

Brussels, 16 May 2025 (OR. en)

9003/25

Interinstitutional File: 2025/0115 (NLE)

UD 106

PROPOSAL

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	15 May 2025
То:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2025) 240 final
Subject:	Proposal for a COUNCIL REGULATION amending Regulation (EU) 2021/2278 suspending the Common Customs Tariff duties referred to in Article 56(2), point (c), of Regulation (EU) No 952/2013 of the European Parliament and of the Council on certain agricultural and industrial products

Delegations will find attached document COM(2025) 240 final.

Encl.: COM(2025) 240 final

9003/25 ECOFIN 2 B **EN**



Brussels, 15.5.2025 COM(2025) 240 final 2025/0115 (NLE)

Proposal for a

COUNCIL REGULATION

amending Regulation (EU) 2021/2278 suspending the Common Customs Tariff duties referred to in Article 56(2), point (c), of Regulation (EU) No 952/2013 of the European Parliament and of the Council on certain agricultural and industrial products

9003/25 ECOFIN 2 B

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

Reasons for and objectives of the proposal

In order to ensure sufficient and uninterrupted supplies of certain agricultural and industrial products which are insufficiently produced or not produced at all in the Union and to avoid any disturbances on the market for these products, some Common Customs Tariff duties have been partially or totally suspended, without any limits as regards their quantity, by Council Regulation (EU) No 2021/2278 (hereinafter "the Regulation")¹.

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 suspensions.

Following this review, the Commission considers that the suspension of duties is justified for some new products, currently not listed in the Annex of the Regulation. In relation to some other products, it is necessary to modify the conditions in terms of product description, classification, end-use requirement, and date envisaged for mandatory review. Products for which a tariff suspension is no longer in the Union's economic interest are proposed to be withdrawn.

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 in the area of agriculture, trade, enterprise, environment, development 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 exclusive competence of the Union. The subsidiarity principle therefore does not apply.

9003/25

OJ L 466, 29.12.2021, p.1

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 quotas². 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 shall 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 suspensions scheme was subject to an evaluation study carried out in 2013³. The evaluation concluded that the core rationale for the scheme remains valid. The cost savings for EU 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 stemming from this regulation can be found in the attached legislative financial statement.

Stakeholder consultations

The Economic Tariff Questions Group (ETQG), which consists of representatives from all Member States plus Türkiye, assisted the Commission in the preparation of this proposal.

The ETQG carefully examined each request to ensure that it would not cause any harm to Union enterprises and would strengthen and consolidate the competitiveness of Union's production. The members of the ETQG carried out the assessment through discussions, and Member States, in turn, consulted the concerned industries, associations, chambers of commerce and other stakeholders involved.

All listed suspensions correspond to agreements or compromises reached in the discussions of the ETQG and with the other Commission services. No potential serious risk with irreversible consequences was identified.

Impact assessment

The proposed amendment is of a purely technical nature and concerns only the coverage of the suspensions currently listed in the Annex to Council Regulation (EU) No 2021/2278. An impact assessment was not carried out because the proposed changes in the list of products that would benefit from the autonomous suspension of Common Customs Tariff duties are not expected to have significant impacts.

ECOFIN 2 B

9003/25

² OJ C 363, 13.12.2011, p. 6.

https://taxation-customs.ec.europa.eu/system/files/2016-09/evaluation suspensions duties.pdf

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. Uncollected customs duties corresponding to the suspension will amount approximately EUR 32 061 693 per year. The negative effect on the budget's traditional own resources is EUR 24 046 270 per year (i.e. 75 % of the total). The legislative financial statement sets out the budgetary implications of the proposal in greater detail.

The loss of revenue in traditional own resources shall be compensated by Member States Gross National Income (GNI) based on resource contributions.

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) and applied by customs administrations of the Member States.

9003/25

Proposal for a

COUNCIL REGULATION

amending Regulation (EU) 2021/2278 suspending the Common Customs Tariff duties referred to in Article 56(2), point (c), of Regulation (EU) No 952/2013 of the European Parliament and of the Council on 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 which are not produced in the Union and thereby avoid any disturbances on the market for those products, Common Customs Tariff duties of the type referred to in Article 56(2), point (c), of Regulation (EU) No 952/2013 of the European Parliament and of the Council¹ ('CCT duties') on those products have been suspended by Council Regulation (EU) 2021/2278². As a result, the products listed in the Annex to Regulation (EU) 2021/2278 can be imported into the Union at reduced or zero duty rates without any limitation as regards their quantity.
- (2) The Union production of certain products that are currently not listed in the Annex to Regulation (EU) 2021/2278 is inadequate to meet the specific requirements of the user industries in the Union. As it is in the interest of the Union to ensure an adequate supply of products meeting those requirements, 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 grant a complete suspension of the CCT duties on such products.
- (3) It is necessary to amend the product description, classification, or end-use requirement for certain products listed in the Annex to Regulation (EU) 2021/2278 in order to take into account technical product developments and economic trends in the market.
- **(4)** The Commission has reviewed certain CCT duty suspensions for products listed in the Annex to Regulation (EU) 2021/2278 in accordance with Article 2(2) of that Regulation. As it is in

9003/25 5

¹ 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).

