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PROPOSAL

From:	Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director
date of receipt:	16 September 2014
To:	Mr Uwe CORSEPIUS, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2014) 576 final
Subject:	Proposal for a COUNCIL DECISION on the signing and provisional application of the Economic Partnership Agreement (EPA) between the West African States, ECOWAS and the UEMOA, of the one part, and the European Union and its Member States, of the other part

Delegations will find attached document COM(2014) 576 final.

Encl.: COM(2014) 576 final



EUROPEAN
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Brussels, 15.9.2014
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2014/0265 (NLE)

Proposal for a

COUNCIL DECISION

on the signing and provisional application of the Economic Partnership Agreement (EPA) between the West African States, ECOWAS and the UEMOA, of the one part, and the European Union and its Member States, of the other part

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

The attached proposal for a Council Decision constitutes the legal instrument for the signing and provisional application of the Economic Partnership Agreement (EPA) between the West African States¹, the Economic Community of West African States (ECOWAS) and the West African Economic and Monetary Union (UEMOA), of the one part, and the European Union and its Member States, of the other part.

The EPA with the whole West African region was negotiated in line with the objectives laid down in the EU-ACP Partnership Agreement signed in Cotonou on 23 June 2000 and revised in Luxembourg on 25 June 2005 and in Ouagadougou on 22 June 2010 (Cotonou Agreement), and in the negotiating directives concerning EPAs with the ACP States adopted by the Council on 12 June 2002.

The negotiations were completed at the level of the Chief Negotiators on 6 February 2014 in Brussels. The Agreement was initialled on 30 June 2014 in Ouagadougou, Burkina Faso.

As soon as the Agreement enters into force, it will replace the two existing interim EPAs in the region, namely the Stepping Stone Agreement with Côte d'Ivoire, which was initialled on 7 December 2007, signed on 26 November 2008 and approved by the European Parliament on 25 March 2009, and the Stepping Stone Agreement with Ghana, which was initialled on 13 December 2007.

Cape Verde currently benefits from the special incentive arrangement for sustainable development and good governance in the scheme of generalised tariff preferences (GSP+), and Nigeria currently benefits from the scheme of generalised tariff preferences (GSP). The Agreement will take over from these schemes as soon as it enters into force. The other countries of the region currently benefit from the 'Everything But Arms' initiative, since they are classified among the Least Developed Countries (LDCs).

The entry into force of the Agreement will ensure a harmonised trade regime between the European Union and the West African region, thereby supporting regional integration and the implementation of the ECOWAS Common External Tariff.

2. NATURE AND SCOPE OF THE AGREEMENT

The EPA contains provisions on trade in goods, customs and trade facilitation, technical barriers to trade, sanitary and phytosanitary measures, and agriculture and fisheries.

The provisions concerning cooperation for the implementation of the development dimension lay down the priority areas of action for the implementation of the EPA, which are set out in an EPA Development Programme (PAPED), the financing arrangements for which are specified in the Agreement. The Council declarations of 10 May 2010 and 17 March 2014 confirm the commitment of the European Union and its Member States to provide financial support for the development of West Africa.

¹ Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mauritania, Mali, Niger, Nigeria, Senegal, Sierra Leone and Togo.

The Agreement contains commitments relating to regional integration, with the West African States undertaking to apply to each other the preferential treatment granted to the European Union under this Agreement.

The Agreement also provides for negotiations to be continued at regional level on investment, services, intellectual property and innovation, current payments and capital movements, protection of personal data, competition, consumer protection, sustainable development and public procurement.

The institutional provisions include the establishment of a Joint Council of the West Africa-European Union EPA, which is to be responsible for supervising the implementation of the EPA. This Council will comprise members of the Ministerial Monitoring Committee of the West Africa-European Union EPA and members of the Council of the European Union and of the Commission. It will be assisted by a Joint Implementation Committee of the EPA. A West Africa-European Union parliamentary committee will act as a forum for members of the European Parliament and of the regional parliaments of ECOWAS and the UEMOA. A Joint West Africa-European Union Consultative Committee will also assist the Joint Council of the EPA with a view to promoting dialogue and cooperation between representatives of civil society and the private sector. The EPA makes provision for its impact to be monitored comprehensively and to be examined every five years.

3. PROCEDURES

Pending its entry into force, the EPA makes provision for a provisional application mechanism. This provisional application is necessary so that the countries that are parties to the Agreement but are not LDCs can enjoy free access to the European market, and the LDCs can use more favourable rules of origin, as soon as possible.

The Commission has judged the results of the negotiations to be satisfactory and in accordance with the negotiating directives from the Council and requests the Council:

- to authorise the signing, on behalf of the European Union, of the regional EPA with West Africa;
- to approve the provisional application of the EPA pending its entry into force.

