

EUROPEAN COMMISSION

> Brussels, 12.6.2014 COM(2014) 345 final

2014/0177 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on common rules for imports of textile products from certain third countries not covered by bilateral agreements, protocols or other arrangements, or by other specific Union import rules (recast)

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.

- 4. The purpose of this proposal is to undertake a codification of Council Regulation (EC) No 517/94 of 7 March 1994 on common rules for imports of textile products from certain third countries not covered by bilateral agreements, protocols or other arrangements, or by other specific Community import rules³. The new Regulation will supersede the various acts incorporated in it⁴, fully preserving the content of the acts being codified. At the same time, it is also appropriate to introduce certain slight substantive amendments in Articles 4(2), 6(4) and 23 of that Regulation. Therefore, the proposal is being presented in the form of a recast.
- 5. The <u>recast</u> proposal was drawn up on the basis of a <u>preliminary consolidation</u>, in 22 official languages, of Regulation (EC) No 517/94 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 VIII to the recast Regulation.

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 VII to this proposal.

↓ 517/94 (adapted) 2014/0177 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on common rules for imports of textile products from certain third countries not covered by bilateral agreements, protocols or other arrangements, or by other specific S Union S import rules (recast)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

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

[↓] new

Council Regulation (EC) No 517/94⁶ has been substantially amended several times⁷.
Since further amendments are to be made, that Regulation should be recast in the interests of clarity.

 \checkmark 517/94 recital 1 (adapted)

(2) The common commercial policy must be based on uniform principles.

 \checkmark 517/94 recital 4 (adapted)

(3) Uniformity \boxtimes in the rules for imports should \bigotimes be \boxtimes ensured \bigotimes by laying down, as far as possible given the particular features of the economic system in \boxtimes the \bigotimes third countries \boxtimes in question \bigotimes , provisions similar to those applied under the common rules for other third countries.

OJ C [...], [...], p. [...].
Council Regulation (EC) No 517/94 of 7 March 1994 on common rules for imports of textile products from certain third countries not covered by bilateral agreements, protocols or other arrangements, or by other specific Community import rules (OJ L 67, 10.3.1994, p. 1).
See Annex VII.

 \checkmark 517/94 recital 7 (adapted)

↓ 517/94 recital 8

- (4) For a limited number of products originating in ⊠ certain ⊠ third countries, owing to the sensitivity of the textile sector of the ⊠ Union ⊠ surveillance measures applicable at ⊠ Union ⊠ level should be ⊠ laid down ⊠ in this Regulation.
- (5) Provision should be made for special rules for products re-imported under the arrangements for economic outward processing.

↓ new

- (6) Annex III B to Regulation (EC) No 517/94 as amended by Commission Regulation (EC) No $1398/2007^8$ was emptied of its content. Therefore, it is appropriate to delete that Annex entirely. In the interest of clarity, the reference to that Annex in Article 4(2) should also be deleted.
 - \checkmark 517/94 recital 9 (adapted)
- (7) Some imports of certain textile products from certain third countries may have to be subject to ⊠ Union ⊠ surveillance, quantitative limits or other appropriate measures.

 \checkmark 517/94 recital 10 (adapted)

(8) If ∑ Union ⟨𝔅] surveillance is applied, release for free circulation of the products concerned [𝔅] should ⟨𝔅] be made subject to presentation of an import document meeting uniform criteria. That document [𝔅] should ⟨𝔅], on simple application by the importer, be endorsed by the authorities of the Member States within a certain period but without the importer thereby acquiring any right to import. The document [𝔅] should ⟨𝔅] therefore be valid only during such period as the import rules remain unchanged.

↓ 517/94 recital 11 (adapted)

(9) It is in the interests of the ≥ Union ≤ that the Member States and the Commission should make as full as possible an exchange of information resulting from ≤ Union <≤ surveillance.

Commission Regulation (EC) No 1398/2007 of 28 November 2007 amending Annexes II, III B and VI to Council Regulation (EC) No 517/94 on common rules for imports of textile products from certain third countries not covered by bilateral agreements, protocols or other arrangements, or by other specific Community import rules (OJ L 311, 29.11.2007, p. 5).

