



5.12.2018

PROVISIONAL AGREEMENT RESULTING FROM INTERINSTITUTIONAL NEGOTIATIONS

Subject: The proposal for a regulation of the European Parliament and of the Council implementing the safeguard clauses and other mechanisms allowing for the temporary withdrawal of preferences in certain agreements concluded between the European Union and certain third countries
(COM(2018)0206 – C8-0158/2018 – 2018/0101(COD))

The interinstitutional negotiations on the aforementioned proposal for a regulation have led to a compromise. In accordance with Rule 69f(4) of the Rules of Procedure, the provisional agreement, reproduced below, is submitted as a whole to the Committee on International Trade for decision by way of a single vote.

REGULATION (EU) 2018/...
OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of

implementing the safeguard clauses and other mechanisms allowing for the temporary withdrawal of preferences in certain agreements concluded between the European Union and certain third countries

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,

Whereas:

- (1) The Union regularly concludes trade agreements ('Agreements') with third countries *whereby it grants preferential treatment*, which may include bilateral safeguard clauses *and other mechanisms for temporary withdrawal of tariff or other preferential treatment such as stabilisation mechanisms for certain sensitive products. The specificity of some products subject to the Agreements as well as the vulnerable situation of the EU outermost regions, as provided by Article 349 of the Treaty on the Functioning of the European Union (TFEU), may require ad-hoc provisions.*
- (2) It is necessary to lay down the procedures *to guarantee* the *effective* application of *these safeguard clauses and other* mechanisms.

- (2a) *The provisions of this Regulation should apply without prejudice to any specific provisions contained in the Agreements and related to safeguards and other mechanisms for temporary withdrawal of tariff or other preferential treatment that are not in accordance with the relevant provisions laid down in this Regulation. Any such specific provisions should be listed in the Annex. When negotiating future trade agreements with a third country, the Commission should therefore not be prevented from negotiating such specific provisions.*
- (3) Bilateral safeguard measures may be considered only where 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. Bilateral safeguard measures should take one of the forms referred to in the Agreement.
- (4) The follow up and review of the Agreements, the conduct of investigations and, where appropriate, the imposition of safeguard measures should be carried out ***in the most transparent manner possible***.
- (5) Member States should inform the Commission, of any trends in imports which might call for the application of safeguard measures.
- (6) The reliability of statistics of all imports from the countries concerned to the Union is therefore crucial when determining whether the conditions to apply safeguard measures are met.
- (7) Close monitoring of sensitive products, if any, should facilitate a timely decision concerning the possible initiation of an investigation and subsequent application of measures. Therefore the Commission should regularly monitor imports of sensitive products, if any, from the date of provisional application or entry into force of the Agreements, if there is no provisional application. Monitoring should be extended to other sectors upon a duly justified request made by the relevant industry.
- (8) It is also necessary to set time limits for the initiation of an investigation and for determinations as to whether 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.

- (9) An investigation should precede the application of any safeguard measure, subject to the Commission being allowed to apply provisional safeguard measures in critical circumstances.
- (10) Safeguard measures should be applied only to the extent, and for such time, as may be necessary to prevent serious injury and to facilitate adjustment. The maximum duration of safeguard measures should be determined and specific provisions regarding extension and review of such measures should be laid down.
- (11) The Commission should enter into consultations with the countries concerned affected by measures if the specific agreements so require.
- (12) In order to amend the Annex, the power to adopt acts in accordance with Article 290 of the Treaty *on the Functioning of the European Union* should be delegated to the Commission *in respect of adding or deleting an Agreement, any provisions laying down specific provisions included in an Agreement, or any products identified as sensitive by an Agreement.*
- (13) It is of particular importance that the Commission *carry* out appropriate consultations during its preparatory work, including at expert level, *and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.*
- (14) The implementation of the safeguard clauses or other mechanisms and *transparent* criteria for the temporary suspension of tariff or other preferences provided for in the Agreements require 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 suspending temporarily the preferential tariffs or other preferential treatment.

- (15) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council¹.
- (16) The advisory procedure should be used for the adoption of surveillance and provisional safeguard measures given the effects of those measures and their sequential logic in relation to the adoption of definitive safeguard measures. The examination procedure should apply to the imposition of definitive safeguard measures and for the reviews of such measures.
- (17) 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 to prevent a negative impact on the Union market as a result of an increase in imports where imperative grounds of urgency so require.
- (18) The Commission should submit an annual report to the European Parliament and the Council on the implementation of the Agreements in the Annex to this Regulation and the application of the safeguard measures.

