Basic information

2008/0250(NLE) NLE - Non-legislative enactments Decision	Procedure completed
EC/Pacific States Interim Partnership Agreement See also 2018/0291(NLE) **Subject** 3.15.15.06 Fisheries agreements with Pacific countries 6.20.05 Multilateral and plurilateral economic and trade agreements and relations 6.40.06 Relations with ACP countries, conventions and generalities **Geographical area** Fiji Papua New Guinea	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
INTA International Trade	MARTIN David (S&D)	01/09/2009

Former committee responsible	Former rapporteur	Appointed
INTA International Trade		

Committee for opinion	Rapporteur for opinion	Appointed
DEVE Development	The committee decided not to give an opinion.	
PECH Fisheries	FRAGA ESTÉVEZ Carmen (PPE)	02/06/2010

Former committee for opinion	Former rapporteur for opinion	Appointed
DEVE Development		

Council of the European Union

Council configuration	Meetings	Date
Economic and Financial Affairs ECOFIN	2994	2010-02-16

	Economic and Financial Affairs ECOFIN	3067	2011-02-14
	Agriculture and Fisheries	2956	2009-07-13

European Commission	Commission DG	Commissioner
	Trade and Economic Security	DE GUCHT Karel

Key events

Date	Event	Reference	Summary
16/12/2008	Preparatory document	COM(2008)0857	Summary
02/12/2009	Additional information		Summary
09/02/2010	Legislative proposal published	05078/2010	Summary
25/02/2010	Committee referral announced in Parliament		
01/12/2010	Vote in committee		Summary
09/12/2010	Committee report tabled for plenary, 1st reading/single reading	A7-0365/2010	
17/01/2011	Debate in Parliament		
19/01/2011	Decision by Parliament	T7-0012/2011	Summary
19/01/2011	Results of vote in Parliament		
14/02/2011	Act adopted by Council after consultation of Parliament		
14/02/2011	End of procedure in Parliament		
05/03/2011	Final act published in Official Journal		

Technical information

Procedure reference	2008/0250(NLE)
Procedure type	NLE - Non-legislative enactments
Procedure subtype	Consent by Parliament
Legislative instrument	Decision
Amendments and repeals	See also 2018/0291(NLE)
Legal basis	Treaty on the Functioning of the European Union TFEU 207-p4 Treaty on the Functioning of the European Union TFEU 218-p6a
Stage reached in procedure	Procedure completed
Committee dossier	INTA/7/00151

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE450.953	25/10/2010	
Committee opinion	PECH	PE445.638	27/10/2010	
Amendments tabled in committee		PE452.800	12/11/2010	
Committee report tabled for plenary, 1st reading/single reading		A7-0365/2010	09/12/2010	
Text adopted by Parliament, 1st reading/single reading		T7-0012/2011	19/01/2011	Summary

Council of the EU

Document type	Reference	Date	Summary
Document attached to the procedure	05558/2009	26/06/2009	Summary
Legislative proposal	05078/2010	09/02/2010	Summary

European Commission

Document type	Reference	Date	Summary
Preparatory document	COM(2008)0857	16/12/2008	Summary
Document attached to the procedure	COM(2008)0858	16/12/2008	Summary

Additional information

Source	Document	Date
National parliaments	IPEX	
European Commission	EUR-Lex	

Final act

Decision 2011/0144
OJ L 060 05.03.2011, p. 0002 Summary

EC/Pacific States Interim Partnership Agreement

2008/0250(NLE) - 09/02/2010 - Legislative proposal

PURPOSE: to conclude the **Interim Partnership Agreement** between the European Community, of the one part, and the Pacific States, of the other part.

PROPOSED ACT: Council Decision.

CONTENT: this proposal aims to conclude, on behalf of the Union, the Interim Partnership Agreement between the European Community, of the one part, and the Pacific States, of the other part.

Negotiations for an Interim Partnership Agreement were concluded on 23 November 2007 with Papua New Guinea and the Republic of the Fiji Islands. For details of the content of the Agreement, please refer to the summary of the document annexed to the procedure of 26/06/2009 (Council document 5558/2009).