 \checkmark 517/94 recital 12 (adapted)

- (10) It is necessary to adopt precise criteria for assessing possible injury and to introduce an investigation while still allowing the Commission to introduce appropriate measures in urgent cases.
 - **↓** 517/94 recital 13 (adapted)
- (11) To this end, detailed provisions should be \boxtimes laid down \bigotimes on the opening of investigations, on the checks and inspections required, on the hearing of those concerned, the treatment of information obtained and the criteria for assessing injury.

↓ 517/94 recital 15 (adapted)

(12) It is necessary to ∞ provide for ∞ an appropriate system for administering ∞ Union ∞ quantitative restrictions.

↓ 517/94 recital 16 (adapted)

(13) The administrative procedure \boxtimes should \bigotimes ensure that all applicants have fair access to quotas.

↓ 517/94 recital 17 (adapted)

(14) In the interests of uniformity in rules for imports, the formalities to be carried out by importers should be is simple in and identical regardless of the place where the goods clear customs. It is, therefore, desirable to provide that any formalities should be carried out using forms corresponding to the specimen annexed to is this in Regulation.

 \checkmark 517/94 recital 18 (adapted)

(15) Surveillance or safeguard measures confined to one or more regions rather than the whole of the ⊠ Union ⊠ may nevertheless prove necessary. However, such measures should be authorised only exceptionally and where no alternative exists. It is necessary to ensure that such measures are temporary and cause the minimum of disruption to the operation of the internal market.

 \checkmark 517/94 recital 19 (adapted)

(16) The provisions of this Regulation \boxtimes are without \bigotimes prejudice \boxtimes to Union or \bigotimes national legislation concerning professional secrecy.

 \checkmark 517/94 recital 24 (adapted)

(17) The safeguard measures necessitated by the interests of the \boxtimes Union should be implemented \bigotimes with due regard for existing international obligations.

[₽] new

(18) In order to simplify procedures for importers, it is necessary to provide for the possibility to extend the validity of wholly or partly unused import authorisations, instead of returning them to the competent authorities of the issuing Member States.

◆ 38/2014 Art. 1 and Annex .2 (adapted)

- (19) In order to ensure the appropriate functioning of the system for the management of imports of certain textile products not covered by bilateral agreements, protocols or other arrangements, or by other specific Union import rules, the power to adopt acts in accordance with Article 290 of the Treaty should be delegated to the Commission in respect of amending the Annexes to is this S Regulation, altering the import rules and applying safeguard measures and surveillance measures in accordance with is S Regulation. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level.
- (20) The Commission, when preparing and drawing up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council.
- (21) In order to ensure uniform conditions for the implementation of \boxtimes this \bigotimes Regulation, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council⁹.
- (22) The advisory procedure should be used for the adoption of surveillance measures given the effects of those measures and their sequential logic in relation to the adoption of definitive safeguard measures,

↓ 517/94 (adapted)

HAVE ADOPTED THIS REGULATION:

CHAPTER I

GENERAL PRINCIPLES

Article 1

1. This Regulation applies to imports of textile products falling within Section XI \boxtimes of Part Two \bigotimes of the Combined Nomenclature \boxtimes set out in Annex I to Council Regulation (EEC) No 2658/87¹⁰ \bigotimes and of other textile products, as listed in Annex I \boxtimes to this Regulation \bigotimes , originating in third countries and not covered by bilateral agreements, protocols or other arrangements, or by other specific \boxtimes Union \bigotimes import rules.

⁹ 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).

¹⁰ Council Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ L 256, 7.9.1987, p. 1).

2. For the purposes of paragraph 1, textile products falling within Section XI \boxtimes of Part Two \bigotimes of the Combined Nomenclature shall be classified in categories as set out in Section A of Annex I, with the exception of products covered by Combined Nomenclature codes (CN codes) 56041000, 63090000 and 6310 which are listed in Section B of Annex I.

3. For the purposes of this Regulation, the term 'originating products' and the methods for controlling the origin of those products shall be as defined by the relevant \boxtimes Union \bigotimes rules in force.

Article 2

Imports into the \boxtimes Union \bigotimes of products referred to in Article 1 and originating in third countries other than those listed in Annex II shall be free and therefore not subject to any quantitative restriction, without prejudice to:

- (a) the measures that may be taken under Chapter III;
- (b) the measures that may be taken under specific common import rules for the duration of those rules.

