












Procedure file

Basic information	
<p>COD - Ordinary legislative procedure (ex-codecision procedure) Regulation 2015/0079(COD)</p>	Procedure completed
<p>EU/Euratom/Moldova Association Agreement: implementing the safeguard clause and anti-circumvention mechanism</p> <p>See also 2014/0083(NLE)</p> <p>Subject 6.20.03 Bilateral economic and trade agreements and relations 6.40.15 European neighbourhood policy</p> <p>Geographical area Moldova</p>	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 International Trade	Shadow rapporteur	
		 WINKLER Iuliu	
		 DANTI Nicola	
		 ZAHRADIL Jan	
		 TAKKULA Hannu	
		 JADOT Yannick	
	Committee for opinion	Rapporteur for opinion	Appointed
	 Foreign Affairs	The committee decided not to give an opinion.	
	 Industry, Research and Energy	The committee decided not to give an opinion.	
	 Agriculture and Rural Development		19/05/2015
		 DĂNCILĂ Viorica	
Council of the European Union	Council configuration	Meeting	Date
	Competitiveness (Internal Market, Industry, Research and Space)	3451	29/02/2016
European Commission	Commission DG Trade	Commissioner MALMSTRÖM Cecilia	

Key events			
14/04/2015	Legislative proposal published	COM(2015)0154	Summary
27/04/2015	Committee referral announced in Parliament, 1st reading		
10/12/2015	Vote in committee, 1st reading		
14/12/2015	Committee report tabled for plenary, 1st reading	A8-0364/2015	Summary
03/02/2016	Results of vote in Parliament		
03/02/2016	Decision by Parliament, 1st reading	T8-0035/2016	Summary
29/02/2016	Act adopted by Council after Parliament's 1st reading		
29/02/2016	End of procedure in Parliament		
09/03/2016	Final act signed		
23/03/2016	Final act published in Official Journal		

Technical information	
Procedure reference	2015/0079(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
	See also 2014/0083(NLE)
Legal basis	Treaty on the Functioning of the EU TFEU 207-p2
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed
Committee dossier	INTA/8/03249

Documentation gateway					
Legislative proposal		COM(2015)0154	14/04/2015	EC	Summary
Committee opinion	AGRI	PE560.764	14/10/2015	EP	
Committee draft report		PE571.451	29/10/2015	EP	
Amendments tabled in committee		PE572.843	24/11/2015	EP	
Committee report tabled for plenary, 1st reading/single reading		A8-0364/2015	14/12/2015	EP	Summary
Text adopted by Parliament, 1st reading/single reading		T8-0035/2016	03/02/2016	EP	Summary
Draft final act		00073/2015/LEX	09/03/2016	CSL	
Commission response to text adopted in plenary		SP(2016)221	31/03/2016	EC	

Final act

EU/Euratom/Moldova Association Agreement: implementing the safeguard clause and anti-circumvention mechanism

PURPOSE: to incorporate the anti-circumvention mechanism foreseen in the EU-Moldova Association Agreement into European Union law.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: the EU-Moldova Association Agreement was signed on 24 June 2014 and has been provisionally applied from 1 September 2014. This Agreement includes:

- a bilateral safeguard clause which allows for the temporary suspension of preferences in case their application would result in an unexpected and significant increase of imports causing economic damage to the domestic industry of the importing party. In concrete terms, this instrument makes it possible to either suspend the further tariff liberalization or reintroduce the most favoured nation (MFN) customs duty rate;
- a so-called anti-circumvention mechanism, which provides for the possibility to reintroduce the MFN customs duty rate when imports of certain agricultural goods from Moldova exceed a given threshold without due justification of their exact origin.

The Commission considered it necessary to lay down the procedures to guarantee the effective application of the safeguard clause and the anti-circumvention mechanism.

An implementing regulation of the European Parliament and of the Council is necessary to put in place in the EUs internal legislation the necessary instrument to be able to apply the bilateral safeguard clause and the anti-circumvention mechanism.

CONTENT: the proposal for a Regulation constitutes the legal instrument for the implementation of the safeguard clause and the anti-circumvention mechanism of the Agreement already concluded with the Republic of Moldova.

Safeguard measures: safeguard measures may be considered only if the product in question is imported into the Union in such increased quantities, in absolute terms or relative to Union production, and under such conditions as to cause, or threaten to cause, serious injury to Union producers of like or directly competing products. The maximum duration of safeguard measures is determined and specific provisions regarding extension and review of such measures are laid down.

Initiating an investigation: the tasks of following up and reviewing the Agreement, carrying out investigations and, if necessary, imposing safeguard measures should be carried out in the most transparent manner possible. The Commission should receive information including available evidence from the Member States of any trends in imports which might call for the application of safeguard measures. If there is sufficient prima facie evidence to justify the initiation of proceedings, the Commission should publish a notice in the Official Journal of the European Union.

Investigations: the proposal provides that there should be detailed provisions on the initiation of investigations, access to and inspections by interested parties of the information gathered, hearings for the interested parties involved and the opportunities for those parties to submit their views. It also sets time limits for the initiation of an investigation and for determinations as to whether or not safeguard measures are appropriate, with a view to ensuring that such determinations are made quickly, in order to increase legal certainty for the economic operators concerned. An investigation should precede the application of any safeguard measure.

Anti-circumvention mechanism: the proposed Regulation provides for the possibility to suspend the preferential customs 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 the Association Agreement.

