

EC/Pacific States Interim Partnership Agreement: accession of Tuvalu

2023/0456(NLE) - 22/02/2024 - Legislative proposal

PURPOSE: to approve, on behalf of the European Union, the accession of Tuvalu to the Interim Partnership Agreement between the European Community, of the one part, and the Pacific States, of the other part, subject to Tuvalu's deposit of the act of accession pursuant to Article 80(2) thereof.

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: on 12 June 2002, the Council authorised the Commission to open negotiations for Economic Partnership Agreements with the African, Caribbean and Pacific Group of States.

The Interim Partnership Agreement between the European Community, of the one part, and the Pacific States, of the other part, which establishes a framework for an Economic Partnership Agreement, was signed in London on 30 July 2009. The Interim Partnership Agreement has been provisionally applied by Papua New Guinea and the Republic of Fiji since 20 December 2009 and 28 July 2014, respectively.

As a consequence of the entry into force of the Treaty of Lisbon on 1 December 2009, the European Union has replaced and succeeded the European Community and from that date exercises all rights and assumes all obligations of the European Community.

Article 80 of the Interim Partnership Agreement lays down the provisions regarding the accession of other Pacific Islands States. The Independent State of Samoa, and Solomon Islands acceded to the Interim Partnership Agreement in accordance therewith, and have been provisionally applying it since 31 December 2018 and 17 May 2020, respectively.

On 31 March 2023, Tuvalu submitted a request for accession together with a market access offer to the Union.

The Commission has assessed Tuvalu's offer and, after amendments, found it acceptable. Accordingly, the Commission concluded negotiations with Tuvalu on 27 April 2023. In accordance with Article 76(3) of the Interim Partnership Agreement, the Union and Tuvalu are to provisionally apply the Agreement 10 days after notifying each other in writing of the completion of the procedures necessary for this purpose. The accession of Tuvalu to the Interim Partnership Agreement should be approved on behalf of the Union, subject to Tuvalu's deposit of the act of accession pursuant to Article 80(2) thereof.

CONTENT: the Council draft concerns the approval, on behalf of the Union, of the accession of Tuvalu to the Interim Partnership Agreement between the European Community, of the one part, and the Pacific States, of the other part, subject to Tuvalu's deposit of the act of accession pursuant to Article 80(2) thereof.

The interim EPA is a development-oriented trade agreement, which offers asymmetric market access to Tuvalu and allows it to shield sensitive sectors from liberalisation, while providing a large number of safeguards and a clause for infant industry protection.

In particular, the interim Agreement:

- contains provisions on the rules of origin that facilitate Tuvalu's' exports into the EU;
- establishes the conditions for EU economic operators to take full advantage of the opportunities between the respective economies. Over the course of its implementation, the interim EPA will largely relieve EU exporters of industrial products to Tuvalu from paying customs duties. It satisfies the criteria established in Article XXIV of the GATT 1994 (to eliminate duties and other restrictive regulations of commerce with respect to substantially all trade between the parties). The offer meets WTO threshold, i.e. 80.2% of liberalisation (in tariff lines), corresponding to 82.1% in volume of EU exports over 20 years. Tuvalu will benefit from maintaining its duty-free quota-free access into the EU market;
- establishes a set of disciplines in the areas of sustainable development; Technical Barriers to Trade (TBT); and Sanitary and Phytosanitary (SPS) measures among others.

Furthermore, the Parties to the interim EPA participate in the Trade Committee established under the Agreement. The possibility of the EU to avail itself of the bilateral dispute settlement mechanism foreseen under the Agreement contributes to the objective of securing a transparent, non-discriminatory and predictable environment for EU operators in the Pacific countries.