

# **EU TRADE POLICY**

## **APRIL–JULY 2025**

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**AGRINFO TRADE DIGEST**



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# EU TRADE POLICY APRIL–JULY 2025

## AGRINFO TRADE DIGEST

AGRINFO prepares regular briefings on the latest developments in European Union (EU) trade policy and trade negotiations that concern low- and middle-income countries. These briefings highlight topics of current interest, in particular for policymakers and public authorities. Links are given to sources of more detailed information, including the official EU website on trade [Negotiations and agreements](#).

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## KEY POINTS

### EU negotiations with low- and middle-income countries

**India:** The European Commission reported slow progress in advancing negotiations, with much work still required in many technical areas. There were constructive discussions on trade and sustainable development, but inconclusive talks on market access for agri-food products. The next round of talks is due in September 2025.

**Indonesia:** A political agreement has been reached on a Comprehensive Economic Partnership Agreement. This agreement still needs to be formalised, probably in September 2025, with signature and ratification expected in 2026. The EU has agreed that Indonesian palm oil exports to the EU will benefit from a zero duty quota, which has facilitated progress towards a final deal.

**Moldova:** The EU and Moldova have reached agreement on expanding their trade relations. This will provide greater access for Moldova to the EU market for certain fruits, grape juice, and garlic. Moldova agrees to align its national rules on pesticides with EU rules by the end of 2027. The agreement includes a safeguard clause that allows the EU to reintroduce import tariffs if imports cause social or economic disruption in the EU.

**Philippines:** Significant advances were made at talks held in June, including the completion of discussions on sustainable food systems, and progress in the areas of sanitary and phytosanitary measures, rules of origin, and trade in goods. Both sides speak optimistically of a speedy conclusion to negotiations, with the next round due in October 2025.

**Thailand:** The EU and Thailand report progress at the latest round of Free Trade Agreement (FTA) discussions in June 2025, with preliminary agreement on a wide range of topics including technical barriers to trade, and sustainable development. Some advances are reported on sanitary and phytosanitary measures, but divergences remain. The next round of talks will take place in September 2025.

**Türkiye:** At the second meeting of the High-Level Dialogue on Trade, the EU and Türkiye discussed the elimination of trade barriers, including trade in organic products and the use of beef quotas. Agreements were reached in relation to updated rules of origin, and the use of electronic A.TR (*Admission Temporaire Roulette*, Temporary Admission) movement certificates to allow for separation of goods in the EU–Türkiye Customs Union.

**Ukraine:** The EU and Ukraine reached preliminary agreement on new agricultural quotas, with further liberalisation including limited increases in quotas on certain sensitive products including sugar, poultry, eggs, wheat, maize, and honey. Quotas for these products can be lower than the volumes that have been imported into the EU between 2022 and 2024 as a result of temporary full trade liberalisation in response to Russia's aggression against Ukraine.



## KEY POINTS

### Trade policy

**Generalised Scheme of Preferences (GSPs) review:** Four years after the European Commission's initial proposal, the EU institutions are struggling to reach final agreement on the updated GSPs that provide improved market access for many low- and middle-income countries. While most points have now been agreed, the European Parliament is seeking the establishment of a safeguard that can rapidly introduced import tariffs on rice in response to increased imports from Everything But Arms ([EBA](#)) countries. Talks will continue in September.



# EU NEGOTIATIONS WITH LOW- AND MIDDLE-INCOME COUNTRIES

## India

Progress in negotiations between the EU and India on a Free Trade Agreement (FTA) remains slow following the 12th round of negotiations held in July 2025. Agreement was reached in the areas of digital trade and anti-fraud, but the European Commission reported that much work still remains to be done in relation to many technical areas that were the focus of discussions. Regarding sanitary and phytosanitary (SPS) measures, some progress was made in relation to listing of establishments, regionalisation, and risk assessment; but “further intense work” is still needed in many other areas ([European Commission 2025a](#)). There were also detailed but inconclusive discussions on market access for agri-food products. In spite of “constructive discussions”, there are still major differences regarding commitments that can be made in relation to trade and sustainable development. The next round of formal discussions is due to take place in September 2025, although technical discussions have continued throughout the summer.

