Basic information

2013/0063(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	Procedure completed
Trade arrangements applicable to certain goods resulting from the processing of agricultural products Repealing Regulation (EC) No 614/2009 2008/0155(CNS) Repealing Regulation (EC) No 1216/2009 2008/0226(CNS) See also Regulation (EC) No 1234/2007 2006/0269(CNS) See also Regulation (EC) No 182/2011 2010/0051(COD) See also 2011/0281(COD) **Subject** 2.80 Cooperation between administrations 3.10.02 Processed products, agri-foodstuffs 3.10.03 Marketing and trade of agricultural products and livestock 3.10.12 Agrimonetary policy, compensatory amounts 6.20.02 Export/import control, trade defence, trade barriers 6.20.04 Union Customs Code, tariffs, preferential arrangements, rules of origin	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
AGRI Agriculture and Rural Development	DE CASTRO Paolo (S&D)	19/03/2013
	Shadow rapporteur AYUSO Pilar (PPE) REIMERS Britta (ALDE) HÄUSLING Martin (Verts/ALE) NICHOLSON James (ECR) RUBIKS Alfreds (GUE/NGL) SCOTTÀ Giancarlo (EFD)	

Committee for opinion	Rapporteur for opinion	Appointed
INTA International Trade	DESS Albert (PPE)	20/03/2013
IMCO Internal Market and Consumer Protection	The committee decided not to give an opinion.	

Council configuration	Meetings	Date

Council of the European Union	Agriculture and Fisheries	3308	2014-04-14

European Commission	**Commission DG**	**Commissioner**
	Internal Market, Industry, Entrepreneurship and SMEs	TAJANI Antonio

European Economic and Social Committee

Key events

Date	Event	Reference	Summary
27/02/2013	Legislative proposal published	COM(2013)0106	Summary
12/03/2013	Committee referral announced in Parliament, 1st reading		
08/07/2013	Vote in committee, 1st reading		
15/07/2013	Committee report tabled for plenary, 1st reading	A7-0260/2013	Summary
11/03/2014	Decision by Parliament, 1st reading	T7-0200/2014	Summary
11/03/2014	Results of vote in Parliament		
14/04/2014	Act adopted by Council after Parliament's 1st reading		
16/04/2014	Final act signed		
16/04/2014	End of procedure in Parliament		
20/05/2014	Final act published in Official Journal		

Technical information

Procedure reference	2013/0063(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Repealing Regulation (EC) No 614/2009 2008/0155(CNS) Repealing Regulation (EC) No 1216/2009 2008/0226(CNS) See also Regulation (EC) No 1234/2007 2006/0269(CNS) See also Regulation (EC) No 182/2011 2010/0051(COD) See also 2011/0281(COD)
Legal basis	Treaty on the Functioning of the European Union TFEU 043-p2 Treaty on the Functioning of the European Union TFEU 207-p2
Other legal basis	Rules of Procedure EP 165
Mandatory consultation of other institutions	European Economic and Social Committee
Stage reached in procedure	Procedure completed
Committee dossier	AGRI/7/12115

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE508.253	14/05/2013	
Amendments tabled in committee		PE513.262	12/06/2013	
Committee opinion	INTA	PE510.695	18/06/2013	
Committee report tabled for plenary, 1st reading/single reading		A7-0260/2013	15/07/2013	Summary
Text adopted by Parliament, 1st reading/single reading		T7-0200/2014	11/03/2014	Summary

Council of the EU

Document type	Reference	Date	Summary
Draft final act	00124/2013/LEX	16/04/2014	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2013)0106	27/02/2013	Summary
Commission response to text adopted in plenary	SP(2014)455	10/06/2014	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES3028/2013	10/07/2013	

Additional information

Source	Document	Date
National parliaments	IPEX	
European Commission	EUR-Lex	

Final act

Regulation 2014/0510
OJ L 150 20.05.2014, p. 0001 Summary

Trade arrangements applicable to certain goods resulting from the processing of agricultural products

2013/0063(COD) - 27/02/2013 - Legislative proposal

PURPOSE: to lay down the trade arrangements applicable to certain goods resulting from the processing of agricultural products (alignment to the Lisbon Treaty).

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: Council Regulation (EC) No 1216/2009 laying down the trade arrangements applicable to certain goods resulting from the processing of agricultural products and Council Regulation (EC) No 614/2009 on the common system of trade for ovalbumin and lactalbumin15 need to be adapted as a consequence of the entry into force of the Lisbon Treaty, in particular as regards its introduction of a distinction between powers for the Commission to adopt **delegated acts** and powers for it to adopt **implementing acts**. Further adaptations are needed to improve the clarity and transparency of the existing texts.

IMPACT ASSESSMENT: there is no need for an impact assessment since the proposal to align Regulation No 1216/2009 to the Lisbon Treaty is an inter-institutional matter of relevance to all Council Regulations and the alignment to the new Single CMO Regulation is a consequence of the new CAP after 2013 and the new Multiannual Financial Framework (MFF) 2014-2020.