Article 3

1. Imports into the \boxtimes Union \bigotimes of textile products listed in Annex III and originating in the countries indicated in that Annex shall be subject to the annual quantitative limits established in that Annex.

2. The release for free circulation in the \boxtimes Union \bigotimes of imports subject to the quantitative limits \boxtimes referred to \bigotimes in paragraph 1 shall be subject to the presentation of an import authorisation or equivalent document issued by the Member States' authorities in accordance with the procedure set out in this Regulation. The imports authorised in accordance with this paragraph shall be charged against the quantitative limits fixed for the calendar year for which quantitative limits have been fixed.

◆ 38/2014 Art. 1 and Annex .2(1) (adapted)

3. Any textile product referred to in Annex IV and originating in the countries indicated therein may be imported into the Union provided \boxtimes that \bigotimes an annual quantitative limit is established by the Commission. Any such quantitative limit shall be based on previous trade flows or, where not available, duly justified estimations of such trade flows. The Commission shall be empowered to adopt delegated acts \boxtimes in accordance with Article 26 \bigotimes to amend the relevant Annexes to this Regulation \boxtimes with respect to \bigotimes the establishment of such annual quantitative limits.

✓ 517/94 (adapted)
⇒ new

4. Imports into the \boxtimes Union \bigotimes of textile products other than those covered by paragraphs 1 and 3 and originating in the countries indicated in Annex II shall be free, subject to measures that may be taken under Chapter III and to measures that have been or may be taken under specific common import rules for the duration of those rules.

Article 4

1. Without prejudice to measures that may be taken under specific common import rules or under Chapter III, re-imports into the \boxtimes Union \bigotimes of textile products after processing in countries other than those listed in Annex II shall not be subject to quantitative limits.

2. However, re-imports into the \boxtimes Union \bigotimes of textile products listed in Annex V after processing in the countries listed therein \Rightarrow may only be \Leftarrow \boxtimes made \bigotimes in accordance with the rules on economic outward processing in force in the \boxtimes Union \bigotimes and up to the annual limits fixed in Annex V.

◆ 38/2014 Art. 1 and Annex .2(2) (adapted)

Article 5

1. The Committee referred to in Article 25 may consider any matter relating to the application of this Regulation, raised by the Commission or at the request of a Member State.

2. The Commission shall be empowered to adopt delegated acts in accordance with Article 26 concerning the measures required to adapt Annexes III to VI where problems are detected in their effective functioning.

↓ 517/94 (adapted) → 1 1309/2002 Art. 1.4 \Rightarrow new

CHAPTER II

☑ UNION ☑ INFORMATION AND INVESTIGATION PROCEDURE

Article 6

1. In respect of the textile products in Annex I, Member States shall notify the Commission, within 30 days following the end of each month, of the total quantities imported during the month by country of origin and CN code and the units, including where appropriate supplementary units of the CN code. The imports shall be broken down in accordance with the statistical procedures in force.

2. In order to enable the market trends in the products covered by this Regulation to be monitored, Member States shall communicate to the Commission, before 31 March each year, statistical data for the preceding year on exports. The statistical data relating to the production and the consumption of each product shall be forwarded under arrangements to be determined subsequently \Rightarrow_1 in accordance with the \boxtimes examination \bigotimes procedure \boxtimes referred to \bigotimes in Article 25(3) \Leftarrow .

3. Where the nature of the products or particular circumstances so require, the Commission may, at the request of a Member State or on its own initiative, alter the time-limits for communicating the information \boxtimes referred to in paragraphs 1 and 2 of this Article $\boxtimes \rightarrow_1$ in accordance with the \boxtimes examination \bigotimes procedure \boxtimes referred to \bigotimes in Article 25(3) \leftarrow .

4. In the urgent cases referred to in Article 13, the Member State or States concerned shall \Rightarrow immediately \Rightarrow send the necessary import statistics and economic data to the Commission and the other Member States by telex.

Article 7

◆ 38/2014 Art. 1 and Annex .2(3) (adapted)

1. Where it is apparent to the Commission that there is sufficient evidence to justify an investigation, with regard to the conditions of imports of products \boxtimes referred to \bigotimes in Article 1, the Commission shall initiate an investigation. The Commission shall provide information to the Member States once it has determined the need to initiate such an investigation.

