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PROPOSAL

From:	Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director
date of receipt:	18 December 2014
To:	Mr Uwe CORSEPIUS, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2014) 744 final
Subject:	Proposal for a COUNCIL DECISION on the position to be taken on behalf of the European Union within the Committee on Trade in Goods set up by the Free Trade Agreement between the European Union and its Member States, of the one part, and the Republic of Korea, of the other part, as regards the adoption of the rules on TRQ administration

Delegations will find attached document COM(2014) 744 final.

Encl.: COM(2014) 744 final



Brussels, 18.12.2014
COM(2014) 744 final

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Proposal for a

COUNCIL DECISION

on the position to be taken on behalf of the European Union within the Committee on Trade in Goods set up by the Free Trade Agreement between the European Union and its Member States, of the one part, and the Republic of Korea, of the other part, as regards the adoption of the rules on TRQ administration

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

During the Committee on Trade in Goods on 12 September 2013, both sides discussed the Tariff Rate Quota [the "TRQ"] administration rules to be applied by Korea, based on the principles set out in Appendix 2-A-1 of the EU-Korea Free Trade Agreement. The final agreement should be taken by a Decision of the EU - Korea Committee on Trade in Goods as provided for in Appendix 2-A-1. On the EU side, this requires a Council Decision to authorise the position to be taken on behalf of the EU. On the Korean side, the Ministry of Foreign Affairs (MOFA) has to consult the Ministry for Government Legislation which may decide to consult the National Assembly. The joint decision will be taken by an exchange of notes between the EU and Korea.

2. BUDGETARY IMPLICATION

None

3. OPTIONAL ELEMENTS None

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular the first subparagraph of Article 207(4), in conjunction with Article 218(9) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The Free Trade Agreement between the European Union and its Member States, of the one part, and the Republic of Korea, of the other part¹ ("the Agreement") was signed on 6 October 2010.
- (2) Pursuant to its Article 15.10.5, the Agreement has been provisionally applied since 1 July 2011 pending the completion of the procedures for its conclusion.
- (3) Article 15.1 of the Agreement establishes a Trade Committee, which, inter alia, has the task of ensuring that the Agreement operates properly and of supervising the work of all specialised committees.
- (4) In accordance with Article 15.2 of the Agreement, specialised committees were established under the auspices of the Trade Committee. The Committee on Trade in Goods, in accordance with Article 2.16 of the Agreement, is one of those specialised committees.
- (5) Pursuant to point 2 of Appendix 2-A-1 of the Agreement, Korea may use an auction system to administer and implement Tariff Rate Quotas ("TRQs") applied by Korea to milk and cream, butter, honey and oranges originating in the Union on the basis of the Agreement. The terms of the auction system have to be established by the Parties to the Agreement by mutual agreement by decision of the Committee on Trade in Goods.
- (6) Pursuant to point 3 of Appendix 2-A-1 of the Agreement, Korea may use a licensing system to administer and implement certain TRQs. The Parties are to agree in the Committee on Trade in Goods on the policies and procedures for the licensing system,

¹ OJ L 127, 14.5.2011, p. 6.

including eligibility to receive TRQ quantities, and any changes or amendments to them.

- (7) It is necessary to establish the position to be taken on the Union's behalf in the Committee on Trade in Goods as regards the rules on TRQ administration.
- (8) The joint decision will be taken by an exchange of notes between the EU and Korea, to be signed by a Commission representative on behalf of the EU.
- (9) The position of the Union within the Committee on Trade in Goods should therefore be based on the attached draft Decision,

HAS ADOPTED THIS DECISION:

Article 1

The position to be taken on the Union's behalf within the Committee on Trade in Goods set up by the Free Trade Agreement between the European Union and its Member States, of the one part, and the Republic of Korea, of the other part, as regards the adoption of the rules on TRQ administration, shall be based on the draft Decision of the Committee attached to this Decision.

Minor changes to the draft Decision may be agreed to by the representatives of the Union within the Committee without the need for a new Council Decision.

Article 2

After its adoption, the Decision of the Committee on Trade in Goods shall be published in the *Official Journal of the European Union*.

Article 3

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

Done at Brussels,

For the Council
The President