Additional customs duties on imports of certain products originating in the USA. Codification

2014/0175(COD) - 04/07/2017 - Legislative proposal

PURPOSE: to submit a new amended proposal for a Regulation of the European Parliament and of the Council codifying Council Regulation (EC) No 673/2005 establishing on additional customs duties on imports of certain products originating in the United States of America.

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: on 12 June 2014, the Commission presented a proposal for a Regulation of the European Parliament and of the Council codifying Council Regulation (EC) No 673/2005 establishing additional customs duties on imports of certain products originating in the United States of America.

On 17 July 2015, in the light of the amendments made in the meantime, the Commission presented an initial amended proposal for codification of Regulation (EC) No 673/2005 (see the summary dated the same day).

Having regard to the amendments adopted in respect of Regulation (EC) No 673/2005 and in view of the work already carried out in the course of the legislative procedure, the Commission has decided to present another amended proposal for codification of the Regulation in question.

CONTENT: the main elements of the new amended proposal are as follows:

Additional rights: the amended proposal stipulates that the tariff concessions and related obligations under GATT 1994 of the Union are suspended in respect of products originating in the United States listed in Annex I to this Regulation.

It provides the imposition of an **additional 4.35 % ad valorem duty on products originating in the United States** listed in that Annex. This duty would be in addition to the customs duties applicable under Regulation (EU) No 952/2013 of the European Parliament and of the Council establishing the Union Customs Code.

Annual adjustments: the Commission shall adjust the level of suspension annually to the level of nullification or impairment caused by the United States' Continued Dumping and Subsidy Offset Act ('CDSOA') to the Union at that time.

The Commission shall **amend the rate of the additional duty or the list in Annex I** under the following conditions:

• the level of nullification or impairment shall be equal to 72 % of the amount of disbursements under the CDSOA relating to anti-dumping and countervailing duties paid on imports from the Union for the most recent year for which data are available at that time, as published by the United States' authorities;

- the amendment shall be made so that the effect of the additional import duty on imports of the selected products originating in the United States represents, over one year, a value of trade that does not exceed the level of nullification or impairment (\$ 27.81 million);
- the Commission shall amend the rate of the additional duty when the level of suspension cannot be adjusted to the level of nullification or impairment by adding or removing products from the list in Annex I.

Another amendment seeks to add the reference to <u>Commission Delegation Regulation (EU) 2017/75</u>0 in Annex III.

DELEGATED ACTS: the proposal contains provisions empowering the Commission to adopt delegated acts in accordance with Article 290 of the Treaty on the Functioning of the European Union.