



Basic information	
<b>2016/0349(NLE)</b> NLE - Non-legislative enactments  EU accession to the International Cotton Advisory Committee (ICAC)  <b>Subject</b>  3.10.06.05 Textile plants, cotton 6.20.05 Multilateral and plurilateral economic and trade agreements and relations	Procedure completed

Key players				
European Parliament	<b>Committee responsible</b>		<b>Rapporteur</b>	<b>Appointed</b>
	<b>INTA</b> International Trade		RUAS Fernando (PPE)	23/01/2017
			Shadow rapporteur JONGERIUS Agnes (S&D) TREMOSA I BALCELLS Ramon (ALDE) HAUTALA Heidi (Verts/ALE)	
	<b>Committee for opinion</b>		<b>Rapporteur for opinion</b>	<b>Appointed</b>
	<b>DEVE</b> Development		The committee decided not to give an opinion.	
	<b>AGRI</b> Agriculture and Rural Development		The committee decided not to give an opinion.	
Council of the European Union	<b>Council configuration</b>		<b>Meetings</b>	<b>Date</b>
	Justice and Home Affairs (JHA)		3539	2017-05-18

Key events			
Date	Event	Reference	Summary
15/11/2016	Preparatory document	COM(2016)0712 	Summary
16/12/2016	Legislative proposal published	15540/2016	Summary
13/02/2017	Committee referral announced in Parliament		
04/05/2017	Vote in committee		
08/05/2017	Committee report tabled for plenary, 1st reading/single reading	A8-0187/2017	Summary

16/05/2017	Decision by Parliament	T8-0204/2017	Summary
16/05/2017	Results of vote in Parliament		
18/05/2017	Act adopted by Council after consultation of Parliament		
18/05/2017	End of procedure in Parliament		
23/05/2017	Final act published in Official Journal		

Technical information	
<b>Procedure reference</b>	2016/0349(NLE)
<b>Procedure type</b>	NLE - Non-legislative enactments
<b>Nature of procedure</b>	Consent by Parliament
<b>Legal basis</b>	Treaty on the Functioning of the EU TFEU 218-p6 Treaty on the Functioning of the EU TFEU 207-p4 Treaty on the Functioning of the EU TFEU 207-p3
<b>Other legal basis</b>	Rules of Procedure EP 165
<b>Stage reached in procedure</b>	Procedure completed
<b>Committee dossier</b>	INTA/8/08547

Documentation gateway				
<b>European Parliament</b>				
Document type	Committee	Reference	Date	Summary
Committee draft report		<a href="#">PE600.897</a>	02/03/2017	
Committee report tabled for plenary, 1st reading/single reading		<a href="#">A8-0187/2017</a>	08/05/2017	<a href="#">Summary</a>
Text adopted by Parliament, 1st reading/single reading		<a href="#">T8-0204/2017</a>	16/05/2017	<a href="#">Summary</a>
<b>Council of the EU</b>				
Document type	Reference	Date	Summary	
Legislative proposal	<a href="#">15540/2016</a>	16/12/2016	<a href="#">Summary</a>	
<b>European Commission</b>				
Document type	Reference	Date	Summary	
Preparatory document	<a href="#">COM(2016)0712</a> 	15/11/2016	<a href="#">Summary</a>	

Final act	
Decision 2017/0876 OJ L 134 23.05.2017, p. 0023	<a href="#">Summary</a>

# EU accession to the International Cotton Advisory Committee (ICAC)

2016/0349(NLE) - 08/05/2017 - Committee report tabled for plenary, 1st reading/single reading

The Committee on International Trade adopted the report by Fernando RUAS (EPP, PT) on the draft Council decision on the accession of the European Union to the International Cotton Advisory Committee (ICAC).

The committee recommended the European Parliament to **give its consent** to the conclusion of the Agreement.

As a reminder, the International Cotton Advisory Committee (ICAC) assists governments in promoting a sound and better informed world cotton economy by improving transparency in world cotton market, raising awareness for new challenges or problems, fostering international cooperation, gathering statistical data, providing technical information and forecasts.

Convinced that it is in the best interests of the EU as a whole to accede to the ICAC, the committee urged the European Parliament to support EU accession to this international body in order to give the EU an active role in within the ICAC.

