Regulation (EU) 2020/2131 of the European Parliament and of the Council of 16 December 2020 on the elimination of customs duties on certain goods

REGULATION (EU) 2020/2131 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

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on the elimination of customs duties on certain goods

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 207(2) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Acting in accordance with the ordinary legislative procedure[(1)],

Whereas:

(1) The Union and the United States of America (the 'United States') have the largest and deepest bilateral trade and investment relationship in the world and have highly integrated economies. The two-way trade in goods and services between them is worth over EUR 1 trillion per year, which is approximately EUR 3 000 million per day. That close trade and investment relationship is beneficial for consumers, workers, businesses and investors.

(2) The Union is committed to improving its trade and investment relationship with the United States. This includes finding new ways to improve the bilateral trade relationship, to address trade irritants and to resolve ongoing trade disputes. To avoid further disruption of that trade relationship, the customs duties applied by the Union to imports should be eliminated for a limited number of goods for a period of five years on an *erga omnes* basis.

(3) The elimination of customs duties should be subject to the effective implementation by the United States of its announced reduction of customs duties on a selected number of goods and to the abstention by the United States from the introduction of new measures that would undermine the objectives pursued by the Joint Statement of the United States and the European Union on a Tariff Agreement of 21 August 2020 (the 'Joint Statement')[(2)].

(4) The elimination of customs duties should apply from the same date as the effective implementation of the announcement of the United States regarding the reduction of its customs duties on a selected number of goods, namely from 1 August 2020.

(5) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission to temporarily suspend

Changes to legislation: *There are currently no known outstanding effects for the Regulation (EU) 2020/2131 of the European Parliament and of the Council. (See end of Document for details)*

the application of this Regulation if the conditions set out in this Regulation are not complied with. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council[3].

(6) In view of the urgency of avoiding further disruption of the trade relationship between the Union and the United States, this Regulation should enter into force immediately after its publication. For the same reason, it is also considered to be appropriate to provide for an exception to the eight-week period referred to in Article 4 of Protocol No 1 on the role of national Parliaments in the European Union, annexed to the Treaty on European Union, to the Treaty on the Functioning of the European Union and to the Treaty establishing the European Atomic Energy Community,

HAVE ADOPTED THIS REGULATION:

Article 1

Elimination of customs duties

The applicable import customs duties of the Common Customs Tariff shall be 0 % (free of duty) for the goods classified in the tariff lines listed in Section I of the Annex on an *erga omnes* basis.

Article 2

Conditions for the elimination of customs duties

The elimination of the customs duties for the goods classified in the tariff lines listed in Section I of the Annex shall be subject to the following conditions:

(a) the reduction of customs duties by the United States on an *erga omnes* basis for the goods classified in the tariff lines listed in Section II of the Annex; and

(b) the abstention by the United States from the introduction of new measures against the Union that undermine the objectives pursued by the Joint Statement.

Article 3

Temporary suspension

If the United States does not comply with the conditions set out in Article 2, or if there is sufficient evidence of a future failure of the United States to comply with those conditions, the Commission may adopt an implementing act suspending the elimination of customs duties referred to in Article 1 until the conditions set out in Article 2 are complied with. That implementing act shall be adopted in accordance with the examination procedure referred to in Article 4(2).

***Changes to legislation:** There are currently no known outstanding effects for the Regulation (EU) 2020/2131 of the European Parliament and of the Council. (See end of Document for details)*

Article 4

Committee procedure

1 The Commission shall be assisted by the Customs Code Committee established by Article 285 of Regulation (EU) No 952/2013 of the European Parliament and of the Council[4]. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.

2 Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

Article 5

Entry into force and application

1 This Regulation shall enter into force on the day of its publication in the *Official Journal of the European Union*.

2 This Regulation shall apply from 1 August 2020 to 31 July 2025.

3 The Commission shall publish a notice of suspension in the *Official Journal of the European Union* in the event that the application of this Regulation is suspended pursuant to Article 3 or in the event that this Regulation ceases to apply before 31 July 2025.

4 At the request of the economic operators concerned, the national customs authorities of the Member States concerned shall reimburse any duties paid in excess of those applicable in accordance with this Regulation for imports from the United States between 1 August 2020 and 18 December 2020.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 16 December 2020.

For the European Parliament

The President

D. M. SASSOLI

For the Council

The President

M. ROTH