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## II

(Non-legislative acts)

## REGULATIONS

## COMMISSION DELEGATED REGULATION (EU) 2020/1138

of 27 May 2020

**amending Regulation (EU) 2016/1076 of the European Parliament and of the Council in order to include the Solomon Islands in Annex I**

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) 2016/1076 of the European Parliament and of the Council of 8 June 2016 applying the arrangements for products originating in certain states which are part of the African, Caribbean and Pacific (ACP) Group of States provided for in agreements establishing, or leading to the establishment of, Economic Partnership Agreements <sup>(1)</sup>, and in particular Article 2(2) thereof,

Whereas:

- (1) Annex I to Regulation (EU) 2016/1076 lists the countries to which the market access arrangements provided for by that Regulation apply.
- (2) On 17 February 2020, the Council approved, on behalf of the Union, the accession of the Solomon Islands to the interim Economic Partnership Agreement between the Union and the Pacific States. Following the Solomon Islands' deposition of its Act of Accession, the interim Economic Partnership Agreement is provisionally applied between the Union and the Solomon Islands from 17 May 2020.
- (3) Therefore the Solomon Islands should be included in Annex I,

HAS ADOPTED THIS REGULATION:

*Article 1*

In Annex I to Regulation (EU) 2016/1076 the following is inserted after the words 'THE REPUBLIC OF SEYCHELLES':  
'SOLOMON ISLANDS'.

*Article 2*

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

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<sup>(1)</sup> OJ L 185, 8.7.2016, p. 1.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 27 May 2020.

*For the Commission*  
*The President*  
Ursula VON DER LEYEN

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**COMMISSION IMPLEMENTING REGULATION (EU) 2020/1139****of 29 July 2020****amending Regulation (EC) No 1484/95 as regards fixing representative prices in the poultrymeat and egg sectors and for egg albumin**

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 <sup>(1)</sup>, and in particular Article 183(b) thereof,Having regard to Regulation (EU) No 510/2014 of the European Parliament and of the Council of 16 April 2014 laying down the trade arrangements applicable to certain goods resulting from the processing of agricultural products and repealing Council Regulations (EC) No 1216/2009 and (EC) No 614/2009 <sup>(2)</sup>, and in particular Article 5(6)(a) thereof,

Whereas:

- (1) Commission Regulation (EC) No 1484/95 <sup>(3)</sup> lays down detailed rules for implementing the system of additional import duties and fixes representative prices in the poultrymeat and egg sectors and for egg albumin.
- (2) Regular monitoring of the data used to determine representative prices for poultrymeat and egg products and for egg albumin shows that the representative import prices for certain products should be amended to take account of variations in price according to origin.
- (3) Regulation (EC) No 1484/95 should therefore be amended accordingly.
- (4) Given the need to ensure that this measure applies as soon as possible after the updated data have been made available, this Regulation should enter into force on the day of its publication,

HAS ADOPTED THIS REGULATION:

*Article 1*

Annex I to Regulation (EC) No 1484/95 is replaced by the text set out in the Annex to this Regulation.

*Article 2*This Regulation shall enter into force on the day of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 29 July 2020.

*For the Commission,  
On behalf of the President,  
Wolfgang BURTSCHER  
Director-General  
Directorate-General for Agriculture and Rural  
Development*

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<sup>(1)</sup> OJ L 347, 20.12.2013, p. 671.

<sup>(2)</sup> OJ L 150, 20.5.2014, p. 1.

<sup>(3)</sup> Commission Regulation (EC) No 1484/95 of 28 June 1995 laying down detailed rules for implementing the system of additional import duties and fixing representative prices in the poultrymeat and egg sectors and for egg albumin, and repealing Regulation No 163/67/EEC (OJ L 145, 29.6.1995, p. 47).

## ANNEX

## 'ANNEX I

CN code	Description	Representative price (EUR/100 kg)	Security under Article 3 (EUR/100 kg)	Origin <sup>(1)</sup>
0207 12 90	Fowls of the species <i>Gallus domesticus</i> , not cut in pieces, presented as "65 % chickens", frozen	177,2	0	AR
0207 14 10	Fowls of the species <i>Gallus domesticus</i> , boneless cuts, frozen	235	20	AR
		197,4	31	BR
		248,6	15	CL
		241,8	18	TH
1602 32 11	Preparations of fowls of the species <i>Gallus domesticus</i> , uncooked	181,5	34	BR'

<sup>(1)</sup> Nomenclature of countries laid down by Commission Regulation (EU) No 1106/2012 of 27 November 2012 implementing Regulation (EC) No 471/2009 of the European Parliament and of the Council on Community statistics relating to external trade with non-member countries, as regards the update of the nomenclature of countries and territories (OJ L 328, 28.11.2012, p. 7).

**COMMISSION IMPLEMENTING REGULATION (EU) 2020/1140****of 30 July 2020****on re-imposing a definitive anti-dumping duty on imports of bicycles whether declared as originating in Sri Lanka or not following the judgment of the Court of Justice in Case C-251/18 Trace Sport SAS**

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) 2016/1036 of the European Parliament and of the Council of 8 June 2016 on protection against dumped imports from countries not members of the European Union ('the basic Regulation') <sup>(1)</sup>, and in particular Article 13 thereof,

Whereas:

**A. MEASURES IN FORCE AND JUDGMENTS OF THE GENERAL COURT AND THE COURT OF JUSTICE OF THE EUROPEAN UNION****1. Measures in force**

- (1) In 2011, by Implementing Regulation (EU) No 990/2011, the Council imposed a definitive anti-dumping duty on imports of bicycles originating in the People's Republic of China ('the original measures') <sup>(2)</sup> following an expiry review under Article 11(2) of the basic Regulation.
- (2) In 2013, by Implementing Regulation (EU) No 501/2013, the Council extended the original measures to imports of bicycles consigned from Indonesia, Malaysia, Sri Lanka and Tunisia, whether declared as originating in Indonesia, Malaysia, Sri Lanka and Tunisia or not (the 'contested Regulation') <sup>(3)</sup> following an anti-circumvention investigation under Article 13 of the basic Regulation (the 'anti-circumvention investigation').

**2. Judgment of the General Court in T-413/13 and judgment of the Court of Justice of the European Union in in Joined Cases C-248/15P, C-254/15P and C-260/15P**

- (3) City Cycle Industries ('City Cycle') challenged the contested Regulation in the General Court.
- (4) By its judgment of 19 March 2015, in Case T-413/13 City Cycle Industries v Council, the General Court of the European Union annulled Article 1(1) and (3) of Council Implementing Regulation (EU) No 501/2013, in so far as it concerned City Cycle Industries ('City Cycle').
- (5) On 26 January 2017, the appeals brought forward against the judgment of the General Court of 19 March 2015, were dismissed by judgment of the Court of Justice in Joined Cases C-248/15P, C-254/15P and C-260/15P <sup>(4)</sup>, City Cycle Industries v Council.

<sup>(1)</sup> OJ L 176, 30.6.2016, p. 21.

<sup>(2)</sup> Council Implementing Regulation (EU) No 990/2011 of 3 October 2011 imposing a definitive anti-dumping duty on imports of bicycles originating in the People's Republic of China following an expiry review pursuant to Article 11(2) of Regulation (EC) No 1225/2009 (OJ L 261, 6.10.2011, p. 2).

<sup>(3)</sup> Council Implementing Regulation (EU) No 501/2013 of 29 May 2013 extending the definitive anti-dumping duty imposed by Implementing Regulation (EU) No 990/2011 on imports of bicycles originating in the People's Republic of China to imports of bicycles consigned from Indonesia, Malaysia, Sri Lanka and Tunisia, whether declared as originating in Indonesia, Malaysia, Sri Lanka and Tunisia or not (OJ L 153, 5.6.2013, p. 1).

<sup>(4)</sup> Joined Cases C-248/15P (appeal submitted by the Union industry), C-254/15P (appeal submitted by the European Commission) and C-260/15P (appeal submitted by the Council of the European Union).

