

EUROPEAN COMMISSION

> Brussels, 29.1.2015 COM(2015) 30 final

Limited

Recommendation for a

COUNCIL DECISION

authorising the Commission to open negotiations under Article XXIV:6 of the General Agreement on Tariffs and Trade (GATT) 1994 with the Republic of Armenia and other WTO members which are members of the Eurasian Economic Union

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

On 23 October 2014, the Republic of Armenia notified the World Trade Organisation Members of its intention to join the Euraisan Economic Union and to modify certain commitments in its WTO Schedule CLV related to around 6536 tariff lines in accordance with the procedures of Article XXIV:6 of the General Agreement on Tariffs and Trade (GATT) 1994 and to enter into negotiations and/or consultations with affected WTO Members pursuant to Articles XXIV and XXVIII of that Agreement.

The statistics provided with the notification only refer to holders of Initial Negotiating Rights and do not allow identifying either Principal Suppliers or Substantial Interests. The EU has in any case negotiating rights and, while awaiting the submission of revised statistics by Armenia, has submitted a generic claim of interest to preserve its right on all tariff lines covered by the proposed modification of commitments.

Based on this claim, negotiations should be opened and conducted with the Republic of Armenia, as well as with other WTO members which are members of the Eurasian Economic Union that the Republic of Armenia is joining, with a view to reaching agreement on any appropriate compensatory adjustments resulting from the modification of the concessions. Consequently, the European Commission seeks the authorisation of the Council of the European Union to enter into the negotiations foreseen under Article XXIV:6 of the GATT.

2. LEGAL ELEMENTS OF THE PROPOSAL

Pursuant to Article 218(3) of the TFEU, the Council shall adopt a Decision authorising to open negotiations.

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty of the Functioning of the European Union (TFEU), and in particular Article 218(3) thereof,

Having regard to the recommendation from the European Commission,

Whereas:

- (1) On 23 October 2014, the Republic of Armenia notified the World Trade Organisation Members of its intention to join the Eurasian Economic Union and to modify certain commitments in its WTO Schedule CLV related to around 6536 tariff lines in accordance with the procedures of Article XXIV:6 of the General Agreement on Tariffs and Trade (GATT) 1994 and to enter into negotiations and/or consultations with affected WTO Members pursuant to Articles XXIV and XXVIII of that Agreement.
- (2) Negotiations should be opened and conducted with the Republic of Armenia, as well as with other WTO members which are members of the Eurasian Economic Union that the Republic of Armenia is joining, with a view to reaching agreement on any appropriate compensatory adjustments resulting from the modification of the concessions,

HAS ADOPTED THIS DECISION:

Article 1

The European Commission is hereby authorised to negotiate with the Republic of Armenia, as well as with other WTO members which are members of the Eurasian Economic Union that the Republic of Armenia is joining, in accordance with the principles laid down in Articles XXIV:6 and XXVIII of the GATT 1994. Negotiations shall be conducted with the view of obtaining any appropriate compensatory adjustment resulting from the modification of commitmenst notified by Armenia.

Article 2

The European Commission shall conduct the negotiations in consultation with the Trade Policy Committee established under Article 207 TFEU.

The Commission shall report regularly to the Trade Policy Committee on the progress achieved, and the outcome of the negotiations and, where appropriate, on any problem that may arise, during the negotiations.

Article 3

This Decision is addressed to the Commission. Done at Brussels,

> For the Council The President