EU/Jordan Agreement: dispute settlement mechanism

2010/0173(NLE) - 13/05/2011 - Final act

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

NON-LEGISLATIVE ACT: Council Decision 2011/398/EU Council Decision on the conclusion of an Agreement in the form of a Protocol between the European Union and the Hashemite Kingdom of Jordan 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 Hashemite Kingdom of Jordan, 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.

These negotiations have been concluded and an Agreement in the form of a Protocol between the European Union and the Jordan 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 and Jordan was initialled on 9 December 2009 and signed on 11 February 2011.

It is now necessary to conclude the Protocol on behalf of the European Union.

CONTENT: with this Decision, the Agreement between the European Union and the Kingdom of Jordan establishing a Dispute Settlement Mechanism is hereby approved on behalf of the Union.

The Agreement follows the model of the chapter on dispute settlement, which is included in the current negotiations of free trade agreements, and is based on the Memorandum of Understanding of the WTO, adapted to a bilateral context.

The scope of the dispute settlement mechanism includes Title II of the Association Agreement between the EU and Jordan, with the usual exception of the article on anti-dumping measures. After the entry into force of the Agreement on the liberalisation measures on agricultural products, signed on 14 December 2009, disputes will be governed by this Agreement.

The Agreement provides for the following:

- opportunities to settle disputes before establishing an arbitration panel, through consultations and mediation;
- streamlined and effective procedures on the composition of the arbitration panel and compliance proceedings with clear time-limits;
- rules on openness and transparency, with provisions on open hearings, *amicus curiae* briefs, and the publication of the panel report;
- provisions on relations with the WTO Dispute Settlement Understanding.

ENTRY INTO FORCE: 13 May 2011. The date of entry into force of the Agreement will be published in the Official Journal of the European Union by the General Secretariat of the Council.