Council Regulation (EC) No 55/2008 of 21 January 2008 introducing autonomous trade preferences for the Republic of Moldova and amending Regulation (EC) No 980/2005 and Commission Decision 2005/924/EC

COUNCIL REGULATION (EC) No 55/2008

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 133 thereof,

Having regard to the proposal from the Commission,

Whereas:

(1) The relationship between the European Union (EU) and the Republic of Moldova (hereinafter referred to as Moldova) builds on the Partnership and Cooperation Agreement[(1)] that entered into force on 1 July 1998. One of its main objectives is to promote trade and investment and harmonious economic relations between the Parties and so to foster their sustainable economic development.

(2) In the European Neighbourhood Policy Action Plan (ENP Action Plan) for Moldova, which was agreed in 2005, the EU committed itself to consider the possibility of granting Moldova additional Autonomous Trade Preferences (ATPs), provided that Moldova substantially improved its system of controls and certification of origin of goods. In 2006 Moldova reformed its customs legislation and a satisfactory level of implementation of the new legislation was reached at the beginning of 2007.

(3) Until Romania's accession to the EU on 1 January 2007, Moldova had a free trade regime with Romania. On the whole, the effect of the 2007 enlargement was negligible for Moldova, but it had a negative impact on a few key export products of Moldova.

(4) Pursuant to Commission Decision 2005/924/EC[(2)], Moldova already benefits from the special incentive arrangement for sustainable development and good governance (the GSP+) provided for in Council Regulation (EC) No 980/2005 of 27 June 2005 applying a scheme of generalised tariff preferences[(3)] (GSPs).

(5) The general level of imports from Moldova is merely 0,03 % of all Community imports. Further market opening is expected to support the development of Moldova's economy through increased export performance while not creating negative effects for the Community.

(6) It is therefore appropriate to extend autonomous trade preferences to Moldova by removing all remaining tariff ceilings for industrial products and by improving access to the Community market for agricultural products.

Changes to legislation: *There are currently no known outstanding effects for the Council Regulation (EC) No 55/2008. (See end of Document for details)*

(7) In accordance with ENP Action Plan, the level of ambition of the EU-Moldova relationship will depend on the degree of Moldova's commitment to common values as well as its capacity to implement jointly agreed priorities, including the readiness to engage in effective economic reforms. Furthermore, to benefit from the additional tariff preferences under the GSP+ regime, Moldova has fulfilled the conditions of ratifying and effectively implementing core international conventions on human and labour rights, environmental protection and good governance. To ensure Moldova maintains the level of progress it has achieved, the granting of additional autonomous trade preferences will be subject to continued implementation of, and compliance with, the priorities and conditions set in the ENP Action Plan and the GSP+.

(8) In addition, entitlement to benefit from autonomous trade preferences is conditional on Moldova's compliance with the relevant rules of origin of products and the procedures related thereto as well as involvement in effective administrative cooperation with the Community in order to prevent any risk of fraud.

(9) The reasons for temporary suspension of preferences should include serious and systematic violations of the conditions for the entitlement to the preferential arrangements, fraud or failure to provide administrative cooperation for the verification of origin of goods and failure of Moldova to show continued engagement in the implementation of the priorities set in the ENP Action Plan and the covenants, conventions and protocols listed in Annex II.

(10) It is necessary to provide for the reintroduction of Common Customs Tariff duties for any products causing, or threatening to cause, serious difficulties to a Community producer of like or directly competing products, subject to an investigation by the Commission.

(11) For the purposes of defining the concept of originating products, certification of origin and administrative cooperation procedures, Title IV, Chapter 2, section 2 of Commission Regulation (EEC) No 2454/93 of 2 July 1993 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code[(4)] will apply.

(12) For the sake of rationalisation and simplification, it is appropriate to provide that the Commission may, having consulted the Customs Code Committee and without prejudice to the specific procedures provided for in this Regulation, make any necessary changes and technical amendments to this Regulation.

(13) The measures necessary for the implementation of this Regulation should be adopted in accordance with Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission[(5)].

(14) The introduction of the proposed measures for products originating in Moldova will make the inclusion of Moldova in the Community's scheme of generalised tariff preferences superfluous. It is therefore appropriate to remove Moldova from the list of beneficiaries of Regulation (EC) No 980/2005 and from the list of the beneficiary countries which qualify for the GSP+ in Decision 2005/924/EC.

(15) The import arrangements adopted by this Regulation should be renewed on the basis of the conditions established by the Council and in the light of the experience gained in granting them. It is therefore appropriate to limit their duration to 31 December 2012,

HAS ADOPTED THIS REGULATION:

Article 1

Preferential arrangements

1 Products originating in Moldova, other than those included in tables 1 and 2 in Annex I, shall be admitted for import into the Community without quantitative restrictions or measures having equivalent effect and with exemption of customs duties and charges having equivalent effect.

