International Cocoa Agreement 2010

2010/0343(NLE) - 27/05/2011 - Legislative proposal

PURPOSE: the conclusion of the International Cocoa Agreement 2010.

PROPOSED ACT: Council Decision.

BACKGROUND: on 25 June 2010 the negotiating conference, established under the auspices of the United Nations Conference on Trade and Development approved the text of the International Cocoa Agreement 2010. The Agreement was negotiated to replace the International Cocoa Agreement 2001, which has been extended until 30 September 2012.

The European Union is a party to the 2001 Agreement, and the signature of the Agreement and the deposit of its instrument of provisional application have already been authorised by a Decision of the EU. It is therefore in the interest of the Union to conclude the Agreement.

IMPACT ASSESSMENT: no impact assessment was undertaken.

LEGAL BASIS: Article 207(3) and (4), in conjunction with Article 218(6) of the Treaty on the Functioning of the EU.

CONTENT: the Commission proposes the approval of the International Cocoa Agreement 2010 on behalf of the European Union. The Agreement forms part of the Union’s the common commercial policy. Its main objectives are to strengthen the global cocoa sector, support its sustainable development and increase benefits for all stakeholders by:

- contributing to the strengthening of national cocoa economies of Member countries;
- striving towards obtaining fair prices leading to equitable economic returns to both producers and consumers in the cocoa value chain;
- promoting a sustainable cocoa economy in economic, social and environmental terms.

For further details of the main points of the Agreement, please refer to the summary of the former initial proposal dated 01/12/2010.

BUDGETARY IMPLICATIONS: the proposal has no implications for the Union budget.