

**EXPLANATORY MEMORANDUM FOR EUROPEAN UNION LEGISLATION/DOCUMENTS
WITHIN THE SCOPE OF THE UK-EU WITHDRAWAL AGREEMENT AND THE WINDSOR
FRAMEWORK**

Unnumbered EM

Decision of the Joint Committee established by the Agreement on the Withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community to add the following EU legislation to the Windsor Framework.

Regulation (EU) 2024/1392 of the European Parliament and of the Council of 14 May 2024 on temporary trade-liberalisation measures supplementing trade concessions applicable to Ukrainian products under the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Ukraine, of the other part; and

Regulation (EU) 2024/1501 of the European Parliament and of the Council of 14 May 2024 on temporary trade-liberalisation measures supplementing trade concessions applicable to products from the Republic of Moldova under the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and the Republic of Moldova, of the other part

Submitted by the Department for Business and Trade, 25 April 2025

SUMMARY

1. This explanatory memorandum (EM) relates to the EU's trade liberalisation measures in respect of goods moving from Ukraine and the Republic of Moldova into Northern Ireland. If accepted at the Withdrawal Agreement Joint Committee under the Article 13(4) procedure, these regulations would apply in Northern Ireland to goods entering Northern Ireland that are considered "at risk" of entering the EU.

SUBJECT MATTER

Regulation (EU) 2024/1392

2. Regulation (EU) 2024/1392 (annexed to this EM) renews the EU's trade liberalisation measures that were set out in Regulation (EU) 2023/1077 (with some changes as set out below). These continue the EU's economic support to Ukraine, required in light of Russia's unprovoked and illegal invasion, which has had a profoundly negative impact on the ability of Ukraine to trade with the rest of the world.
3. Due to these exceptional circumstances and to mitigate the negative effects of Russia's illegal war against Ukraine, this Regulation continues the EU's efforts to accelerate the development of closer economic relations between the EU and Ukraine in order to provide continuous support to the Ukrainian economy.
4. These measures are intended to continue to stimulate trade flows and grant concessions in the form of trade-liberalisation measures for all products, in line with the acceleration of the elimination of customs duties on trade between the EU and Ukraine.

5. The temporary trade-liberalisation measures continued by this Regulation take the following form: (i) the suspension of the application of the entry price system to fruit and vegetables; (ii) the suspension of tariff-rate quotas and import duties; and (iii) the suspension of the application of Chapter V and Article 24 of Regulation (EU) 2015/478 of the European Parliament and of the Council.
6. Subject to an assessment by the Commission carried out in the context of the regular monitoring of the impact of these measures, concerns were raised that in the markets for eggs, poultry, sugar, oats, maize, groats and honey these measures could harm EU agricultural producers if imports from Ukraine were to increase.
7. Therefore, this Regulation introduced an automatic safeguard for eggs, poultry, sugar, oats, maize, groats and honey that is activated if the cumulative import volumes to the EU of any of these products in a specific period reach a certain level based on the annualised mean of import volumes recorded in the period from 1 July to 31 December 2021, 2022 and 2023.

Regulation (EU) 2024/1501

8. Regulation (EU) 2024/1601 (annexed to this EM) renews the EU's trade liberalisation measures that were set out in Regulation (EU) 2023/1524. This continues the EU's economic support to the Republic of Moldova in light of Russia's unprovoked and illegal invasion of Ukraine which has had a profoundly negative impact on the ability of the Republic of Moldova to trade with the rest of the world.
9. Due to these exceptional circumstances and to mitigate the negative effects of Russia's illegal war against Ukraine, this Regulation continues the EU's efforts to accelerate the development of closer economic relations between the EU and the Republic of Moldova in order to provide continuous support to the Republic of Moldova's economy.
10. These measures are intended to continue to stimulate trade flows and grant concessions in the form of trade-liberalisation measures for all products, in line with the acceleration of the elimination of customs duties on trade between the EU and the Republic of Moldova.
11. The temporary trade-liberalisation measures established by this Regulation should take the following form: (i) the suspension of the application of the entry price system to fruit and vegetables; and (ii) the suspension of all tariff-rate quotas and import duties.