↓ 38/2014 Art. 1 and Annex .2(3)

2. In addition to the information supplied under Article 6, the Commission shall seek all information it deems to be necessary and shall endeavour to check that information with importers, traders, agents, producers, trade associations and organisations.

↓ 517/94 (adapted)

The Commission shall be assisted in this task by staff of the Member State on whose territory these checks are being carried out, provided \boxtimes that \ll this Member State so wishes.

3. The Member States shall supply the Commission, at its request and following procedures laid down by it, with the information at their disposal on developments in the market of the product being investigated.

4. The Commission may hear the interested natural and legal persons. Such parties must be heard where they have applied in writing within the period laid down in the notice published in the *Official Journal of the European* \boxtimes *Union* \ll , showing that they are actually likely to be affected by the outcome of the investigation and that there are special reasons for them to be heard orally.

5. Where the information requested by the Commission is not supplied within a reasonable period, or the investigation is significantly impeded, findings may be made on the basis of the facts available.

6. Where the Commission has been asked to act by a Member State and it finds that there is insufficient evidence to justify an investigation, it shall inform the Member State of its decision following consultations.

Article 8

1. At the end of the investigation, the Commission shall submit a report on the results to the Committee referred to in Article 25.

◆ 38/2014 Art. 1 and Annex .2(4) (adapted)

2. If the Commission considers that no Union surveillance or safeguard measures are necessary, it shall, acting in accordance with the examination procedure \boxtimes referred to \bigotimes in Article 25(3), decide to close the investigation, stating the main conclusions of the investigation.

↓ 517/94 (adapted)

3. If the Commission considers that \boxtimes Union \bigotimes surveillance or safeguard measures are necessary, it shall take the necessary decisions in accordance with Chapter III.

Article 9

1. Information received \boxtimes pursuant to \bigotimes this Regulation shall be issued only for the purpose for which it was requested.

2. Neither the Council, nor the Commission, nor Member States, nor the officials of any of these shall reveal any information of a confidential nature received \boxtimes pursuant to \bigotimes this Regulation, or any information provided on a confidential basis, without specific permission from the supplier of such information.

Each request for confidentiality shall state the reasons why the information is confidential.

However, if it appears that a request for confidentiality is unjustified and if the supplier of the information wishes neither to make it public nor to authorise its disclosure in general terms or in the form of a summary, the information concerned may be disregarded.

3. Information will in any case be considered to be confidential if its disclosure is likely to have a significantly adverse effect upon the supplier or the source of such information.

4. Paragraphs 1, 2 and 3 shall not preclude reference by the \boxtimes Union \bigotimes authorities to general information and in particular to reasons on which decisions taken \boxtimes pursuant to \bigotimes this Regulation are based. The \boxtimes Union \bigotimes authorities \boxtimes shall \bigotimes , however, take into account the legitimate interest of the natural and legal persons concerned that their business secrets should not be divulged.

Article 10

1. The examination of the trend of imports, of the conditions in which \boxtimes imports \bigotimes take place and of the serious injury or threat of serious injury to \boxtimes Union \bigotimes producers resulting from such imports, shall cover in particular the following factors:

- (a) the volume of imports, in particular where there has been a significant increase, either in absolute terms or relative to production or consumption in the \boxtimes Union \bigotimes ;
- (b) the prices of the imports, in particular where there has been a significant price undercutting as compared with the price of a like product in the \boxtimes Union \bigotimes ;
- (c) the consequent impact on the \boxtimes Union \bigotimes producers of similar or directly competitive products as indicated by trends in certain economic factors such as:
 - production,

- − S capacity utilisation,
- stocks,
- sales,
- market share,
- prices (i.e. depression of prices or prevention of price increases which would normally have occurred),
- profits,
- return on capital employed,
- cash flow,
- employment.

2. In conducting the investigation, the Commission shall take account of the particular economic system of the countries referred to in Annex II.

3. Where a threat of serious injury is alleged the Commission shall also examine whether it is clearly foreseeable that a particular situation is likely to develop into actual injury. In this regard, account may be taken of factors such as:

- (a) the rate of increase of the exports to the \boxtimes Union \boxtimes ;
- (b) export capacity in the country of origin or export, already in existence or which will be operational in the foreseeable future, and the likelihood that the resulting exports will be to the \boxtimes Union \bigotimes .