- (6) Following the judgment of the Court of Justice, on 11 April 2017 by Notice <sup>(5)</sup>, the Commission partially reopened the anti-circumvention investigation concerning imports of bicycles consigned from Sri Lanka, whether declared as originating in Sri Lanka or not that led to the adoption of the contested Regulation and resumed it at the point at which the irregularity occurred. The reopening was limited in scope to the implementation of the judgment of the Court of Justice with regard to City Cycle. As a result of this reopening, the Commission adopted Implementing Regulation (EU) 2018/28 of 9 January 2018 re-imposing a definitive anti-dumping duty on imports of bicycles, whether declared as originating in Sri Lanka or not, from City Cycle Industries <sup>(6)</sup> (the ‘City Cycle Regulation’).

### 3. Judgment of the Court of Justice of the European Union in case C-251/18

- (7) On 19 September 2019, in the context of a preliminary reference request made by the Rechtbank Noord-Holland, the Court of Justice ruled in Case C-251/18 Trace Sport SAS that the contested Regulation <sup>(7)</sup> is invalid in so far as it concerns imports of bicycles shipped from Sri Lanka, whether declared as originating in Sri Lanka or not. The Court of Justice concluded that the contested Regulation did not contain any individual analysis of circumvention practices in which Kelani Cycles and Creative Cycles may have been engaged. The Court of Justice found that the conclusion as to the existence of transshipment operations in Sri Lanka could not legally be based only on the two findings expressly made by the Council, that is, first, that there had been a change in the pattern of trade between the Union and Sri Lanka and, second, that some of the exporting producers had failed to cooperate. On this basis, the Court of Justice declared the contested Regulation invalid in so far as it concerns imports of bicycles shipped from Sri Lanka, whether or not declared as originating in that country.

### 4. Consequences of the judgment in case C-251/18

- (8) In line with Article 266 of the Treaty of the Functioning of the European Union, the Union institutions need to take the necessary steps to comply with the judgment of 19 September 2019.
- (9) It follows from the case-law that where a judgment of the Court of Justice annuls a regulation imposing anti-dumping duties or declares such a regulation to be invalid, the institution called upon to take such measures for the purpose of implementing that judgment does have the option of resuming the proceeding at the origin of that regulation, even if that option is not expressly set out in the applicable legislation <sup>(8)</sup>.
- (10) Furthermore, except where the irregularity found has vitiated the entire proceeding with illegality, the institution concerned has the option, in order to adopt an act intended to replace the act that has been annulled or declared invalid, to resume that proceeding only at the stage when the irregularity was committed <sup>(9)</sup>. That implies in particular that in a situation where an act concluding an administrative procedure is annulled, that annulment does not necessarily affect the preparatory acts, such as, in this case, the initiation of the anti-circumvention procedure by Commission Regulation (EU) No 875/2012 <sup>(10)</sup>.

<sup>(5)</sup> Notice concerning the judgment of the General Court of 19 March 2015 in Case T-413/13 City Cycle Industries v Council of the European Union and the judgment of the Court of Justice of 26 January 2017 in Cases C-248/15 P, C-254/15 P and C-260/15 P in relation to Council Implementing Regulation (EU) No 501/2013 extending the definitive anti-dumping duty imposed by Implementing Regulation (EU) No 990/2011 on imports of bicycles originating in the People’s Republic of China to imports of bicycles consigned from Indonesia, Malaysia, Sri Lanka and Tunisia, whether declared as originating in Indonesia, Malaysia, Sri Lanka and Tunisia or not (2017/C 113/05) (OJ C 113, 11.4.2017, p. 4).

<sup>(6)</sup> Commission Implementing Regulation (EU) 2018/28 of 9 January 2018 re-imposing a definitive anti-dumping duty on imports of bicycles whether declared as originating in Sri Lanka or not from City Cycle Industries (OJ L 5, 10.1.2018, p. 27).

<sup>(7)</sup> Council Implementing Regulation (EU) No 501/2013 of 29 May 2013.

<sup>(8)</sup> Judgment of the Court of 15 March 2018, Case C-256/16 Deichmann, ECLI:EU:C:2018:187, paragraph 73; see also judgment of the Court of 19 June 2019, Case C-612/16 P&J Clark International, ECLI:EU:C:2019:508, paragraph 43

<sup>(9)</sup> Ibid, paragraph 74; see also judgment of the Court of 19 June 2019, Case C-612/16 P&J Clark International, ECLI:EU:C:2019:508, paragraph 43.

<sup>(10)</sup> Commission Regulation (EU) No 875/2012 of 25 September 2012 initiating an investigation concerning the possible circumvention of anti-dumping measures imposed by Council Implementing Regulation (EU) No 990/2011 on imports of bicycles originating in the People’s Republic of China by imports of bicycles consigned from Indonesia, Malaysia, Sri Lanka and Tunisia, whether declared as originating in Indonesia, Malaysia, Sri Lanka and Tunisia or not, and making such imports subject to registration (OJ L 258, 26.9.2012, p. 21).



- (11) Thus, the Commission has the possibility to remedy the aspects of the contested Regulation which led to its declaration of invalidity, leaving those parts which were not affected by the judgment of the Court valid <sup>(11)</sup>.

## B. PROCEDURE

### 1. Procedure until the judgment

- (12) The Commission confirms recitals 1 to 23 included of the contested Regulation. They are not affected by the judgment.

### 2. Reopening

- (13) Following the judgment in Case C-251/18 Trace Sport SAS, on 2 December 2019, the Commission published an Implementing Regulation <sup>(12)</sup> reopening the anti-circumvention investigation concerning imports of bicycles consigned from Sri Lanka, whether declared as originating in Sri Lanka or not, that led to the adoption of the contested Regulation and resumed it at the point at which the irregularity occurred ('reopening Regulation').
- (14) The reopening is limited in scope to the implementation of the judgment of the Court of Justice in Case C-251/18 Trace Sport SAS. In that judgment, the illegality identified by the Court of Justice pertains to the obligation for the institutions of the Union to bear the burden of proof arising from Article 13(3) of Regulation (EU) 2016/1036 as it stood at that time.
- (15) Given that the City Cycle Regulation is not affected by the irregularity identified by the Court of Justice in Case C-251/18, the definitive anti-dumping duties on imports of bicycles consigned from Sri Lanka, whether declared as originating in Sri Lanka or not, from City Cycle Industries are not covered by this proceeding.
- (16) The Commission informed the Sri Lankan exporting producers, the representatives of the Government of Sri Lanka, the Union industry and other interested parties known to be concerned from the anti-circumvention investigation of the reopening of the investigation. Interested parties were given the opportunity to make their views known in writing and to request a hearing with the Commission and/or the Hearing officer in trade proceedings within the time-limit set out in the reopening Regulation. None of the interested parties requested a hearing either with the Commission or the Hearing officer in trade proceedings.

### 3. Registration of imports

- (17) Pursuant to Article 14(5) of the basic Regulation, imports of the product under investigation shall be made subject to registration in order to ensure that, should the investigation result in findings of circumvention, anti-dumping duties of an appropriate amount can be levied from the date on which registration of such imports was imposed.
- (18) On 2 December 2019, by the reopening Regulation, the Commission made imports of bicycles consigned from Sri Lanka, whether declared as originating in Sri Lanka or not, subject to registration.

### 4. Product under investigation

- (19) The product under investigation is the same as in the contested Regulation, i.e. bicycles and other cycles (including delivery tricycles, but excluding unicycles), not motorised, originating in the People's Republic of China ('China'), currently falling under CN codes ex 8712 00 30 and ex 8712 00 70 (TARIC codes 8712 00 30 10 and 8712 00 70 91), consigned from, Sri Lanka, whether declared as originating in, Sri Lanka or not.

<sup>(11)</sup> Judgment of 3 October 2000, Case C-458/98 P Industrie des Poudres Sphériques v Council, ECLI:EU:C:2000:531, paragraph 80 to 85.

