

# 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

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The Committee on International Trade adopted the report by Christofer FJELLNER (EPP, SE) on the proposal for a regulation of the European Parliament and of the Council implementing the safeguard clauses and other mechanisms allowing for the temporary withdrawal of preferences in certain agreements concluded between the European Union and certain third countries.

As a reminder, the proposal for a Regulation aims to lay down provisions for the implementation of the bilateral safeguard clauses and other mechanisms on the temporary withdrawal of tariff preferences or other preferential treatment contained in the Agreements concluded between the Union and a third country referred to in the Annex to the Regulation.

The approach adopted by the Commission is a horizontal regulation applicable to future free trade agreements (FTAs).

The committee recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the Commission's proposal as follows.

**Definitions:** Members specified that the determination of the existence of a '**threat of serious injury**' to position of Union industry means serious injury that is clearly imminent and shall be based on verifiable information.

**Monitoring of agreements:** the follow up and review of the Agreements, the conduct of investigations and, where appropriate, the imposition of safeguard measures shall be carried out in the most transparent manner possible. The European Parliament shall be kept informed and involved at all stages of the procedure and, in particular, prior to the adoption of any safeguard measures.

The Commission shall monitor **weekly** the evolution of import statistics of sensitive products, if any, mentioned in Annex in respect of each Agreement. It shall monitor the observance by third countries of the **social and environmental standards** laid down therein. Upon request by the **responsible committee of the European Parliament**, the Commission shall report to it on any specific concerns relating to the implementation by the third countries concerned of their commitments on trade and sustainable development.

**Initiation of the investigation:** under the amended text, a request for initiating an investigation may also be submitted jointly by Union industry, or by any natural or legal person or any association not having legal personality acting on behalf thereof, and trade unions, or be supported by **trade unions**. An investigation may be opened in the event of a surge in imports concentrated in one or more Member States or in the outermost regions.

Where the European Parliament adopts a recommendation to initiate a safeguard investigation, the Commission shall carefully examine whether the conditions for initiating an investigation are fulfilled and if so, proceed as laid down in this Regulation. If the Commission considers that the conditions are not fulfilled, it shall present a report to the responsible committee of the European Parliament including an **explanation of all the factors relevant to the rejection** of such an investigation.

**Conduct of the investigation:** Members considered that the Commission shall facilitate access to the investigation for diverse and fragmented industry sectors, largely composed of small and medium-sized enterprises (SMEs), through a **dedicated SME Helpdesk** that shall make available standard forms for statistics to be submitted for standing purposes and questionnaires.

The Commission shall appoint a **Hearing Officer** whose powers and responsibilities shall be set out in a mandate adopted by the Commission and who shall safeguard the effective exercise of the procedural rights of the interested parties.

**Outermost regions of the Union:** certain products, including agricultural products that are produced in significant quantities in any or several of the outermost regions might be sensitive products and particular attention shall be paid to them when applying this Regulation. Appropriate provisions shall therefore apply where a product is imported in such large quantities or under such conditions as to cause or potentially cause serious injury to the economic situation of any or several of the outermost regions.

**Delegated acts:** the Commission may adopt delegated acts in order to set the conditions for monitoring, the deadline for investigations, the reporting procedures and the criteria for examining these procedures for other mechanisms and criteria relating to the temporary withdrawal of tariff preferences or other preferential treatment.