Members recalled that in Parliament's [resolution of 14 March 2013](#) on sustainability in the global cotton value chain, Parliament underlined the need work together through the ICAC in order drastically to minimise environmental degradation, including water footprints and the use of pesticides and insecticides.

Members also called on the Commission to improve transparency measures, in particular with a view to reacting to excessive price volatility and ensuring that the voices of European cotton growers, ginners, traders and researchers are heard.

They, therefore, called on Parliament to accede to the ICAC.

# EU accession to the International Cotton Advisory Committee (ICAC)

2016/0349(NLE) - 16/12/2016 - Legislative proposal

PURPOSE: to allow the EU to accede to the International Cotton Advisory Committee (ICAC).

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: the European Union is a member of a number of international commodity bodies, but it is not a member of the International Cotton Advisory Committee (ICAC).

On 27 April 2004, 27 May 2008 and 10 May 2010 the Council, in its Conclusions on the EU Action Plan on agricultural commodity chains, dependency and poverty, on the EU-Africa Partnership in support of cotton-sector development and on enhancing Union action in the area of commodities, respectively, **invited the Commission to consider Union membership of the ICAC**.

On 16 September 2013, the Council authorised the Commission to negotiate, on behalf of the Union, the accession of the Union to the ICAC, stating that membership of the ICAC is in the interest of the Union, owing to the significance of cotton to the Union's agricultural and industrial economy and trade businesses. Cotton is also an important area for European development cooperation, the Union remaining one of the main donors to the African cotton sector.

Therefore, the EU should therefore accede to the ICAC and this is the aim of this proposal.

CONTENT: with this proposed Decision, the Council is called on to allow the EU to accede to the International Cotton Advisory Committee on behalf of the Union.

The Union will pay a contribution in accordance with the ICAC Rules and Regulations.

*For further details, please refer to the summary of the Commission's initial legislative proposal from 15.11.2016.*

# EU accession to the International Cotton Advisory Committee (ICAC)

2016/0349(NLE) - 15/11/2016 - Preparatory document

PURPOSE: to allow the EU to accede to the International Cotton Advisory Committee (ICAC).

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: the Council may only adopt the act if Parliament has approved it.

BACKGROUND: the International Cotton Advisory Committee (ICAC) is the International Commodity Body (ICB) for cotton. Its mission is to assist governments in fostering a healthy world cotton economy. ICAC acts as a statistical observer and brings together producing, consuming, and trading countries and all segments of the cotton industry. It has an overall facilitating role. To date, the ICAC is one of the few ICBs<sup>1</sup> where the European Union is not a member, whereas nine Member States have been members of the ICAC in their own right (Belgium, Germany, Greece, Finland, France, Italy, Netherlands, Poland and Spain).

Membership of ICAC is in the interest of the Union, owing to the significance of cotton to the Union's economy.

On various occasions (namely in its conclusions of 2004, 2008 and 2010), the Council of the European Union has requested the European Commission to consider EU membership of ICAC. It authorised the Commission in 2013 to negotiate, on behalf of the European Union and on the basis of negotiating directives, the accession of the Union to ICAC.

CONTENT: with this draft decision, the Council is called upon to permit the EU to accede to the International Cotton Advisory Committee, on behalf of the Union. The Union will pay a contribution in line with the ICAC Rules and Regulations.

BUDGETARY IMPLICATIONS: ICAC membership is based on the payment of an annual contribution. It is calculated on an annual basis as a function of the number of ICAC's members (fixed part) and the volume of raw cotton traded by each member (variable part). A first contribution of maximum EUR 400 000 would be required, which will give the EU an appropriate influence in ICAC affairs and allow broad EU involvement in ICAC's activities.

## EU accession to the International Cotton Advisory Committee (ICAC)

2016/0349(NLE) - 15/11/2016 - Preparatory document

PURPOSE: to allow the EU to accede to the International Cotton Advisory Committee (ICAC).

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: the Council may only adopt the act if Parliament has approved it.

