

# Procedure file

Basic information	
NLE - Non-legislative enactments Decision	2007/0055(NLE) Awaiting final decision
Conclusion of the relevant agreements under Article XXI GATS on the necessary compensatory adjustments resulting from 1995 and 2004 enlargements	
Subject 6.20.01 Agreements and relations in the context of the World Trade Organization (WTO)	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 International Trade		
Council of the European Union European Commission	Commission DG <a href="#">Trade</a>	Commissioner DE GUCHT Karel	

Key events			
12/07/2007	Legislative proposal published	<a href="#">11507/2007</a>	Summary
03/09/2007	Committee referral announced in Parliament		
12/09/2007	Vote in committee		Summary
20/09/2007	Committee report tabled for plenary, 1st reading/single reading	<a href="#">A6-0340/2007</a>	
11/10/2007	Results of vote in Parliament		
11/10/2007	Decision by Parliament	<a href="#">T6-0424/2007</a>	Summary
02/12/2009	Additional information		Summary

Technical information	
Procedure reference	2007/0055(NLE)
Procedure type	NLE - Non-legislative enactments
Procedure subtype	Consent by Parliament
Legislative instrument	Decision
Legal basis	Treaty on the Functioning of the EU TFEU 207-p4; Treaty on the Functioning of the EU TFEU 218-p6a

Stage reached in procedure	Awaiting final decision
Committee dossier	INTA/6/52292

Documentation gateway					
Document attached to the procedure		COM(2007)0154	27/03/2007	EC	Summary
Legislative proposal		<a href="#">11507/2007</a>	13/07/2007	CSL	Summary
Committee draft report		<a href="#">PE394.024</a>	14/09/2007	EP	
Committee report tabled for plenary, 1st reading/single reading		<a href="#">A6-0340/2007</a>	20/09/2007	EP	
Text adopted by Parliament, 1st reading/single reading		<a href="#">T6-0424/2007</a>	11/10/2007	EP	Summary

Additional information	
National parliaments	<a href="#">IPEX</a>
European Commission	<a href="#">EUR-Lex</a>

## Conclusion of the relevant agreements under Article XXI GATS on the necessary compensatory adjustments resulting from 1995 and 2004 enlargements

**PURPOSE:** to conclude the relevant agreements under Article XXI GATS (General Agreement on Trade in Services) with Argentina, Australia, Brazil, Canada, China, the Separate customs territory of Taiwan, Penghu, Kinmen and Matsu (Chinese Taipei), Columbia, Cuba, Ecuador, Hong Kong China, India, Japan, Korea, New Zealand, the Philippines, Switzerland, and the United States, on the necessary compensatory adjustments resulting from the accession of the Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Austria, the Republic of Poland, the Republic of Slovenia, the Slovak Republic, the Republic of Finland, the Kingdom of Sweden to the European Union.

**PROPOSED ACT:** Council Decision.

**CONTENT:** pursuant to Article XX of the General Agreement on Trade in Services (GATS), members of the WTO shall set out in a schedule the specific commitments they undertake under Part III of the GATS.

The current schedule European Community and its Member States only covers the specific commitments related to the twelve Member States of 1994. The individual schedules of specific commitments of the Member States that have joined the European Community in 1995 and in 2004 were adopted prior to their accession.

In order to ensure that the new Member States are covered by limitations included in the list of specific commitments of the European Community and to ensure consistency with the *acquis communautaire*, it was necessary to modify or withdraw certain specific commitments included in the list of specific commitments of the European Community and in the lists of specific commitments of the new Member States.

The Commission conducted negotiations with the affected WTO Members. As a result of those negotiations, agreement was reached on compensatory adjustments related to the modifications and withdrawals notified on 28 May 2004. Following the conclusion of the negotiations, the Commission was authorised to sign the respective agreements with each of the affected WTO Members concerned. Such agreements cover both the modifications and withdrawals notified by the European Community, together with the compensatory adjustments related to such modifications and withdrawals. With a view to launch the certification procedure provided for by the applicable WTO rules, the Commission transmitted the draft consolidated schedule to the WTO Secretariat. The certification was concluded on 15 December 2006.

The agreements contain modifications which concern trade in services in the field of transport and certain sectors which are mentioned in art. 133 (6) of the Treaty establishing the European Community. They constitute a satisfactory and balanced outcome of the negotiations. The Agreements should be approved on behalf of the European Community and its Member States.

## Conclusion of the relevant agreements under Article XXI GATS on the necessary compensatory adjustments resulting from 1995 and 2004 enlargements

On 27 March 2007, the Commission submitted a proposal, based on Article 133 (1) and (5), in conjunction with Article 300 (2) of the EC Treaty, to the Council aiming to conclude negotiations with the ?affected? WTO members by consolidating the General Agreement on Trade in Services (GATS) current EC schedule (please refer to the summary of the initial proposal).

The current European Community schedule only covers the specific commitments related to the twelve

Member States of 1994. The individual schedules of specific commitments of the Member States that have joined the European Community in 1995 and in 2004 (new Member States) were adopted prior to their accession. This proposal aims in particular to conclude the relevant

agreements under Article XXI GATS with the ?affected? WTO members on the necessary compensatory adjustments resulting from the accession of the new Member States.

