DECISIONS

COUNCIL DECISION (EU) 2021/486

of 15 March 2021

on the position to be taken on behalf of the European Union in the written procedure by the Participants to the Sector Understanding on Export Credits for Civil Aircraft contained in Annex III to the Arrangement on Officially Supported Export Credits as regards the Common Line on the temporary deferral of loan principal repayment

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, including the Sector Understanding on Export Credits for Civil Aircraft ('Aircraft Sector Understanding') contained in its Annex III, apply in the Union by virtue of Regulation (EU) No 1233/2011 of the European Parliament and of the Council ([1]).

(2) Pursuant to Article 28 of the Aircraft Sector Understanding, Common Line proposals are to be addressed to the Secretariat of the Organisation for Economic Cooperation and Development.

(3) The COVID-19 pandemic and the resulting economic downturn have severely impacted the civil aviation industry, whose business is threatened by the short-term liquidity problems of aircraft operators and of purchasers of new aircraft and engines. In light of the current and developing economic downturn and in order to reduce the severity of its impact, the Union should propose a Common Line on the temporary deferral of loan principal repayment for purchasers of new aircraft and engines (the 'proposed Common Line').

(4) In accordance with Part 4, Section 3 of the Aircraft Sector Understanding, the Participants to the Aircraft Sector Understanding are to decide by written procedure on the proposed Common Line.

(5) The proposed Common Line would allow purchasers of new aircraft as defined in Article 8 a) 1) of the Aircraft Sector Understanding and purchasers of spare engines and spare parts as defined in Article 20 a), b) and c) thereof to defer repayment of loan principal for 12 months after the delivery of the purchased goods or, if certain conditions are satisfied, for 18 months after the delivery of the purchased goods.

(6) It is appropriate to establish the position to be taken on the Union's behalf regarding the proposed Common Line in the written procedure by the Participants to the Aircraft Sector Understanding, as the proposed Common Line, once it is agreed, will be binding on the Union and capable of decisively influencing the content of Union law, namely Regulation (EU) No 1233/2011,

([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).

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 Sector Understanding on Export Credits for Civil Aircraft contained in Annex III to the Arrangement on Officially Supported Export Credits as regards the Common Line on the temporary deferral of loan principal repayment shall be based on the draft proposed Common Line (*).

Article 2

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

Done at Brussels, 15 March 2021.

For the Council
The President
A. P. ZACARIAS

(*) See document ST 5390/21 on http://register.consilium.europa.eu