

EUROPEAN COMMISSION

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2014/0199 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on certain procedures for applying the Stabilisation and Association Agreement between the European Communities and their Member States, of the one part, and the former Yugoslav Republic of Macedonia, of the other part (codification)

EXPLANATORY MEMORANDUM

1. In the context of a people's Europe, the Commission attaches great importance to simplifying and clarifying the law of the Union so as to make it clearer and more accessible to citizens, thus giving them new opportunities and the chance to make use of the specific rights it gives them.

This aim cannot be achieved so long as numerous provisions that have been amended several times, often quite substantially, remain scattered, so that they must be sought partly in the original instrument and partly in later amending ones. Considerable research work, comparing many different instruments, is thus needed to identify the current rules.

For this reason a codification of rules that have frequently been amended is also essential if the law is to be clear and transparent.

- 2. On 1 April 1987 the Commission decided¹ to instruct its staff that all acts should be <u>codified</u> after <u>no more</u> than ten amendments, stressing that this is a minimum requirement and that departments should endeavour to codify at even shorter intervals the texts for which they are responsible, to ensure that their provisions are clear and readily understandable.
- 3. The Conclusions of the Presidency of the Edinburgh European Council (December 1992) confirmed this², stressing the importance of <u>codification</u> as it offers certainty as to the law applicable to a given matter at a given time.

Codification must be undertaken in full compliance with the normal procedure for the adoption of acts of the Union.

Given that no changes of substance may be made to the instruments affected by <u>codification</u>, 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.

4. The purpose of this proposal is to undertake a codification of Council Regulation (EC) No 153/2002 of 21 January 2002 on certain procedures for applying the Stabilisation and Association Agreement between the European Communities and their Member States, of the one part, and the Former Yugoslav Republic of Macedonia, of the other part, and for applying the Interim Agreement between the European Community and the Former Yugoslav Republic of Macedonia³. The new Regulation will supersede the various acts incorporated in it⁴; this proposal fully preserves the content of the acts being codified and hence does no more than bring them together with <u>only such formal amendments</u> as are required by the codification exercise itself.

¹ COM(87) 868 PV.

² See Annex 3 to Part A of the Conclusions.

³ Entered in the legislative programme for 2014.

⁴ See Annex I to this proposal.

5. The <u>codification</u> proposal was drawn up on the basis of a <u>preliminary consolidation</u>, in 22 official languages, of Regulation (EC) No 153/2002 and the instruments amending it, carried out by the Publications Office of the European Union, by means of <u>a data-processing system</u>. Where the Articles have been given new numbers, the correlation between the old and the new numbers is shown in a table set out in Annex II to the codified Regulation.

◆ 153/2002 (adapted)

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Proposal for a

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on certain procedures for applying the Stabilisation and Association Agreement between the European Communities and their Member States, of the one part, and the former Yugoslav Republic of Macedonia, of the other part (codification)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty \boxtimes on the Functioning of the European Union \bigotimes , and in particular Article \boxtimes 207(2) \bigotimes thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national Parliaments,

Having regard to the opinion of the European Economic and Social Committee⁵,

Acting in accordance with the ordinary legislative procedure,

Whereas:

Council Regulation (EC) No 153/2002⁶ has been substantially amended several times⁷.
In the interests of clarity and rationality, that Regulation should be codified.

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(2) A Stabilisation and Association Agreement between the European Communities and their Member States, of the one part, and the former Yugoslav Republic of Macedonia,

⁵ OJ C [...], [...], p. [...].

 ⁶ Council Regulation (EC) No 153/2002 of 21 January 2002 on certain procedures for applying the Stabilisation and Association Agreement between the European Communities and their Member States, of the one part, and the Former Yugoslav Republic of Macedonia, of the other part, and for applying the Interim Agreement between the European Community and the Former Yugoslav Republic of Macedonia (OJ L 25, 29.1.2002, p. 16).
⁷ See Annex I.

of the other part \boxtimes ('SAA'), \bigotimes was signed in Luxembourg on 9 April 2001 \boxtimes and entered into force on 1 April 2004 \bigotimes .

◆ 153/2002 recital 3 (adapted)

(3) It is necessary to lay down the procedures for the application of certain provisions of \boxtimes the SAA \boxtimes .

▶ 153/2002 recital 4 (adapted)

(4) The SAA stipulates that certain products originating in the former Yugoslav Republic of Macedonia may be imported into the Union i, within the limits of tariff quotas, at a reduced customs duty. It is therefore necessary to lay down provisions for the calculation of the reduced rates of customs duties.