With the entry into force of the **Treaty of Lisbon** on 1 December 2009, the procedures to be followed by the Union in order to conclude the Agreement are governed by Article 218 of the Treaty on the Functioning of the European Union (TFEU) which states that the Council shall adopt a decision concluding the agreement, **after obtaining the consent of the European Parliament**.

EC/Pacific States Interim Partnership Agreement

2008/0250(NLE) - 16/12/2008 - Document attached to the procedure

PURPOSE: to propose the signature and provisional application of the **Interim Partnership Agreement** between the European Community, of the one part, and the Pacific States, of the other part.

PROPOSED ACT: Council Decision.

PURPOSE: the content of this provisional agreement is identical to that of the interim agreement. For details, please refer to summary of the Commission's initial proposal of 16/12/2008.

To recall, this interim agreement concerns trade and development cooperation issues between the European Community and Fiji and Papua New Guinea.

EC/Pacific States Interim Partnership Agreement

2008/0250(NLE) - 26/06/2009 - Document attached to the procedure

The Council presents a proposal on the signature and provisional application of the Interim Partnership Agreement between the EC and the Pacific States. The latter comprises Papua New Guinea and Republic of the Fiji Islands.

To recall, the Council authorised the Commission to open negotiations for Economic Partnership Agreements (EPAs) with ACP countries on 12 June 2002. Negotiations for an Interim Partnership Agreement, which establishes a framework for an EPA, were concluded on 23 November 2007 with Papua New Guinea and the Fiji Islands. The Council proposes that the interim EPA should be signed on behalf of the Community and applied on a provisional basis subject to its conclusion at a later date.

The main provisions of the Interim EPA are as follows:

Objectives: these are to:

- enable Pacific States to start benefiting from the **improved market access** offered by the EC within the framework of the EPA negotiations and, at the same time, avoid trade disruption between Pacific States and the EC in view of the expiry of the trade preferences granted under the Cotonou Agreement on 31 December 2007 and pending the conclusion of a comprehensive EPA between the Pacific States and the EC and its Member States;
- promote sustainable development and the gradual integration of Pacific States into the world economy, in conformity with the their political choices and development priorities;
- establish a free trade area between the Parties based on the common interest, and fulfil this objective by the **progressive liberalisation of trade** in a manner compliant with applicable WTO rules **and the principle of asymmetry**, commensurate to the specific needs and capacity constraints of the Pacific States, in terms of levels and timing for commitments under the Agreement;
- set up the appropriate dispute settlement arrangements;
- set up the appropriate institutional arrangements

Principles: the Agreement is based on the Fundamental Principles as well as the Essential and Fundamental Elements set out in Articles 2 and 9 of the Cotonou Agreement. It will build on the provisions of the Cotonou Agreement and the previous ACP-EC Partnership Agreements in the area of regional cooperation and integration as well as economic and trade cooperation. The EC and Pacific States agree that the Cotonou Agreement and this Agreement shall be implemented in a complementary and mutually reinforcing manner.

Sustainable development: this article reaffirms that the objective of sustainable development will be an integral part of the provisions of this Agreement, consistent with the overarching objectives and principles set out in the Cotonou Agreement, and especially the general commitment to reduce and eventually eradicate poverty in a way that is consistent with the objectives of sustainable development. In this Agreement sustainable development is understood to mean a commitment that:

- the application of the Agreement shall fully take into account the human, cultural, economic, social, health and environmental best interests of their respective populations and of future generations;
- decision-taking methods embrace the fundamental principles of ownership, participation and dialogue;
- as a result the Parties agree to work cooperatively towards the realisation of a sustainable development centred on the human person, who is the main beneficiary of development.

Regional integration: the Agreement confirms the aim to deepen regional integration and the Parties undertake to cooperate to further develop it.

Cooperation in international fora: the EC and Pacific States will try to cooperate in all international fora where issues relevant to the Agreement are discussed. They recognise the valuable contribution that regional organisations can make to the achievement of the objectives of the Agreement and agree to work closely with existing Pacific regional organisations and programmes wherever useful and possible.

Part II: Trade in Goods

Chapter 1: Customs Duties: under the agreement all imports from Papua New Guinea and Fiji will have immediate duty free quota free access to the European market (with short transition periods for rice and sugar). Papua New Guinea will remove customs duties on 88% and Fiji on 87% of their imports from the EU over the next 15 years. The transition periods for rice and sugar are 2010 and 2015 respectively.

