EU/Euratom/Georgia Association Agreement: implementing the anti-circumvention mechanism

2015/0080(COD) - 14/04/2015 - Legislative proposal

PURPOSE: to incorporate the anti-circumvention mechanism foreseen in the EU-Georgia 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-Georgia Association Agreement was signed on 27 June 2014 and has been provisionally applied from 1 September 2014. The Agreement includes a so-called **anti-circumvention mechanism**, which provides for the possibility to reintroduce the most favoured nation customs duty rate when imports of certain agricultural goods from Georgia 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 anti-circumvention mechanism for the temporary suspension of tariff preferences contained in the Agreement.

CONTENT: this proposed Regulation constitutes the legal instrument for the **implementation of the anti-circumvention mechanism of the Agreement already concluded with Georgia**. It 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 defined annual import volumes.

In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission. 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 relating to the temporary suspension of the preferential tariffs under the anti-circumvention mechanism provided in the Agreement, imperative grounds of urgency so require.

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.