HAVE ADOPTED THIS REGULATION:

¹ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

Article 1

Subject-matter and scope

1. This Regulation lays down provisions for the implementation of the bilateral safeguard clauses and other mechanisms on the temporary withdrawal of tariff preferences or other preferential treatment contained in the Agreements concluded between the Union and a third country referred to in the Annex.

These provisions shall apply without prejudice to any specific provisions, contained in the Agreements *and listed* in the Annex, *related to safeguard clauses or other mechanisms that are not in accordance with the relevant provisions laid down in this Regulation.*

This Regulation shall therefore not prevent the Commission from negotiating in future trade agreements such specific provisions.

2. Article 194 of Regulation (EU) No 1308/2013 shall continue to apply for the implementation of safeguard measures and other mechanisms contained in Agreements concluded between the Union and third countries that are not referred to in the Annex¹.

¹ Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79 and (EC) No 1234/2007 (OJ L 347, 20122013, p. 671).

Article 2

Definitions

1. For the purposes of this Regulation:

- (a) ‘bilateral safeguard clause’ means a provision set out in an Agreement between the Union and one or more third countries concerned referred to in the Annex on the temporary suspension of tariff preferences;
- (b) ‘interested parties’ means parties affected by the imports of the product;
- (c) ‘Union industry’ means the Union producers as a whole of the like or directly competitive products, operating within the territory of the Union, or Union producers whose collective output of the like or directly competitive products constitutes a major proportion of the total Union production of those products, or, where a like or a directly competitive product is only one of several products that are made by the Union producers, the Union industry shall be defined in relation to the specific operations that are involved in the production of the like or directly competitive product;
- (d) ‘serious injury’ means a significant overall impairment to the position of Union industry;
- (e) ‘threat of serious injury’ to the position of Union industry means serious injury that is clearly imminent; ***a determination of the existence of threat of serious injury shall be based on verifiable information;***
- (f) ‘sensitive product’ means a product identified in a specific agreement as being relatively more vulnerable to a surge of imports than other products;
- (g) ‘Agreement’ means a trade agreement referred to in the Annex;
- (h) ‘transition period’ means a period of 10 years from the entry into force of the Agreement, unless otherwise defined in the relevant Agreement referred to in the Annex;
- (i) ‘country concerned’ means a country that is a party to an Agreement referred to in the Annex.

Article 3

Principles

1. A safeguard measure may be imposed in accordance with this Regulation where a product originating in a country concerned is imported into the Union:

- (a) in such increased quantities, in absolute terms or relative to Union production, and under such conditions,
- (b) as to cause or threaten to cause serious injury to the Union industry; and,
- (c) the increase of imports is the result of the effect of obligations incurred under the respective Agreement concluded between the Union and a third country, including of the reduction or the elimination of the customs duties on that product.

2. A safeguard measure may take one of the following forms:

- (a) a suspension of a further reduction of the rate of customs duty on the product concerned provided for in the Tariff Elimination Schedule of the Agreement with the country concerned;
- (b) an increase in the rate of customs duty on the product concerned to a level which does not exceed the lesser of:
 - i) the most-favoured-nation applied rate of customs duty on the product concerned in effect at the time the safeguard measure is taken; or
 - ii) the base rate of customs duty as specified in the Tariff Elimination Schedule of the Agreement with the country concerned.

Article 4

Monitoring

1. The Commission shall monitor *regularly* the evolution of import statistics of sensitive products, if any, mentioned in Annex in respect of each Agreement. For that purpose, the Commission shall cooperate and exchange data on a regular basis with Member States and the Union industry.
2. Upon a duly justified request by the Union industry concerned, the Commission may extend the scope of the monitoring to other *products or* sectors, if any, than those mentioned in the Annex.
3. The Commission shall present an annual monitoring report to the European Parliament and to the Council on statistics on imports of sensitive products, and those *products or* sectors, if any, to which monitoring has been extended.

Article 5

Initiation of an investigation

1. An investigation shall be initiated by the Commission upon request by a Member State, by any legal person or any association not having legal personality acting on behalf of the Union industry, or on the Commission's own initiative, where there is sufficient *prima facie* evidence, as determined on the basis of factors referred to in Article 6(5).

