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2020/0023 (NLE)

Proposal for a

COUNCIL DECISION

on the signing, on behalf of the European Union and its Member States, and provisional application of a Protocol to the Agreement establishing an Association between the European Union and its Member States, on the one hand, and Central America on the other, to take account of the accession of the Republic of Croatia to the European Union

EXPLANATORY MEMORANDUM

The Agreement establishing an Association between the European Union and its Member States, on the one hand, and Central America on the other (the "Association Agreement") was signed on 29 June 2012 and it has not yet fully entered into force, pending the ratifications of some Member States.

The trade pillar of the Association Agreement has been provisionally applied since 1 August 2013 with Honduras, Nicaragua and Panama, since 1 October 2013 with Costa Rica and El Salvador, and since 1 December 2013 with Guatemala.

Under Article 6(2) of the Act of Accession of the Republic of Croatia, Croatia undertook to accede to the existing agreements concluded or signed by the Member States and the European Union with third countries. Unless otherwise provided for in specific agreements, Croatia accedes to these existing agreements by means of protocols that the Council, acting unanimously on behalf of the Member States, concludes with the third countries concerned.

On 14 September 2012, the Council authorised the Commission to open negotiations with the third countries concerned with a view to concluding the relevant protocols. The negotiations with Central America started in May 2014 and were successfully concluded in June 2018. In particular, in respect of bananas imported from Central America, the Parties agreed to amend the trigger import volumes in the stabilisation clause above which the EU may suspend preferential tariff treatment. The preferential customs duty has remained unchanged. The Commission considers the outcome of the negotiations satisfactory.

The text of the Protocol to the Association Agreement, taking account of the accession of Croatia to the European Union, was finalized by both sides on 27 June 2019 within the framework of the Association Committee meeting. The Commission recommends that the Council adopt the attached Council Decision on the signature and provisional application of the Protocol on behalf of the European Union and its Member States. The proposed Protocol incorporates the Republic of Croatia as a party to the Association Agreement with Central America. The text of the Association Agreement and the Protocol in the Croatian language will become authentic under the same conditions as other language versions of the Agreement.

Another decision is proposed for the conclusion of the Protocol on behalf of the European Union and its Member States.

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 217 in conjunction with Article 218(5) thereof,

Having regard to the Act of Accession of the Republic of Croatia, and in particular the second subparagraph of Article 6(2) thereof,

Having regard to the proposal from the European Commission,

Whereas:

(1) The Agreement establishing an Association between the European Union and its Member States, on the one hand, and Central America, on the other ('the Agreement'), was signed on 29 June 2012 and its Part IV (Trade), with the exception of Article 271, has been applied pursuant to Article 353(4) of the Agreement between the Union and Honduras, Nicaragua and Panama since 1 August 2013, between the Union and Costa Rica and El Salvador since 1 October 2013 and between the Union and Guatemala since 1 December 2013.

(2) On 24 September 2012, the Council authorised the Commission to open negotiations with Central America in order to conclude a Protocol to the Agreement to take account of the accession of Croatia to the European Union ('the Protocol').

(3) The negotiations were successfully completed on 27 June 2019.

(4) The Protocol should be signed on behalf of the Union and its Member States, subject to its conclusion on a later date.

(5) The Protocol should be applied provisionally in accordance with Article 12(3) thereof, pending the completion of the procedures for its entry into force.

HAS ADOPTED THIS DECISION:

Article 1

The signing on behalf of the Union and its Member States of a Protocol to the Association Agreement between the European Union and its Member States, of the one part, and Central America, on the other, to take account of the accession of Croatia to the European Union is hereby approved, subject to the conclusion of the said Protocol.

The text of the Protocol is attached to this Decision.

Article 2

The President of the Council is hereby authorised to designate the person(s) empowered to sign the Protocol on behalf of the Union and its Member States.

Article 3

The Protocol shall be applied on a provisional basis in accordance with Article 12(3) thereof, pending the completion of the procedures for its entry into force.

Article 4

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

Done at Brussels,

For the Council
The President