Implementation: in order to ensure uniform conditions for the adoption of provisional and definitive safeguard measures, for the imposition of prior surveillance measures and for the termination of an investigation without measures provided for in the Agreement, implementing powers should be conferred on the Commission.

The Commission should adopt immediately applicable implementing acts where, in duly justified cases a delay in the imposition of provisional safeguard measures would cause damage which would be difficult to repair or in order to prevent a negative impact on the Union market as a result of an increase in imports.

EU/Euratom/Moldova Association Agreement: implementing the safeguard clause and anti-circumvention mechanism

The Committee on International Trade adopted the report by Helmut SCHOLZ (GUE/NGL, DE) on the proposal for a regulation of the European Parliament and of the Council implementing the safeguard clause and the anti-circumvention mechanism providing for the temporary suspension of tariff preferences of the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and the Republic of Moldova, of the other part.

The committee recommended that the European Parliaments position, adopted at first reading under the ordinary legislative procedure, should amend the Commission proposal.

The proposed amendments seek to:

- spell-out the obligation of the EU to hold consultations with the Moldovan authorities before the imposition of a definitive safeguard measure in accordance with Article 160 of the Association Agreement between the EU and Moldova. Where no satisfactory solution has been reached within 30 days, the Commission may adopt definitive safeguard measures;
- spell-out the reporting obligation of the Commission in more detail, so as to expressly mention the application of provisional and definitive safeguard measures and the application of the anti-circumvention mechanism.

EU/Euratom/Moldova Association Agreement: implementing the safeguard clause and anti-circumvention mechanism

The European Parliament adopted by 577 votes to 11, with 52 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council implementing the safeguard clause and the anti-circumvention mechanism providing for the temporary suspension of tariff preferences of the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and the Republic of Moldova, of the other part.

Parliaments position, adopted at first reading under the ordinary legislative procedure, amended the Commission proposal regarding two issues:

Imposition of definitive safeguard measures: the Commission shall invite the authorities of the Republic of Moldova to hold consultations in accordance with Article 160(2) of the Agreement. Where no satisfactory solution has been reached within 30 days, the Commission may adopt, by means of implementing acts, definitive safeguard measures.

Report: the amended text obliges the Commission to include in its annual report on the application and implementation of this Regulation information about the application of provisional and definitive safeguard measures, as well as the application of the anti-circumvention mechanism.

EU/Euratom/Moldova Association Agreement: implementing the safeguard clause and anti-circumvention mechanism

PURPOSE: to implement the safeguard clause and the anti-circumvention mechanism provided for in the Association Agreement between the EU and Moldavia.

LEGISLATIVE ACT: Regulation (EU) 2016/400 of the European Parliament and of the Council implementing the safeguard clause and 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 the Republic of Moldova, of the other part.

CONTENT: the EU-Moldova Association Agreement was signed on 24 June 2014 and has been provisionally applied from 1 September 2014. This Agreement includes:

- a bilateral safeguard clause which allows for the temporary suspension of preferences in case their application would result in an unexpected and significant increase of imports causing economic damage to the domestic industry of the importing party. In concrete terms, this instrument makes it possible to either suspend the further tariff liberalisation or reintroduce the most favoured nation (MFN) customs duty rate;
- an anti-circumvention mechanism, which provides for the possibility to reintroduce the MFN customs duty rate when imports of certain agricultural goods from Moldova exceed a given threshold without due justification of their exact origin.

Objective: the Regulation lays down provisions for the implementation of the safeguard clause and the anti-circumvention mechanism provided for in the Agreement. It applies to products originating in Moldova.

Safeguard measures: such measures may be imposed where a product originating in Moldova is imported into the Union in such increased quantities, in absolute terms or relative to Union production, and under such conditions as to cause or threaten to cause serious injury to the Union industry.

The Commission should receive information, including available evidence, from the Member States of any trends in imports that might call for the application of safeguard measures. If there is sufficient prima facie evidence to justify the initiation of proceedings, the Commission should publish a notice in the Official Journal of the European Union.

The Regulation contains detailed provisions on the initiation of investigations, access to information gathered and inspections by interested parties of such information, hearings for the interested parties involved and opportunities for those parties to submit their views. An investigation should precede the application of any safeguard measure, subject to the Commission being allowed to apply provisional safeguard measures in critical circumstances.

A safeguard measure shall remain in force only for such period of time as may be necessary to prevent or remedy serious injury to Union industry and to facilitate adjustment.

Anti-circumvention mechanism: the Regulation also provides for the possibility of suspending the preferential duties for a maximum period of 6 months when the imports of certain products reach the annual import volumes defined in the Agreement.

Implementation: implementing powers are conferred on the Commission in order to ensure uniform conditions for the adoption of provisional and definitive safeguard measures, for the imposition of prior surveillance measures, for the termination of an investigation without measures and for the implementation of the anti-circumvention mechanism provided for in the Agreement. The Commission will adopt immediately applicable implementing acts imposing provisional safeguard measures in duly justified cases, where imperative grounds of urgency so require.

Annual report: for reasons of transparency, the Commission will submit an annual report to the European Parliament and to the Council on the

implementation of the Agreement and the application of the safeguard measures and the anti-circumvention mechanism.

The European Parliament may, within 1 month of submission of the Commissions report, invite the Commission to an ad hoc meeting of its responsible committee to present and explain any issues related to the implementation of the Regulation.

ENTRY INTO FORCE: 24.3.2016.