European Commission (2025a) [Report of the Twelfth Round of Negotiations on a Free Trade Agreement between the European Union and India](#).

## Indonesia

The EU and Indonesia announced in July that they have reached political agreement on a Comprehensive Economic Partnership Agreement (CEPA) ([European Commission 2025b](#)). This is a significant step towards finalising an agreement, although the final details still need to be negotiated. A formal agreement is expected in September, followed by signature and ratification in 2026. The agreement will promote trade and investment and will support cooperation on critical raw materials. Indonesian sources have reported a late agreement in negotiations to establish a zero duty quota on Indonesian palm oil, with 80% of Indonesian exports to the EU subject to zero tariffs ([Jakarta Globe 2025](#)).

European Commission (2025b) [EU and Indonesia choose openness and partnership with political agreement on CEPA](#).

Jakarta Globe (2025) [EU to let Indonesian palm oil enter its market at 0 pct tariff](#). *Jakarta Globe*, 28 July.

## Moldova

The EU’s existing Association Agreement with Moldova includes a Deep and Comprehensive Free Trade Area (DCFTA). Under the current DCFTA most agri-food products are fully liberalised, meaning they can enter the EU at zero duty. For certain products that are considered sensitive for the EU agri-food sector, zero duty access is limited to a tariff rate quota, as high import volumes could negatively impact the EU’s production of the same products.

In response to the trading difficulties created by the Ukraine war, Moldova has benefited from complete zero duty access to the EU market for all products (“autonomous trade measures”) since July 2022 (Regulation [2024/1501](#)). The EU is Moldova’s biggest trading partner, and the traditional export routes transit through Ukraine. These measures expired in July 2025.



Following negotiation on expanding the DCFTA, the EU has agreed to create greater market access for Moldova to the EU market for certain fruits, grape juice, and garlic. The new agreement allows the EU to reintroduce import tariffs if imports from Moldova have a negative economic or social impact on the EU as a whole, or on any EU Member State.

A condition for improved market access is that by the end of 2027 Moldova should align its laws to EU rules on pesticides: plant protection products on the market (Regulation [1107/2009](#)); sustainable use of pesticides (Directive [2009/128/EC](#)); official controls (Regulation [2017/625](#)); and protection of waters against nitrate pollution (Council Directive [91/676/EEC](#)).

For further details see [EU–Moldova Deep and Comprehensive Free Trade Area](#).

## Philippines

A third round of negotiations on an FTA with the Philippines was held in June 2025. The European Commission described negotiations as “constructive and engaging”, most notably with talks completed on the chapter on sustainable food systems ([European Commission 2025c](#)). Other topics that were advanced during the June talks included SPS measures, rules of origin, and trade in goods. Virtual meetings between the two sides will continue ahead of the formal fourth round of negotiations in October 2025; the proposed texts for each chapter are available ([European Commission 2025d](#)). The Philippines Department of Trade and Industry welcomed the “meaningful progress” made and expressed the hope that the FTA could be concluded “expeditiously, particularly in light of the evolving global trade landscape” ([Philippines DTI 2025](#)).

European Commission (2025c) [Report of the 3rd round of negotiations on a Free Trade Agreement between the European Union and the Philippines](#).

European Commission (2025d) [EU-Philippines agreement: Documents](#).

Philippines DTI (2025) [Momentum builds as third PH-EU FTA Talks conclude with positive progress](#).

## Thailand

The European Commission reported on advances in discussions with Thailand during the sixth round of FTA negotiations that took place in June 2025, with preliminary agreement reached on a wide range of topics including technical barriers to trade (TBT) and sustainable development. In relation to SPS measures, progress was made on the listing of establishments for export, but different positions remain on a range of other issues, including approval procedures. Initial offers on market access (import tariffs and quotas) were exchanged, and both sides reiterated their commitment to an ambitious outcome in this area ([European Commission 2025e](#)). The next round of negotiations is due to take place in September 2025. Thai negotiators have also welcomed the progress made, in particular in the area of sustainable development and support for small and medium enterprises’ (SMEs) access to information on trade regulations and measures ([The Nation 2025](#)).

European Commission (2025e) [Report of the 6th round of negotiations on a Free Trade Agreement between the European Union and Thailand](#).