² Council Regulation (EU) 2021/2278 of 20 December 2021 suspending the Common Customs Tariff duties referred to in Article 56(2), point (c), of Regulation (EU) No 952/2013 on certain agricultural and industrial products, and repealing Regulation (EU) No 1387/2013 (OJ L 466, 29.12.2021, p. ELI: http://data.europa.eu/eli/reg/2021/2278/oj).

- the interest of the Union to maintain the suspensions for certain of those products, new dates should be set for their next mandatory review.
- (5) It is no longer in the interest of the Union to maintain the suspension of CCT duties for certain products listed in the Annex to Regulation (EU) 2021/2278. The suspensions for those products should therefore be deleted from that Annex, with effect from 1 July 2025.
- (6) In response to the ongoing aggression by Russia against Ukraine and the continued involvement of Belarus in actions undermining Ukraine's sovereignty and territorial integrity, the Union has adopted restrictive measures to limit trade benefits granted to Russia and Belarus. However, Council Regulation (EU) 2022/2583³ retained the suspension of CCT duties for certain products originating in Belarus falling under TARIC code 2926907024 and for certain products originating in Russia falling under TARIC codes 7608208930 and 8401300020. Given the continued geopolitical instability and the need to reinforce the effectiveness of the Union's restrictive measures, to ensure consistency with the objectives of the Union's trade policy and to prevent economic advantages from being conferred upon entities supporting actions contrary to international law, it is appropriate to discontinue those exceptions for products originating in Belarus falling under TARIC code 2926907024 and for products originating in Russia falling under TARIC code 7608208930, and to reinstate the application of CCT duties on imports of those products from Russia and Belarus.
- (7) Regulation (EU) 2021/2278 should therefore be amended accordingly.
- (8) In order to avoid any interruption in the application of the autonomous tariff suspension scheme and to comply with the guidelines set out in the Communication from the Commission of 13 December 2011 concerning autonomous tariff suspensions and quotas⁴, the changes provided for in this Regulation regarding the tariff suspensions 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) 2021/2278 is amended as follows:

- (1) in Article 1, paragraph 2 is replaced by the following:
 - '2. Paragraph 1 does not apply to any of the following:
 - (a) any mixtures, preparations, or products made up of different components containing products as listed in the Annex;
 - (b) products originating in Belarus;

ECOFIN 2 B

9003/25 6

Council Regulation (EU) 2022/2583 of 19 December 2022 amending Regulation (EU) 2021/2278 suspending the Common Dustoms Tariff duties referred to in Article 56(2), point (c), of Regulation (EU) No 952/2013 on certain agricultual and industrial products (Oj L 340, 30.12.2022, p. 1, ELI: http://data.europa.eu/eli/reg/2022/2583/oj).

⁴ OJ C 363, 13.12.2011, p. 6.

- (c) products originating in Russia, with the exception of products falling under TARIC code 8401300020.';
- (2) the Annex is amended in accordance with 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

9003/25 EN

LEGISLATIVE FINANCIAL STATEMENT

1. NAME OF THE PROPOSAL:

Proposal for amending Regulation (EU) 2021/2278 suspending the Common Customs Tariff duties referred to in Article 56 (2) point (c) of Regulation (EU) No 952/2013 on 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(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	-12

Situation following action		
	[2025 – 2029]	
Article 120	- 24 EUR million/ year	

The Annex contains 80 new products. The uncollected duties corresponding to these suspensions, calculated on the basis of requesting Member State projections for the period 2025 to 2029, amount to EUR 18 381 850 per year.

On the basis of the existing statistics for preceding years, it would appear, however, necessary to increase this amount by an average factor, estimated at 1,8 to take account of imports into other Member States using the same suspensions. This means uncollected duties of some EUR 33 087 330 per year.

Four products have been withdrawn from this Annex reflecting the reintroduction of customs duties. This represents an increase of EUR 1 025 637 per year in the collection of duties, as estimated on the basis of 2024 statistics.

9003/25

On the basis of the above, the impact on the loss of revenue for the EU budget resulting from this Regulation is estimated at 33 087 330 - 1 025 637= EUR 32 061 693 (gross amount, including collection costs) x 0,75 = EUR 24 046 270 per year.

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.

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.

9003/25