SCRUTINY HISTORY

12. A decision to add the preceding regulations¹ of the regulations set out above to the Windsor Framework was taken at the UK-EU Withdrawal Agreement Joint Committee on 28 September 2023². The then FCDO Minister for Europe, Leo

¹ Regulation (EU) 2023/1077 and Regulation (EU) 2023/1524

² Joint Committee Decision No 4/2023

Docherty MP, wrote to the Scrutiny Committees on 26 October 2023 about these additions to the Windsor Framework.

MINISTERIAL RESPONSIBILITY

13. The Secretary of State for the Department for Business and Trade has overall responsibility for regulation of international trade and for the trade chapters of the Political, Free Trade and Strategic Partnership Agreement with Ukraine and the Strategic Partnership, Trade and Cooperation Agreement with Moldova.
14. The Minister for the Cabinet Office has overall oversight of EU policy and relations and leads on oversight of the Windsor Framework. He is also the UK Co-Chair of the Withdrawal Agreement Joint Committee.
15. The Foreign Secretary has overall responsibility for UK policy relating to the UK's relations with Ukraine and Moldova.

INTEREST OF THE DEVOLVED GOVERNMENTS (DGs)

16. The reduction of customs duties under trade liberalisation measures is a reserved matter, which the UK Government will continue to discuss with Devolved Governments as appropriate.
17. Under Schedule 6B to the Northern Ireland Act 1998 new EU acts may be added to the Windsor Framework without a motion being passed by the Northern Ireland Assembly if “the new EU act would not create a new regulatory border between Great Britain and Northern Ireland”. The UK Government has undertaken its own assessment and is content on this basis that the application of the regulations would not lead to a regulatory border between Great Britain and Northern Ireland.

LEGAL AND PROCEDURAL ISSUES

18. **EU Legal Base:** Article 207(2) of the Treaty on the Functioning of the European Union (TFEU): The European Parliament and the Council, acting by means of regulations in accordance with the ordinary legislative procedure, shall adopt the measures defining the framework for implementing the common commercial policy. Article 207(1) provides for the common commercial policy to be based on uniform principles, including, but not limited to, changes to tariff rates, the conclusion of tariff and trade agreements, measures of liberalisation and measures to protect trade.
19. **Voting Procedure:** Qualified Majority Voting.
20. **Timetable for adoption and implementation:** The EU measures entered into force on 6 June 2024 for Ukraine and 25 July 2024 for Moldova.

POLICY AND LEGAL IMPLICATIONS

21. Once added to the Windsor Framework, these regulations will generally mean that the EU's trade liberalisation measures for Ukrainian and Moldovan goods will apply for goods moving into Northern Ireland that are deemed “at risk” of entering the EU. Goods that are deemed “not at risk” of entering the EU will continue to be treated under the UK's own corresponding liberalisation measures.

22. Our assessment is that these regulations do not create a new regulatory border between Great Britain and Northern Ireland, i.e. the regulatory requirements relating to the movement of goods do not materially divert trade or materially impair the free flow of goods in accordance with section 18 of Schedule 6B of the Northern Ireland Act 1998. This is because it is considered that these regulations will have no practical impact on trade flows from Ukraine and Moldova into Northern Ireland.
23. This is primarily due to the low volume of existing relevant trade flows. In practice, we expect that no Ukrainian or Moldovan goods moving to Northern Ireland will incur a financial cost as a result of these Regulations, whether deemed “at risk” or “not at risk” of entering the EU.
24. This proposal is not relevant to Article 2 of the Windsor Framework.

CONSULTATION

25. The UK Government has not carried out a formal consultation as it does not consider that these regulations will have any significant impact on businesses or any other relevant stakeholders.

FINANCIAL IMPLICATIONS

26. We do not anticipate any financial implications arising for the UK as a result of these Regulations.

A handwritten signature in black ink that reads "Douglas Alexander". The signature is written in a cursive, flowing style.

The Rt Hon Douglas Alexander MP
Minister for Trade Policy and Economic Security
Department for Business and Trade