Implementing the safeguard clauses and other mechanisms allowing for the temporary withdrawal of preferences in certain agreements concluded between the EU and certain third countries

2018/0101(COD) - 13/02/2019 - Final act

PURPOSE: to adopt a horizontal framework to ensure the consistency of safeguard measures in free trade agreements.

LEGISLATIVE ACT: Regulation (EU) 2019/287 of the European Parliament and of the Council implementing bilateral safeguard clauses and other mechanisms allowing for the temporary withdrawal of preferences in certain trade agreements concluded between the European Union and third countries.

CONTENT: the Union regularly concludes trade agreements with third countries, in which it grants those countries preferential treatment. Such trade agreements might include bilateral safeguard clauses and other mechanisms for the temporary withdrawal of tariff preferences or of other preferential treatment, such as stabilisation mechanisms for certain sensitive products.

This Regulation lays down provisions for the implementation of bilateral safeguard clauses and other mechanisms for the temporary withdrawal of tariff preferences or of other preferential treatment contained in the trade agreements concluded between the Union and one or more third countries and referred to in the Annex to this Regulation.

Safeguard measures may only be considered if the product concerned is imported into the Union in such increased quantities, in absolute terms or in relation to Union production, and under such conditions as to cause or threaten to cause serious injury to Union industry producing similar or directly competitive products.

Conduct of investigations

The Commission may request information from the Member States, which shall take all necessary measures to comply with this request. As far as possible, the investigation should be concluded within six months of the day on which the notice of initiation is published in the Official Journal of the European Union. This period may exceptionally be extended by three months.

The Commission shall facilitate access to the investigation for diverse and fragmented industry sectors, which are largely composed of small and medium-sized enterprises (SMEs), through a dedicated SME Helpdesk.

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.

Prior surveillance and provisional safeguard measures

The Commission may adopt prior surveillance measures with regard to imports of a product from a country concerned where the trend in imports of that product is such that it could lead to a situation threatening to cause serious injury to an industry. It shall also be allowed to apply provisional safeguard measures in critical circumstances.

Monitoring

The Commission shall regularly monitor the evolution of import statistics for any sensitive products mentioned in the Annex to the Regulation for each of the agreements. It shall present to the European Parliament and the Council an annual monitoring report on import statistics for sensitive products.

Countries covered

The Regulation for the moment foresees the implementation of the EU-Singapore Free Trade Agreement (FTA), the EU-Vietnam FTA and the EU-Japan FTA. It is also proposed that future trade agreements would be added to the scope of the regulation by delegated acts.

ENTRY INTO FORCE: 13.3.2019.