EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

In 2009 New Zealand signalled its interest to enter into a legally binding relationship with the European Union and approached the European Commission with a request of its government to develop customs cooperation with the EU focusing on supply chain security and trade facilitation.

On 22 July 2013 the Council authorised the Commission to negotiate an Agreement on cooperation and mutual administrative assistance in customs matters (Agreement) with New Zealand. The negotiations were launched in September 2013 in Brussels and were conducted in a smooth and resource-efficient way as well as in a relatively short time, and they were concluded in June 2015. Both sides initialled the Agreement in Brussels on 23 September 2015.

The Agreement with New Zealand will establish a legal basis to allow direct and structured cooperation including mutual administrative assistance against fraud, in customs matters, with a trade partner being influential on the international customs scene (namely in the World Customs Organisation) and in the Pacific region.

The general objective of the Agreement is to develop and intensify cooperation and mutual administrative assistance in customs matters with New Zealand; in particular, to establish the legal basis for a cooperation framework which aims at securing the supply chain and facilitating legitimate trade, as well as enabling information exchange to ensure the proper application of customs legislation and the prevention, investigation and combating of breaches of customs legislation.

The Agreement provides a basis to further develop customs cooperation in future if warranted, for example through the establishment of Mutual Recognition of respective trade partnership programmes (Authorised Economic Operators in the EU).

The EU has already concluded similar customs cooperation agreements with the USA, China, Japan, Korea, India, Canada and Hong Kong.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

The Council is asked to adopt a decision on the signing of the draft Agreement based on Article 207 in conjunction with Article 218(5) of the Treaty on the Functioning of the European Union.

The proposal falls under the common commercial policy, exclusive competence of the Union.

3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

Member States were consulted in the framework of the Council Working Party on Customs Union.

4. BUDGETARY IMPLICATIONS

The proposal has no budgetary implications for the Union budget.

5. OTHER ELEMENTS

A Joint Customs Cooperation Committee will be established, consisting of representatives of the customs and other competent authorities of both parties. It shall guarantee the proper functioning and implementation of the Agreement and examine all issues arising from its application.

2016/0004 (NLE)

Proposal for a

COUNCIL DECISION

on the signing, on behalf of the European Union, of the Agreement between the European Union and New Zealand on cooperation and mutual administrative assistance in customs matters

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 207 in conjunction with Article 218(5) thereof,

Having regard to the proposal from the European Commission,

Whereas:

(1) On 22 July 2013 the Council authorised the Commission to open negotiations with New Zealand for the Agreement between the European Union and New Zealand on cooperation and mutual administrative assistance in customs matters. The negotiations were successfully concluded by the initialling of the Agreement.

(2) The European Union and New Zealand should establish the legal basis for a cooperation framework which aims at securing the supply chain and facilitating legitimate trade, as well as enabling information exchange to ensure the proper application of customs legislation and the prevention, investigation and combating of breaches of customs legislation.

(3) Therefore, the Agreement should be signed on behalf of the Union, subject to its conclusion at a later date,

HAS ADOPTED THIS DECISION:

Article 1

The signing of the Agreement between the European Union and New Zealand on cooperation and mutual administrative assistance in customs matters is hereby authorised on behalf of the Union, subject to the conclusion of the said Agreement.

The text of the Agreement is attached to this Decision.

Article 2

The Council Secretariat General shall establish the instrument of full powers to sign the Agreement, subject to its conclusion, for the person(s) indicated by the negotiator of the Agreement.

Article 3

This Decision shall enter into force on the date of its adoption.

Done at Brussels,

 For the Council

 The President