

Commission Implementing Regulation (EU) 2018/886 of 20 June 2018 on certain commercial policy measures concerning certain products originating in the United States of America and amending Implementing Regulation (EU) 2018/724

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THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) No 654/2014 of the European Parliament and of the Council of 15 May 2014 concerning the exercise of the Union's rights for the application and enforcement of international trade rules⁽¹⁾, and in particular Article 4(1) thereof,

Whereas:

- (1) Commission Implementing Regulation (EU) 2018/724⁽²⁾ mandated the Commission to give written notice, no later than 18 May 2018, to the World Trade Organization ('WTO') Council for Trade in Goods that, absent disapproval by the Council for Trade in Goods, the Union suspends the application to the trade of the United States of America ('United States') of import duty concessions under the GATT 1994 in respect of the products listed in Annex I and Annex II to that Regulation, so as to allow for an application of additional customs duties on the importation of these products originating in the United States.
- (2) On 18 May 2018 the Commission gave the above written notice and the WTO Council for Trade in Goods did not disapprove within 30 days. The Union thereby suspended, in the WTO, the application of import duty concessions to the trade with the United States under GATT 1994 in respect of these products.
- (3) On 8 March 2018 the United States adopted safeguard measures in the form of a tariff increase on imports of certain steel and aluminium products, effective from 23 March 2018 and with an unlimited duration. After two deferrals of the effective date of the tariff increase with respect to the European Union, the tariff increase became effective with respect to the European Union on 1 June 2018, with an unlimited duration.
- (4) Consequently, having regard to Article 2 of Implementing Regulation (EU) 2018/724, the Commission should impose additional customs duties on the products listed in Annex I and Annex II, as set out in recitals 6 and 12 to 15 of that Regulation, and having regard to the modalities set out in recitals 7 and 16 to 19 of that Regulation, and reflecting the timing requirements as set out in recital 5 of that Regulation, to the effect that:

Changes to legislation: There are currently no known outstanding effects for the Commission Implementing Regulation (EU) 2018/886, Introductory Text. (See end of Document for details)

- (a) the additional ad valorem duties of a rate of 10 % and 25 % on imports of the products listed in Annex I, should be applied from the date of entry into force of this Regulation and until the United States ceases to apply its safeguard measures to products from the Union;
 - (b) the additional ad valorem duties of a rate of 10 %, 25 %, 35 % and 50 % on imports of the products listed in Annex II, should be applied from 1 June 2021 or upon the adoption by, or notification to, the WTO Dispute Settlement Body of a ruling that the United States' safeguard measures are inconsistent with the relevant provisions of the WTO Agreement, if that is earlier, until the United States ceases to apply its safeguard measures to the Union.
- (5) Due to a clerical error, Implementing Regulation (EU) 2018/724 should be amended. The clerical error concerns the maximum additional duty for CN 9504 40 00 in Annex I, which should be 10 % instead of 25 %. Recital 12, Article 2(a) and Annex I of that Regulation should be amended accordingly. The products and level of additional duties listed in Annex I and Annex II are identical in Implementing Regulation (EU) 2018/724, as amended, and this Regulation.
- (6) This Regulation is without prejudice to the question of the consistency of the United States' safeguard measures with the relevant provisions of the WTO Agreement.
- (7) The Commission may amend this Regulation, should it deem that appropriate, to account for any modification of or amendment to the United States' safeguard measures, including through product or company exclusion.
- (8) Article 4 of Implementing Regulation (EU) 2018/724 provides that products listed in the Annexes to that Regulation for which an import licence with an exemption from or a reduction of duty has been issued prior to the date of entry into force of that Regulation shall not be subject to additional duty. That Regulation also provides that products listed in the Annexes to that Regulation for which the importers can prove that they have been exported from the United States to the Union prior to the date on which an additional duty is applied with respect to that product shall not be subject to the additional duty.
- (9) The measures provided for in this Regulation are in accordance with the opinion of the Trade Barriers Committee, established by Regulation (EU) 2015/1843 of the European Parliament and of the Council⁽⁹⁾,

HAS ADOPTED THIS REGULATION:

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- (1) Regulation (EU) No 654/2014 of the European Parliament and of the Council of 15 May 2014 concerning the exercise of the Union's rights for the application and enforcement of international trade rules and amending Council Regulation (EC) No 3286/94 laying down Community procedures in the field of the common commercial policy in order to ensure the exercise of the Community's rights under international trade rules, in particular those established under the auspices of the World Trade Organization ([OJ L 189, 27.6.2014, p. 50](#)).
- (2) Commission Implementing Regulation (EU) 2018/724 of 16 May 2018 on certain commercial policy measures concerning certain products originating in the United States of America ([OJ L 122, 17.5.2018, p. 14](#)).
- (3) Regulation (EU) 2015/1843 of the European Parliament and of the Council of 6 October 2015 laying down Union procedures in the field of the common commercial policy in order to ensure the exercise of the Union's rights under international trade rules, in particular those established under the auspices of the World Trade Organization (codification) ([OJ L 272, 16.10.2015, p. 1](#)).

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