↓ 153/2002 recital 5 (adapted)

(5) The \boxtimes SAA specifies \bigotimes the products eligible for those tariff measures, the relevant volumes (and increases thereof), the applicable duties, periods of application and any eligibility criteria.

↓ 153/2002 recital 7 (adapted)

↓ 153/2002 recital 8 (adapted)

⁸ Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 (OJ L 347, 20.12.2013, p. 671).

⁹ Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code (OJ L 269, 10.10.2013, p. 1).

↓ 153/2002 recital 9

(8) Duties should be totally suspended where preferential treatment results in *ad valorem* duties of 1 % or less, or in specific duties of EUR 1 or less.

♦ 37/2014	Art.	1	and	Annex	.8
(adapted)					

- (9) The implementation of the bilateral safeguard clauses of the \boxtimes SAA \bigotimes requires uniform conditions for the adoption of safeguard and other measures. Those measures should be adopted in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council¹⁰.
- (10) The Commission should adopt immediately applicable implementing acts where, in duly justified cases relating to exceptional and critical circumstances arising within the meaning ofArticle 37(4)(b) and Article 38(4) of the ▷ SAA < , imperative grounds of urgency so require,

↓ 153/2002 (adapted)

HAVE ADOPTED THIS REGULATION:

Article 1

Subject matter

 \boxtimes This Regulation lays \bigotimes down certain procedures for the adoption of detailed rules for the implementation of certain provisions of the Stabilisation and Association Agreement between the European Communities and their Member States, of the one part, and the former Yugoslav Republic of Macedonia, of the other part (\boxtimes 'SAA' \bigotimes).

◆ 37/2014 Art. 1 and Annex .8(1) (adapted)

Article 2

Concessions on 'baby beef'

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Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

Detailed rules for the implementation of Article 27(2) of the \boxtimes SAA \bigotimes , concerning the tariff quota for 'baby beef' products shall be adopted by the Commission in accordance with the examination procedure referred to in Article 12(4) of this Regulation.

↓ 37/2014 Art. 1 and Annex .8(3) (adapted)

Article 3

Further concessions

If additional concessions for fishery products are granted within tariff quotas, pursuant to Article 29 of the \boxtimes SAA $\langle \boxtimes \rangle$, detailed rules for the implementation of those tariff quotas shall be adopted by the Commission in accordance with the examination procedure referred to in Article 12(4) of this Regulation.

↓ 153/2002 (adapted)

Article 4

Tariff reductions

1. Subject to paragraph 2, rates of preferential duty shall be rounded down to the first decimal place.

2. Where the result of calculating the rate of preferential duty \boxtimes pursuant to \bigotimes paragraph 1 is one of the following, the preferential rate shall be considered a full exemption:

- (a) 1 % or less in the case of *ad valorem* duties; or
- (b) EUR 1 or less per individual amount in the case of specific duties.

↓ 37/2014 Art. 1 and Annex .8(5)

Article 5

Technical adaptations

Amendments and technical adaptations to the detailed rules on implementation adopted pursuant to this Regulation which are necessary following changes to the Combined Nomenclature codes and to the TARIC subdivisions, or arising from the conclusion of new agreements, protocols, exchanges of letters or other acts between the Union and the former Yugoslav Republic of Macedonia, shall be adopted in accordance with the examination procedure referred to in Article 12(4).

↓ 3/2003 Art. 1 (adapted)

Article 6

General safeguard clause and shortage clause

1. Where a Member State requests the Commission to take measures as provided for in Articles 37 and 38 of the \boxtimes SAA \bigotimes , it shall provide the Commission, in support of its request, with the information needed to justify it.

↓ 3/2003 Art. 1 (adapted) → $_1 37/2014$ Art. 1 and Annex .8(6)

2. Where the Commission, at the request of a Member State or on its own initiative, finds that the conditions laid down in Articles 37 and 38 of the \boxtimes SAA \bigotimes are fulfilled, it shall:

- (a) inform the Member States forthwith if acting on its own initiative or, if it is responding to a Member State's request, within five working days of the date of receipt of that request;
- (b) consult the Committee \boxtimes referred to in Article 12(3) \boxtimes on the proposed measures;
- (c) at the same time inform the former Yugoslav Republic of Macedonia and notify it of the opening of the consultations within the Stabilisation and Association Committee as provided for in Articles 37(4) and 38(3) of the \boxtimes SAA $\langle X \rangle$;
- (d) at the same time provide the Stabilisation and Association Committee with all the information necessary for \boxtimes the \bigotimes consultations \boxtimes referred to in point (c) \bigotimes .

