

EU/Andorra and San Marino Association Agreement

2024/0101R(NLE) - 11/02/2026 - Text adopted by Parliament, single reading

The European Parliament adopted by 552 votes to 24, with 75 abstentions, a resolution on the proposal for a Council decision on the conclusion, on behalf of the European Union, of the Agreement establishing an association between the European Union and the Principality of Andorra and the Republic of San Marino respectively.

The conclusion of the Association Agreement between the European Union (EU) and the Principality of Andorra and the Republic of San Marino is a substantial step forward in reinforcing the EU's economic and political ties with Andorra and San Marino. The agreement is the result of negotiations started in 2015 on an association agreement with Andorra, San Marino and Monaco. It represents a successful outcome of a long time will of the EU, Andorra and San Marino to enhance cooperation. It is essential to underline that the EU shall remain ready to continue negotiations with Monaco (which were suspended) to conclude an association agreement in the future, once all steps and conditions are met, given that Monaco remains a key partner for the EU.

General observations

Parliament highlighted the significance of close, robust relations between the EU and non-EU European countries for the security and prosperity of the European continent in the light of current geopolitical shifts. More specifically, it underlined that Andorra and San Marino are close, like-minded partners and neighbours sharing the same democratic values and many common interests with the EU. It welcomed Andorra and San Marino's alignment with the EU's common foreign and security policy.

The agreement between the EU, and Andorra and San Marino is the most comprehensive the EU has ever concluded with a third country.

The conclusion of the Association Agreement is welcomed as an important step forward in significantly strengthening the mutually beneficial political and economic partnership, incorporating and replacing the current customs unions between the EU and each of these countries. Their access to the internal market will become comparable to that of Iceland, Liechtenstein and Norway under the Agreement on the European Economic Area.

Financial services

The resolution observed that the Association Agreement will be implemented progressively, as it allows for staggered access to the EU's internal market for financial services over a maximum of **15 years**, whereby the associated states may decide not to seek access to all market segments at the same time.

The Commission is called on to closely monitor the enforcement of anti-money laundering legislation in Andorra and San Marino in order to ensure that those countries meet EU standards in crucial areas, such as beneficial ownership, the regulation of crypto assets and cash limits. The Commission, with the support of the European Supervisory Authorities and before the end of the 15-year period, should carry out an evaluation on financial services.

Parliament highlighted the need for strong oversight of the financial activities of both associated states in order to safeguard the principles of free and fair competition within the EU's internal market, and to protect retail investors.

To ensure the integrity and transparency of the EU's internal market, the resolution welcomed the commitment to concluding a memorandum of understanding on supervisory cooperation and information exchange between the associated states and the European Supervisory Authorities.

Justice and home affairs

Parliament encouraged the development of closer ties with Andorra and San Marino in the area of justice and home affairs too, particularly with a view to combating organised crime, terrorism and other cross-border threats. It considered that closer cooperation, with Eurojust and Europol would benefit all parties.

Increased Parliamentary cooperation

Members welcomed the fact that a Parliamentary Association Committee (PAC) is established as a pillar of the political dialogue with Andorra and San Marino. It called for the strengthening of parliamentary cooperation with Andorra and San Marino and considered it important that the PAC be informed of the proceedings and decisions of the EU-Andorra Joint Committee and the EU-San Marino Joint Committee.