EU/Korea Free Trade Agreement

2010/0075(NLE) - 20/08/2010 - Legislative proposal

PURPOSE: the conclusion of a free trade agreement between the European Union and its Member States, on the one part, and Korea, on the other.

PROPOSED ACT: on 23 April 2007 the Council authorised the Commission to negotiate a free trade agreement with the Republic of Korea, on behalf of the European Union and its Member States. Those negotiations have been concluded and the Agreement was initialled on 15 October 2009, and signed on behalf of the Union; pending its conclusion at a later date. The Agreement applies on a provisional basis.

The Agreement now requires approval on behalf of the European Union.

It should be noted that the Agreement does not affect the rights of investors of the Member States to benefit from any more favourable treatment provided for in any agreement related to investment to which a Member State and Korea are Parties.

IMPACT ASSESSMENT: no impact assessment was undertaken.

LEGAL BASE: Articles 91, 100(2), 167(3) and 207, in conjunction with Article 218(6)(a)(v) of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: with this proposal for a Decision, the Free Trade Agreement between the European Union and its Member States, on the one hand, and Korea, on the other, is hereby approved on behalf of the Union.

Specific provisions are made regarding:

- **cultural cooperation**: the Union does not intend to extend the period of entitlement to co-production pursuant to Article 5 of the Protocol on Cultural Cooperation following the procedure set out in Article 5(8) of the said Protocol unless, on a proposal from the Commission, the Council agrees four months before the end of such period of entitlement to continue the entitlement. If the Council agrees to continue the entitlement, this provision shall again become applicable at the end of the renewed period of entitlement. For the specific purposes of deciding on the continuation of the period of entitlement, the Council shall act by unanimity;
- **geographical indications:** for the purposes of the Agreement, modifications of the Agreement through decisions of the Working Group on Geographical Indications shall be approved by the Commission on behalf of the Union. Where interested parties cannot reach agreement following objections relating to a geographical indication for certain agricultural products or foodstuffs, the Commission shall adopt such a position on the basis of a specific procedure (in particular, for wines, aromatised wines or spirits).

Measures are also provided for in regard to comitology to determine the rules for decisions applicable in the areas of cultural cooperation and geographical indications, as defined above.

It should be noted that the Agreement shall not be construed as conferring rights or imposing obligations which can be directly invoked before Union or Member State courts and tribunals.

FINANCIAL IMPLICATION: the proposal has no implications for the EU budget.