<sup>(12)</sup> Commission Implementing Regulation (EU) 2019/1997 of 29 November 2019 reopening the investigation following the judgment of 19 September 2019, in Case C-251/18 Trace Sport SAS, with regard to Council Implementing Regulation (EU) No 501/2013 of 29 May 2013 extending the definitive anti-dumping duty imposed by Implementing Regulation (EU) No 990/2011 on imports of bicycles originating in the People's Republic of China to imports of bicycles consigned from Indonesia, Malaysia, Sri Lanka and Tunisia, whether declared as originating in Indonesia, Malaysia, Sri Lanka and Tunisia or not (OJ L 310, 2.12.2019, p. 29).

## C. ASSESSMENT FOLLOWING THE JUDGMENT

### 1. Preliminary remarks

- (20) First, the Court of Justice held that the contested Regulation did not contain an individual analysis of circumvention practices in which Kelani Cycles and Creative Cycles may have been engaged. The Court of Justice found that the conclusion as to the existence of transshipment operations in Sri Lanka could not legally be based only on the two findings expressly made by the Council, that is, first, that there had been a change in the pattern of trade between the Union and Sri Lanka and, second, that some of the exporting producers had failed to cooperate.
- (21) Second, the judgment does not question that the Council was entitled to consider Kelani Cycles as a non-cooperating party in the investigation and there was significant non-cooperation at national level in Sri Lanka (companies that did not cooperate or withdrew cooperation constituted 75 % of the total exports from Sri Lanka during the reporting period). Creative Cycles did not cooperate in the investigation. Recitals 35 to 42 of the contested Regulation are therefore confirmed.

### 2. Undermining of the remedial effect of the anti-dumping duty

- (22) The Council had found, in recitals 93 to 96 of the contested Regulation, that there was evidence undermining of the remedial effect of the anti-dumping duty within the meaning of Article 13(1) of the basic Regulation. Those findings are confirmed.

### 3. Evidence of dumping

- (23) The Council had found, in recitals 97 and 98 as well as 107 to 110 of the contested Regulation, evidence of dumping in relation to the normal values previously established for the like product in accordance with Article 13(1) of the basic Regulation. Those findings are confirmed.

### 4. Existence of circumvention practices

- (24) The contested Regulation was declared invalid because the Council failed to provide sufficient substantiation as to the existence of circumvention practices for individual companies. It is recalled that the existence of circumvention practices can be established, *inter alia*, on the basis of transshipment or on the basis of assembly operations.
- (25) During the anti-circumvention investigation, six Sri Lankan companies submitted a request for exemption in accordance with Article 13(4) of the basic Regulation. These six companies represented 69 % of the total imports from Sri Lanka to the Union during the reporting period defined in that investigation (1 September 2011 to 31 August 2012). Out of these six, three companies were exempted from the extended duties and one stopped cooperating. The exemption requests of the two remaining companies (Kelani Cycles and City Cycle Industries) were rejected as those companies could not show that they were not involved in circumvention practices. As mentioned in recitals 37 to 42 and 144, 146 to 149 of the contested Regulation, these findings were based on the facts available in accordance to Article 18 of the basic Regulation.
- (26) The reopened investigation revealed that there was no available evidence at companies' level that could support the finding of transshipment. Therefore, it was concluded that no transshipment could be established.
- (27) However, the available evidence showed that circumvention practices via assembly operations took place. The evidence was based on the existing data submitted by City Cycle and Kelani Cycles during the anti-circumvention investigation. The Council had not previously assessed that data in detail, because it considered that that was not necessary in order to demonstrate, to the required legal standard, existence of circumvention practices. However, as the Court has clarified the applicable legal standard, the Commission considered it appropriate to reassess all the evidence available in the administrative file in the light of the conclusions of the judgment of the Court of Justice in Case C-251/18 Trace Sport SAS.

- (28) As stated in recitals 3 to 5, in 2017 the Commission re-opened the investigation regarding City Cycle. Recitals 22 to 25 of the City Cycle Regulation detailed the evidence regarding City Cycle, showing that circumvention practices via assembly operations were taking place in Sri Lanka. Furthermore, due to the company's insufficient cooperation and inability to demonstrate that it did not circumvent the measures on the basis of its own data, the exemption request of City Cycle under Article 13(4) of the basic Regulation could not be considered warranted. As mentioned in recital 15 the City Cycle Regulation remains unaffected by the judgment of the Court in case C-251/18.
- (29) During the anti-circumvention investigation, Kelani Cycles was unable to prove that it merited an exemption, as explained in recitals 39, 40 and 146 to 149 of the contested Regulation. The company's cooperation was considered insufficient and Article 18(1) of the basic Regulation was applied.
- (30) Furthermore, during the anti-circumvention investigation, it was established that Great Cycles, a related company of Creative Cycles, was the supplier of bicycle parts to Kelani Cycles. Both Great Cycles and Creative Cycles were established in Sri Lanka and the links between Kelani Cycles and those companies were going beyond a normal buyer and seller relationship. The relationship between the three companies could not be ultimately clarified during the anti-circumvention investigation due to the lack of cooperation of Kelani Cycles. In addition, Kelani Cycles was established in December 2011, after Creative Cycles and its related company Great Cycles were investigated by the Commission services on fraud on origin and, as a result, Creative Cycles stopped its bicycles assembly operations. Creative Cycles did not cooperate in the anti-circumvention investigation. Moreover, during the anti-circumvention investigation, Kelani Cycles was found to be export-oriented, targeting the Union market. Kelani Cycles started to export bicycles to the Union market in August 2012. Also, the parts used in production were found to be sourced primarily from China. Therefore, it was concluded that the conditions set out in Article 13(2)(a) of the basic Regulation were met.
- (31) Subsequently, the Commission examined the conditions set out in Article 13(2)(b) of the basic Regulation in order to establish whether the operations carried out by Kelani Cycles could be considered as assembly operations circumventing the definitive anti-dumping duties in force, thus whether:
- (a) the raw materials (bicycle parts) from China constituted more than 60 % of the total value of the parts of the assembled product (60/40 test), while
  - (b) the value added to the parts brought in during the assembly operation, was lower than 25 % of the manufacturing cost (25 % value added test).
- (32) Kelani Cycles reported purchases of bicycle parts from China, but also from Great Cycles, which is a Sri Lankan company. While Kelani Cycles claimed that the parts bought from the latter were of Sri Lankan origin, the investigation revealed that Great Cycles manufactured these bicycle parts with parts (raw frames and forks) purchased from China (more than 60 % of the total value of the parts of the assembled product), while the value added by Great Cycles in the manufacturing process was less than 25 % consisting mainly in welding and painting. Therefore, in application by analogy <sup>(13)</sup> of Article 13(2)(b) of the basic Regulation, it was considered that the parts purchased from Great Cycles were from China.
- (33) Regarding all parts used in the assembly of bicycles by Kelani Cycles, the Commission considered that the most reliable source were the cost statements of different bicycle types provided on spot. On this basis, the Commission concluded that the parts purchased from China (including those supplied by Great Cycle) and used by Kelani Cycles in assembling the bicycles exported to the Union constituted between 80 and 100 % of all parts of the assembled bicycle, depending on the bicycle type.
- (34) The 25 % value added test was based on the cost of assembling provided by Kelani Cycles during the anti-circumvention investigation. The value added was calculated on the parts brought in from China, as established in recitals 32 and 33. The value of parts purchased from Sri Lanka (tyres) was estimated based on the cost statements per product type provided during the on-spot verification carried out during the anti-circumvention investigation. As a result, the value added to the parts brought in from China during the assembly operations was below 25 % of the manufacturing cost.

<sup>(13)</sup> Court judgment in case C-709/17 P Kolachi of 12 September 2019.

