

European Commission proposes additional autonomous trade preferences (ATPs) for Moldova - Brussels, 14 November 2007

The European Commission has adopted a proposal for a Regulation which will give Moldova additional autonomous trade preferences for imports into the EU. The proposal provides for duty and quota free access to the EU markets for almost all products originating in Moldova.

Moldova is still the poorest country on the European continent. Offering Moldova improved access to the EU market will support the development of its economy through increased export performance and diversification.

Moldova already benefits from the extensive preferences under the special incentive arrangement for sustainable development and good governance (GSP+). The preferences foreseen under the current proposal will be even more far reaching and we propose to maintain the conditions applied for the GSP.

The EU imports mainly textiles and footwear, metals and agricultural products from Moldova. The total volume of trade between the EU and Moldova is € 1.2 billion.

What will this proposed Regulation do?

It will offer unlimited and duty free access to the EU market to all products originating in Moldova, except for certain specific agricultural products. For these agricultural products, specific tariff rate quotas will apply, with yearly increases, thus allowing a smooth development of production capacities in Moldova.

This Regulation should allow Moldova to produce and export more to the EU, without having any negative effects on the EU market, given the low share of Moldova in EU's total imports.

Background

In the European Neighbourhood Policy Action Plan (ENP Action Plan) for Moldova, which was agreed in 2005, the EU committed itself to consider the possibility of granting Moldova additional ATPs, provided that Moldova substantially improved its system of controls and certification of origin of goods. Recently Moldova has reformed and improved its system of certification and customs control considerably and as a result the Commission has been able to conclude that Moldova is now eligible for receiving additional ATPs.