2 Products originating in Moldova and included in Annex I shall be admitted for import into the Community subject to the special provisions laid down in Article 3.

Article 2

Conditions for entitlement to the preferential arrangements

1 Entitlement to benefit from the preferential arrangements introduced by Article 1 shall be subject to:

a compliance with the rules of origin of products and the procedures related thereto as provided for in Title IV, Chapter 2, section 2 of Regulation (EEC) No 2454/93;

b compliance with the methods of administrative cooperation as provided for in Articles 121 and 122 of Regulation (EEC) No 2454/93;

c Moldova's involvement in effective administrative cooperation with the Community in order to prevent any risk of fraud;

d Moldova's abstention from introducing new duties or charges having equivalent effect and new quantitative restrictions or measures having equivalent effect for imports originating in the Community or from increasing existing levels of duties or charges or from introducing any other restrictions from the day of the entry into force of this Regulation;

e Moldova's continued engagement in the implementation of the priorities set in the ENP Action Plan for Moldova of 2005, in particular as regards effective economic reform; and

f Moldova's maintaining the ratification and effective implementation of the covenants, conventions and protocols listed in Annex II and accepting regular monitoring and review of its implementation record in accordance with the implementation provisions of the covenants, conventions and protocols it has ratified.

2 The Commission shall keep under review the status of ratification and effective implementation of the relevant covenants, conventions and protocols referred to in paragraph 1(f).

3 In the event of non-compliance with the conditions set in paragraph 1, the Commission may, in accordance with Article 10, take measures to suspend the preferential arrangements provided for in Article 1.

Changes to legislation: *There are currently no known outstanding effects for the Council Regulation (EC) No 55/2008. (See end of Document for details)*

Article 3

Tariff quotas and price thresholds for certain agricultural products

1 Products listed in Table 1 of Annex I shall be admitted for import into the Community with exemption of customs duties within the limits of Community tariff quotas as set out in that table.

2 Products listed in Table 2 of Annex I shall be admitted for import into the Community with exemption of the ad valorem component of the import duty.

[F1 3 Notwithstanding other provisions of this Regulation, in particular Article 10, if imports of agricultural products cause serious disturbance to the Union markets and their regulatory mechanisms, the Commission may take the appropriate measures by means of implementing acts. Such implementing acts shall be adopted in accordance with the examination procedure referred to in Article 11a(5).**]**

Textual Amendments

F1 Substituted by Regulation (EU) No 37/2014 of the European Parliament and of the Council of 15 January 2014 amending certain regulations relating to the common commercial policy as regards the procedures for the adoption of certain measures.

*[*F1 *Article 4*

Implementation of tariff quotas for dairy products

The detailed rules for implementing the tariff quotas for headings 0401 to 0406 shall be determined by the Commission by means of implementing acts. Such implementing acts shall be adopted in accordance with the examination procedure referred to in Article 11a(5).**]**

Textual Amendments

F1 Substituted by Regulation (EU) No 37/2014 of the European Parliament and of the Council of 15 January 2014 amending certain regulations relating to the common commercial policy as regards the procedures for the adoption of certain measures.

Article 5

Administration of tariff quotas

The tariff quotas referred to in Article 3(1) and listed in Annex I, except tariff quotas for dairy products referred to in Article 4, shall be administered by the Commission in accordance with Articles 308a, 308b and 308c of Regulation (EEC) No 2454/93.

Article 6

Access to tariff quotas

Member States shall ensure that importers have equal and uninterrupted access to the tariff quotas for as long as the balance of the relevant quota volume so permits.

[F2 Article 7

Conferral of power

The Commission shall be empowered to adopt delegated acts in accordance with Article 8a in order to make the necessary amendments and adjustments to the provisions of this Regulation as a result of:

(a) amendments to the Combined Nomenclature codes and to the TARIC subdivisions;

(b) the conclusion of other agreements between the Union and Moldova, to the extent that the amendments and adjustments concern the Annexes to this Regulation.**]**

Textual Amendments

F2 Substituted by Regulation (EU) No 38/2014 of the European Parliament and of the Council of 15 January 2014 amending certain regulations relating to the common commercial policy as regards the granting of delegated and implementing powers for the adoption of certain measures.

F3 Article 8

[F3 Committee procedure]

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Textual Amendments

F3 Deleted by Regulation (EU) No 37/2014 of the European Parliament and of the Council of 15 January 2014 amending certain regulations relating to the common commercial policy as regards the procedures for the adoption of certain measures.

[F4 Article 8a

Exercise of the delegation

1 The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.

2 The power to adopt delegated acts referred to in Article 7 shall be conferred on the Commission for a period of five years from 20 February 2014. The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of the five-year period. The delegation of power shall be tacitly extended for periods of an identical