3. \Rightarrow_1 On the completion of the consultations \boxtimes referred to in paragraph $2(c) \boxtimes$, and if no other arrangement proves possible, the Commission may decide in accordance with the examination procedure referred to in Article 12(4) of this Regulation either not to act or to adopt appropriate measures provided for in Articles 37 and 38 of the \boxtimes SAA \boxtimes .

That Decision shall be notified forthwith to the Counciland \boxtimes to \boxtimes the Stabilisation and Association Committee.

That Decision shall be applicable immediately.

 \checkmark 37/2014 Art. 1 and Annex .8(6) (adapted)

4. The consultations within the Stabilisation and Association Committee \boxtimes referred to in paragraph 2(c) \boxtimes shall be deemed to be completed 30 days after the notification referred to in paragraph 2.

 \checkmark 37/2014 Art. 1 and Annex .8(7) (adapted)

Article 7

Exceptional and critical circumstances

Where exceptional and critical circumstances arise within the meaning of Article 37(4)(b) and Article 38(4) of the \boxtimes SAA \bigotimes , the Commission may take immediate measures as provided for in Articles 38 and 39 of the \boxtimes SAA \bigotimes , in accordance with the examination procedure referred to in Article 12(4) of this Regulation, or in cases of urgency, in accordance with Article 12(5) of this Regulation.

If the Commission receives a request from a Member State, it shall take a Decision thereon within five working days of receipt of the request.

↓ 3/2003 Art. 1 (adapted)

Article 8

Safeguard clause for agricultural and fisheries products

Notwithstanding the procedures set out in Articles 6 and 7, necessary measures concerning agricultural and fisheries products on the basis of Articles 30 or 37 of the \boxtimes SAA \bigotimes or on the basis of provisions in the Annexes \boxtimes to the SAA \bigotimes covering \boxtimes those \bigotimes products as well as of Protocol 3 \boxtimes thereto \bigotimes , \boxtimes may \bigotimes be taken according to procedures provided for by the relevant rules establishing the common organisation of the agricultural markets or markets in fishery and aquaculture products, or in specific provisions adopted pursuant to Article \boxtimes 352 \bigotimes of the Treaty and applicable to products resulting from the processing of agricultural and fisheries products, provided that the conditions established pursuant to Article 30 of the \boxtimes SAA \bigotimes or Article 37(3), (4) and (5) of the \boxtimes SAA \bigotimes are met.

Article 9

Dumping

In the case of a practice which is liable to warrant application by the \boxtimes Union \bigotimes of the measures provided for in Article 36(1) of the \boxtimes SAA \bigotimes , the introduction of anti-dumping measures shall be decided upon in accordance with the provisions laid down in Council Regulation (EC) No 1225/2009¹¹ and the procedure provided for in Article 36(2) of the \boxtimes SAA \bigotimes .

¹¹ Council Regulation (EC) No 1225/2009 of 30 November 2009 on protection against dumped imports from countries not members of the European Community (OJ L 343, 22.12.2009, p. 51).

Competition

 \checkmark 37/2014 Art. 1 and Annex .8(8) (adapted)

1. In the case of a practice that may justify application by the Union of the measures provided for in Article 69 of the \boxtimes SAA \bigotimes , the Commission, after examining the case, on its own initiative or at the request of a Member State, shall decide whether such practice is compatible with the \boxtimes SAA \bigotimes . Where necessary it shall adopt safeguard measures in accordance with the examination procedure referred to in Article 12(4) \boxtimes of this Regulation \bigotimes , except in the cases of aid to which Council Regulation (EC) No 597/2009¹² applies, where measures shall be taken in accordance with the procedures laid down in that Regulation. Measures shall be taken only under the conditions set out in Article 69(5) of the \boxtimes SAA \bigotimes .

↓ 3/2003 Art. 1 (adapted)

2. In the case of a practice that may cause measures to be applied to the \boxtimes Union \bigotimes by the former Yugoslav Republic of Macedonia on the basis of Article 69 of the \boxtimes SAA \bigotimes , the Commission, after examining the case, shall decide whether the practice is compatible with the principle set out in the \boxtimes SAA \bigotimes . Where necessary, it shall take appropriate decisions on the basis of criteria which result from the application of Articles 101, 102 and 107 of the Treaty.