- (35) Regarding the criteria set out in Article 13(2)(c) of the basic Regulation, as stated in recitals 24 and 25, the relevant findings during the anti-circumvention investigation were not affected and therefore were confirmed.
- (36) Consequently, the existence of circumvention practices via assembly operations was established at country level in Sri Lanka, on the basis of the above evidence, available at the companies' level, showing the existence of circumvention practices. Given the high level of non-cooperation in Sri Lanka as stated in recital 21, no arguments against this conclusion could be found.
- (37) Consequently, the existence of assembly operations within the meaning of Article 13(2) of the basic Regulation was established in Sri Lanka.

#### 5. Exemption requests

- (38) With regard to Kelani Cycles' exemption request, due to the company's insufficient cooperation and inability to demonstrate that it did not circumvent the measures on the basis of its own data, it could not be considered to be warranted under Article 13(4) of the basic Regulation.
- (39) With regard to the situation of the company, which withdrew its exemption request during the anti-circumvention investigation, as stated in recital 21 above, recital 36 of the contested Regulation is not affected by the Court judgement and as such is confirmed. Therefore, this company could not benefit from an exemption.

#### D. DISCLOSURE

- (40) The parties were informed of the essential facts and considerations on the basis of which it was intended to re-impose a definitive anti-dumping duty on imports of bicycles whether declared as originating in Sri Lanka or not. They were also granted a period within which they could make representations subsequent to this disclosure. No comment were received.

#### E. IMPOSITION OF MEASURES

- (41) On the basis of the above, it is considered appropriate to extend the original measures to imports of bicycles and other cycles (including delivery tricycles, but excluding unicycles), not motorised, consigned from Sri Lanka, whether declared as originating in Sri Lanka or not, currently falling under CN codes ex 8712 00 30 and ex 8712 00 70 (TARIC codes 8712 00 30 10 and 8712 00 70 91).
- (42) As mentioned in recitals 9 to 11, the anti-circumvention investigation was resumed at the point where the illegality occurred. The Commission remedied, with the current re-opening, the aspects of the contested Regulation which led to its declaration of invalidity. The parts of the contested Regulation which were not affected by the judgment of the Court remained valid. According to the jurisprudence of the Court of Justice, the resumption of the administrative procedure with the re-imposition of anti-dumping duties on imports that were made during the period of application of the invalid regulation cannot be considered as contrary to the rule of non-retroactivity<sup>(14)</sup>.
- (43) Thus, in light of the specific nature of the anti-circumvention instrument, which is designed to protect the effectiveness of the anti-dumping instrument, and in view of the fact that the investigation has revealed evidence that points to the existence of the circumventing practices based on the companies' own reported data, the Commission considers it appropriate to re-impose measures as from the date of the initiation of the anti-circumvention investigation (namely as of 25 September 2012 onwards).
- (44) This regulation is in accordance with the opinion of the Committee established by Article 15(1) of the basic Regulation,

<sup>(14)</sup> Case C-256/16 *Deichmann SE v Hauptzollamt Duisburg* [2018], ECLI:EU:C:2018:187, paragraph 79; and C-612/16 *C & J Clark International Ltd v Commissioners for Her Majesty's Revenue & Customs*, judgment of 19 June 2019, paragraph 58.

HAS ADOPTED THIS REGULATION:

*Article 1*

1. The definitive anti-dumping duty imposed on imports of bicycles and other cycles (including delivery tricycles, but excluding unicycles), not motorised, originating in the People's Republic of China, is hereby extended to imports of bicycles and other cycles (including delivery tricycles, but excluding unicycles), not motorised, consigned from Sri Lanka, whether declared as originating in Sri Lanka or not, currently falling within CN codes ex 8712 00 30 and ex 8712 00 70 (TARIC codes 8712 00 30 10 and 8712 00 70 91) as of 6 June 2013 with the exception of those produced by the companies listed below:

Country	Company	TARIC additional code
Sri Lanka	Asiabike Industrial Limited, No 114, Galle Road, Henamulla, Panadura, Sri Lanka	B768
Sri Lanka	BSH Ventures (Private) Limited, No 84, Campbell Place, Colombo-10, Sri Lanka	B769
Sri Lanka	Samson Bikes (Pvt) Ltd, No 110, Kumaran Rathnam Road, Colombo 02, Sri Lanka	B770

The imports from City Cycle Industries (TARIC additional code B131) are covered by Commission Implementing Regulation (EU) 2018/28 of 9 January 2018 re-imposing a definitive anti-dumping duty on imports of bicycles whether declared as originating in Sri Lanka or not.

2. The duty extended by paragraph 1 of this Article shall be collected on imports consigned from Sri Lanka whether declared as originating in Sri Lanka or not, registered in accordance with Article 2 of Regulation (EU) No 875/2012 and Articles 13(3) and 14(5) of Regulation (EC) No 1225/2009 or registered in accordance with Article 2 of Commission Implementing Regulation (EU) 2019/1997 of 29 November 2019 with the exception of those produced by the companies listed in paragraph 1.

*Article 2*

Customs authorities are hereby directed to discontinue the registration of imports, established in accordance with Article 2 of Commission Implementing Regulation (EU) 2019/1997 of 29 November 2019.

*Article 3*

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

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 30 July 2020.

*For the Commission*  
*The President*  
 Ursula VON DER LEYEN

# DECISIONS

## COMMISSION IMPLEMENTING DECISION (EU) 2020/1141

of 29 July 2020

**amending Decision 2011/163/EU on the approval of residue monitoring plans submitted by third countries in accordance with Article 29 of Council Directive 96/23/EC**

(notified under document number C(2020) 5076)

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

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

Having regard to Council Directive 96/23/EC of 29 April 1996 on measures to monitor certain substances and residues thereof in live animals and animal products and repealing Directives 85/358/EEC and 86/469/EEC and Decisions 89/187/EEC and 91/664/EEC <sup>(1)</sup>, and in particular the fourth subparagraph of Article 29(1) and Article 29(2) thereof,

Whereas:

- (1) Article 29(1) of Directive 96/23/EC requires that third countries from which Member States are authorised to import animals and animal products covered by that Directive submit residue monitoring plans providing required guarantees ('the plans'). The plans should cover at least the groups of residues and substances listed in Annex I to that Directive.
- (2) Commission Decision 2011/163/EU <sup>(2)</sup> approves the plans submitted by certain third countries concerning specified animals and animal products listed in the Annex to that Decision ('the list').
- (3) Bosnia and Herzegovina has submitted to the Commission a plan for aquaculture, which only covers finfish. Therefore, a specification limiting the approval for aquaculture to finfish only should be added to the list.
- (4) Botswana is included in the list for cattle, horses and farmed game. However, that third country informed the Commission that it will no longer export live horses and farmed game meat to the Union. The entry for Botswana for equine and farmed game should therefore be removed from the list.
- (5) Iran has submitted to the Commission a plan for aquaculture, which only covers crustaceans. Therefore, a specification limiting the approval for aquaculture to crustaceans only should be added to the list.
- (6) The Republic of the Union of Myanmar has submitted to the Commission a plan for honey. That plan provides sufficient guarantees and should be approved. An entry for Myanmar for honey should therefore be included in the list.
- (7) New Caledonia is included in the list for cattle, aquaculture, wild game, farmed game and honey. However, that third country informed the Commission that it will no longer export bovine meat and wild game to the Union and that the aquaculture plan only covers crustaceans. The entry for New Caledonia for cattle and wild game should therefore be removed from the list and a specification limiting the approval for aquaculture to crustaceans only should be added to the list.
- (8) Sierra Leone has submitted to the Commission a plan for honey. That plan provides sufficient guarantees and should be approved. An entry for Sierra Leone for honey should therefore be included in the list.
- (9) Suriname is included in the approval list for aquaculture. However, Suriname informed the Commission that it will no longer export aquaculture products to the Union. The entry for Suriname for aquaculture should therefore be removed from the list.

<sup>(1)</sup> OJ L 125, 23.5.1996, p. 10.