BACKGROUND: the International Cotton Advisory Committee (ICAC) is the International Commodity Body (ICB) for cotton. Its mission is to assist governments in fostering a healthy world cotton economy. ICAC acts as a statistical observer and brings together producing, consuming, and trading countries and all segments of the cotton industry. It has an overall facilitating role. To date, the ICAC is one of the few ICBs<sup>1</sup> where the European Union is not a member, whereas nine Member States have been members of the ICAC in their own right (Belgium, Germany, Greece, Finland, France, Italy, Netherlands, Poland and Spain).

Membership of ICAC is in the interest of the Union, owing to the significance of cotton to the Union's economy.

On various occasions (namely in its conclusions of 2004, 2008 and 2010), the Council of the European Union has requested the European Commission to consider EU membership of ICAC. It authorised the Commission in 2013 to negotiate, on behalf of the European Union and on the basis of negotiating directives, the accession of the Union to ICAC.

CONTENT: with this draft decision, the Council is called upon to permit the EU to accede to the International Cotton Advisory Committee, on behalf of the Union. The Union will pay a contribution in line with the ICAC Rules and Regulations.

BUDGETARY IMPLICATIONS: ICAC membership is based on the payment of an annual contribution. It is calculated on an annual basis as a function of the number of ICAC's members (fixed part) and the volume of raw cotton traded by each member (variable part). A first contribution of maximum EUR 400 000 would be required, which will give the EU an appropriate influence in ICAC affairs and allow broad EU involvement in ICAC's activities.

## EU accession to the International Cotton Advisory Committee (ICAC)

2016/0349(NLE) - 18/05/2017 - Final act

PURPOSE: to enable the European Union to accede to the International Cotton Advisory Committee (ICAC).

NON-LEGISLATIVE ACT: Council Decision (EU) 2017/876 concerning the accession of the European Union to the International Cotton Advisory Committee (ICAC).

BACKGROUND: The European Union is not a member of the ICAC, although it is already a member of several international commodity bodies.

In its conclusions of 27 April 2004, 27 May 2008 and 10 May 2010 on the EU Action Plan on agricultural commodity chains, dependence and poverty, on the EU-Africa Partnership in support of cotton sector development and on strengthening EU action in the area of commodities, the **Council invited the Commission to consider EU accession to the ICAC.**

On 16 September 2013 the Council authorised the Commission to negotiate on behalf of the Union its accession to the ICAC in accordance with Sections 1 and 2 of Article II of the ICCS Staff Regulations stating that it is in the interest of the Union to join the ICAC **in view of the importance of cotton for the EU's agricultural and industrial economy and trade businesses.**

The Union should therefore accede to the ICAC.

CONTENT: With this Decision, the European Union accedes to the International Cotton Advisory Committee on behalf of the Union.

The statutory regulations of the ICAC are attached to the decision.

As a reminder, the EU produces cotton and has moved from being a net importer to being a net exporter from 2009.

In addition, the Union's textile and clothing industry uses large quantities of cotton fabric. Cotton is also an important sector within the framework of European development cooperation, as the Union remains one of the main donors to the African cotton sector.

**EU financial contribution:** the Union will have to pay a quota in accordance with Article 2 (2) (a) (2) (c) of the Rules of Procedure of the ICAC.

The Union cannot be held liable for any current or future arrears in payment of members of the ICAC, whatever they may be.

ENTRY INTO FORCE: the decision enters into force on 24 May 2017.

## EU accession to the International Cotton Advisory Committee (ICAC)

2016/0349(NLE) - 16/05/2017 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 617 votes to 57, with 5 abstentions, a legislative resolution on the draft Council decision on the accession of the European Union to the International Cotton Advisory Committee (ICAC).

The European Parliament **gave its consent** to the conclusion of the Agreement.

As a reminder, the ICAC assists governments in promoting a sound and better informed world cotton economy by improving transparency in world cotton market, raising awareness for new challenges or problems, fostering international cooperation, gathering statistical data, providing technical information and forecasts.

Convinced that it is in the best interests of the EU as a whole to accede to the ICAC, Parliament gave its support EU accession to this International Body in order to give the Union an active role within the ICAC.

Parliament highlighted the issue of sustainability in the global cotton value chain in its [resolution of 14 March 2013](#) and called on the Commission for enhanced market transparency measures to react to any possible cotton export restrictions or other actions leading to excessive price volatility and to ensure that the voices of European cotton growers, ginners, traders and researchers are heard.