Article 11

Fraud or failure to provide administrative cooperation

1. For the purpose of interpreting Article 42 of the \boxtimes SAA \boxtimes , failure to provide administrative cooperation as required for the verification of evidence of origin shall mean, *inter alia*:

- (a) the absence of administrative cooperation, such as the failure to provide names and addresses of customs or government authorities responsible for issuing and checking certificates of origin, or specimens of stamps used to authenticate the certificates, or the failure to update that information where appropriate;
- (b) a repeated lack or inadequacy of action in verifying the originating status of products and the fulfilment of the other requirements of Protocol 4 \boxtimes to \bigotimes the \boxtimes SAA \bigotimes and identifying or preventing contravention of the rules of origin;

¹² Council Regulation (EC) No 597/2009 of 11 June 2009 on protection against subsidised imports from countries not members of the European Community (OJ L 188, 18.7.2009, p. 93).

- (c) a repeated refusal \boxtimes to carry out \bigotimes or undue delay \boxtimes in carrying \bigotimes out, at the request of the Commission, subsequent verification of the proof of origin and to communicate its results in time;
- (d) a repeated refusal \boxtimes to obtain \ll or undue delay \boxtimes in obtaining \ll the authorisation to conduct administrative and investigative cooperation missions in the former Yugoslav Republic of Macedonia, in order to verify the authenticity of documents or the accuracy of information relevant for granting the preferential treatment granted under the \boxtimes SAA \ll , or to carry out or arrange for appropriate inquiries to identify or prevent contravention of the rules of origin;
- (e) a repeated failure to comply with the provisions of Protocol 5 \boxtimes to the SAA \bigotimes on mutual administrative assistance in customs matters insofar as it is relevant to the application of the trade provisions of the \boxtimes SAA \bigotimes .

2. Where the Commission, on the basis of information provided by a Member State or on its own initiative, finds that the conditions laid down in Article 42 of the \boxtimes SAA \bigotimes are fulfilled it shall:

- (a) inform the Council;
- (b) enter immediately into consultations with the former Yugoslav Republic of Macedonia to find an appropriate solution as provided for in \boxtimes Article 42 of the SAA \bigotimes .

In addition, \boxtimes the Commission \bigotimes may:

- (a) call on the Member States to take such precautionary measures as are necessary in order to safeguard the ⊠ Union's ⊲ financial interests;
- (b) publish a notice in the *Official Journal of the European* \boxtimes *Union* \bigotimes stating that there are grounds for reasonable doubts about the application of the provisions relevant to the application of Article 42 of the \boxtimes SAA \bigotimes .

 \checkmark 37/2014 Art. 1 and Annex .8(9) (adapted)

3. Pending a mutually satisfactory solution having been reached in the consultations referred to in point (b) of the first subparagraph of paragraph 2, the Commission may decide on other appropriate measures it deems necessary in accordance with Article \boxtimes 42 \ll of the \boxtimes SAA \ll , as well as with the examination procedure referred to in Article 12(4) of this Regulation.

 \checkmark 37/2014 Art. 1 and Annex .8(10) (adapted)

Article 12

Committee procedure

1. For the purpose of Article 2, the Commission shall be assisted by the Committee \boxtimes for the Common Organisation of the Agricultural Markets \bigotimes established by Article 229 of Regulation (EU) No 1308/2013. That Committee shall be a committee within the meaning of Regulation (EU) No 182/2011.

2. For the purpose of Article 4, the Commission shall be assisted by the Customs Code Committee established by Article 285 of Regulation (EU) No 952/2013. That Committee shall be a committee within the meaning of Regulation (EU) No 182/2011.

3. For the purpose of Articles 6, 7, 10 and 11, the Commission shall be assisted by the Committee on Safeguards established by Article 4(1) of Council Regulation (EC) No $260/2009^{13}$. That Committee shall be a committee within the meaning of Regulation (EU) No 182/2011.

4. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

5. Where reference is made to this paragraph, Article 8 of Regulation (EU) No 182/2011, in conjunction with Article 5 thereof, shall apply.

↓ 3/2003 Art. 1 (adapted)

Article 13

Notification

Notification to the Stabilisation and Association Council and the Stabilisation and Association Committee, respectively, as required by the \boxtimes SAA \boxtimes shall be the responsibility of the Commission, acting on behalf of the \boxtimes Union \boxtimes .

¹³ Council Regulation (EC) No 260/2009 of 26 February 2009 on the common rules for imports (OJ L 84, 31.3.2009, p. 1).

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Article 14

Repeal

Regulation (EC) No 153/2002 is repealed.

References to the repealed Regulation shall be construed as references to this Regulation and shall be read in accordance with the correlation table in Annex II.

↓ 153/2002 (adapted)

Article 15

Entry into force

This Regulation shall enter into force on the \boxtimes twentieth \bigotimes day \boxtimes following that \bigotimes of its publication in the *Official Journal of the European* \boxtimes *Union* \bigotimes .

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the European Parliament The President For the Council The President