<sup>(2)</sup> Commission Decision 2011/163/EU of 16 March 2011 on the approval of plans submitted by third countries in accordance with Article 29 of Council Directive 96/23/EC (OJ L 70, 17.3.2011, p. 40).

- (10) Tunisia is currently included in the approval list for poultry, aquaculture and wild game. That third country has submitted to the Commission a plan for poultry that does not provide sufficient guarantees and a plan for aquaculture, which only covers finfish. Therefore, the entry for Tunisia concerning poultry should be deleted from the list and a specification limiting the approval for aquaculture to finfish only should be added to the list.
- (11) While Kosovo \* has not provided a plan for poultry, Kosovo has provided guarantees in respect of poultry raw material originating either from Member States or from third countries which are approved to export such raw material to the European Union. An entry for Kosovo for poultry with the appropriate footnote should therefore be added in the list.
- (12) Decision 2011/163/EU should therefore be amended accordingly.
- (13) The measures provided for in this Decision are in accordance with the opinion of the Standing Committee on Plants, Animals, Food and Feed,

HAS ADOPTED THIS DECISION:

*Article 1*

The Annex to Decision 2011/163/EU is replaced by the text set out in the Annex to this Decision.

*Article 2*

This Decision is addressed to the Member States.

Done at Brussels, 29 July 2020.

*For the Commission*  
Stella KYRIAKIDES  
*Member of the Commission*

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\* 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.

## ANNEX

## 'ANNEX

Code ISO2	Country	Bovine	Ovine/ caprine	Porcine	Equine	Poultry	Aqua- culture	Milk	Eggs	Rabbit	Wild game	Farmed game	Honey
AD	Andorra	X	X	X (3)	X								X
AE	United Arab Emirates						X (3)	X (1)					
AL	Albania		X				X (7)		X				
AM	Armenia						X						X
AR	Argentina	X	X		X	X	X	X	X	X	X	X	X
AU	Australia	X	X		X		X	X			X	X	X
BA	Bosnia and Herzegovina	X	X	X		X	X (7)	X	X				X
BD	Bangladesh						X						
BF	Burkina Faso												X
BJ	Benin												X
BN	Brunei						X						
BR	Brazil	X			X	X	X						X
BW	Botswana	X											
BY	Belarus				X (2)		X	X	X				
BZ	Belize						X						
CA	Canada	X	X	X	X	X	X	X	X	X	X	X	X



Code ISO2	Country	Bovine	Ovine/ caprine	Porcine	Equine	Poultry	Aqua- culture	Milk	Eggs	Rabbit	Wild game	Farmed game	Honey
CH	Switzerland	X	X	X	X	X	X	X	X	X	X	X	X
CL	Chile	X	X	X		X	X	X			X		X
CM	Cameroon												X
CN	China					X	X		X	X			X
CO	Colombia						X	X					
CR	Costa Rica						X						
CU	Cuba						X						X
DO	Dominican Republic												X
EC	Ecuador						X						
ET	Ethiopia												X
FK	Falklands Islands	X	X				X						
FO	Faeroe Islands						X						
GH	Ghana												X
GE	Georgia												X
GL	Greenland		X									X	
GT	Guatemala						X						X
HN	Honduras						X						
ID	Indonesia						X						

Code ISO2	Country	Bovine	Ovine/ caprine	Porcine	Equine	Poultry	Aqua- culture	Milk	Eggs	Rabbit	Wild game	Farmed game	Honey
IL	Israel (²)					X	X	X	X			X	X
IN	India						X		X				X
IR	Iran						X (²)						
JM	Jamaica												X
JP	Japan	X		X		X	X	X	X				
KE	Kenya						X						
KG	Kyrgyzstan												X
KR	South Korea					X	X						
LK	Sri Lanka						X						
MA	Morocco					X	X						
MD	Moldova					X	X		X				X
ME	Montenegro	X	X	X		X	X	X	X				X
MG	Madagascar						X						X
MKD	North Macedonia	X	X	X		X	X	X	X		X		X
MM	Republic of the Union of Myanmar						X						X
MU	Mauritius						X						X (²)

Code ISO2	Country	Bovine	Ovine/ caprine	Porcine	Equine	Poultry	Aqua- culture	Milk	Eggs	Rabbit	Wild game	Farmed game	Honey
MX	Mexico						X		X				X
MY	Malaysia					X (?)	X						
MZ	Mozambique						X						
NA	Namibia	X	X										
NC	New Caledonia						X (?)					X	X
NI	Nicaragua						X						X
NZ	New Zealand	X	X		X		X	X			X	X	X
PA	Panama						X						
PE	Peru						X						
PH	Philippines						X						
PM	Saint Pierre and Miquelon					X							
PN	Pitcairn Islands												X
PY	Paraguay	X											
RS	Serbia	X	X	X	X (?)	X	X	X	X		X		X
RU	Russia	X	X	X		X		X	X			X (*)	X
RW	Rwanda												X
SA	Saudi Arabia						X						

Code ISO2	Country	Bovine	Ovine/ caprine	Porcine	Equine	Poultry	Aqua- culture	Milk	Eggs	Rabbit	Wild game	Farmed game	Honey
SG	Singapore	X <sup>(3)</sup>	X <sup>(3)</sup>	X <sup>(3)</sup>	X <sup>(6)</sup>	X <sup>(3)</sup>	X	X <sup>(3)</sup>			X <sup>(6)</sup>	X <sup>(6)</sup>	
SL	Sierra Leone												X
SM	San Marino	X		X <sup>(3)</sup>				X					X
SV	El Salvador												X
SZ	Eswatini	X											
TH	Thailand					X	X						X
TN	Tunisia						X <sup>(7)</sup>				X		
TR	Turkey					X	X	X	X				X
TW	Taiwan						X						X
TZ	Tanzania						X						X
UA	Ukraine	X		X		X	X	X	X	X			X
UG	Uganda						X						X
US	United States	X	X	X		X	X	X	X	X	X	X	X
UY	Uruguay	X	X		X		X	X			X		X
VE	Venezuela						X						
VN	Vietnam						X						X
ZA	South Africa										X	X <sup>(8)</sup>	
XK	Kosovo					X <sup>(3)</sup>							
ZM	Zambia												X

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<sup>(1)</sup> Camel milk only.

<sup>(2)</sup> Export to the Union of live equidae for slaughter (food producing animals only).

<sup>(3)</sup> Third countries using only raw material either from Member States or from other third countries approved for imports of such raw material to the Union, in accordance with Article 2.

<sup>(4)</sup> Only for reindeers from the Murmansk and Yamalo-Nenets regions.

<sup>(5)</sup> Hereafter understood as the State of Israel, excluding the territories under Israeli administration since June 1967, namely the Golan Heights, the Gaza Strip, East Jerusalem and the rest of the West Bank.

<sup>(6)</sup> Only for commodities of fresh meat originating from New Zealand, destined to the Union and being unloaded, reloaded and transited with or without storage through Singapore.

<sup>(7)</sup> Finfish only.

<sup>(8)</sup> Ratites only.

<sup>(9)</sup> Crustaceans only.