LEGAL BASIS: Article 43(2) and Article 207(2) of the Treaty on the Functioning of the European Union.

CONTENT: the purpose of the proposed Regulation (EU) of the Council and of the Parliament **replacing the trade arrangements for Processed Agricultural Products/non-Annex I goods**, currently laid down in Council Regulation (EC) No 1216/2009 laying down the trade arrangements applicable to certain goods resulting from the processing of agricultural products is:

- **to identify, in Regulation (EC) No 1216/2009, the delegated and implementing powers of the Commission** and establish the corresponding procedure for the adoption of these acts and this in parallel with the Lisbon alignment of the single Common Market Organisation;
- **to adapt** Regulation (EC) No 1216/2009 to the new Single CMO Regulation in the context of the CAP after 2013 and the new MFF 2014-2020;
- **to integrate the common system of trade for ovalbumin and lactalbumin** (Regulation (EC) No 614/2009) in the trade regime for processed agricultural products (Regulation (EC) No 1216/2009). Ovalbumin and lactalbumin are processed agricultural products which are not included in Annex I to the Treaty. In view of the fact that to a large extent, eggs can be substituted by ovalbumin and, to a certain extent, by lactalbumin, the trade arrangements for ovalbumin and lactalbumin should correspond to those established for eggs.

BUDGETARY IMPLICATION: this measure does not involve any additional Union expenditure.

DELEGATED ACTS: this 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.

Trade arrangements applicable to certain goods resulting from the processing of agricultural products

2013/0063(COD) - 15/07/2013 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Agriculture and Rural Development adopted the report by Paolo DE CASTRO (S&D, IT) on the proposal for a regulation of the European Parliament and of the Council laying down the trade arrangements applicable to certain goods resulting from the processing of agricultural products.

The committee recommends that the European Parliament's position adopted at first reading, following the ordinary legislative procedure, should amend the Commission proposal as follows:

Respect for environmental and safety standards: Members introduced the definition of the term "**qualified external protection**" meaning an external protection that prohibits the importation of products that do not meet Union **food safety laws** and that raises tariffs on products not meeting Union environmental, animal welfare or **social standards**.

Alignment of the new provisions to the Lisbon Treaty (delegated and implementing powers): the report proposed accepting the European Parliament's standard position in all the negotiations concerning the alignment and including the same position on the Common Market Organisations.

The Commission should be empowered to adopt **delegated acts** to:

- ensure that imported products meet the minimum quality and environmental standards of the Union;
- set out the situations in which the lodging of a security is required;

- update and further specify existing marketing standards referred to in Article 55 of the Regulation establishing a common organisation of the markets in agricultural products (Single CMO Regulation);
- ensure the application of horizontal provisions concerning checks, verification and penalties.

The power to adopt the delegated acts should be conferred on the Commission for a period of **seven years** (renewable) from the date of entry into force of this Regulation. The co-legislators must be given sufficient time (**four months**) to properly scrutinize delegated acts.

Members called for the European Parliament to be duly involved in preparation and implementation of delegated acts.

Export refunds: the committee proposed to include the same position on the single CMO to ensure that export refunds will be applied only in exceptional cases, such as market disturbances.

Application date: the date of application should be brought in line with the new single CMO. It should therefore apply from 1 January 2015.

Trade arrangements applicable to certain goods resulting from the processing of agricultural products

2013/0063(COD) - 11/03/2014 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 565 votes to 107 with 7 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council laying down the trade arrangements applicable to certain goods resulting from the processing of agricultural products.

Parliament adopted its position in first reading following the ordinary legislative procedure. The amendments adopted in plenary are the result of an agreement negotiated between Parliament and Council.

Objectives: the Regulation lays down the trade arrangements applicable to imports of processed agricultural products and exports of non-Annex I goods and agricultural products incorporated in those non-Annex I goods. It also applies to imports of agricultural products covered by an international agreement concluded, or provisionally applied, by the Union in accordance with the TFEU and which provides for the assimilation of those products to processed agricultural products subject to preferential trade.

Alignment of the new provisions to the Lisbon Treaty (delegated and implementing powers):

The Commission will be empowered to adopt **delegated acts** in order to:

- €€€€€€€ take into account the evolution of trade and market developments, the needs of the markets for ovalbumin and lactalbumin or the market for eggs and the results of the monitoring of the imports of ovalbumin and lactalbumin,
- €€€€€€€ implement the international agreements providing for the reduction or phasing out of import duties on processed agricultural products on the basis of specific agricultural products used in the manufacturing of the processed agricultural products;
- €€€€€€€ ensure equitable market access for operators and equal treatment of operators, to take account of the supply requirements of the Union market and to preserve the equilibrium of that market;
- €€€€€€€ ensure that it is possible for exported products to benefit from special treatment on importation into a third country under certain conditions, pursuant to international agreements concluded by the Union in accordance with the TFEU;
- €€€€€€€ ensure the prudent and efficient management of the inward processing arrangements;
- €€€€€€€ monitor the expenditure on export refunds and the implementation of the refund certificate system;
- €€€€€€€ ensure the integrity of information systems and the authenticity and legibility of documents and associated data transmitted;
- €€€€€€€ ensure the application of horizontal rules adopted on the basis of Regulation (EU) No 1306/2013 to import licences and tariff quotas for processed agricultural products and to export refunds and refund certificates for non-Annex I goods.

