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

2007/0055(NLE) - 13/07/2007 - Legislative proposal

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.