



Advice

Renegotiation of Market Access under the EU-Ukraine Deep and Comprehensive Free Trade Agreement

Brussels, 18 October 2021

1. Introduction

Since November 2014, the EU and Ukraine have provisionally applied an Association Agreement. As a part of this association agreement, a Deep and Comprehensive Free Trade Agreement (DCFTA)¹ has been provisionally applied since January 2016. The agreement reduces tariffs that EU firms face when exporting to Ukraine and facilitates trade by making customs procedures more efficient and by gradual approximation of Ukrainian legislation, rules and procedures, including standards to those of the EU.

Under the agreement, the EU liberalised access to almost all fisheries products, for which the last duties will expire in early 2023. On the other hand, Ukraine did not liberalise 48 tariff lines of fisheries products and around 20 tariff lines of processed fisheries and aquaculture products. Ukraine seeks liberalisation of additional products, particularly agricultural ones. The main EU exports to Ukraine are herrings (0305 61 00) with 3,8% rate and salmon (0305 39 10) with 5% rate. The Commission is currently preparing to launch a renegotiation of the market access conditions under the agreement's schedule that ends in 2026.

¹ <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A22014A0529%2801%29>

2. Recommendations

Ukraine is increasingly interested in European culture and gastronomy, which can complement their dietary habits. Even though the purchasing power is lower than in the EU, Ukraine is a growing market. The liberalisation of tariffs when exporting fisheries and aquaculture products to Ukraine can be a positive opportunity for EU operators thanks to increased exports. Therefore, in the context of the ongoing renegotiation of market access conditions under the EU-Ukraine DCFTA, the MAC believes that the European Commission should:

- a) Seek reciprocity between the duties on fisheries and aquaculture products eliminated by the EU and those eliminated by Ukraine;
- b) Seek complete elimination of duties on all fisheries and aquaculture products, including prepared and preserved products, when exporting to Ukraine, in particular:
 - i. Frozen trout (0303 14)
 - ii. Smoked salmon (0305 41 00)
 - iii. Salted and brine herring (0305 61 00)
 - iv. Salted and brine anchovies (0305 63 00)
 - v. Prepared surimi (1604 20 05)
 - vi. Fresh and processed molluscs, such as oysters, mussels, and clams
 - vii. Prepared and preserved cephalopods
 - viii. Fishmeal (2301 20 00) and fish oil (1504 20 90);
- c) Seek facilitation of exporting procedures into Ukraine, particularly in relation to recent changes in Ukrainian legislation and animal health certification²;

² Danish operators, in particular, identified this situation as a major non-tariff barrier. Denmark exports fishery products from third countries to Ukraine. The competent Danish authorities require official animal health attestations from the third countries, in order to sign the relevant health certificate, even for wild caught fish and crustaceans not considered susceptible to any of the listed diseases. Attestations are even required for products for which animal health certification does not apply when importing into the EU, such as fishery products for human consumption without further processing thus not involving any risk regarding animal health. Operators find

- d) Encourage Member States to use and follow the interpretations provided in the technical sheet developed by France and Ukraine on the interpretation of the certificate for the export of fishery products intended for human consumption to Ukraine³.

it extremely difficult to obtain the mentioned documentation from third countries. In relation to wild caught fish and crustaceans, a short-term solution was found with the Ukrainian authorities (crossing out the animal health section), in order to allow the continuation of exports, but this agreement will expire on 16 November 2021.

³ <https://marketac.eu/wp-content/uploads/2021/10/FicheUKRAINEproduitsdelaPecheV1.pdf>