EU Stabilisation and Association process: application of exceptional trade measures with regard to Bosnia and Herzegovina

2014/0197(COD) - 15/12/2015 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 534 votes to 128, with 36 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Council Regulation (EC) No 1215/2009 introducing exceptional trade measures for countries and territories participating in or linked to the European Union's Stabilisation and Association process and suspending its application with regard to Bosnia and Herzegovina.

The matter was referred back the committee responsible at its 30 April 2015 plenary session.

The European Parliament's position, adopted at first reading under the ordinary legislative procedure, amended the Commission proposal as follows:

Conditions for entitlement to the preferential arrangements: the amended text stipulates that the entitlement to the preferential treatment introduced by the Regulation shall be, inter alia, subject to commitments from the countries and territories participating in or linked to the European Union's Stabilisation and Association process who do not commit serious and systematic violations of human rights, including core labour rights, of fundamental principles of democracy and of the rule of law.

In the event of non-compliance by a country or territory with point (a), (b) or (c) of paragraph 1 or with paragraph 2, the Commission may, **by means of implementing acts**, **suspend**, in whole or in part, the entitlement of the country or territory concerned to benefits under this Regulation. Those implementing acts shall be adopted in accordance with the examination procedure.

Temporary suspension: where the Commission **finds that there is sufficient evidence of fraud or failure** to provide administrative cooperation as required for the verification of evidence of origin, or that there is a massive increase in exports into the Union above the level of normal production and export capacity, or a failure of compliance with the provisions of point (a), (b) or (c) of Article 2(1) by the countries and territories referred to the Regulation, it may take measures to **suspend in whole or in part the arrangements provided for in this Regulation for a period of three months**, provided that it has first: (i) informed the Committee; (ii) called on the Member States to take such precautionary measures as are necessary in order to safeguard the Community's financial interests and/or to secure compliance by the beneficiary countries and territories; (iii) published a notice in the Official Journal of the European Union stating that there are grounds for reasonable doubts about the application of the preferential arrangements.

Wine originating in Montenegro: in annex I, it is stipulated that access for wine originating in Montenegro to the global tariff quota, insofar as it concerns products of CN code 2204 21, is subject to the prior exhaustion of the individual tariff quota provided for in the Protocol on wine concluded with Montenegro. That individual tariff quota is opened under order No 09.1514.

The Regulation shall **apply from 1 January 2016**.

In an **annex to the legislative resolution**, the Council agreed, on an exceptional basis, to delegate to the Commission the power to adopt a **delegated act** on suspension of assistance on the grounds relating to conditions for entitlement to the preferential arrangements, so as to ensure a timely adoption of the

measures in relation to the Western Balkans. Such agreement is without prejudice to future legislative proposals in the area of trade, as well as the area of external relations as a whole.