

EC/Pacific States Interim Partnership Agreement

2008/0250(NLE) - 15/02/2011 - Final act

PURPOSE: to conclude the Interim Partnership Agreement between the European Community, of the one part, and the Pacific States, of the other part.

LEGISLATIVE ACT: Council Decision 2011/144/EU on the conclusion of the Interim Partnership Agreement between the European Community, of the one part, and the Pacific States, of the other part.

BACKGROUND: on 12 June 2002, the Council authorised the Commission to open negotiations to conclude Economic Partnership Agreements with ACP countries. Negotiations for an Interim Partnership Agreement were concluded on 23 November 2007 with Papua New Guinea and the Republic of the Fiji Islands.

The interim EPA has not yet been concluded. It is now appropriate to conclude the interim EPA on behalf of the European Union,

CONTENT: by this Decision, the Interim Partnership Agreement between the European Community, of the one part, and the Pacific States, of the other part, is hereby approved on behalf of the European Union.

The main provisions of the Interim EPA are as follows:

Part I: Trade partnership for sustainable development:

Objectives: these are to:

- enable Pacific States to start benefiting from the improved market access offered by the EC within the framework of the EPA negotiations and, at the same time, avoid trade disruption between Pacific States and the EC in view of the expiry of the trade preferences granted under the Cotonou Agreement on 31 December 2007 and pending the conclusion of a comprehensive EPA between the Pacific States and the EC and its Member States;
- promote sustainable development and the gradual integration of Pacific States into the world economy, in conformity with their political choices and development priorities;
- establish a **free trade area** between the Parties based on the common interest, and fulfil this objective by the progressive liberalisation of trade in a manner compliant with applicable WTO rules and the **principle of asymmetry**, commensurate to the specific needs and capacity constraints of the Pacific States, in terms of levels and timing for commitments under the Agreement;
- set up the appropriate dispute settlement arrangements;
- set up the appropriate institutional arrangements.

Principles: the Agreement is based on the Fundamental Principles as well as the Essential and Fundamental Elements set out in Articles 2 and 9 of the Cotonou Agreement. It will build on the provisions of the Cotonou Agreement and the previous ACP-EC Partnership Agreements in the area of regional cooperation and integration as well as economic and trade cooperation. The EC and Pacific States agree that the Cotonou Agreement and this Agreement shall be implemented in a complementary and mutually reinforcing manner.

Sustainable development: the Agreement reaffirms that the objective of sustainable development will be an integral part of the provisions of this Agreement, consistent with the overarching objectives and principles set out in the Cotonou Agreement, and especially the general commitment to reduce and

eventually eradicate poverty in a way that is consistent with the objectives of sustainable development. In this Agreement sustainable development is understood to mean a commitment that:

- the application of the Agreement shall fully take into account the human, cultural, economic, social, health and environmental best interests of their respective populations and of future generations;
- decision-taking methods embrace the fundamental principles of ownership, participation and dialogue;
- as a result the Parties agree to work cooperatively towards the realisation of a sustainable development centred on the human person, who is the main beneficiary of development.

Cooperation in international fora: the EC and Pacific States will try to cooperate in all international fora where issues relevant to the Agreement are discussed. They recognise the valuable contribution that regional organisations can make to the achievement of the objectives of the Agreement and agree to work closely with existing Pacific regional organisations and programmes wherever useful and possible.

Part II: Trade in Goods: the Agreement includes an important trade section which provides for:

- the elimination of custom duties on all products originating in a Pacific state, with the exception of certain sensitive products;
- administrative cooperation in customs matters;
- safeguards to allow each party to defend themselves against serious injury or disturbances;
- bilateral and multilateral measures to be applied temporarily in case of market disruption;
- non-tariff measures (eg prohibition of quantitative restrictions on certain products, ...);
- trade facilitation and trade among the parties;
- specific trade of certain goods by eliminating barriers to trade (a list of priority products for trade with the Pacific States is thus provided in the Annex to the agreement).

Part III – Dispute Avoidance and Settlement: the objective of this Part is to avoid and settle any dispute between the EC and the Pacific States with a view to arriving at a mutually agreed solution.

Part IV: Institutional Provisions: the Agreement deals with the establishment of the Trade Committee, which will deal with all matters necessary for the implementation of the Agreement.

Part V: Final provisions: the Parties confirm their commitment to the continuation and successful conclusion of a comprehensive EPA.

This Agreement shall remain open for accession of all Pacific Island States party to the Cotonou Agreement.

ENTRY INTO FORCE: the Decision shall enter into force on 15/02/2011. The date of entry into force of the Agreement shall be published in the Official Journal of the European Union.