sake of clarity, the Annex to Regulation (EU) 2021/2283 should be replaced.
- (7) Regulation (EU) 2021/2283 should therefore be amended accordingly.
- (8) In order to avoid any interruption in the application of the quota scheme and to comply with the guidelines set out in the Communication from the Commission concerning autonomous tariff suspensions and quotas<sup>3</sup>, the changes provided for in this Regulation regarding the quotas for the products concerned should apply from 1 July 2025. This Regulation should therefore enter into force as a matter of urgency,

HAS ADOPTED THIS REGULATION:

# Article 1

Regulation (EU) 2021/2283 is amended as follows:

(1) in Article 1, paragraph 4 is replaced by the following:

'4. The suspension laid down in paragraph 2 does not apply to products originating in Russia or in Belarus, including for quota order numbers 09.2600, 09.2742, 09.2698, and 09.2835. Consequently, imports of such products originating in Russia and Belarus shall be subject to the Common Customs Tariff duties as from 1 July 2025';

(2) the Annex is replaced by the text set out in the Annex to this Regulation.

# Article 2

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 from 1 July 2025.

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

Done at Brussels,

For the Council The President

<sup>&</sup>lt;sup>3</sup> Communication from the Commission concerning autonomous tariff suspensions and quotas of 13 December 2011 (OJ C 363, 13.12.2011, p. 6).

# LEGISLATIVE FINANCIAL STATEMENT

#### 1. NAME OF THE PROPOSAL:

Council Regulation amending Regulation (EU) No 2021/2283 opening and providing for the management of autonomous tariff quotas of the Union for certain agricultural and industrial products

# 2. BUDGET LINES:

Chapter and Article: Chapter 12, Article 120 Amount budgeted for the year 2025: EUR 21 082 004 566

# 3. FINANCIAL IMPACT

□ Proposal has no financial implications

X Proposal has no financial impact on expenditure but has a financial impact on revenue -the effect is as follows:

(EUR million to one decimal place)

Budget line	Revenue	6 month period,	[Year: second half of
		starting dd/mm/yyyy	2025]
Article 120	Impact on own resources	01/07/2025	+ 8,2

The annex contains seven new products. The uncollected duties corresponding to these tariff quotas, calculated on the basis of the requesting Member State's projections for 2025, amount to EUR 5 382 814 per year.

Three products have been withdrawn from the Annex of Regulation (EU) No 2021/2283 ensuing the reintroduction of customs duties. This represents an increase of EUR 27 454 369 per year in the collection of duties, as estimated on the basis of 2024 statistics.

On the basis of the above, the positive impact on revenue for the EU budget resulting from this Regulation is estimated at EUR 5 382 814 - 27 454 369 = +21 874 768 (gross amount, including collection costs) x 0,75 = EUR + 16 406 076 per year (net amount).

# 4. ANTI-FRAUD MEASURES

Checks on the end-use of some of the products covered by this Council Regulation will be carried out in accordance with Article 254 of Regulation (EU) No 952/2013 of the European Parliament and of the Council<sup>1</sup>. In addition, Member States may carry out any customs controls they deem appropriate under the risk management they undertake, as provided for by Article 46 of Regulation (EU) No 952/2013.

Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code (OJ L 269, 10.10.2013, p. 1, ELI: http://data.europa.eu/eli/reg/2013/952/oj).