CHAPTER III

SURVEILLANCE AND SAFEGUARD MEASURES

Article 11

1. Where imports of textile products originating in third countries other than those listed in Annex II threaten to cause injury to \boxtimes Union \bigotimes production of like or directly competitive products, the Commission, acting at the request of a Member State or on its own initiative, may:

↓ 38/2014 Art. 1 and Annex .2(5)

- (a) decide to introduce retrospective Union surveillance of certain imports, in accordance with the advisory procedure referred to in Article 25(2);
- (b) decide, for the purposes of monitoring the trend of these imports, to make certain imports subject to prior Union surveillance, in accordance with the advisory procedure referred to in Article 25(2).

↓ 517/94 (adapted)

2. Where imports of textile products liberalised at \boxtimes Union \bigotimes level and originating in third countries listed in Annex II threaten to cause injury to the \boxtimes Union \bigotimes production of like or directly competitive products, or where the economic interests of the \boxtimes Union \bigotimes so require, the Commission, acting at the request of a Member State or on its own initiative, may:

↓ 38/2014 Art. 1 and Annex .2(5)

- (a) decide to introduce retrospective Union surveillance of certain imports, in accordance with the advisory procedure referred to in Article 25(2);
- (b) decide, for the purposes of monitoring the trend of these imports, to make certain imports subject to prior Union surveillance in accordance with the advisory procedure referred to in Article 25(2).

↓ 517/94 (adapted)

3. The measures referred to in paragraphs 1 and 2 shall, as a rule, be of a limited period of validity.

Article 12

1. Where imports of textile products originating in third countries other than those listed in Annex II take place in such increased quantities, absolute or relative, and/or under such conditions, so as to cause serious injury or actual threat thereof to the \boxtimes Union $\langle \!\!\!\!\!\!\!\!\!$ production of like or directly competitive products, the Commission may, acting at the request of a Member State or on its own initiative, alter the import rules for the product in question by providing that it may be put into free circulation only on production of an import authorisation, the granting of which shall be governed by such provisions and subject to such limits as the Commission shall lay down.

2. Where imports of textile products liberalised at \boxtimes Union \bigotimes level and originating in the third countries listed in Annex II take place in such increased, absolute or relative, quantities or under such conditions, so as to threaten to cause injury to the \boxtimes Union \bigotimes production of like or directly competitive products, or where the economic interests of the \boxtimes Union \bigotimes so require, the Commission may, acting at the request of a Member State or on its own initiative, alter the import rules for the product in question by providing that it may be put into free circulation only on production of an import authorisation, the granting of which shall be governed by such provisions and subject to such limits as the Commission shall lay down.

↓ 38/2014 Art. 1 and Annex .2(6)

3. The Commission shall be empowered to adopt delegated acts in accordance with Article 26 concerning measures referred to in paragraphs 1 and 2 of this Article in order to alter the import rules for the product in question, including by amending the Annexes to this Regulation.

↓ 517/94 (adapted)

4. The measures referred to in this Article and Article 11 shall apply to every product which is put into free circulation after the entry into force of those measures.

However, such measures shall not prevent the release for free circulation of products already shipped to the \boxtimes Union \bigotimes provided that the destination of such products cannot be changed and that those products which, under this Article and Article 11, may be put into free circulation only on production of an import document are in fact accompanied by such a document.

In accordance with Article 16, measures referred to in this Article and Article 11 may be confined to one or more regions of the \boxtimes Union \bigotimes .

◆ 38/2014 Art. 1 and Annex .2(7) (adapted)

Article 13

In cases of emergency where the absence of measures would cause irreparable damage to the Union industry, and where the Commission finds, upon its own initiative or on the request of a Member State, that the conditions set out in Article 12(1) and (2) are fulfilled, and considers that a given category of products listed in Annex I and not subject to any quantitative restriction should be subject to quantitative limits or prior or retrospective surveillance measures, and therefore imperative grounds of urgency so require, the procedure provided for in Article 27 shall apply to delegated acts referred to in Article 12 \boxtimes (3) \bigotimes in order to alter the import rules for the product in question, including by amending the Annexes to this Regulation.

↓ 517/94

Article 14

↓ 1309/2002 Art. 1.1 (adapted)

1. Products subject to prior \boxtimes Union \bigotimes surveillance or safeguard measures may be put into free circulation only on production of an import document.