This proposal was examined by the Ad hoc Article 133 Committee (Services). Following the examination, during which the Legal Services of the Council and the Commission provided their written contributions, all delegations agreed in a silence procedure, which expired on 2 July 2007, to make certain modifications to the proposal. They agreed, in particular, to extend the legal basis of the Decision to Articles 71, 80(2), 133(6) as well as 300(3) of the EC Treaty.

As a consequence, it will be necessary to consult the European Parliament. Furthermore, the Decision should be adopted both by the Council and the Representatives of the Governments of Member States meeting within the Council.

It should be noted that the Commission is against the extension of the legal basis.

The Permanent Representatives Committee is invited: i) to confirm the agreement on the modified proposal, as set out in Annex; ii) to decide to consult the European Parliament on the modified proposal, and iii) to invite delegations to initiate their national procedures for approving the agreements covered by the proposal.

## Conclusion of the relevant agreements under Article XXI GATS on the necessary compensatory adjustments resulting from 1995 and 2004 enlargements

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The Committee on International Trade adopted the report by Helmuth MARKOV (GUE/NGL, DE) approving, under the consultation procedure, the proposal for a Council decision on the conclusion of the relevant agreements under Article XXI GATS with Argentina, Australia, Brazil, Canada, China, the Separate customs territory of Taiwan, Penghu, Kinmen and Matsu (Chinese Taipei), Columbia, Cuba, Ecuador, Hong Kong China, India, Japan, Korea, New Zealand, the Philippines, Switzerland, and the United States, on the necessary compensatory adjustments resulting from the European Union enlargements of 1995 and 2004 (Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Austria, Poland, Slovenia, Slovakia, Finland and Sweden).

## Conclusion of the relevant agreements under Article XXI GATS on the necessary compensatory adjustments resulting from 1995 and 2004 enlargements

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The European Parliament adopted a resolution drawn up by Helmuth MARKOV (GUE/NGL, DE) and approved the proposal for a Council decision on the conclusion of the relevant agreements under Article XXI GATS with Argentina, Australia, Brazil, Canada, China, the Separate customs territory of Taiwan, Penghu, Kinmen and Matsu (Chinese Taipei), Columbia, Cuba, Ecuador, Hong Kong China, India, Japan, Korea, New Zealand, the Philippines, Switzerland, and the United States, on the necessary compensatory adjustments resulting from the European Union enlargements of 1995 and 2004 (Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Austria, Poland, Slovenia, Slovakia, Finland and Sweden)..

## Conclusion of the relevant agreements under Article XXI GATS on the necessary compensatory adjustments resulting from 1995 and 2004 enlargements

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The Lisbon Treaty, which entered into force on 1 December 2009, amended the EU's two core treaties, the Treaty on European Union (TEU) and the Treaty establishing the European Community (EC Treaty). The latter was renamed the Treaty on the Functioning of the European Union (TFEU).

These changes had various consequences for many ongoing procedures. First of all, the articles of the TEU and of the old EC Treaty that constitute the legal basis of all the proposals founded on those Treaties were renumbered in accordance with the table of equivalences mentioned in Article 5 of the Lisbon Treaty.

In addition, some proposals underwent a change to their legal basis going beyond a mere change to their numbering, and this resulted in changes to the type of procedure.

The Lisbon Treaty also introduced new concepts of decision-making procedure. The old "codecision procedure" was extended to new areas and renamed the "ordinary legislative procedure". A new "consent procedure" replaced the old "assent procedure". New interinstitutional procedures were also set up for the adoption of certain non-legislative acts, for example the conclusion of some international agreements.

The ongoing proposals concerned by these changes were formally modified by the Commission in a Communication published on 2 December 2009 ([COM\(2009\)0665](#)).

In the case of the proposal for a Council Decision on the conclusion of the relevant agreements under Article XXI GATS with Argentina, Australia, Brazil, Canada, China, the Separate customs territory of Taiwan, Penghu, Kinmen and Matsu (Chinese Taipei), Columbia, Cuba, Ecuador, Hong Kong China, India, Japan, Korea, New Zealand, the Philippines, Switzerland, and the United States, on the necessary compensatory adjustments resulting from the accession of the Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Austria, the Republic of Poland, the Republic of Slovenia, the Slovak Republic, the Republic of Finland, the Kingdom of Sweden to the European Union, the entry into force of the Lisbon Treaty had the following impacts:

- the old legal basis ? EC Treaty Art.133(1) and (5) and Art. 300(2) ? became Art 207(4) first para, Art 218 (6)(a) of the TFEU. Please note that the numbering of the old legal basis corresponds to the consolidated version of the Treaty that was applicable immediately before the entry into force of the Lisbon Treaty, and may differ from the references in the original Commission proposal;
- the proposal, which had previously fallen under the old consultation procedure (CNS), was classified as an interinstitutional non-legislative procedure (NLE).

