II

*(Non-legislative acts)*

# DECISIONS

## COMMISSION IMPLEMENTING DECISION (EU) 2017/1791

**of 4 October 2017**

**determining that a temporary suspension of the preferential customs duty pursuant to Article 15 of Regulation (EU) No 20/2013 of the European Parliament and of the Council is not appropriate for imports of bananas originating in Guatemala**

THE EUROPEAN COMMISSION,

Having regard 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(2) 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 ([2]) ('the Agreement'), which provisionally started applying to the Central American countries during 2013 and to Guatemala specifically on 1 December 2013.

(2) According to that stabilisation mechanism, as implemented by Regulation (EU) No 20/2013, once a defined trigger volume is exceeded for imports of fresh bananas (heading 0803 00 19 of the European Union Combined Nomenclature of 1 January 2012) from one of the countries concerned, the Commission may by implementing act, to be adopted in accordance with the urgency procedure laid down in Article 14(4) of Regulation (EU) No 20/2013, 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) Imports into the Union of fresh bananas originating in Guatemala exceeded the threshold of 67 500 tonnes defined by the Agreement on 23 August 2017.

(4) 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. 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.

(5) Imports of fresh bananas from Guatemala represented only 2 % of the imports to the Union of fresh bananas subject to the banana stabilization mechanism when the imports exceeded the threshold for 2017. Furthermore, Guatemala represents merely 1,8 % of the total imports of fresh bananas into the Union.

(6) Imports from large exporting countries with whom the Union also has a Free Trade Agreement, notably Colombia, Ecuador and Costa Rica amounted to 47,4 %, 51,1 % and 50,4 % of their respective thresholds respectively. The 'unused' quantities under the stabilization mechanism (approximately 3 million tonnes) are significantly higher than the total imports from Guatemala to date (68 400 tonnes).

([1]) OJ L 17, 19.1.2013, p. 13.
([2]) OJ L 346, 15.12.2012, p. 1.

(7) The import price from Guatemala was on average 573 EUR/tonne for the first 6 months of 2017, which is 15 % lower than the average prices of the other imports of fresh bananas into the Union. The import volume however remained at very low level as mentioned in recital 5.

(8) The average wholesale banana price on the Union market usually follows a downward trend until the end of July and increases subsequently. As a result, the average wholesale price for bananas (all origin) in July 2017 (918 EUR/tonne) was indeed 8 % lower than the average price for the first semester. However, based on a 3-week average, the average level of the wholesale price of EU produced yellow bananas in July 2017 (910 EUR/tonne) remained in line with the level (of prices observed) in the previous years (respectively 910 EUR/tonne, 880 EUR/tonne and 900 EUR/tonne).

(9) There is thus at this stage neither an indication that the stability of the Union market has been disturbed by the imports of fresh bananas from Guatemala in excess of the defined annual trigger import volume, nor that this had any significant impact on the situation of Union producers.

(10) There is no indication of threat of serious deterioration or of serious deterioration in the economic situation in the outermost regions of the Union in August 2017.

(11) Therefore the suspension of preferential customs duty on imports of bananas originating in Guatemala does not appear appropriate at this stage.

(12) Given that the yearly trigger volume is exceeded already in August, and even though the total imports from Guatemala into the Union market are low, the Commission will continue its monitoring in this regard and re-examine the situation of the banana market on a timely basis, which may result in the adoption of measures if appropriate,

HAS ADOPTED THIS DECISION:

*Article 1*

The temporary suspension of preferential customs duty on imports of fresh bananas classified under heading 0803 00 19 of the European Union Combined Nomenclature and originating in Guatemala is not appropriate.

*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, 4 October 2017.

*For the Commission*
*The President*
Jean-Claude JUNCKER