

COMMISSION IMPLEMENTING DECISION (EU) 2016/2359
of 20 December 2016

determining that the temporary suspension of the preferential customs duty established under the stabilisation mechanism for bananas of the Agreement establishing an Association between the European Union and its Member States, on the one hand, and Central America on the other, is not appropriate for imports of bananas originating in Nicaragua for the year 2016

THE EUROPEAN COMMISSION,

Having regard to the Treaty on European Union and to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 20/2013 of the European Parliament and of the Council of 15 January 2013 implementing the bilateral safeguard clause and the stabilisation mechanism for bananas of the Agreement establishing an Association between the European Union and its Member States, on the one hand, and Central America on the other ⁽¹⁾, and in particular Article 15 thereof,

Whereas:

- (1) A stabilisation mechanism for bananas has been introduced by the Agreement establishing an Association between the European Union and its Member States, on the one hand, and Central America on the other, which provisionally started to apply in the Central American countries during 2013, in Nicaragua on 1 August 2013.
- (2) According to this mechanism, and pursuant to Article 15(2) of Regulation (EU) No 20/2013, once a defined trigger volume is exceeded for imports of fresh bananas (heading 0803 90 10 of the European Union Combined Nomenclature of 1 January 2012) from one of the countries concerned, the Commission shall adopt an implementing act by which it may either temporarily suspend the preferential customs duty applied to imports of fresh bananas for that country or determine that such suspension is not appropriate.
- (3) The decision of the Commission shall be taken in accordance with Article 8 of Regulation (EU) No 182/2011 of the European Parliament and of the Council ⁽²⁾, in conjunction with Article 4 thereof.
- (4) Imports into the European Union of fresh bananas originating in Nicaragua exceeded the threshold of 13 000 tonnes defined by the above Agreement on 31 October 2016.
- (5) In this context, pursuant to Article 15(3) of Regulation (EU) No 20/2013, the Commission took into consideration the impact of the imports concerned on the situation of the Union market for bananas in order to decide whether or not the preferential customs duty should be suspended. For this purpose the Commission has examined the effect of the imports concerned on the Union price level, the development of imports from other sources and the overall stability of the Union market for fresh bananas.
- (6) Imports of fresh bananas from Nicaragua represented 0,6 % of the total imports to the European Union of fresh bananas subject to the banana stabilization mechanism when they exceeded their threshold for 2016. Furthermore, based on the period January-August 2016, Nicaragua represents 0,36 % of the total imports of fresh bananas into the European Union. Based on a projection of imports until the end of 2016 and taking into consideration the development of the monthly imports so far in 2016, imports of bananas from Nicaragua are unlikely to exceed 1 % of the total imports for the whole year 2016. The share of yearly import level from Nicaragua would be in line with that of 2015.
- (7) The import price from Nicaragua was on average 530 EUR/tonne for the first 8 months of 2016, which is 17 % lower than the average prices of the total imports of fresh bananas into the EU.
- (8) Imports of fresh bananas from other traditional large exporting countries with whom the EU also has a Free Trade Agreement, notably Colombia, Costa Rica and Panama, remained up to October 2016 largely below the

⁽¹⁾ OJ L 17, 19.1.2013, p. 13.

⁽²⁾ 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).

thresholds defined for them in the comparable stabilisation mechanisms, and they have been following similar trends and unit values in the past four years. For example the level of imports from Colombia and Costa Rica were respectively 720 000 tonnes and 407 000 tonnes below their defined thresholds in October 2016, which is significantly higher than the total trigger level for Nicaragua for a whole year (13 000 tonnes).

- (9) The average wholesale banana price on the Union market at the end of October 2016 (984 EUR/tonne) did not register notable changes compared to the average wholesale prices of yellow bananas for the previous months.
- (10) There is thus neither an indication that the stability of the Union market has been disturbed by the imports of fresh bananas from Nicaragua in excess of the defined annual trigger import volume, nor that this had any significant impact on the situation of EU producers.
- (11) Finally there is no indication of threat of serious deterioration or of serious deterioration for producers in the outermost regions of the EU in October 2016.
- (12) On the basis of the examination above, the Commission has concluded that the suspension of preferential customs duty on imports of bananas originating in Nicaragua is not appropriate,

HAS ADOPTED THIS DECISION:

Article 1

The temporary suspension of preferential customs duty on imports of fresh bananas classified under heading 0803 90 10 of the European Union Combined Nomenclature and originating in Nicaragua is not appropriate during the year 2016.

Article 2

This Decision shall enter into force on the day of its publication in the *Official Journal of the European Union*.

Done at Brussels, 20 December 2016.

For the Commission
The President
Jean-Claude JUNCKER