Regulation (EU) 2020/2172 of the European Parliament and of the Council of 16 December 2020 amending Council Regulation (EC) No 1215/2009 introducing exceptional trade measures for countries and territories participating in or linked to the European Union's Stabilisation and Association process

Article 1

Regulation (EC) No 1215/2009 is amended as follows:

(1) Articles 1 and 2 are replaced by the following:

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Article 1

Preferential arrangements

Products originating in Albania, Bosnia and Herzegovina, Kosovo⁽¹⁾, Montenegro, North Macedonia, and Serbia ('the beneficiary parties') covered by Chapters 7 and 8 of the Combined Nomenclature shall be admitted for import into the Union without quantitative restrictions or measures having equivalent effect, and with exemption from custom duties and charges having equivalent effect.

Products originating in the beneficiary parties shall continue to benefit from the provisions of this Regulation where so indicated therein. Such products shall also benefit from any concession provided for in this Regulation which is more favourable than that provided for under bilateral agreements between the Union and those beneficiary parties.

Article 2

Conditions for entitlement to the preferential arrangements

- Entitlement to benefit from the preferential arrangements introduced by Article 1 shall be subject to the following conditions:
 - a compliance with the definition of "originating products" provided for in Title II, Chapter 1, Section 2, Subsections 4 and 5 of Commission Delegated Regulation (EU) 2015/2446⁽²⁾, and Title II, Chapter 2, Section 2, Subsections 10 and 11 of Commission Implementing Regulation (EU) 2015/2447⁽³⁾;
 - b abstention of the beneficiary parties from introducing new duties and charges having equivalent effect and new quantitative restrictions or measures having equivalent effect in respect of imports originating in the Union, from increasing existing levels of duties or charges or from introducing any other restrictions from 30 September 2000;
 - the involvement of beneficiary parties in effective administrative cooperation with the Union in order to prevent any risk of fraud; and
 - d abstention of the beneficiary parties from engaging in serious and systematic violations of human rights, including core labour rights, of fundamental principles of democracy and of the rule of law.
- Without prejudice to the conditions set out in paragraph 1 of this Article, entitlement to benefit from the preferential arrangements referred to in Article 1 shall be subject to the readiness of the beneficiary parties to engage in effective economic

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reforms and in regional cooperation with other countries involved in the European Union's Stabilisation and Association process, in particular through the establishment of free trade areas in accordance with Article XXIV of the GATT 1994 and other relevant WTO provisions.

In the event of non-compliance with the first subparagraph, the Council may take the appropriate measures by a qualified majority vote, on the basis of a Commission proposal.

- In the event of non-compliance by a beneficiary party with point (a), (b) or (c) of paragraph 1 or with paragraph 2 of this Article, the Commission may, by means of implementing acts, suspend, in whole or in part, the entitlement of the beneficiary party concerned to benefits under this Regulation. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 8(4).;
- (2) Article 3 is amended as follows:
 - (a) paragraph 1 is replaced by the following:
 - 1. For certain wine products, as listed in Annex I, originating in the beneficiary parties, the customs duties applicable to imports into the Union shall be suspended during the periods, at the levels, within the limits of the Union tariff quota and under the conditions indicated for each product and origin set out in that Annex.;
 - (b) paragraph 2 is deleted;
- (3) Article 4 is deleted;
- in Article 5, the first paragraph is replaced by the following:

The tariff quotas referred to in Article 3(1) of this Regulation shall be administered by the Commission in accordance with Title II, Chapter 1, Section 1 of Implementing Regulation (EU) 2015/2447.;

- (5) in Article 7, points (b) and (c) are replaced by the following:
 - (b) necessary adjustments following the granting of trade preferences under other arrangements between the Union and the beneficiary parties;
 - suspension, in whole or in part, of the entitlement of a beneficiary party concerned to benefits under this Regulation, in the event of non-compliance by that beneficiary party with point (d) of Article 2(1).;
- (6) in Article 8, paragraph 3 is deleted;
- (7) In Article 10, paragraph 1 is replaced by the following:
- 1. Where the Commission finds that there is sufficient evidence of fraud or failure to provide administrative cooperation as required for the verification of evidence of origin, or that there is a massive increase in exports into the Union above the level of normal production and export capacity or a failure of compliance with point (a), (b) or (c) of Article 2(1) by the beneficiary parties, it may take measures to suspend in whole or in part the arrangements provided for in this Regulation for a period of three months, provided that it has first:
 - a informed the Western Balkans Implementation Committee;

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- b called on the Member States to take such precautionary measures as are necessary in order to safeguard the Union's financial interests and/or to secure compliance by the beneficiary parties with Article 2(1);
- c published a notice in the *Official Journal of the European Union* stating that there are grounds for reasonable doubts about the application of the preferential arrangements and/or compliance with Article 2(1) by the beneficiary party concerned which may call into question its right to continue enjoying the benefits granted by this Regulation.

The measures referred to in the first subparagraph of this paragraph shall be adopted by means of implementing acts. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 8(4).;

- (8) in Article 12, the second paragraph is replaced by the following:
 - It shall apply until 31 December 2025.;
- (9) Annex I is replaced by the text in the Annex to this Regulation;
- (10) Annex II is deleted.

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- (1) This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.
- (2) Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015 supplementing Regulation (EU) No 952/2013 of the European Parliament and of the Council as regards detailed rules concerning certain provisions of the Union Customs Code (OJ L 343, 29.12.2015, p. 1).
- (3) Commission Implementing Regulation (EU) 2015/2447 of 24 November 2015 laying down detailed rules for implementing certain provisions of Regulation (EU) No 952/2013 of the European Parliament and of the Council laying down the Union Customs Code (OJ L 343, 29.12.2015, p. 558).';

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