

NAZ does not agree with the introduction of tariff quotas for Ukraine

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On 21.10.2016 the National Association of Grain Producers sent an objection letter to the European Commissioner for Agriculture and Rural Development Phil Hogan and to the Minister of Agriculture of the Republic of Bulgaria Desislava Taneva against the Regulation proposed by the European Commission on the introduction of temporary autonomous trade measures for Ukraine as of 2017 to supplement the trade concessions granted under the Association Agreement of 29.06.2016. Such a measure will place grain producers and traders from the EU at a disadvantage and will have an additional negative impact on the market for these goods.

According to the National Association of Grain Producers, the proposal to introduce tariff quotas for the import of agricultural products from Ukraine for 2017, namely for: common wheat – 100,000 t, maize – 650,000 t, barley – 350,000 t, will place all agricultural producers and grain

traders from the EU at a disadvantage and will have an additional negative impact on the market for these goods.

Taking into account the trends on international grain markets of a sustained retention of already record-low price levels, this will further aggravate the situation in the Black Sea region. At the same time, the most vulnerable to such a decision are the EU Member States from this region, where the markets are driven precisely by the major exporters, such as Ukraine.

On the other hand, the import of the specified quantities of agricultural products is not conditioned by the needs of the EU, given the fact that intra-Community production secures consumption.

This type of market intervention will have only negative consequences for European farmers and traders, who are in any case in a non-privileged position, especially as regards Bulgaria and Romania.

The intention of the European Commission to apply such a preferential regime does not correspond to one of the main objectives of the Common Agricultural Policy – a competitive agriculture in the EU. In this regard, NAGP calls on the European Commission to reconsider and withdraw its proposal to increase the tariff quotas for Ukraine for the above-mentioned agricultural products.

Source: National Association of Grain Producers