The provisions in this Chapter include **the rules of origin**, which are set out in Protocol II to the Agreement. The Parties will review the operation of these provisions after 5 years, with a view to simplifying the concepts and methods used for the purpose of determining origin in the light of the development needs of the Pacific States. Not later than one year before the end of this period, the Parties will open negotiations on the Protocol with a view to modifying or replacing it.

The Agreement provides for **elimination of customs duties on exports**, with exceptions related to ensuring fiscal solvency of a Pacific State or for the protection of the environment; and in exceptional circumstances, where a Pacific State can justify specific protection to develop **infant industries**. The Agreement also provides for **modification of tariff commitments** in the event of serious difficulties in respect of imports of a given product. The Pacific State facing such difficulty may request that the Trade Committee review the schedule of customs duty reductions and eliminations.

There are **special provisions on administrative cooperation in customs matters**, with specific reference to the obligations to verify the originating status of the product(s) concerned, and provisions for the temporary suspension of the Agreement in case of fraud or irregularities.

Chapter 2: Trade Defence Instruments: the chapter on trade defence instruments makes provision for safeguards allowing each party to reintroduce duties or quotas if imports of the other party disturb or threaten to disturb their economy. These provisions cover anti-dumping and countervailing measures, and safeguards. **Bilateral safeguards measures** may be taken where a product originating in the EC or a Pacific State is being imported into the territory of the EC or a Pacific State in such increased quantities and under such conditions as to cause or threaten to cause:

- serious injury to the domestic industry producing like or directly competitive products in the territory of the importing Parties or Pacific States, or
- disturbances in a sector or industry of the economy, whether of an economic or social nature, or difficulties which could bring about serious deterioration in the economic situation of the importing Parties or Pacific States, or
- disturbances in the markets of agricultural like or directly competitive products or mechanisms regulating those markets.

Bilateral safeguard measures may not exceed what is necessary to remedy the serious injury or disturbances, and may only consist of one or more of the following:

- suspension of the further reduction of the rate of import duty for the product concerned, as provided for under the Agreement;
- increase in the customs duty on the product concerned up to a level which does not exceed the customs duty applied to imports originating in other WTO Members, and
- introduction of tariff quotas on the product concerned.

Chapter 3 deals with **non-tariff measures**, and prohibits quantative restrictions and agricultural export subsidies.

Chapter 4: Customs and Trade Facilitation: the objectives of this Chapter are to:

- assist the integration of the Pacific States into the international economy, and in particular facilitate trade between the Parties;
- reinforce cooperation on customs issues with a view to ensuring that the relevant legislation and procedures, as well as the administrative capacity of the relevant administrations, enable the effective and efficient administration of customs, and facilitate trade.

The Agreement sets out rules on customs procedures and customs valuation, with a review three years after entry into force of the Agreement.

Chapter 5: Technical Barriers to Trade (TBT) and Sanitary and Phytosanitary measures (SPS): this Chapter is intended to help Pacific exporters meet EU import standards and vice versa. To achieve the objectives of this Chapter, the Parties agree to define a list of priority products for export from the Pacific States to the EC and a list of priority products for trade among the Pacific States. These lists are contained in Annex III.A and III.B respectively, and they may be modified by a decision of the Trade Committee as and when appropriate..

Chapter 6: Exceptions: the Agreement contains a general exceptions clause which covers, inter alia, public safety and morals, protection of intellectual property rights. It also contains security exceptions and provisions on taxation, balance of payment difficulties, and food security.

Part III – Dispute Avoidance and Settlement

The objective of this Part is to avoid and settle any dispute between the EC and the Pacific States with a view to arriving at a mutually agreed solution. It contains provisions on consultations and mediations with the relevant time limits and goes on to set out the rules on dispute settlement procedures, including the setting up of an arbitration panel and compliance with the arbitration panel ruling. Provisions are made for measures in case of non-compliance. On relations with WTO obligations, the Agreement states that recourse to the dispute settlement provisions of this Agreement will be without prejudice to any action in the WTO framework, including dispute settlement action. However, where a Party, or as the case may be, the relevant Pacific State has, with regard to a particular measure, instituted a dispute settlement proceeding, either under this Agreement or under the WTO Agreement, it may not institute a dispute settlement proceeding regarding the same measure in the other forum until the first proceeding has ended.