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**COMMISSION IMPLEMENTING DECISION (EU) 2020/1142****of 29 July 2020****on the prolongation of enhanced surveillance for Greece***(notified under document C(2020) 5086)***(Only the Greek text is authentic)**

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) No 472/2013 of the European Parliament and of the Council of 21 May 2013 on the strengthening of economic and budgetary surveillance of Member States in the euro area experiencing or threatened with serious difficulties with respect to their financial stability <sup>(1)</sup>, and in particular Article 2(1) thereof,

Whereas:

- (1) Following the expiry of the European Stability Mechanism financial assistance on 20 August 2018, Commission Implementing Decision (EU) 2018/1192 <sup>(2)</sup> activated enhanced surveillance for Greece for a period of six months, as from 21 August 2018. Enhanced surveillance was subsequently prolonged three times <sup>(3)</sup>, each time for an additional period of six months, the last time as from 21 February 2020.
- (2) Since 2010, Greece has received a substantial amount of financial assistance, as a result of which Greece's outstanding liabilities towards the euro-area Member States, the European Financial Stability Facility and the European Stability Mechanism come to a total amount of EUR 243 700 million. Greece received financial support from its European partners on concessional terms and specific measures to place debt on a more sustainable footing were adopted in 2012 and again by the European Stability Mechanism in 2017. On 22 June 2018, it was politically agreed in the Eurogroup to implement additional measures to ensure debt sustainability. Some of these measures, including the transfer of equivalent amounts to the income earned by euro area national central banks on Greek government bonds held under the Agreement on Net Financial Assets and the Securities Market Programme, can be agreed bi-annually in the Eurogroup on the basis of positive reporting under enhanced surveillance on Greece's compliance with its post-programme policy commitments. In this regard, the release of the first three tranches of policy-contingent debt measures were implemented following agreement by the Eurogroup in April 2019, December 2019 and June 2020 respectively.
- (3) Greece has made a commitment in the Eurogroup to continue and complete all key reforms adopted under the European Stability Mechanism stability support programme ('the programme') and to safeguard the objectives of the important reforms adopted under that programme and its predecessors. Greece has also committed to implement specific actions in the areas of fiscal and fiscal-structural policies, social welfare, financial stability, labour and product markets, privatisation and public administration. Those specific actions, which are set out in an annex to the Eurogroup statement of 22 June 2018, will contribute to addressing Greece's excessive macroeconomic imbalances and the sources or potential sources of economic difficulties.
- (4) On 26 February 2020, the Commission published the 2020 country report for Greece <sup>(4)</sup>. The Commission concluded that Greece is experiencing excessive macroeconomic imbalances <sup>(5)</sup>. While progress is visible in a number of areas, significant vulnerabilities and legacy effects remain, relating to the high public debt, the high level of non-performing loans on banks' balance sheets, and the external sector, in a context of still low growth potential and the high unemployment rate. At the end of 2019 public debt in Greece stood at 176,6 % of Gross Domestic Product, the highest level in the Union. The net international investment position of – 150,6 % of Gross Domestic

<sup>(1)</sup> OJ L 140, 27.5.2013, p. 1.

<sup>(2)</sup> OJ L 211, 22.8.2018, p. 1.

<sup>(3)</sup> Commission Implementing Decision (EU) 2019/338 (OJ L 60, 28.2.2019, p. 17); Commission Implementing Decision (EU) 2019/1287 (OJ L 202, 31.7.2019, p. 110) and Commission Implementing Decision (EU) 2020/280 (OJ L 59, 28.2.2020, p. 9).

<sup>(4)</sup> SWD(2020) 507 final.

<sup>(5)</sup> COM(2020) 150 final.

Product in in 2019 remains sizeably negative, though this includes large external public debt at highly concessional terms. Moreover, in spite of the significant narrowing of the current account deficit in recent years, it remains insufficient to support a reduction of the large negative net international investment position at a satisfactory pace and to bring it down to levels considered prudent. While unemployment has continued to decline from its peak of 27,8 % in 2013, it still stood at 16,1 % in February 2020. Long-term unemployment (11,9 % in the fourth quarter of 2019) and youth unemployment (35,6 % in February 2020) remain high, though they have also declined substantially compared to their peaks during the crisis (long-term unemployment had peaked at 19,9 % in the second quarter of 2014 and youth unemployment at 60,2 % in February 2013).

- (5) On 11 March 2020, the World Health Organization officially declared the COVID-19 outbreak a global pandemic. It is a severe public health emergency for citizens, societies and economies. It represents a major economic shock with a severe negative impact on the European Union macroeconomic outlook. Greece is likely to be hit particularly hard because of the sectoral composition of its economy. According to the Commission 2020 Summer Forecast, the downturn could reach [X %] in 2020 but should be followed by a swift albeit incomplete recovery in 2021. The uncertainty surrounding the forecast remains high. The pandemic is likely to lead to a significant increase in public debt and reverse part of the decrease in unemployment observed in previous years. A swift return to growth will be key to preventing hysteresis effects and limiting the socioeconomic impact of the crisis. The depth of the recession reflects the large share of the tourism sector, which faces high uncertainty regarding the lifting of travel restrictions. Also the shipping and transport sectors are likely to see a strong downturn along with the contraction of global trade.
- (6) Since the pandemic started, the EU and its Member States have taken unprecedented measures to protect lives and livelihoods. In response to the COVID-19 pandemic, and as part of a coordinated Union approach, Greece has adopted timely budgetary measures to increase the capacity of its health system, contain the pandemic, and provide relief to those individuals and sectors that have been particularly affected. The EU supported national efforts to tackle the health crisis and cushion the impact of the economic hit. It freed up its budget to fight the virus, activated the general escape clause of the Stability and Growth Pact, used the full flexibility of the State aid rules and proposed to create a new instrument to help people stay in work, the Support to mitigate Unemployment Risks in an Emergency ('SURE'). Along with measures taken by the European Central Bank and the European Investment Bank, the EU response provides more than half a trillion euro to support workers and businesses. Against this background, on 27 May 2020 the Commission proposed to the European Parliament and the Council to establish a Recovery and Resilience Facility with a view to providing significant support to the implementation of reforms and investments to strengthen Member State economies.
- (7) The medium and long-term consequences of the COVID-19 outbreak will critically depend on how quickly Member States' economies will recover from the crisis, which depends on measures Member States will take to mitigate the social and economic impact of the crisis, with the support of the EU. Like other Member States, Greece should benefit from the EU recovery package which will help financing key reforms and investments aiming at boosting growth potential and increasing the resilience of the economy. This in turn will avoid further widening of the divergences in the Union.
- (8) The Commission published its sixth assessment under enhanced surveillance on Greece <sup>(6)</sup> on 20 May 2020. It concluded that, considering the extraordinary circumstances posed by the COVID-19 outbreak, Greece has taken the necessary actions to achieve its due specific reform commitments. This assessment took into account the close engagement of the Greek authorities with the European institutions and recognised the necessity to prioritise policies focusing on the implementation of emergency measures in response to the pandemic. Against this background, the report acknowledged that the containment measures had the side effect of negatively affecting reform implementation capacity during the review period and noted that, looking ahead, it will be key to sustain, and where necessary strengthen, the reform momentum once the recovery is underway.

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<sup>(6)</sup> European Commission: Enhanced Surveillance Report – Greece, May 2020, Institutional Paper 127, May 2020.