1a. A request for initiating an investigation may also be submitted jointly by the Union industry, or by any natural or legal person or any association not having legal personality acting on behalf thereof, and trade unions, or be supported by trade unions. This does not affect the possibility for the Union industry to withdraw the request.

2. The request shall contain the following information:
 - (a) (a) the rate and amount of the increase in imports of the product concerned in absolute and relative terms;
 - (b) (b) the share of the domestic market taken by the increased imports and changes in the level of sales, production, productivity, capacity utilisation, profits and losses, and employment regarding the Union industry.
3. The product subject to an investigation may cover one or several tariff lines or a sub-segment thereof depending on the specific market circumstances, or any product segmentation commonly applied in the Union industry.

4. An investigation may also be initiated where there is a surge of imports concentrated in one or several Member States, provided that there is sufficient *prima facie* evidence, as determined on the basis of factors referred to in Article 6(5).

5. The Commission shall ***provide a copy of*** a request to initiate an investigation ***to the Member States before the investigation is initiated. The Commission shall provide information to the Member States once it has determined the need to initiate investigation*** on its own initiative pursuant to paragraph 1.

6. Where it is apparent that there is sufficient *prima facie* evidence to justify the initiation of an investigation, the Commission shall initiate the investigation and shall publish a notice thereof in the Official Journal of the European Union. The investigation shall be initiated within one month of receipt by the Commission of the request pursuant to paragraph 1.

7. The notice on initiation of investigation shall contain the following elements:

- (a) (a) a summary of the information received and request that all relevant information be communicated to the Commission;
- (b) (b) determination of the period within which interested parties may make known their views in writing and submit information to the Commission, if such views and information are to be taken into account during the investigation;
- (c) (c) determination of the period within which interested parties may apply to be heard by the Commission in accordance with Article 6(9).

Article 6

Conduct of investigation

1. Following the publication of the notice referred to in Article 5(7), the Commission shall initiate an investigation. The period as set out in paragraph 3 of this Article shall start on the day the decision to initiate the investigation is published in the Official Journal of the European Union.

2. The Commission may request Member States to supply information and Member States shall take all necessary steps in order to give effect to any such request. If that information is of general interest and is not confidential within the meaning of Article 12, it shall be added to the non-confidential file as provided for in paragraph 8 of this Article.

3. The investigation shall, where possible, be concluded within six months of its initiation. That time limit may be extended by a further period of three months in exceptional circumstances such as the involvement of an unusually high number of interested parties or complex market situations. The Commission shall notify all interested parties of any such extension and explain the reasons therefor.

4. The Commission shall seek all information it considers necessary to determine the conditions set out in Article 3(1), and, shall, where appropriate, verify that information.

5. The Commission shall evaluate all relevant factors of an objective and quantifiable nature affecting the situation of the Union industry, in particular, the rate and amount of the increase in imports of the product concerned in absolute and relative terms, the share of the domestic market taken by increased imports and changes in the level of sales, production, productivity, capacity utilisation, profits and losses, and employment. This list is not exhaustive and other relevant factors may also be taken into consideration by the Commission for its determination of the existence of serious injury or threat of serious injury, such as stocks, prices, return of capital employed, cash flow, *the level of market shares*, and other factors which are causing or may have caused serious injury, or threaten to cause serious injury to the Union industry.

6. Interested parties who have submitted information pursuant to point (b) of Article 5(7) and representatives of the country concerned may, upon written request, inspect all information made available to the Commission in connection with the investigation, other than internal documents prepared by the Union authorities or those of the Member States, provided that that information is relevant to the presentation of their case and not confidential within the meaning of Article 12 and that it is used by the Commission in the investigation. Interested parties may communicate their views on the information made available to the Commission. Where there is sufficient prima facie evidence in support of those views, the Commission shall take them into consideration.

7. The Commission shall ensure that all data and statistics which are used for the investigation are representative, available, comprehensible, transparent and verifiable.

8. The Commission shall, as soon as the necessary technical framework is in place, ensure password-protected online access to the non-confidential file (the online platform), which it shall manage and through which all information which is relevant and is not confidential within the meaning of Article 12 shall be disseminated. Interested parties, Member States and the European Parliament shall be granted access to that platform.

