DECISIONS

COUNCIL DECISION (EU) 2021/671

of 20 April 2021

on the position to be taken on behalf of the European Union in the written procedure by the Participants to the Arrangement on Officially Supported Export Credits as regards the adoption of a decision to increase official support for export credits in the form of local costs

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular the first subparagraph of Article 207(4), in conjunction with Article 218(9) thereof,

Having regard to the proposal from the European Commission,

Whereas:

(1) The guidelines contained in the Arrangement on Officially Supported Export Credits (the 'Arrangement') apply in the Union by virtue of Regulation (EU) No 1233/2011 of the European Parliament and of the Council ([1]).

(2) The 145th session of the Meeting of the Participants to the Arrangement, that took place on 17 November 2020, agreed to adopt in a written procedure a decision to amend the Arrangement to increase official support for export credits in the form of local costs.

(3) The envisaged decision to increase official support for local costs should adapt the provisions on local cost support in the Arrangement to prevailing trade and production patterns. Global value chains have changed exporters' sourcing decisions and most exporters now source supply from multiple countries and to an increasing extent from where the buyer is located. In order to offer Union exporters greater flexibility and to allow for optimal sourcing strategies the cap on official support for local costs should be raised from 30 % to 40 % of the export contract value in high-income countries and from 30 % to 50 % of the export contract value in middle- and low-income countries.

(4) It is appropriate to establish the position to be taken on the Union's behalf on the decision to be adopted by the Participants to the Arrangement in the written procedure, as the envisaged decision will be capable of decisively influencing the content of Union law, by virtue of Article 2 of Regulation (EU) No 1233/2011,

HAS ADOPTED THIS DECISION:

Article 1

The position to be taken on the Union's behalf in the written procedure by the Participants to the Arrangement on Officially Supported Export Credits as regards the adoption of a decision to increase official support for export credits in the form of local costs shall be based on the proposal of the Union ([2]).

Article 2

This Decision shall enter into force on the date of its adoption.

([1]) Regulation (EU) No 1233/2011 of the European Parliament and of the Council of 16 November 2011 on the application of certain guidelines in the field of officially supported export credits and repealing Council Decisions 2001/76/EC and 2001/77/EC (OJ L 326, 8.12.2011, p. 45).

([2]) See document ST 7202/21 on http://register.consilium.europa.eu

Done at Brussels, 20 April 2021.

For the Council
The President
A. P. ZACARIAS