In the case of prior \boxtimes Union \bigotimes surveillance measures, the import document shall be issued free of charge by the competent authority designated by Member States within a maximum of five working days following receipt of an application to the national competent authority by any \boxtimes Union importers \bigotimes , regardless of \boxtimes their \bigotimes place of business in the \boxtimes Union \bigotimes , for any quantity requested. Such an application shall be deemed to be received by the national competent authority no later than three working days after submission, unless it is proven otherwise. The import document shall be made out on a form corresponding to the model in Annex VI. Article 21 shall apply *mutatis mutandis*.

In the case of safeguard measures, the import document shall be issued in accordance with the provisions of Chapter IV.

2. Information other than that provided for in paragraph 1 may be required when the decision to impose surveillance or safeguard measures is taken.

↓ 517/94 (adapted)

3. The import document shall be valid for imports throughout the territory in which the Treaty is applied under the conditions laid down in \boxtimes the \bigotimes Treaty, regardless of the \boxtimes issuing \bigotimes Member State, without prejudice, however, to measures taken under Article 16 \boxtimes of this Regulation \bigotimes .

4. Import documents may not in any event be used beyond the expiry of the period which will be laid down at the same time and by means of the same procedure as the imposition of

surveillance or safeguard measures, and which will take account of the nature of the products and other special features of the transactions.

5. Where a decision taken under the appropriate procedure \boxtimes referred to \bigotimes in Article 25 so requires, the origin of products under \boxtimes Union \bigotimes surveillance or safeguard measures must be proved by a certificate of origin. This paragraph shall not prejudice other provisions concerning the production of any such certificate.

6. Where the product under prior \boxtimes Union \bigotimes surveillance is subject to regional safeguard measures in a Member State, the import authorisation granted by that Member State may replace the import document.

Article 15

↓ 38/2014 Art. 1 and Annex .2(8)

In accordance with the advisory procedure referred to in Article 25(2), the Commission may, at the request of a Member State or on its own initiative, if the situation referred to in Article 12(2) is likely to arise:

↓ 517/94 (adapted)

- reduce the period of validity of any import document required for the surveillance measures;
- make the issue of \boxtimes the import \bigotimes document subject to certain conditions and, as an exceptional measure, subject to the insertion of a revocation clause, or, with the frequency and for the length of time indicated by the Commission, to the prior information and consultation procedure referred to in Articles 6 and 8.

Article 16

Where, on the basis, in particular, of the factors referred to in Articles 10, 11 and 12, it emerges that the conditions laid down for the adoption of surveillance or safeguard measures are met in one or more regions of the \boxtimes Union $\langle \boxtimes \rangle$, the Commission, after having examined alternative solutions, may exceptionally authorise the application of surveillance or safeguard measures limited to the region(s) concerned if it considers that such measures applied at that level are more appropriate than measures applied throughout the \boxtimes Union $\langle \boxtimes \rangle$.

Those measures must be temporary and must disrupt the operation of the internal market as little as possible.

↓ 38/2014 Art. 1 and Annex .2(9)

Those measures shall be adopted in accordance with the appropriate procedure applicable to measures to be adopted pursuant to Articles 10, 11 and 12.

✓ 517/94 (adapted)
→ 1 1309/2002 Art. 1.4

CHAPTER IV

MANAGEMENT OF \boxtimes UNION \bigotimes IMPORT RESTRICTIONS

Article 17

1. The competent authorities of the Member States shall notify the Commission of the \boxtimes quantities covered by \boxtimes the requests for import authorisations which they have received.

2. The Commission shall notify its confirmation that the requested quantities are available for importation in the chronological order in which the notifications of the Member States have been received ('first come, first served' basis).

3. Where there is reason to believe that anticipated requests may exceed the quantitative limits, the Commission may, \rightarrow_1 in accordance with the \boxtimes examination \boxtimes procedure \boxtimes referred to \bigotimes in Article 25(3) \leftarrow , divide the quantitative limits into tranches or fix maximum amounts per allocation. \rightarrow_1 In accordance with the \boxtimes examination \bigotimes procedure \boxtimes referred to \bigotimes in Article 25(3) \leftarrow , the Commission may reserve a proportion of a specific quantitative limit for requests supported by evidence of past import performance.