9. The Commission shall hear interested parties, in particular where they have made a written application within the period laid down in the notice published in the Official Journal of the European Union, demonstrating that they are likely to be affected by the outcome of the investigation and that there are special reasons for them to be heard orally. The Commission shall hear interested parties on further occasions if there are special reasons therefor.

9a. The Commission shall facilitate access to the investigation for diverse and fragmented industry sectors, largely composed of small and medium-sized enterprises (SMEs), through a dedicated SME Helpdesk, for example by awareness raising, by providing general information and explanations on procedures and on how to submit a request, by releasing standard questionnaires in all official languages of the Union and by replying to general, non-case-specific queries. The SME Helpdesk shall make available standard forms for statistics to be submitted for standing purposes and questionnaires.

10. Where information is not supplied within the time limits set by the Commission, or where the investigation is significantly impeded, the Commission may reach a decision on the basis of the available facts. Where the Commission finds that any interested party or any third party has supplied it with false or misleading information, it shall disregard that information and may make use of the facts available.

10a. The Commission shall have in place the office of the Hearing Officer whose powers and responsibilities are set out in a mandate adopted by the Commission and who shall safeguard the effective exercise of the procedural rights of the interested parties.

11. The Commission shall notify the country *or countries* concerned in writing of the initiation of an investigation.

Article 7

Prior surveillance measures

1. The Commission may adopt prior surveillance measures with regard to imports from a country concerned where the trend in imports of a product is such that it could lead to one of the situations referred to in Articles 3 and 5. Those implementing acts shall be adopted in accordance with the advisory procedure referred to in Article 17(2).
2. Prior surveillance measures shall have a limited period of validity. Unless otherwise provided, they shall cease to be valid at the end of the second six-month period following the first six months after their introduction.

Article 8

Imposition of provisional safeguard measures

1. The Commission shall adopt provisional safeguard measures in critical circumstances where a delay *is likely to* cause damage which would be difficult to repair, *making immediate action necessary* pursuant to a preliminary determination by the Commission on the basis of the factors referred to in Article 6(5) that there is sufficient *prima facie* evidence that a product originating in the country concerned is imported:
 - (a) in such increased quantities, in absolute terms or relative to Union production, and under such conditions as,
 - (b) to cause or threaten to cause serious injury to the Union industry; and,
 - (c) the increase of imports is the result of the reduction or the elimination of the customs duties on that product.

Those implementing acts shall be adopted in accordance with the advisory procedure referred to in Article 17(2).

2. On duly justified imperative grounds of urgency, where a Member State requests immediate intervention by the Commission and where the conditions set out in paragraph 1 are met, the Commission shall adopt immediately applicable implementing acts in accordance with the procedure referred to in Article 17(4). The Commission shall take a decision within five working days of receiving the request.

3. Provisional safeguard measures shall not apply for more than 200 calendar days.
4. Where the provisional safeguard measures are repealed because the investigation reveals that the conditions set out in Article 3(1) are not met, any customs duty collected as a result of those provisional safeguard measures shall be refunded automatically.
5. Provisional safeguard measures shall apply to every product which is put into free circulation after the date of entry into force of those measures. However, such measures shall not prevent the release into free circulation of products already on their way to the Union where the destination of such products cannot be changed.

Article 9

Termination of investigations and proceedings without measures

1. Where the investigation leads to the conclusion that the conditions set out in Article 3(1) are not met, the Commission shall publish a decision terminating the investigation and proceeding in accordance with the examination procedure referred to in Article 17(3).
2. The Commission shall make public, with due regard to the protection of confidential information within the meaning of Article 12, a report setting out its findings and reasoned conclusions reached on all pertinent issues of fact and law.

Article 10

Imposition of definitive safeguard measures

1. Where the investigation leads to the conclusion that the conditions set out in Article 3(1) are met, the Commission may adopt definitive safeguard measures in accordance with the examination procedure referred to in Article 17(3).
2. The Commission shall make public, with due regard to the protection of confidential information within the meaning of Article 12, a report containing a summary of the material facts and considerations relevant to the determination.