Part IV: Institutional Provisions

This part deals with the establishment of the Trade Committee, which will deal with all matters necessary for the implementation of the Agreement.

Part V: Final provisions

The Parties confirm their commitment to the continuation and successful conclusion of the **currently ongoing negotiations for a comprehensive EPA**. They also recognise that **development cooperation will be a crucial element** of the comprehensive EPA and an essential factor for the realisation of its objectives. They reaffirm their commitment to supporting the objective that development cooperation for regional economic cooperation and integration as provided for in the Cotonou Agreement shall be carried out so as to maximise the expected benefits of the comprehensive EPA.

Lastly, the Agreement states that with the exception of development cooperation provisions provided for in Title II of Part 3 (Economic and Trade Cooperation) of the Cotonou Agreement, in case of any inconsistency between the provisions of this Agreement and the provisions of Title II of Part 3 of the Cotonou Agreement, the provisions of this Agreement will prevail.

EC/Pacific States Interim Partnership Agreement

2008/0250(NLE) - 15/02/2011 - Final act

PURPOSE: to conclude the Interim Partnership Agreement between the European Community, of the one part, and the Pacific States, of the other part.

LEGISLATIVE ACT: Council Decision 2011/144/EU on the conclusion of the Interim Partnership Agreement between the European Community, of the one part, and the Pacific States, of the other part.

BACKGROUND: on 12 June 2002, the Council authorised the Commission to open negotiations to conclude Economic Partnership Agreements with ACP countries. Negotiations for an Interim Partnership Agreement were concluded on 23 November 2007 with Papua New Guinea and the Republic of the Fiji Islands.

The interim EPA has not yet been concluded. It is now appropriate to conclude the interim EPA on behalf of the European Union,

CONTENT: by this Decision, the Interim Partnership Agreement between the European Community, of the one part, and the Pacific States, of the other part, is hereby approved on behalf of the European Union.

The main provisions of the Interim EPA are as follows:

Part I: Trade parternship for sustainable development:

Objectives: these are to:

- enable Pacific States to start benefiting from the improved market access offered by the EC within the framework of the EPA negotiations and, at the same time, avoid trade disruption between Pacific States and the EC in view of the expiry of the trade preferences granted under the Cotonou Agreement on 31 December 2007 and pending the conclusion of a comprehensive EPA between the Pacific States and the EC and its Member States;
- promote sustainable development and the gradual integration of Pacific States into the world economy, in conformity with the their political choices and development priorities;
- establish a **free trade area** between the Parties based on the common interest, and fulfil this objective by the progressive liberalisation of trade in a manner compliant with applicable WTO rules and the **principle of asymmetry**, commensurate to the specific needs and capacity constraints of the Pacific States, in terms of levels and timing for commitments under the Agreement;
- set up the appropriate dispute settlement arrangements;
- set up the appropriate institutional arrangements.

Principles: the Agreement is based on the Fundamental Principles as well as the Essential and Fundamental Elements set out in Articles 2 and 9 of the Cotonou Agreement. It will build on the provisions of the Cotonou Agreement and the previous ACP-EC Partnership Agreements in the area of regional cooperation and integration as well as economic and trade cooperation. The EC and Pacific States agree that the Cotonou Agreement and this Agreement shall be implemented in a complementary and mutually reinforcing manner.

Sustainable development: the Agreement reaffirms that the objective of sustainable development will be an integral part of the provisions of this Agreement, consistent with the overarching objectives and principles set out in the Cotonou Agreement, and especially the general commitment to reduce and eventually eradicate poverty in a way that is consistent with the objectives of sustainable development. In this Agreement sustainable development is understood to mean a commitment that:

- the application of the Agreement shall fully take into account the human, cultural, economic, social, health and environmental best interests of their respective populations and of future generations;
- decision-taking methods embrace the fundamental principles of ownership, participation and dialogue;
- as a result the Parties agree to work cooperatively towards the realisation of a sustainable development centred on the human person, who is the main beneficiary of development.