4. Normally the notifications referred to in paragraphs \boxtimes 1 and 2 \bigotimes shall be communicated electronically within the integrated network setup for this purpose, unless for imperative technical reasons it is necessary to use other means of communication temporarily.

5. The competent authorities shall notify the Commission immediately after being informed of any quantity that is not used during the duration of validity of the import authorisation. Such unused quantities shall automatically be transferred into the remaining quantities of the total \boxtimes Union \bigotimes quantitative limit.

6. The Commission may, \rightarrow_1 in accordance with the \boxtimes examination \bigotimes procedure \boxtimes referred to \bigotimes in Article 25(3) \leftarrow , take any measure necessary to implement this Article.

Article 18

1. All \boxtimes Union \bigotimes importers, no matter where they are established in the \boxtimes Union \bigotimes , may submit authorisation applications to the competent authority of the Member State of their choice.

2. For the purposes of the \boxtimes second sentence \bigotimes of Article 17(3) importers' applications shall, where necessary, be accompanied by documentary evidence of previous imports for each category and each third country concerned.

Article 19

The competent authorities of the Member States shall issue import authorisations within five working days of notification of the Commission decision or within the time limit set by the Commission.

The said authorities shall inform the Commission that import authorisations have been issued, within ten days of issuing the authorisations.

Article 20

Where necessary and \rightarrow_1 in accordance with the \boxtimes examination \bigotimes procedure \boxtimes referred to \bigotimes in Article 25(3) \leftarrow , import authorisations may be made conditional upon the lodging of a security.

Article 21

1. Without prejudice to measures taken under Article 16, import authorisations shall authorise the import of products which are subject to quantitative limits and shall be valid throughout the territory in which the Treaty is applied under the conditions laid down in \boxtimes the \bigotimes Treaty, regardless of the place of import mentioned in the applications by importers.

When the \boxtimes Union \bigotimes introduces temporary limits for one or more of its regions, in accordance with Article 16, \boxtimes those \bigotimes limits shall not preclude the importation into the region(s) concerned of products shipped before the date of introduction of \boxtimes those \bigotimes limits.

2. The period of validity of import authorisations issued by the competent authorities of the Member States shall be six months. This period of validity may be modified where necessary, \rightarrow_1 in accordance with the \boxtimes examination \bigotimes procedure \boxtimes referred to \bigotimes in Article 25(3) \leftarrow .

↓ 1309/2002 Art. 1.2(a) (adapted)

3. Applications for import authorisations shall be drawn up on forms conforming to a specimen the characteristics of which shall be established in accordance with the \boxtimes examination \bigotimes procedure \boxtimes referred to \bigotimes in Article 25(3). The competent authorities may, under the conditions fixed by them, allow application documents to be submitted by electronic means. However, all documents and evidence must be available to the competent authorities.

↓ 7/2000 Art. 2 (adapted)

4. Import authorisations may be issued by electronic means at the request of the importer concerned. At the duly motivated request of that importer, and provided that paragraph 3 has been complied with, an import authorisation issued by electronic means may be replaced by an import authorisation in paper form by the competent authority of the same Member State which issued the original import authorisation. However, that authority shall only issue an import authorisation in written form after having ensured that the authorisation by electronic means has been cancelled.

↓ 1309/2002 Art. 1.2(b) (adapted)

Any measure necessary to implement this paragraph may be adopted in accordance with the \boxtimes examination \bigotimes procedure \boxtimes referred to \bigotimes in Article 25(3).

↓ 1309/2002 Art. 1.2(c) (adapted)

5. At the request of the Member State concerned, textile products in the possession of the competent authorities of that Member State, particularly in the context of bankruptcy or similar procedures, for which a valid import authorisation is no longer available, may be

released into free circulation in accordance with the \boxtimes examination \bigotimes procedure \boxtimes referred to \bigotimes in Article 25(3).

↓ 517/94 (adapted)
→ 1 1309/2002 Art. 1.4
⇒ new

Article 22

Without prejudice to the specific provisions to be adopted \rightarrow_1 in accordance with the \boxtimes examination \bigotimes procedure \boxtimes referred to \bigotimes in Article 25(3) \leftarrow , import authorisations may not be loaned or transferred, whether for a consideration or free of charge, by the person in whose name the document was issued.