Article 11

Duration and review of safeguard measures

1. A safeguard measure shall remain in force only for such period of time as may be necessary to prevent or remedy the serious injury to Union industry and to facilitate adjustment. That period shall not exceed two years, unless it is extended under paragraph 3.
2. Pending the outcome of the review under paragraph 3, a safeguard measure shall remain in force.
3. The initial period of duration of a safeguard measure as referred to in paragraph 1, may be extended by up to two years provided that the safeguard measure continues to be necessary to prevent or remedy serious injury to Union industry and that there is evidence that the Union industry is adjusting.
4. Any extension pursuant to paragraph 3 shall be preceded by an investigation upon a request by a Member State, by any legal person or any association not having legal personality acting on behalf of the Union industry, or on the Commission's own initiative if there is sufficient prima facie evidence that the conditions laid down in paragraph 3 are met, on the basis of factors referred to in Article 6(5).
5. The initiation of an investigation referred to in paragraph 4 shall be published in accordance with Article 5(6) and (7). The investigation shall be carried out in accordance with Article 6.
6. Any decision regarding an extension pursuant to paragraph 3 shall be made in accordance with Articles 9 and 10.
7. The total duration of a safeguard measure shall not exceed four years, including the period of application of any provisional safeguard measure, the initial period of application and prorogation thereof.

Article 12

Confidentiality

1. Information received pursuant to this Regulation shall be used only for the purpose for which it was requested.
2. Neither information of a confidential nature nor any information provided on a confidential basis received pursuant to this Regulation shall be disclosed without the express consent of the supplier of such information.
3. Each request for confidentiality shall state the reasons why the information is confidential. Interested parties providing confidential information shall be required to provide non-confidential summaries thereof. Those summaries shall be in sufficient detail to permit a reasonable understanding of the substance of the information submitted in confidence. In exceptional circumstances, such parties may indicate that such information is not capable of being summarised. In such exceptional circumstances, a statement of the reasons why such summarisation is not possible shall be provided. However, if the supplier of the information requests that the information is not made public or disclosed, in full or in summary form, and if that request is unjustified, the information concerned may be disregarded.
4. Information shall in any case be considered to be confidential if its disclosure is likely to have a significantly adverse effect upon the supplier or the source of such information.
5. Paragraphs 1 to 4 shall not preclude reference by the Union authorities to general information and in particular to reasons on which decisions taken pursuant to this Regulation are based. Those authorities shall, however, take into account the legitimate interest of natural and legal persons concerned that their business secrets should not be divulged.

Article 13

Report

1. The Commission shall submit an annual report to the European Parliament and to the Council on the application, implementation and fulfilment of obligations of the Agreement concluded with each country concerned, ***including with regard to the Trade and Sustainable Development chapter, where the Agreement contains such chapter***, and of this Regulation.
2. The report shall, inter alia, include information about the application of provisional and definitive measures, prior surveillance measures, regional surveillance and safeguard measures and the termination of investigations and proceedings without measures ***and information on the activities of the various bodies responsible for the implementation of the Agreement and of the domestic advisory groups***.

3. The report shall set out a summary of the statistics and the evolution of trade with each country concerned.
4. The European Parliament may, within *two* months 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 14

Other mechanisms and criteria for temporary withdrawal of tariff preferences or other preferential treatment

1. Where an Agreement provides for other mechanisms and criteria permitting temporary withdrawal of preferences in respect of certain products, *such as a stabilisation mechanism (e.g. in relation to the outermost regions)* the Commission shall, where the conditions laid down in the relevant Agreement are met, adopt implementing acts:

- (a) suspending *or confirming the non-suspension* the preferences for the product concerned;
- (b) re-instating the preferences where the conditions laid down in the relevant Agreement are met;
- (c) adjusting the suspension to conform with the conditions in the relevant Agreement;
or
- (d) taking any other action specified in the Agreement.

Those acts shall be adopted in accordance with the examination procedure referred to in Article 17(3).

2. On duly justified imperative grounds of urgency, where a delay in ***taking the action referred to in paragraph 1*** would cause damage which would be difficult to repair or to prevent a negative impact on the situation of the Union market, in particular as a result of an increase in imports, or as otherwise provided in the Agreement, the Commission shall adopt immediately applicable implementing acts in accordance with the procedure referred to in Article 17(4).

