EC/Uzbekistan Partnership and Cooperation Agreement: bilateral trade in textiles. Protocol

2010/0323(NLE) - 15/11/2010 - Preparatory document

PURPOSE: to conclude a Protocol to the Partnership and Cooperation Agreement between the European Communities and their Member States, of the one part, and the Republic of Uzbekistan, of the other part, extending the provisions of the Partnership and Cooperation Agreement to bilateral trade in textiles.

PROPOSED ACT: Council Decision.

IMPACT ASSESSMENT: no impact assessment was carried out.

LEGAL BASIS: Article 207, in conjunction with Article 218(6)(a)(v) of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: the Partnership and Cooperation Agreement (PCA) between the European Communities and their Member States, of the one part, and the Republic of Uzbekistan, of the other part, entered into force on 1 July 1999.

This agreement contains a provision according to which its trade provisions ? namely, most favoured nation (MFN) trade conditions and abolition of quantitative restrictions ? do not apply to trade in textile products, which was regulated by a separate bilateral agreement. This bilateral agreement, in force since 1 January 2000, lapsed on 31 December 2004. While in practice trade in textiles between the EU and Uzbekistan continued to proceed smoothly since 1 January 2005, legal certainty needs to be ensured.

On 9 June 2010, the Council authorised the Commission to enter into negotiations with the Republic of Uzbekistan to amend the PCA, so as to ensure that the principles which apply to trade in other goods are also extended formally to trade in textile products. These negotiations have been successfully concluded and the Protocol amending the PCA by abrogating Article 16 and all references thereto, was initialled on 1 July 2010.

In addition, some updates of a technical nature have been introduced. This has taken the form of the deletion of Article 8(3) and Annex I, stemming from the time of the dissolution of the

USSR, and which had expired in 1998.

The Council is invited to adopt the attached proposed Decision on the conclusion of a Protocol to the PCA, which shall form an integral part of the PCA.

A separate proposal on the signature of the Protocol is also being submitted.

BUDGETARY IMPLICATION: this proposal has no implication for the EU budget.