Cooperation in international fora: the EC and Pacific States will try to cooperate in all international fora where issues relevant to the Agreement are discussed. They recognise the valuable contribution that regional organisations can make to the achievement of the objectives of the Agreement and agree to work closely with existing Pacific regional organisations and programmes wherever useful and possible.

Part II: Trade in Goods: the Agreement includes an important trade section which provides for:

- the elimination of custom duties on all products originating in a Pacific state, with the exception of certain sensitive products;
- administrative cooperation in customs matters;
- safeguards to allow each party to defend themselves against serious injury or disturbances;
- bilateral and multilateral measures to be applied temporarily in case of market disruption;
- non-tariff measures (eg prohibition of quantitative restrictions on certain products, ...);
- trade facilitation and trade among the parties;
- specific trade of certain goods by eliminating barriers to trade (a list of priority products for trade with the Pacific States is thus provided in the Annex to the agreement.

Part III – Dispute Avoidance and Settlement: the objective of this Part is to avoid and settle any dispute between the EC and the Pacific States with a view to arriving at a mutually agreed solution.

Part IV: Institutional Provisions: the Agreement deals with the establishment of the Trade Committee, which will deal with all matters necessary for the implementation of the Agreement.

Part V: Final provisions: the Parties confirm their commitment to the continuation and successful conclusion of a comprehensive EPA.

This Agreement shall remain open for accession of all Pacific Island States party to the Cotonou Agreement.

ENTRY INTO FORCE: the Decision shall enter into force on 15/02/2011. The date of entry into force of the Agreement shall be published in the Official Journal of the European Union.

EC/Pacific States Interim Partnership Agreement

2008/0250(NLE) - 16/12/2008 - Preparatory document

PURPOSE: to conclude the **Interim Partnership Agreement** between the European Community, of the one part, and the Pacific States, of the other part.

PROPOSED ACT: Council Decision.

BACKGROUND: the Interim Partnership Agreement has been negotiated to avoid disrupting trade with the Community on the expiry of the trade regime set out in Annex V of the Cotonou Agreement on 31 December 2007 and the World Trade Organisation (WTO) waiver covering that trade regime.

These negotiations were concluded by the Interim Partnership Agreement on 23 November 2007 with the Republic of Fiji Islands and Papua New Guinea.

As a result the signatory Pacific States (Fiji and Papua New Guinea) were included in the list of countries in Annex 1 of Council Regulation (EC) No 1528/2007 adopted by Council on 20 December 2007 that have benefited from the Community market access offer made in the context of EPAs from 1 January 2008. Their inclusion on this list will become permanent following ratification of the Interim Partnership Agreement by all parties. This will ensure a single harmonised trade regime with the EU providing improved market access for signatory Pacific States.

CONTENT: the Interim Partnership Agreement is a **framework for an EPA** and includes all the measures necessary to establish a **Free Trade Area** compatible with the provisions of Article XXIV of the GATT 1994, including provisions on:

- customs and trade facilitation,
- technical barriers to trade,
- sanitary and phytosanitary measures,
- dispute settlement.

Both development cooperation provisions and institutional provisions are very limited, the major focus of the Interim Partnership Agreement is purely trade in goods. The Interim Partnership Agreement contains a rendezvous-clause for continuation negotiations of the comprehensive EPA, which will cover other areas, such as:

- development cooperation,
- services,
- fisheries,
- agriculture,
- trade related rules.

The negotiation of a comprehensive EPA continues consistently with the directives for EPAs with ACP States adopted by Council on 12 June 2002.

Provisional application: pending the entry into force of the Interim Partnership Agreement, the provisional application of the Agreement is foreseen (see COM(2008)0858).

It should be noted that the European Parliament will be called upon to give its assent to the conclusion of the Interim Partnership Agreement, which establishes a framework for an EPA.

EC/Pacific States Interim Partnership Agreement

2008/0250(NLE) - 19/01/2011 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a legislative resolution in which it gives its consent to the conclusion of the Interim Partnership Agreement between the European Community, of the one part, and the Pacific States, of the other part.

It should be noted that the Parliament expressed its position on the conclusion of this Agreement in a joint resolution adopted on the same day (see RSP/2010/2851).