Article 15

Delegated acts

The Commission *is* empowered to adopt delegated acts in accordance with Article 16, in order to amend the Annex with a view to ***adding or deleting***:

- (a) an Agreement;
- (b) ***any specific provisions as referred to in Article 1(1), second subparagraph***;
- (c) any products identified as sensitive by an Agreement.
- (d) ***any provisions laying down specific rules for mechanisms referred to in Article 14 concerning if applicable inter alia monitoring, deadlines for investigations, and reporting.***

Article 16

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 15 shall be conferred on the Commission for a period of five years from [OP – please insert (date of entry into force of this Regulation)]. 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 duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.

3. The delegation of power referred to in **Article 15** may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

3a. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016.

4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.

5. A delegated act adopted pursuant to **Article 15** shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and to the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Article 17

Committee procedure

1. The Commission shall be assisted by the committee established by Article 3(1) of Regulation (EU) 2015/478 of the European Parliament and of the Council¹ which is a committee within the meaning of Regulation (EU) No 182/2011.

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

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

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

Article 18

Entry into force

¹ Regulation (EU) 2015/478 of the European Parliament and of the Council of 11 March 2015 on common rules for imports (OJ L 83, 27.3.2015, p. 16-33).

This Regulation shall enter into force on the twentieth 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.

Done at Brussels,

For the European Parliament
The President

For the Council
The President

Agreements implemented by the Regulation and provisions specific to that agreement

Free Trade Agreement between the European Union and the Republic of Singapore:

Date of Application	xx/xx/xxxx
Bilateral safeguard clause	Article 3.10 (Bilateral safeguard clause)
Specific provision(s) laid down in the Agreement:	Article 3.9, "transition period": "transition period" means a period of ten years from the entry into force of this Agreement" Article 3.11(5)c: "Neither Party may apply a bilateral safeguard measure as set out in paragraph 1 of Article 3.10 beyond the expiration of the transition period, except with the consent of the other Party."

Free Trade Agreement between the European Union and the Socialist Republic of Vietnam

Date of Application	xx/xx/xxxx
Bilateral safeguard clause	Article 3.11 (Bilateral safeguard clause)
Specific provision(s) laid down in the Agreement:	Article 3.9, "transition period": "transition period means a period for a good from the date of entry into force of this Agreement until 10 years from the entry into force of this Agreement." Article 3.11(6)c: "A party shall not apply a bilateral safeguard measure, beyond the expiration of the transition period, except with the consent of the other Party."

Free Trade Agreement between the European Union and Japan

Date of Application	xx/xx/xxxx
Bilateral safeguard clause:	Article 2.5 (Agricultural safeguard clause), 5.2 (Bilateral safeguard clause)
Special provision(s) laid down in the Agreement:	Article 5.1(d): "transition period" means, in relation to a particular originating good, the period beginning on the date of entry into force of this Agreement and ending 10 years after the date of completion of tariff reduction or elimination on that good in accordance with Annex 2-A." Article 18 of the Annex on motor vehicles and parts: "During the 10 years following the entry into force of

this Agreement, each of the Parties reserves the right to suspend equivalent concessions or other equivalent obligations in the event that the other Party:

- (a) does not apply or ceases applying a UN Regulation as specified in Appendix 2-C-1; or
- (b) introduces or amends any other regulatory measure that nullifies or impairs the benefits of the application of a UN Regulation as specified in Appendix 2-C-1.

2. Suspensions pursuant to paragraph 1 shall remain in force only until a decision is made in accordance with the accelerated dispute settlement procedure referred to in Article 19 of this Annex or a mutually acceptable solution is found, including through consultations under subparagraph 19(b) of this Annex, whichever is earlier.”

Joint Declaration by the European Parliament and the Commission

The European Parliament and the Commission agree on the importance of close cooperation concerning the implementation of the Agreements listed in the Annex of Regulation (EU) [YYYY/XX] of the European Parliament and of the Council of [DD Month YYYY] implementing the safeguard clauses and other mechanisms allowing for the temporary withdrawal of preferences in certain agreements concluded between the European Union and certain third countries. To that end they agree on the following:

- In case the European Parliament adopts a recommendation to initiate a safeguard investigation, the Commission will carefully examine whether the conditions under the Regulation for ex-officio initiation are fulfilled. In case the Commission considers that the conditions are not fulfilled, it will present a report to the responsible committee of the European Parliament including an explanation of all the factors relevant to the initiation of such an investigation.