When adopting delegated acts in accordance with Article 290 TFEU, it is of particular importance that the Commission carry out appropriate consultations during its preparatory work prior to adopting delegated acts, including at expert level.

The amended text also **sets out the implementing powers** given to the Commission to ensure uniform conditions for the implementation of the Regulation as regards imports, exports, inward processing arrangements and certain general provisions.

In order to maintain the status quo, the amended text includes annexes containing each of the following:

- a list with processed agricultural products, which replaces Annex II to Regulation (EC) No 1216/2009;
- a list with non-Annex I goods, which replaces Annex II to Commission Regulation (EU) No 578/2010 and Annex XX to Regulation (EC) No 1234/2007;
- a list with the basic products used for the manufacture of non-Annex I goods, which replaces Annex I to Regulation (EU) No 578/2010;
- a list with processed agricultural products on which additional import duties may be levied which replaces Annex III to Regulation (EC) No 1216 /2009; and

- a list with agricultural products used for the manufacture of processed agricultural products, which replaces Annex I to Regulation (EC) No 1216/2009.

Trade arrangements applicable to certain goods resulting from the processing of agricultural products

2013/0063(COD) - 16/04/2014 - Final act

PURPOSE: to lay down the trade arrangements applicable to certain goods resulting from the processing of agricultural products (adaptation to the Lisbon Treaty – delegated and implementing powers of the Commission).

LEGISLATIVE ACT: Regulation (EU) No 510/2014 of the European Parliament and of the Council laying down the trade arrangements applicable to certain goods resulting from the processing of agricultural products and repealing Council Regulations (EC) No 1216/2009 and (EC) No 614/2009.

CONTENT: the Regulation replaces the trade arrangements applicable to processed agricultural products/goods not listed in Annex 1 of the Treaty on the Functioning of the European Union (TFEU) determined in Council Regulation (EC) No 1216/2009. It also includes some provisions from Regulation (EC) No 614/2009 on the common system of trade for ovalbumin and lactalbumin.

The Regulation implements those provisions **in accordance with the Lisbon Treaty** and in particuar, the obligation to distinguish between delegated and implenting powers of the Commission, introduced by articles 290 and 291 of the TFEU.

The Commission should also have the power to adopt **delegated acts** in order to:

- to take into account the evolution of trade and market developments, the needs of the markets for ovalbumin and lactalbumin or the market for eggs and the results of the monitoring of the imports of ovalbumin and lactalbumin;
- to implement the international agreements providing for the reduction or phasing out of import duties on processed agricultural products on the basis of specific agricultural products used or considered to have been used in the manufacturing of the processed agricultural products;
- to ensure equitable market access for operators and equal treatment of operators, to take account of the supply requirements of the Union market and to preserve the equilibrium of that market;
- to ensure that it is possible for exported products to benefit from special treatment on importation into a third country under certain conditions, pursuant to international agreements concluded by the Union in accordance with the TFEU;
- to ensure the prudent and efficient management of the inward processing arrangements, taking account of the situation on the Union market for the commodities concerned and of the needs and practices of the processing industries;
- to take account of the specific manufacturing processes and trading requirements of non-Annex I goods incorporating certain agricultural products;
- to monitor the expenditure on export refunds and the implementation of the refund certificate system;
- providing for equivalent measures to be taken with regard to exports of those non-Annex I goods, while complying with any obligations resulting from international agreements;
- to ensure the integrity of information systems and the authenticity and legibility of documents and associated data transmitted;
- to implement the international agreements concluded by the Union and to ensure clarity and coherence with amendments to Council Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff;
- to avoid unnecessary administrative burdens for operators and national authorities;
- to ensure the application of horizontal rules adopted on the basis of Regulation (EU) No 1306/2013 to import licences and tariff quotas for processed agricultural products and to export refunds and refund certificates for non-Annex I goods.

The power to adopt the delegated acts shall be conferred on the Commission for a period of **seven years (with tacit extension)from 9 June 2014**. The European Parliament or the Council may object to a delegated act within a period of **two months** from the date of notification (this period can be extended for two months). If the European Parliament or the Council make objections, the delegated act will not enter into force.

The Regulation also defines the Commission's **implementing powers** in order to ensure uniform conditions for the implementation of this Regulation as regards imports, exports, the inward processing arrangements and certain general provisions.

Other amendments were introduced to improve the clarity and transparency of the existing texts.

ENTRY INTO FORCE: 09.06.2014.