- (9) In light of the Commission's 2020 in-depth review and on the basis of a Commission assessment, the Council examined the 2020 National Reform Programme and the 2020 Stability Programme. The Council took into account the need to tackle the pandemic and facilitate the economic recovery as a first necessary step to permit an adjustment of imbalances. It recommended <sup>(7)</sup> Greece to take all necessary measures to effectively address the pandemic, including by strengthening the resilience of the health system, to develop short-time work schemes and effective activation support to mitigate the employment and social impacts of the crisis, to deploy measures to provide liquidity, and to promote public and private investments in a number of priority investment areas, including the green and digital transition. The Council also called on the authorities to continue and complete reforms in line with the post-programme commitments, so as to restart a sustainable economic recovery, following the gradual easing up of constraints imposed due to the COVID-19 outbreak.
- (10) The Greek banking sector has become more stable and resilient to shocks since the end of the European Stability Mechanism programme, but legacy risks and significant underlying vulnerabilities remain, reinforced by the negative impact of the Coronavirus outbreak. Banks maintain adequate liquidity but the level of non-performing loans remains high, representing EUR 68,5 billion or 40,6 % of gross customer loan exposures as of December 2019 <sup>(8)</sup>. The pandemic may halt the gradual decline in the stock of non-performing loans observed from its peak of EUR 107,2 billion in March 2016, and EUR 71,2 billion at end-September 2019. In addition, the current economic shock is affecting banks' non-performing loans reduction strategies and the secondary market for non-performing loans, as well as the implementation of the Hercules scheme supporting the securitisation of such loans, following the successful completion of the first transactions. The capital position of Greek banks is in line with regulatory requirements but faces increasing supervisory requirements and capital needs to fund the NPL deleveraging process in the medium term, while profitability is low. As a result, Greek banks are particularly exposed to the risk of increases in funding costs and renewed deterioration of asset quality due to the pandemic. The authorities are taking steps to sustain access to finance for affected businesses, which complement initiatives at the level of commercial banks and servicers. They also committed to further advance crucial financial sector reforms and improve the existing tools for the resolution of non-performing loans, following the adverse impact of the COVID-19 outbreak on the pace of ongoing and past reform initiatives. These reforms, like the overhaul of the fragmented insolvency regime, can contribute to mitigating the medium-term impact of the crisis on private sector indebtedness.
- (11) Notwithstanding progress over the last years, Greece still faces major challenges with regard to its business environment and judicial system. The authorities continue working towards improving the regulatory environment and boosting competitiveness, despite the shifting priorities and difficulties faced due to the COVID-19 outbreak. Whilst Greece has made progress in areas such as reducing the time to register a business and strengthening the protection of minority investors, it still lags far behind the best-performance frontier in several areas (e.g. enforcing contracts, registering property, resolving insolvency, etc.). The pandemic has served as a catalyst to advance the digital governance agenda and the authorities committed to undertake complementary actions to further ease the administrative burden for businesses and citizens.
- (12) After being cut off from financial market borrowing in 2010, Greece started to regain market access through issuances of government bonds as from July 2017. Greek government bond yields started to slowly moderate after the successful conclusion of the ESM programme in 2018 and declined significantly in 2019. Since the onset of the pandemic, Greece has successfully issued both treasury bills and long-term bonds, indicating sustained access to market financing but its borrowing conditions remain nonetheless exposed to high volatility.
- (13) In light of the above, the Commission concludes that the conditions justifying the establishment of enhanced surveillance pursuant to Article 2 of Regulation (EU) No 472/2013 are still present. In particular, Greece continues to face risks with respect to its financial stability which, if they materialise, could have adverse spill-over effects on other euro-area Member States. Should any spillover effects materialise, they could occur indirectly by impacting investor confidence and thus refinancing costs for banks and sovereigns in other euro-area Member States.

<sup>(7)</sup> Council Recommendation of 20 July 2020 on the 2020 National Reform Programme of Greece and delivering a Council opinion on the 2020 Stability Programme of Greece.

<sup>(8)</sup> Source: Bank of Greece.



- (14) Therefore, over the medium term, Greece needs to continue adopting measures to address the sources or potential sources of difficulties and implementing structural reforms to support a robust and sustainable economic recovery, with a view to alleviate the legacy effects of several factors. These include the severe and protracted downturn during the crisis; the size of Greece's debt burden; its financial sector vulnerabilities; the continued relatively strong interlinkages between the financial sector and Greek public finances, including through State ownership; the risk of contagion of severe tensions in either of those sectors to other Member States, as well as euro-area Member States' exposure to the Greek sovereign.
- (15) In order to address residual risks and monitor the fulfilment of the commitments geared thereto, it appears necessary and appropriate to prolong the enhanced surveillance of Greece pursuant to Article 2(1) of Regulation (EU) No 472/2013.
- (16) Greece was given the opportunity to express its views on the assessment of the Commission, via a letter sent on 24 June 2020. In its response on 29 June 2020, Greece broadly concurred with the Commission's assessment of the economic challenges it faces, which is the basis for prolonging enhanced surveillance.
- (17) Greece will continue to benefit from technical support under the Structural Reform Support Programme (as laid down in Regulation (EU) 2017/825 of the European Parliament and the Council <sup>(9)</sup>) and its successor legislations for the design and implementation of reforms, including for the continuation and completion of key reforms in line with the policy commitments monitored under enhanced surveillance.
- (18) The Commission intends to closely collaborate with the European Stability Mechanism, in the context of its Early Warning System, in implementing the enhanced surveillance,

HAS ADOPTED THIS DECISION:

*Article 1*

The period of enhanced surveillance of Greece under Article 2(1) of Regulation (EU) No 472/2013 activated by Implementing Decision (EU) 2018/1192 shall be prolonged for an additional period of six months, commencing on 21 August 2020.

*Article 2*

This Decision is addressed to the Hellenic Republic.

Done at Brussels, 29 July 2020.

*For the Commission*  
Paolo GENTILONI  
*Member of the Commission*

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<sup>(9)</sup> Regulation (EU) 2017/825 of the European Parliament and the Council of 17 May 2017 on the establishment of the Structural Reform Support Programme for the period 2017 to 2020 and amending Regulations (EU) No 1303/2013 and (EU) No 1305/2013 (OJ L 129, 19.5.2017, p. 1).

**DECISION (EU) 2020/1143 OF THE EUROPEAN CENTRAL BANK****of 28 July 2020****amending Decision (EU) 2020/440 on a temporary pandemic emergency purchase programme (ECB/2020/36)**

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

Having regard to the Treaty on the Functioning of the European Union, and in particular the first indent of Article 127(2) thereof,

Having regard to the Statute of the European System of Central Banks and of the European Central Bank, and in particular to the second subparagraph of Article 12.1 in conjunction with the first indent of Article 3.1, and Article 18.1 thereof,

Whereas:

- (1) Taking into account the exceptional economic and financial circumstances associated with the spread of coronavirus disease 2019 (COVID-19), the Governing Council established a new temporary pandemic emergency purchase programme (PEPP) under Decision (EU) 2020/440 of the European Central Bank (ECB/2020/17) <sup>(1)</sup>. The PEPP includes all the asset categories eligible under the European Central Bank's expanded asset purchase programme (APP), which comprises the secondary markets public sector asset purchase programme, the third covered bond purchase programme, the asset-backed securities purchase programme, and the corporate sector purchase programme.
- (2) On 4 June 2020, the Governing Council decided, in line with its mandate to ensure price stability, to revise certain of the PEPP's design features. These revisions are aimed at ensuring the necessary degree of monetary accommodation as well as a smooth transmission of monetary policy over time, across asset classes and among jurisdictions, thereby contributing to offset the exceptionally steep and rapid pandemic-related deterioration of the expected inflation path.
- (3) Specifically, the Governing Council decided to increase the overall separate envelope for the PEPP by EUR 600 billion to a total of EUR 1 350 billion. In response to the pandemic-related downward revision to inflation over the projection horizon, the PEPP expansion will further ease the general monetary policy stance, supporting funding conditions in the real economy, especially for businesses and households. The purchases will continue to be conducted in a flexible manner over time, across asset classes and among jurisdictions. This will make it possible to effectively stave off risks to the smooth transmission of monetary policy.
- (4) In addition, the Governing Council decided to extend the intended horizon of net purchases under the PEPP until at least the end of June 2021, or beyond, if necessary, and in any event until the Governing Council considers that the COVID-19 crisis phase is over. The extension of the minimum purchase horizon aligns the net purchase phase with the expected duration of the most severe COVID-19 related restrictions on normal economic activity and corresponding weak inflation pressures.
- (5) To avoid the risk of an unwarranted tightening of financial conditions at a time when the recovery from the pandemic shock is likely to remain incomplete, the Governing Council decided that the maturing principal payments from securities purchased under the PEPP will be reinvested in full until at least the end of 2022 and, furthermore, that, in any case, the future roll-off of the PEPP portfolio will be managed in such a way as to avoid interference with the appropriate monetary stance.
- (6) Therefore, Decision (EU) 2020/440 (ECB/2020/17) should be amended accordingly,

<sup>(1)</sup> Decision (EU) 2020/440 of the European Central Bank of 24 March 2020 on a temporary pandemic emergency purchase programme (ECB/2020/17) (OJ L 91, 25.3.2020, p. 1).

