

# EU/Andorra Agreement: customs security measures. Protocol

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**PURPOSE:** to conclude the Protocol between the European Union and the Principality of Andorra extending to customs security measures the Agreement in the form of an Exchange of Letters between the European Economic Community and the Principality of Andorra.

**PROPOSED ACT:** Council Decision.

**IMPACT ASSESSMENT:** no impact assessment was carried out.

**BACKGROUND:** the Community Customs Code and its Implementing Rules, which lay down the rules for the customs treatment of goods that are imported or exported, were amended in 2005 and 2006 respectively to make provision for customs security measures. Among these security arrangements is a provision that traders should submit certain information prior to importing or exporting goods, which will make it possible to carry out a risk analysis of such operations prior to the entry or exit of the consignments in question.

In principle, these security measures apply to trade with all non-member countries. However, the Community Customs Code allows for different rules concerning the obligation to provide pre-arrival and pre-departure information where international agreements provide for special security arrangements. It was thus held necessary and in the mutual interest of the European Union and the Principality of Andorra to establish amended rules for customs security in their bilateral trade in goods.

On 16 February 2009 the Council authorised the European Commission to start negotiations with the Principality of Andorra with a view to negotiating an agreement extending to customs security measures the Agreement in the form of an Exchange of Letters between the European Economic Community and the Principality of Andorra concluded on 28 June 1990. The European Commission and the Principality of Andorra have completed the abovementioned negotiations.

**LEGAL BASIS:** Article 207(4), first subparagraph, in conjunction with Article 218(6)(a) and 218(7) of the Treaty on the Functioning of the European Union (TFEU).

**CONTENT:** the attached proposal for a Council Decision constitutes the legal instrument for the conclusion of a protocol between the European Union and the Principality of Andorra with a view to extending to customs security measures the scope of the Agreement in the form of an Exchange of Letters between the European Economic Community and the Principality of Andorra concluded on 28 June 1990.

Following the negotiations, the arrangement consisted in abolishing the requirement for a prior declaration for goods traded between the European Union and the Principality of Andorra. The abolition of this requirement is subject to the condition that the Contracting Parties undertake to guarantee in their respective territories an equivalent level of security through measures based on legislation in force in the European Union.

In addition to provisions for customs-security measures, the arrangement also includes a set of rules to ensure that the Agreement and the *acquis communautaire* remain in alignment and to provide that, if the equivalence of the respective security measures is no longer maintained, either party may take rebalancing measures, including suspending application of the relevant title of the Agreement.

Lastly, a new Article is introduced concerning the protection of professional secrecy and personal data.

It is also specified that, unlike the customs union, this arrangement also applies to agricultural products.

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