Basic information

2014/0280(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	Procedure completed
Protection against injurious pricing of vessels. Codification Repealing Regulation (EC) No 385/96 1995/0258(CNS) **Subject** 3.40.04 Shipbuilding, nautical industry 6.20.05 Multilateral and plurilateral economic and trade agreements and relations 6.40.13 Relations with/in the context of international organisations: UN, OSCE, OECD, Council of Europe, EBRD	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
JURI Legal Affairs	MAŠTÁLKA Jiří (GUE/NGL)	28/05/2015
	Shadow rapporteur GERINGER DE OEDENBERG Lidia Joanna (S&D)	

Council of the European Union

Council configuration	Meetings	Date
Economic and Financial Affairs ECOFIN	3442	2016-01-15

European Commission

Commission DG	Commissioner
Legal Service	JUNCKER Jean-Claude

Key events

Date	Event	Reference	Summary
29/09/2014	Legislative proposal published	COM(2014)0605	Summary
28/01/2015	Committee referral announced in Parliament, 1st reading		
16/06/2015	Vote in committee, 1st reading		
22/06/2015	Committee report tabled for plenary, 1st reading	A8-0202/2015	Summary
07/07/2015	Decision by Parliament, 1st reading	T8-0241/2015	Summary

07/07/2015	Results of vote in Parliament		
15/01/2016	Act adopted by Council after Parliament's 1st reading		
08/06/2016	Final act signed		
08/06/2016	End of procedure in Parliament		
30/06/2016	Final act published in Official Journal		

Technical information

Procedure reference	2014/0280(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Codification
Legislative instrument	Regulation
Amendments and repeals	Repealing Regulation (EC) No 385/96 1995/0258(CNS)
Legal basis	Treaty on the Functioning of the European Union TFEU 207-p2
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	JURI/8/01498

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE557.311	28/05/2015	
Committee report tabled for plenary, 1st reading/single reading		A8-0202/2015	22/06/2015	Summary
Text adopted by Parliament, 1st reading/single reading		T8-0241/2015	07/07/2015	Summary

Council of the EU

Document type	Reference	Date	Summary
Draft final act	00025/2015/LEX	08/06/2016	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2014)0605	29/09/2014	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act	
Regulation 2016/1035 OJ L 176 30.06.2016, p. 0001	Summary

Protection against injurious pricing of vessels. Codification

2014/0280(COD) - 22/06/2015 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Legal Affairs adopted the report by Jiří MAŠTÁLKA (GUE/NGL, CZ) on the proposal for a regulation of the European Parliament and of the Council on protection against injurious pricing of vessels (codified text).

The committee recommended the European Parliament to adopt its position at first reading taking over the Commission proposal as adapted to the recommendations of the Consultative Working Party of the legal services of the European Parliament, the Council and the Commission.

According to the Consultative Working Party of the legal services of the European Parliament, the Council and the Commission, the proposal in question contains a straightforward codification of the existing texts without any change in their substance.

Protection against injurious pricing of vessels. Codification

2014/0280(COD) - 08/06/2016 - Final act

PURPOSE: to codify Council Regulation (EC) n° 385/96 regarding combatting the injurious pricing of vessels.

LEGISLATIVE ACT: Regulation (EU) 2016/1035 of the European Parliament and of the Council on protection against injurious pricing of vessels (codification).

CONTENT: in the interests of clarity and rationality, the Regulation **codifies and repeals Council Regulation (EC) No 385/96,** which has been substantially amended.

The Regulation responds to the need to provide for an effective means of **protection against sales of ships below their normal value**. It transposes into EU law the **Shipbuilding Injurious Pricing Code** ('the IPI Code'), which is mainly based on the 1994 Anti-Dumping Agreement, annexed to the Agreement establishing the World Trade Organisation.

The IPI code is annexed to annexed to the **Shipbuilding Agreement**, concluded on 21 December 1994 following multilateral negotiations conducted under the auspices of the Organisation for Economic Cooperation and Development.

The Regulations sets out the principle that an **injurious pricing charge** may be imposed on the builder of any injuriously priced vessel whose sale to a buyer other than a buyer of the country in which the vessel originates causes injury to Union industry.

The term '**Union industry'** is defined by reference to the capability to build a like vessel.

A vessel is to be considered as being injuriously priced if the export price of the vessel sold is less than a comparable price for a like vessel, in the ordinary course of trade, when sold to a buyer of the exporting country.

The Regulation applies to all self-propelled sea-going vessels of 100 gross tonnes and above, used for transportation of goods or persons or for performance of a specialised service (for example, ice breakers and dredgers) and any tug of 365 kW and above.