Proposal for a

COUNCIL DECISION

on the signing and provisional application of the Economic Partnership Agreement (EPA) between the West African States, ECOWAS and the UEMOA, of the one part, and the European Union and its Member States, of the other part

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 207(3) and (4) and 208, in conjunction with Article 218(5), thereof,

Having regard to the proposal from the European Commission²,

Whereas:

- (1) On 12 June 2002 the Council authorised the Commission to open negotiations for Economic Partnership Agreements with the ACP countries.
- (2) The negotiations have been concluded and the Economic Partnership Agreement between the West African States (the Republic of Benin, Burkina Faso, the Republic of Cape Verde, the Republic of Côte d'Ivoire, the Republic of Gambia, the Republic of Ghana, the Republic of Guinea, the Republic of Guinea-Bissau, the Republic of Liberia, the Islamic Republic of Mauritania, the Republic of Mali, the Republic of Niger, the Federal Republic of Nigeria, the Republic of Senegal, the Republic of Sierra Leone and the Togolese Republic), the Economic Community of West African States (ECOWAS) and the West African Economic and Monetary Union (UEMOA), of the one part, and the European Union and its Member States, of the other part, (hereinafter referred to as the 'EPA') was initialled on 30 June 2014.
- (3) Economic Partnership Agreements with ACP countries are necessary in order to implement the European Union's trade and development cooperation policy with the ACP countries.
- (4) Article 107(3) of the EPA provides for its provisional application pending its entry into force.
- (5) The EPA should be signed on behalf of the European Union and applied on a provisional basis subject to its conclusion at a later date.

² OJ C [...], [...], p. [...].

HAS ADOPTED THIS DECISION:

Article 1

The signing of the Economic Partnership Agreement between the West African States, ECOWAS and the UEMOA, of the one part, and the European Union and its Member States, of the other part, is hereby approved on behalf of the European Union, subject to the decision of the Council on the conclusion of the said Agreement.

The text of the Agreement is attached to this Decision.

Article 2

The Council Secretariat-General shall establish the instrument of full powers to sign the Agreement on behalf of the European Union, subject to its conclusion, for the person(s) indicated by the negotiator.

Article 3

As regards those elements falling within the competence of the Union, the Agreement shall be applied on a provisional basis as provided for in Article 107(3) thereof, pending completion of the procedures for conclusion. The Commission shall publish a notice providing information on the date of provisional application.

Article 4

This Decision shall enter into force on the date of its adoption.

Done at Brussels,

*For the Council
The President*

**LEGISLATIVE FINANCIAL STATEMENT FOR PROPOSALS HAVING A
BUDGETARY IMPACT EXCLUSIVELY LIMITED TO THE REVENUE SIDE**

1. NAME OF THE PROPOSAL:

COUNCIL DECISION on the signing and provisional application of the Economic Partnership Agreement between the West African States, ECOWAS and the UEMOA, of the one part, and the European Union and its Member States, of the other part.

2. BUDGET LINES

Chapter and Article: Chapter 12, Article 120

Amount budgeted for the year 2014: €16 185 600 000

3. FINANCIAL IMPACT

- ☐ Proposal has no financial implications
- ☒ Proposal has no financial impact on expenditure but has a financial impact on revenue – the effect is as follows:

(€million to one decimal place)

Budget line	Revenue ³	12 month period, starting dd/mm/yyyy	[Year n]
Article 120	<i>Impact on own resources</i>		4.3

Situation following action					
	[n + 1]	[n + 2]	[n + 3]	[n + 4]	[n + 5]
Article 120	4.3	4.3	4.3	4.3	4.3

³ Regarding traditional own resources (agricultural duties, sugar levies, customs duties) the amounts indicated must be net amounts, i.e. gross amounts after deduction of 25 % of collection costs.

4. ANTI-FRAUD MEASURES

In order to protect the European Union's Own Resources, the Agreement contains provisions aimed at ensuring the correct application by the partner country of the conditions laid down for application of the trade concessions under §3 "Financial Impact", in particular in the Protocol on Rules of Origin (Annex A to the Agreement) and the Protocol on Mutual Administrative Assistance in Customs Matters (Annex E to the Agreement). These provisions complement the customs legislation of the European Union applicable to all imported goods (in particular the European Union's Customs Code and Implementing Provisions) and that on Member States' responsibilities with respect to the control of Own Resources (in particular Council Regulation No 1150/2000).

5. OTHER REMARKS

This estimate is based on the volume of imports in 2012. Accordingly, with the exception of a very limited number of products imported from countries which are not Least Developed Countries and which have not signed interim economic partnership agreements, almost all imports from West Africa already enter the European Union duty free.