EC/Egypt Euro-Mediterranean Association Agreement: Dispute Settlement Mechanism applicable to disputes under the trade provisions. Protocol

2010/0229(NLE) - 13/05/2011 - Final act

PURPOSE: the conclusion of a Protocol between the EU and Egypt establishing a Dispute Settlement Mechanism applicable to disputes under the trade provisions of the EU-Egypt Euro-Mediterranean Agreement.

NON-LEGISLATIVE ACT: Council Decision 2011/307/EU on the conclusion of an Agreement in the form of a Protocol between the European Union and the Arab Republic of Egypt establishing a dispute settlement mechanism applicable to disputes under the trade provisions of the Euro-Mediterranean Agreement establishing an Association between the European Communities and their Member States, of the one part, and the Arab Republic of Egypt, of the other part.

BACKGROUND: on 24 February 2006, the Council authorised the Commission to open negotiations with partners in the Mediterranean region in order to establish a dispute settlement mechanism related to trade provisions. Negotiations have been conducted by the Commission which resulted in the establishment of a dispute settlement mechanism applicable to disputes under the trade provisions of the Euro-Mediterranean Agreement establishing an Association between the European Communities and their Member States, of the one part, and Egypt, of the other part.

This Protocol was signed, on behalf of the European Union on 11 November 2010.

The Protocol should be concluded on the Union’s behalf.

CONTENT: with this Decision on an agreement in the form of a Protocol between the European Union and Egypt establishing a dispute settlement mechanism applicable to disputes under the trade provisions of the Euro-Mediterranean Agreement establishing an Association between the European Communities and their Member States, of the one part, and the Arab Republic of Egypt, of the other part (the Protocol) is hereby approved on behalf of the Union.

Its main provisions are as follows:

- the agreement is based on the model of the chapter on dispute settlement mechanisms that is included in the current negotiations on free trade agreements and is based on the WTO Memorandum agreement adapted to a bilateral context;
- the scope of the dispute settlement mechanism includes Title II of the Association Agreement between the EU and Egypt with the usual exception of articles on commercial defence;
- rationalised and effective procedures for the settlement of disputes (including what concerns the composition of the special group and the implementation phase), along with clear deadlines are provided for;
- the possibility to settle disputes before the establishment of a special arbitration panel, via consultations or mediation;
- the inclusion of rules on the openness and transparency (public hearings, amicus curiae communications, publication of the report of the special group);
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the inclusion of an article on the relation with the agreement on the WTO’s dispute settlement mechanism.

ENTRY INTO FORCE : 13.05.2011.