

INTERNATIONALISATION, ENTREPRENEURSHIP AND TECHNOLOGY DIRECTORATE

# Tariff suspensions and quotas - specific EU measure

The suspensions adopted on the basis of Article 31 of the <u>Treaty of the Functioning of the European Union</u> (TFEU) constitute an exception to the normal state of affairs (application of normal customs duty rate) since, during the period of validity of the measure and for an unlimited quantity they permit the total (total suspension) or partial waiver (partial suspension) of the normal duties applicable to imported goods (anti-dumping duties are not affected by these suspensions).

In this context, it should be pointed out that goods imported under the suspension arrangements are in free circulation and enjoy freedom of movement throughout the European Union (EU). Furthermore, once a suspension is granted, normally any operator in any Member State is eligible to benefit from it.

This means that the granting of a suspension has consequences for all Member States, and that the sector should therefore be administered on the basis of close and extensive cooperation between the Member States and the Commission so that the latter can see to it that all Union interests are taken into consideration.

### Industrial suspensions

The main purpose of tariff suspensions is to enable Union enterprises to use raw materials, semi-finished goods or components without being required to pay the normal duties laid down in the common customs tariff.

Suspensions are proposed after a thorough examination of the economic reasons on which the requests are based and only insofar as they seem likely to benefit the Union economy.

For some economic sectors, it is necessary to stimulate competition by low tariffs, as we find in the pharmaceutical and information technology sectors.

There are temporary or permanent duty suspensions (autonomous tariff suspensions) the role of which is to stimulate economic activity of Union industries, improving their competitive capacity, creating employment, modernising structures, etc.

They are normally granted to

- · raw materials,
- · semi-finished goods or
- · components not available within the EU.

# But no suspensions are granted for finished products.

A list of the products currently under suspension can be found in <u>Council Regulation (EU) No 1387/2013</u> (Official Journal L 354 of 28.12.2013, p.201). It is regularly amended (in January and July each year) to take into consideration new requests presented by the Member States.

#### More information

More information concerning the general principles and guidelines as well as administrative arrangements and forms can be found in the <u>Commission Communication concerning autonomous tariff suspensions and guotas</u> (Official Journal C 363 of 13.12.2011, p. 6).

All applications for tariff suspensions and quotas are firstly submitted to a central office in each of the Member States or Turkey (Customs Union). Member States and Turkey are responsible for making sure that the request fulfils the conditions of the Communication from the Commission concerning autonomous tariff suspensions and quotas (Official Journal C 363 of 13.12.2011, p. 6) and that the information provided in the request is accurate in all material aspects.

Member States or Turkey transmit the request to the Commission. Then the requests for tariff suspension and quotas are registered in the Autonomous Suspensions and Quotas Measures Management System.

## The measure applies to imports from all third countries

Requests are collected by the Ministry of economic development and technology, which reviews them and, if they meet all the criteria, submits them to the European Commission for final approval. The European Commission collects the requests twice a year, until March 15 and until September 15.

The approved requests are published in the Regulation, which is published twice a year (usually in December and June).

In order for the Ministry to review your requests in a timely manner, submit them no later than 10 days before March 15 or 10 days before September 15. Requests shall be filled <u>in on the form in Slovene</u> and <u>English language</u>, only for <u>chemical products</u> an additional form is submitted, also a statement is submitted stating <u>that the products are not a subject to an exclusive sale agreement</u> and sent to the e-mail address: <u>janez.rogelj@gov.si</u>.

Currently under consideration are requests, the introduction of which will take effect at the beginning (January 1) or in the second half of next year (July 1).

Information on the requests, which are currently under consideration, may be checked by companies at the <u>European Commission's website</u>.

# Tariff suspensions are introduced for a period of 5 years

The basic document of the European Commission, which explains the conditions and procedures of the tariff suspensions and quotas, is presented in the <u>Communication from the Commission concerning autonomous tariff suspensions and quotas.</u>