Regulation (EU) 2016/401 of the European Parliament and of the Council of 9 March 2016 implementing the anti-circumvention mechanism provided for in the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part

REGULATION (EU) 2016/401 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 9 March 2016

implementing the anti-circumvention mechanism provided for in the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part

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) On 10 May 2010, the Council authorised the Commission to open negotiations with Georgia for the conclusion of an agreement establishing an association between the Union and Georgia.

(2) Those negotiations have been concluded and the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part[(2)] ('the Agreement') was signed on 27 June 2014 and has been provisionally applied since 1 September 2014.

(3) It is necessary to lay down the procedures to guarantee the effective application of the anti-circumvention mechanism for the temporary suspension of preferential duties on specific products, provided for in the Agreement.

(4) This Regulation should provide for the possibility to suspend the preferential duties for a maximum period of six months when the imports of certain agricultural products and processed agricultural products reach the annual import volumes defined in Annex II-C to the Agreement.

(5) For reasons of transparency, the Commission should submit an annual report to the European Parliament and to the Council on the implementation of the Agreement and the application of the anti-circumvention mechanism.

(6) In order to ensure uniform conditions for the implementation of the anti-circumvention mechanism provided for in the Agreement, implementing powers should be conferred

Changes to legislation: *There are currently no known outstanding effects for the Regulation (EU) 2016/401 of the European Parliament and of the Council. (See end of Document for details)*

on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council[3].

(7) The advisory procedure should be used for the adoption of implementing acts for the decision on the suspension of the preferential duties under the anti-circumvention mechanism, given that those acts have to be implemented quickly once the relevant threshold for the categories of products listed in Annex II-C to the Agreement has been reached as they have only a very limited period of application. In order to prevent a negative impact on the Union market as a result of an increase in imports, the Commission should adopt immediately applicable implementing acts where, in duly justified cases, imperative grounds of urgency so require,

HAVE ADOPTED THIS REGULATION:

Article 1

Subject matter and scope

1 This Regulation lays down provisions for the implementation of the anti-circumvention mechanism provided for in the Agreement.

2 This Regulation applies to products originating in Georgia.

Article 2

Anti-circumvention mechanism for certain agricultural products and processed agricultural products

1 An average annual import volume is set for imports of the products listed in Annex II-C to the Agreement, which are subject to the anti-circumvention mechanism set out in Article 27 thereof. On duly justified imperative grounds of urgency, relating to the import volume of one or more categories of products that reach the volume indicated in Annex II-C to the Agreement in any given year starting on 1 January, and unless it has received a sound justification from Georgia, the Commission shall adopt an immediately applicable implementing act in accordance with the procedure referred to in Article 3(2) of this Regulation. By such act, the Commission may decide either to temporarily suspend the preferential duty applied to the product or products concerned or that such suspension is not appropriate.

2 The temporary suspension of the preferential duty shall be applicable for a maximum period of six months from the date of publication of the decision to suspend the preferential duty. Before the expiry of that six-month period and on duly justified imperative grounds of urgency relating to the suspension of the preferential duties, the Commission may adopt an immediately applicable implementing act in accordance with the procedure referred to in Article 3(2) of this Regulation in order to lift the temporary suspension of the preferential duty if it is satisfied that the volume of the relevant category of products imported in excess of the volume referred to in Annex II-C to the Agreement results from a change in the level of production and export capacity of Georgia for the product or products concerned.

Article 3

Committee procedure

1 The Commission shall be assisted by the Committee for the Common Organisation of the Agricultural Markets established by Article 229(1) of Regulation (EU) No 1308/2013 of the European Parliament and of the Council[(4)] and, as regards processed agricultural products, the Commission shall be assisted by the Committee on horizontal questions concerning trade in processed agricultural products not listed in Annex I established by Article 44(1) of Regulation (EU) No 510/2014 of the European Parliament and of the Council[(5)]. Those Committees shall be committees within the meaning of Regulation (EU) No 182/2011.

2 Where reference is made to this paragraph, Article 8 of Regulation (EU) No 182/2011, in conjunction with Article 4 thereof, shall apply.

Article 4

Report

1 The Commission shall submit an annual report to the European Parliament and to the Council on the application and implementation of this Regulation and Title IV of the Agreement and on compliance with the obligations laid down therein.

2 The report shall, inter alia, include information about the application of the anti-circumvention mechanism.

3 The report shall set out a summary of the statistics and the evolution of trade with Georgia.

4 The European Parliament may, within one month of submission of the Commission's report, invite the Commission to an ad hoc meeting of its responsible committee to present and explain any issues related to the implementation of this Regulation.

5 No later than three months after submitting its report to the European Parliament and to the Council, the Commission shall make it public.

Article 5

Entry into force

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

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