Article 23

⇒ The validity of \Leftrightarrow import authorisations which are wholly or partly unused \Rightarrow may be extended, if enough quantities are available, in accordance with the examination procedure referred to in Article 25(3). \Leftrightarrow shall be returned to the competent authorities of the Member State of issue within fifteen days of their expiry date at the latest, except in cases of *force majeure*. This time limit may be modified, where necessary, \rightarrow_1 in accordance with the procedure provided for in Article 25(2) €

.2. Where the issue of import authorizations was conditional upon the lodging of a security, the security shall be forfeited where the time limit referred to above is not complied with, except in cases of force majeure.

Article 24

The competent authorities of the Member States shall inform the Commission, within 30 days following the end of each month, of the quantities of products subject to \boxtimes Union \bigotimes quantitative limits which have been imported during the preceding month.

CHAPTER V

DECISION MAKING PROCEDURES AND FINAL PROVISIONS

↓ 38/2014 Art. 1 and Annex .2(10)

Article 25

1. The Commission shall be assisted by the Textile Committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.

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

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

$\mathbf{\Psi}$	1309/2002 Art	t. 1.3 (adapted))
-----------------	---------------	------------------	---

4. The \boxtimes Commission \bigotimes may, on \boxtimes its \bigotimes own initiative or at the request of one of the Member States' representatives, consult the Committee about any other matter relating to the operation or application of this Regulation.

Article 26

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.

2. The power to adopt delegated acts referred to in Article 3(3), Article 5(2), Article 12(3) and Articles 13 and 30 shall be conferred on the Commission for a period of five years from 20 February 2014. The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of the five-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.

3. The delegation of power referred to in Article 3(3), Article 5(2), Article 12(3) and Articles 13 and 30 may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of power specified in that decision. It shall take effect the day following the publication of the decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.

5. A delegated act adopted pursuant to Article 5(2) and Articles 13 and 30 shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

6. A delegated act adopted pursuant to Article 3(3) and Article 12(3) shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by four months at the initiative of the European Parliament or of the Council.

Article 27

1. Delegated acts adopted under this Article shall enter into force without delay and shall apply as long as no objection is expressed in accordance with paragraph 2. The notification of a delegated act to the European Parliament and to the Council shall state the reasons for the use of the urgency procedure.

2. Either the European Parliament or the Council may object to a delegated act in accordance with the procedure referred to in Article 26(5). In such a case, the Commission shall repeal the act without delay following the notification of the decision to object by the European Parliament or by the Council.

↓ 517/94 (adapted)

Article 28

1. This Regulation shall not preclude the fulfilment of obligations arising from special rules contained in agreements concluded between the \boxtimes Union \bigotimes and third countries.

2. Without prejudice to other \boxtimes Union \bigotimes provisions, this Regulation shall not preclude the adoption or application by Member States \boxtimes of \bigotimes :

- (a) prohibitions, quantitative restrictions or surveillance measures on grounds of public morality, public policy or publicy security, the protection of health and life of humans, animals or plants, the protection of national treasures possessing artistic, historic or archaeological value, or the protection of industrial and commercial property;
- (b) special formalities concerning foreign exchange;
- (c) formalities introduced pursuant to international agreements in accordance with the Treaty.

The Member States shall inform the Commission of the measures or formalities to be introduced or amended in accordance with \boxtimes the first subparagraph \bigotimes .

In the event of extreme urgency, the national measures or formalities in question shall be communicated to the Commission immediately upon their adoption.

◆ 38/2014 Art. 1 and Annex .2(12)

Article 29

The Commission shall include information on the implementation of this Regulation in its annual report on the application and implementation of trade defence measures presented to the European Parliament and to the Council pursuant to Article 22a of Council Regulation (EC) No 1225/2009¹¹.

↓ 38/2014 Art. 1 and Annex .2(13)

Article 30

The Commission shall be empowered to adopt delegated acts in accordance with Article 26 to amend the relevant Annexes where necessary to take into account the conclusion,

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).

amendment or expiry of agreements or arrangements with third countries or amendments made to Union rules on statistics, customs arrangements or common rules for imports.

Article 31

 \mathbf{J}

Regulation (EC) No 517/94 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 VIII.

↓ 517/94 (adapted)

Article 32

This Regulation shall enter into force on the \boxtimes twentieth \bigotimes day following \boxtimes that of \bigotimes 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

For the European Parliament The President For the Council The President