The Nation (2025) [Thailand-EU FTA talks make progress on sustainability, SMEs and trade barriers](#). *The Nation*, 28 June.



## Türkiye

The EU and Türkiye held its second meeting of the High-Level Dialogue on Trade in July 2027. Both sides reported good progress in eliminating barriers to trade, and discussed further cooperation in key areas including trade in organic products. Progress is reported in three of the six priority trade issues highlighted at the meeting, which included use of beef quotas ([Delegation of the EU to Türkiye 2025](#)). There was also agreement on updated rules of origin protocols in the EU–Türkiye FTAs in relation to agricultural products, and on the use of electronic A.TR (*Admission Temporaire Roulette*, Temporary Admission) movement certificates permitting free circulation of goods within the EU–Türkiye Customs Union (Decision No. [1/2025](#) of the EU–Türkiye Customs Cooperation Committee).

Delegation of the EU to Türkiye (2025) [Recent Türkiye–EU High-Level Dialogues on Trade, Migration and Security](#). Joint press statement, 3 July.

## Ukraine

The EU and the Ukraine have reached agreement on new agricultural quotas. In 2022, in response to Russia's aggression against Ukraine and to support the Ukrainian economy, the EU granted Ukraine full trade liberalisation – meaning zero duties and zero quota limitations – on all goods for a temporary period.

This liberalisation came to an end on 5 June 2025, and the tariff rate quotas previously established under the EU–Ukraine Association Agreement were reintroduced (see [Ukrainian tariff rate quotas](#)). However, in talks completed in June, provisional [agreement](#) on a revised market access was reached between the two sides, with limited increases in quotas for certain sensitive products including sugar, poultry, eggs, wheat, maize, and honey ([European Commission 2025f](#)). These quotas represent an increase on those available before the war in Ukraine, but less than has been imported in recent years under full trade liberalisation. For example, the annual wheat quota is set at 1.3 million tonnes, up from a pre-war quota of 1 million tonnes, but 70–80% lower than imports in recent seasons ([Reuters 2025](#)). The proposal will now have to be approved by the Council of the EU (Member States).

European Commission (2025f) [EU and Ukraine reach agreement in principle on a modernised trade relationship](#). Press release, 30 June.

Reuters (2025) [EU to cut Ukrainian wheat, sugar imports by 70-80% under new quotas](#). Reuters, 4 July.

More information is available on the EU webpage [Negotiations and agreements](#): scroll down to download Overviews and a Map summarising the state of play of EU trade agreements.





## TRADE POLICY

### EU struggles to finalise revised GSP rules

The Generalised Scheme of Preferences (GSP) scheme aims to assist lower-income countries to integrate into the world economy, reduce poverty, and support sustainable development by protecting core human rights and the environment. In 2021, the European Commission proposed to update the existing scheme, which is generally viewed to be working effectively but requires some changes [see [Review of generalised scheme of tariff preferences \(GSP\)](#)]. The Commission's proposal was reviewed by the European Parliament and the Council of the EU (Member States). Both institutions proposed different changes, which has delayed the process. There is now agreement from the European Parliament and the Council of the EU to only allow non-EU countries to benefit from preferential trade arrangements where they also agree to take back rejected asylum seekers.

However, in the latest dialogue in July between the European Parliament and the Council, there was no agreement on a further demand from the Parliament: the introduction of an automatic import safeguard on rice imported under the Everything But Arms (EBA) scheme (offering zero duty, zero quota access to least developed countries). Automatic safeguards result in the immediate introduction of import tariffs when imports exceed certain levels, and are not supported by the Council, which instead proposes the creation of a specific surveillance mechanism for monitoring imports. Producer groups regard this as insufficient to protect European rice interests ([Farm Europe 2025](#)).

As a result of lengthy negotiations on the revision of the GSP, the EU agreed in 2023 to extend the existing GSP and EBA schemes until 2027 [see [Extension of scheme of generalised tariff preferences \(GSP\)](#)]. Negotiations between the EU institutions will continue from September 2025.

Farm Europe (2025) [GSP: The automatic safeguard clause on rice must be defended](#). Farm Europe, 16 June.



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