

# EC/Andorra agreement: cooperation agreement, signature and conclusion

2004/0136(CNS) - 06/07/2004 - Legislative proposal

PURPOSE : to conclude the Cooperation Agreement between the EC and Andorra.

PROPOSED ACT: Council Decision.

CONTENT: The Principality of Andorra wishes to conclude as soon as possible a Cooperation Agreement with the European Community. This would be on the basis of the renewed mandate of the Council of 19 June 2002, after a series of meetings was discontinued since January 1998, when lastly a draft for the Cooperation Agreement was discussed with the Andorran side.

Most of the sectors contained in the 1998 draft Agreement were retained as matter for future cooperation, notably: Environment; Communication; Information and Culture; Education, Training and Youth; Social questions and Health; Transport, Energy and Trans-European Communications; Regional Policy. Andorra suggested through a non-paper of 29 April 2002 the addition of monetary issues, in particular the minting of the Euro. However, the Commission considered it more appropriate to keep Euro minting, as well as taxation of savings, as matters outside of the scope of the Cooperation Agreement, in order to maintain its Community character, in accordance with the mandate of the Council. The monetary sector, as a specific demand of Andorra, may be an issue of possible separate negotiation. The agreement on the taxation of savings is currently under advanced negotiation with the Andorran authorities.

The Principality of Andorra - an independent state, geographically situated between France and Spain – is a sovereign country, which has recently adopted its constitution (1993). The Bishop of Urgell (a Spanish city at the border) and the President of the French Republic, both on a personal capacity as Co-princes, are the Heads of the Andorran State. Andorra has strong bilateral relations with its neighbors and is so far linked to the European Community mainly through an Agreement, signed in Luxemburg on 28 June 1990, which established a customs union.

The Cooperation Agreement would not replace the latter; rather it would be complementary and enlarge the scope of the current relations of the Community with that country.

Apart from the management of the Cooperation Committee set up by the Agreement, the conclusion of the Agreement will have no budgetary consequences.

Negotiations on the Cooperation Agreement were completed on 29 April 2004.

The Community will be represented in the Cooperation Committee set up under Article 9 of the Agreement by the Commission assisted by the representatives of the Member States. The position of the Community with regard to decisions to be taken by the Committee will be determined by the Commission, following consultation of the representatives of Member States.

It is proposed that the Council adopts the attached decision on the signature and conclusion of a cooperation Agreement with the Principality of Andorra.