HAS ADOPTED THIS DECISION:

*Article 1*

**Amendments to Decision (EU) 2020/440 (ECB/2020/17)**

Decision (EU) 2020/440 (ECB/2020/17) is amended as follows:

1. in Article 1, paragraph 1 is replaced by the following:

‘1. The Eurosystem hereby establishes the temporary pandemic emergency purchase programme (“PEPP”) as a separate purchase programme. The overall envelope of the PEPP is EUR 1 350 billion. The maturing principal payments from securities purchased under the PEPP shall be reinvested by purchasing eligible marketable debt securities until at least the end of 2022. In any case, the future roll-off of the PEPP portfolio shall be managed in such a way as to avoid interference with the appropriate monetary stance.’;

2. in Article 5, paragraph 3 is replaced by the following:

‘3. The Governing Council delegates to the Executive Board the power to set the appropriate pace and composition of PEPP monthly purchases within the total overall envelope of EUR 1 350 billion. In particular, the purchase allocation may be adjusted under the PEPP to allow for fluctuations in the distribution of purchase flows, over time, across asset classes and among jurisdictions.’.

*Article 2*

**Final provision**

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

Done at Frankfurt am Main, 28 July 2020.

*The President of the ECB*  
Christine LAGARDE

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# RECOMMENDATIONS

## COUNCIL RECOMMENDATION (EU) 2020/1144

of 30 July 2020

### amending Recommendation (EU) 2020/912 on the temporary restriction on non-essential travel into the EU and the possible lifting of such restriction

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article Article 77 (2) (b) and (e) and Article 292, first and second sentence thereof,

Whereas:

- (1) On 30 June 2020, the Council adopted a Recommendation on the temporary restriction on non-essential travel into the EU and the possible lifting of such restriction <sup>(1)</sup> ('Council Recommendation'). On 16 July 2020, the Council adopted Recommendation (EU) 2020/1052 of 16 July 2020 amending Council Recommendation (EU) 2020/912 on the temporary restriction on non-essential travel into the EU and the possible lifting of such restriction <sup>(2)</sup>.
- (2) The Council Recommendation provides that Member States should gradually lift the temporary restriction on non-essential travel to the EU as from 1 July 2020 in a coordinated manner with regard to the residents of the third countries listed in Annex I to the Council Recommendation. Every two weeks, the list of third countries referred to in Annex I should be reviewed, and as the case may be updated, by the Council, after close consultation with the Commission and the relevant EU agencies and services following an overall assessment based on the methodology, criteria and information referred to in the Council Recommendation.
- (3) Discussions have since then taken place within the Council, in close consultation with the Commission and the relevant EU agencies and services, on the review of the list of third countries set out in Annex I to the Council Recommendation and in application of the criteria and methodology laid down in the Council Recommendation. As a result of these discussions, the list of third countries set out in Annex I should be amended. In particular, Algeria should be deleted from the list.
- (4) Border control is in the interest not only of the Member State at whose external borders it is carried out but of all Member States which have abolished internal border control. Member States should therefore ensure that measures taken at the external borders are coordinated in order to ensure a well functioning Schengen area. To that end, as of 31 July 2020, Member States should continue lifting the temporary restriction on non-essential travel into the EU in a coordinated manner with regard to the residents of the third countries listed in Annex I of the Council Recommendation as amended by this Recommendation.
- (5) In accordance with Articles 1 and 2 of Protocol No 22 on the Position of Denmark annexed to the Treaty on European Union and to the TFEU, Denmark is not taking part in the adoption of this Recommendation and is not bound by it or subject to its application. Given that this Recommendation builds upon the Schengen acquis, Denmark shall, in accordance with Article 4 of the said Protocol, decide within a period of six months after the Council has decided on this Recommendation whether it will implement it.
- (6) This Recommendation constitutes a development of the provisions of the Schengen acquis in which Ireland does not take part, in accordance with Council Decision 2002/192/EC <sup>(3)</sup>; Ireland is therefore not taking part in its adoption and is not bound by it or subject to its application.

<sup>(1)</sup> OJ L 208 I, 1.7.2020, p 1

<sup>(2)</sup> OJ L 230, 17.7.2020, p.26.

<sup>(3)</sup> Council Decision 2002/192/EC of 28 February 2002 concerning Ireland's request to take part in some of the provisions of the Schengen acquis (OJ L 64, 7.3.2002, p. 20).

- (7) As regards Iceland and Norway, this Recommendation constitutes a development of the provisions of the Schengen acquis within the meaning of the Agreement concluded by the Council of the European Union and the Republic of Iceland and the Kingdom of Norway concerning the latter's association with the implementation, application and development of the Schengen acquis which fall within the area referred to in Article 1, point A, of Council Decision 1999/437/EC <sup>(4)</sup>.
- (8) As regards Switzerland, this Recommendation constitutes a development of the provisions of the Schengen acquis within the meaning of the Agreement between the European Union, the European Community and the Swiss Confederation on the Swiss Confederation's association with the implementation, application and development of the Schengen acquis which fall within the area referred to in Article 1, point A, of Decision 1999/437/EC <sup>(5)</sup> read in conjunction with Article 3 of Council Decision 2008/146/EC <sup>(6)</sup>.
- (9) As regards Liechtenstein, this Recommendation constitutes a development of provisions of the Schengen acquis within the meaning of the Protocol between the European Union, the European Community, the Swiss Confederation and the Principality of Liechtenstein on the accession of the Principality of Liechtenstein to the Agreement between the European Union, the European Community and the Swiss Confederation on the Swiss Confederation's association with the implementation, application and development of the Schengen acquis which fall within the area referred to in Article 1 point A, of Decision 1999/437/EC <sup>(7)</sup> read in conjunction with Article 3 of Decision 2011/350/EU <sup>(8)</sup>,

HAS ADOPTED THIS RECOMMENDATION:

Council Recommendation (EU) 2020/912, as amended by Recommendation (EU) 2020/1052, on the temporary restriction on non-essential travel into the EU and the possible lifting of such restriction is amended as follows:

(1) the first paragraph of point 1 of the Council Recommendation is replaced by the following:

- '1. As from 31 July 2020, Member States should gradually lift the temporary restriction on non-essential travel to the EU in a coordinated manner with regard to the residents of the third countries listed in Annex I.;

(2) Annex I to the Recommendation is replaced by the following:

'ANNEX I

Third countries whose residents should not be affected by temporary external borders restriction on non-essential travel into the EU

1. AUSTRALIA
2. CANADA
3. GEORGIA
4. JAPAN
5. MOROCCO
6. NEW ZEALAND
7. RWANDA
8. SOUTH KOREA

<sup>(4)</sup> OJ L 176, 10.7.1999, p. 36.

<sup>(5)</sup> OJ L 53, 27.2.2008, p. 52.

<sup>(6)</sup> Council Decision 2008/146/EC of 28 January 2008 on the conclusion, on behalf of the European Community, of the Agreement between the European Union, the European Community and the Swiss Confederation on the Swiss Confederation's association with the implementation, application and development of the Schengen acquis (OJ L 53, 27.2.2008, p. 1).

<sup>(7)</sup> OJ L 160, 18.6.2011, p. 21.

<sup>(8)</sup> Council Decision 2011/350/EU of 7 March 2011 on the conclusion, on behalf of the European Union, of the Protocol between the European Union, the European Community, the Swiss Confederation and the Principality of Liechtenstein on the accession of the Principality of Liechtenstein to the Agreement between the European Union, the European Community and the Swiss Confederation on the Swiss Confederation's association with the implementation, application and development of the Schengen acquis, relating to the abolition of checks at internal borders and movement of persons (OJ L 160, 18.6.2011, p. 19).

9. THAILAND
10. TUNISIA
11. URUGUAY
12. CHINA \*

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\* subject to confirmation of reciprocity'

Done at Brussels, 30 July 2020.

*For the Council*  
*The President*  
M. ROTH

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