

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Procedure for a temporary duty suspension

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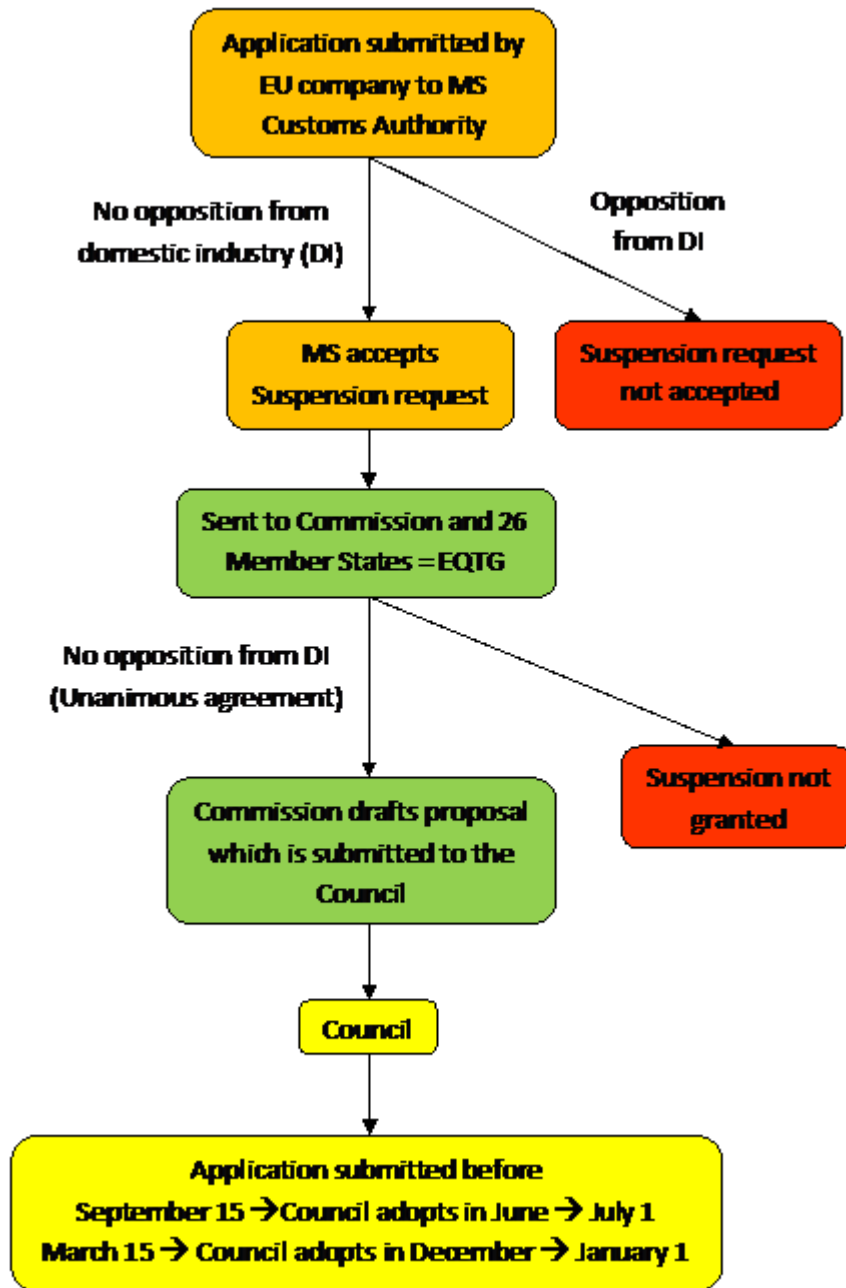
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Report Highlights:

The EU may allow a 5-year suspension of import duties on agricultural and fishery products not produced in the EU. The list is updated in January and July each year. This report gives an overview of the different steps and the conditions that have to be met before to apply for a temporary duty suspension.

General Information:

The EU may allow a 5-year suspension of import duties on agricultural and fishery products not produced in the EU. The list is updated in January and July each year. This report gives an overview of the different steps and the conditions that have to be met before to apply for a temporary duty suspension. Below is a flow chart of the process followed by an explanation.



Application by EU company

The application must be submitted by an EU company to a Member States Customs Authority. Suspension requests are not made by third countries, but they concern raw materials, semi-finished goods or components that are destined for firms producing in the EU and applications can only come from such firms via the designated authorities of the Member States. The imported product, or similar or competing products, cannot be sourced in sufficient quantity from within the EU. The company must show that as a result of the suspension it will save at least 20.000 euros per year.

The deadline for applications is March 15 in order to become effective the following January 1 and September 15 in order to become effective the following July 1.

Member State consults domestic industry

The MS that received the application consults with its domestic industry on all new applications to give producers the opportunity to support or oppose applications. The MS Customs Authority then decides whether or not to accept it. If they accept it, the request is sent to the Commission and the other 26 Member States (MSs) for review.

All 26 MS consult with their respective domestic industry and inform possible EU firms that may be concerned by a suspension request and oppose the application. EU producers of identical, equivalent, or substitute products may register an opposition. If a company opposes the application, the applicant must contact the opposer to address their concerns so that the opposition is be withdrawn. If the opposition is maintained, the suspension will not be granted.

Economic tariff questions group

The economic tariff questions group (ETQG), consists of MS representatives meets 3 times per round of applications within the next 6 months in Brussels do discuss the applications.

If there is no objection against the application, the Commission will present a formal proposal to the Council following a positive opinion from the ETQG. The Commission prepares the formal proposal for duty suspensions and tariff quotas only when there is unanimous agreement.

The Commission proposal has to be filed with the Council:

- in late autumn for formal adoption by the Council in December for entry into force in January the following year, on those applications submitted before March 15
- in spring for formal adoption by the Council in June and for entry into force in July, for applications submitted before September 15

While Industrial products are usually considered by the Council in June, agricultural products are usually considered in December.

Requests of suspensions that have not been accepted by the Commission for proposal to the Council may be reconsidered only if they contain new elements which are relevant for the acceptance (such as essential complementary information that will lead to the objection been withdrawn).

Temporary duty suspensions in place

Once the proposals are adopted by the Council, they will be published in the Official Journal of the European

Commission as amendments of [Council Regulation 1255/96](#). This Regulation provides for the temporary suspension of duties on certain industrial, agricultural, and fishery products.

Once granted, a suspension or quota is available for any EU company to use - it is not specific to the applicant. Duty suspensions are in force for 5 years or until production begins in the EU. At the end of that five year period the Commission will review whether to continue the suspension for 5 more years based on new information submitted by the applicant.