EU/Philippines Partnership and Cooperation Framework Agreement

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PURPOSE: to conclude the Framework Agreement on Partnership and Cooperation between the European Union and its Member States, of the one part, and the Philippines, of the other part.

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: in November 2004, the Council authorised the Commission to negotiate individual Framework Agreements on Partnership and Cooperation (PCA) with Thailand, Indonesia, Singapore, the Philippines, Malaysia and Brunei. Negotiations with the Philippines started in February 2009 and were concluded in June 2010. Both sides initialled the PCA on 25 June 2010. The PCA was signed in Phnom Penh on 11 July 2012, on the occasion of the ASEAN Regional Forum ministerial meeting.

The PCA with the Philippines is the first-ever bilateral agreement with the Philippines and supersedes the current legal framework of the 1980 Cooperation Agreement between the European Economic Community and member countries of the Association of South-East Asian Nations (ASEAN).

It is now necessary to approve the Framework-Agreement on behalf of the European Union.

LEGAL BASIS: the Commission notes that Council Decision No 2012/272/EU on the signature of the PCA with the Philippines is the subject of **Court Case** C-377/12: the Commission asked the Court to annul the above-mentioned Decision insofar as the Council had added the legal bases relating to transport (Articles 91 and 100 TFEU), readmission (Article 79(3) TFEU) and the environment (Article 191(4) TFEU). The Commission asked the Court to maintain the effects of the contested decision. Subject to the Court ruling in Case-377/12, this proposal for a Council Decision on the conclusion of the PCA is based on Articles 207, 209 and 218(6).

The Framework Agreement draws the attention of the Council to the recital in the Agreement relating to the specific position of the UK, Ireland and Denmark based on Protocols 21 and 22 of the Treaties. The addition of this recital is due to the genesis of this text only.

Depending on the outcome of case C-377/12, currently pending before the Court of Justice, this recital may have to be dropped or reworded at a later stage. **The Commission takes the view that, as long as this case is pending, the procedure for conclusion of this Agreement cannot be finalised**.

CONTENT: with this proposed Decision, the Council is called upon to approve, on behalf of the Union, the Framework Agreement on Partnership and Cooperation between the European Union and its Member States, of the one part, and the Philippines, of the other part.

General principles and political dialogue: the PCA with the Philippines marks an important step towards strengthening bilateral relations and the EU’s role in South-East Asia, based on

shared universal values such as democracy and human rights. It paves the way for enhanced political, regional and global cooperation.

Foreign policy: the PCA contains commitments which are central to the EU's foreign policy, including provisions on:

- human rights,
- non-proliferation,
- counter-terrorism,
- the International Criminal Court.

It also includes areas of current interest such as the peace process and disaster risk management.

Economic and trade cooperation: the PCA considerably broadens the scope for mutual engagement in the economic and trade domain. It has an important trade cooperation section, which should facilitate free trade agreement (FTA) negotiations. The conclusion of the PCA is in line with the EU's objective of creating a comprehensive and coherent economic and political framework for relations between the EU and ASEAN countries. Additionally, the PCA has an important development component, including strict provisions on protecting the EU's financial interests.

Sectoral cooperation: the PCA strengthens the sectoral cooperation across a wide range of policy fields, such as:

- migration,
- taxation,
- environment,
- energy,
- science and technology,
- maritime and air transport,
- tourism,
- culture,
- money laundering and terrorist financing, illicit drugs, organised crime and corruption.

Institutional Framework: the draft Agreement also includes institutional provisions to put in place a joint committee composed of representatives of the two Parties with the aim of ensuring the correct application of the Agreement and resolving conflicts.