The new codified Regulation establishes, inter alia:

- detailed rules on the calculation of the **normal value**. In particular, such value should, where possible, be based on a representative sale of a like vessel in the ordinary course of trade in the exporting country;
- detailed guidance as to the **factors which may be relevant for the determination of whether the injuriously priced sale has caused material injury or is threatening to cause injury**. In demonstrating that the price level of the sale concerned is responsible for injury sustained by the Union industry, attention should be given to prevailing market conditions in the Union;
- the procedural and substantive conditions for **lodging a complaint** against injurious pricing, including the extent to which it should be supported by the Union industry;
- the procedures for the rejection of complaints or the initiation of proceedings;

- **the rules and procedures to be followed during the investigation**, in particular the rules whereby interested parties are to make themselves known, present their views and submit information within specified time limits, if such views and information are to be taken into account; the termination of cases should, irrespective of whether an injurious pricing charge is imposed or not, take place no later than 1 year from the date of initiation or the date of delivery of the vessel, as the case may be; the investigation may be terminated without the imposition of an injurious pricing charge if the sale of the injuriously priced vessel is definitively and unconditionally voided or if an alternative equivalent remedy is accepted;
- rules for the **denial of the right to load and unload** in Union ports to vessels built by shipbuilders subject to countermeasures;
- rules allowing the Commission to carry out **visits** to verify information provided on injurious pricing and injury;
- provision for the treatment of confidential information so that business secrets are not divulged.

ENTRY INTO FORCE: 20.7.2016. The Regulation applies from the date of entry into force of the Shipbuilding Agreement.

Protection against injurious pricing of vessels. Codification

2014/0280(COD) - 29/09/2014 - Legislative proposal

PURPOSE: to codify Council Regulation (EC) No 385/96 on the protection against injurious pricing of vessels.

PROPOSED ACT: Regulation of the Council and the European Parliament.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

CONTENT: in the interests of clarity and rationality, the purpose of this proposal is to **undertake a codification of Council Regulation (EC) No 385/96** of 29 January 1996 on protection against injurious pricing of vessels.

Council Regulation (EC) No 385/966 has been substantially amended. It is recalled that on 1 April 1987, the Commission decided to instruct its staff that all acts should be codified after no more than ten amendments, stressing that this is a minimum requirement. The Edinburgh European Council (December 1992) confirmed this, stressing the importance of codification.

The European Parliament, the Council and the Commission have agreed, by an interinstitutional agreement dated 20 December 1994, that an accelerated procedure may be used for the fast-track adoption of codification instruments.

The new Regulation will supersede the various acts incorporated in it. Furthermore, it fully preserves the content of the acts being codified and hence does no more than bring them together with only such formal amendments as are required by the codification exercise itself.

Protection against injurious pricing of vessels. Codification

2014/0280(COD) - 07/07/2015 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 671 votes to 27, with 7 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council on protection against injurious pricing of vessels (codified text).

Parliament adopted its position at first reading taking over the Commission proposal.

The Consultative Working Party of the legal services of the European Parliament, the Council and the Commission concluded that the proposal in question contains a straightforward codification of the existing texts without any change in their substance.

The codified version of Council Regulation (EC) No 385/96 on protection against injurious pricing of vessels enables the Union to take action against any injuriously priced vessel whose sale at less than normal value causes injury to the Union industry.

The term ‘Union industry’ is defined by reference to the capability to build a like vessel and to provide that parties related to exporters may be excluded from such industry.

The new Regulation should, *inter alia*:

- set out clear and detailed rules on the calculation of the normal value; such value should where possible be based on a representative sale of a like vessel in the ordinary course of trade in the exporting country;
- define the export price;
- set out the procedural and substantive conditions for lodging a complaint against injurious pricing, including the extent to which it should be supported by the Union industry;
- lay down the information on the buyer of the vessel, injurious pricing, injury and causation which such complaint should contain:
- specify the procedures for the rejection of complaints or the initiation of proceedings;
- set out clearly the rules and procedures to be followed during the investigation, in particular the rules whereby interested parties are to make themselves known, present their views and submit information within specified time limits, if such views and information are to be taken into account. It is also necessary to provide that the termination of cases should, irrespective of whether an injurious pricing charge is imposed or not, take place no later than one year from the date of initiation or the date of delivery of the vessel, as the case may be;
- specify the manner in which interested parties should be given notice of the information which the authorities require;
- set out precise rules for the denial of the right to load and unload in Union ports to vessels built by shipbuilders subject to countermeasures;

- provide measures for the treatment of confidential information so that business secrets are not divulged.