**Meeting: Working Group Drief Fruits and Nuts 14 March 2024**

**Trade Updates**

* **US-EU trade**

**Steel and Aluminium / Section 232**: 19 December 2023, the EU announced a prolongation of tariff suspension for US products related to the steel and aluminium dispute until 31 March 2025. Tariffs began in 2018 and were first suspended in 2021, but this was set to expire on 1 January 2024.

This averts the restatement of both Annex I and Annex II retaliatory tariffs by the EU on certain US products:

(i) the additional ad valorem duties on products listed in Annex I to Implementing Regulation (EU) 2018/886 this concerned US Kidney beans (0713 33 90), Peanut butter (2008 11 10) and Concentrate cranberry (in codes 2009 81 11; 2009 81 19; 2009 81 31; 2009 81 59), which since 2018 had been subject to a 25% duty.

 (ii) the additional ad valorem duties on products listed in Annex II to Implementing Regulation (EU) 2018/886, concerned dried cranberries (2008 93 91), which would have been subject to a 25% duty.

**Large Civil Aircraft, Airbus/Boeing:** The United States and the European Union [announced](https://ustr.us7.list-manage.com/track/click?u=b58f12c4da47019d98a1e84ef&id=4928cfa423&e=2933ed596e) in June 2021 a [cooperative framework](https://ustr.us7.list-manage.com/track/click?u=b58f12c4da47019d98a1e84ef&id=3cbc9894c0&e=2933ed596e) to address the large civil aircraft disputes. Each side intends to suspend application of its countermeasures for a period of 5 years, in the expectation that the other side will contribute to establishing a level playing field and to addressing shared challenges from non-market economies. Tariffs will resume June 2026 without an agreement.

This concerned US Peanuts, inshell (120241); Peanuts, shelled (120242); and Salmon from Alaska (03048100). In November 2020 the EU imposed a 25% duty on these and other non-aviation products, up from 0% in the case of both peanuts and 2% in the case of the salmon

**FRUCOM part of a Coalition** that most recently sent a letter on 7 December 2023 calling for permanent resolution on both these disputes.

* **Ukraine**

Since 4 June 2022, the EU has granted Ukraine full trade liberalisation, suspending import duties, quotas and trade defence measures for imports from Ukraine on a temporary basis. This is known as the [Autonomous Trade Measures (ATM) Regulation](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32023R1077). The first renewal for one year took place on 5 June 2023.

On 31 January 2024 the Commission proposed to renew the suspension of import duties and quotas on Ukrainian exports to the EU for another year, while reinforcing protection for sensitive EU agricultural products. These are currently ongoing as the current ATM expires on 5 June 2024.

Large farmer’s protests in February put pressure on EU legislators, and during the vote on the Parliament position yesterday, MEPs voted in favour of amendments to the Commission ATM proposal obliging trilogue negotiations to reach a final text. The amendments do not concern any FRUCOM member products.

DG AGRI and five frontline Member States: Bulgaria, Hungary, Poland, Romania and Slovakia reached an agreement on 2 May 2023 adopting “exceptional and temporary preventive measure” **entered into force on 2 May (today) and will last until 5 June 2023**, and will apply to wheat, maize, rapeseed and **sunflower seeds**, originating in Ukraine.

During this period, wheat, maize, rapeseed and sunflower seed originating in Ukraine can continue to be released for free circulation in all the Member States of the European Union other than the five frontline Member States: Bulgaria, Hungary, Poland, Romania and Slovakia.

* **GSP**

As the GSP Regulation was set to expire by the end of 2023, on 22 September 2021, the Commission adopted a legislative proposal for the EU’s Generalised Scheme of Preferences (GSP) for the period 2024-2034.

Trilogue negotiations on the new proposal were suspended in June 2023 by the Parliament, following disagreements on the use of migration conditionality as part of the new GSP

In November 2023, the Council of EU Member States and the European Parliament signed an amendment to the existing Generalised Scheme of Preferences (GSP) Regulation, in order to extend the GSP scheme for the period 2024-2027.

The Belgian Presidency of the European Union Council is still making efforts to steer these negotiations to a decisive conclusion. Failure to do so by 30 June 2024 will result in the continuation of deliberations after the election of the new European Parliament, scheduled to be held from 6 to 9 June 2024.