EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• Reasons for and objectives of the proposal

The EU-Mexico free trade area came into being through decisions taken by the Joint Council created under the Economic Partnership, Political Coordination and Cooperation Agreement between the European Community and its Member States, of the one part, and the United Mexican States, of the other part (the ‘Global Agreement’). These are Joint Council Decisions Nos 2/2000 of 23 March 2000 and 2/2001 of 27 February 2001.

As a result, these decisions are used to make the necessary adaptations to the trade provisions when new countries join the EU. The adaptations have not been addressed in the Third Additional Protocol to the Global Agreement.

Articles 5, 6, 7, 10 and 47 of the Global Agreement give the Joint Council the power to take decisions designed to meet the Agreement’s objectives, and in particular to decide on the appropriate arrangements and timetable for trade in goods, trade in services and public procurement.

With the Third Additional Protocol in force, the two above-mentioned Joint Council decisions must be amended so that the necessary adaptations can be made to the trade provisions in the Global Agreement. This specifically affects:

* The provisions in Joint Council Decision No 2/2000 of 23 March 2000, as amended by Joint Council Decisions Nos 3/2004 of 29 July 2004 and 2/2008 of 25 July 2008, that cover trade in goods, certification of origin and government procurement; and
* Joint Council Decision No 2/2001 of 27 February 2001, as amended by Joint Council Decisions Nos 4/2004 of 18 May 2005 and 3/2008 of 15 December 2008, so as to update the authorities responsible for financial services and those measures inconsistent with Articles 12 to 16 of Decision No 2/2001 that Croatia will maintain under Article 17(3) thereof.

The Commission recommends that the Council adopt the enclosed Council Decision on the position to be adopted, on behalf of the European Union, in the Joint Council to take account of the accession of the Republic of Croatia to the European Union.

• Consistency with other Union policies

This proposal is consistent with and contributes to the implementation of other EU external policies.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

• Legal basis

The legal basis for establishing the European Union’s position to be taken in the committees set up by the Global Agreement is the Treaty on the Functioning of the European Union (TFEU), and in particular Articles 91, 100(2), 207 and 211, in conjunction with Article 218(9) thereof.

• Choice of the instrument

This proposal is in accordance with Article 218(9) TFEU, which enables the Council to adopt decisions. No other legal instrument could achieve this proposal’s objectives.

2017/0317 (NLE)

Proposal for a

COUNCIL DECISION

on a position to be adopted, on behalf of the European Union,
in the Joint Council established in the Economic Partnership, Political Coordination
and Cooperation Agreement between the European Community and its Member States,
of the one part, and the United Mexican States, of the other part,
to take account of the accession of the Republic of Croatia to the European Union

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 91, 100(2), 207 and 211, in conjunction with Article 218(9) thereof,

Having regard to Articles 5, 6, 7, 10 and 47 of the Economic Partnership, Political Coordination and Cooperation Agreement (the ‘Global Agreement’),

Having regard to the proposal from the European Commission,

Whereas:

(1) On 14 September 2012[[1]](#footnote-1) the Council authorised the Commission, on behalf of the European Union, or the European Union and its Member States, to negotiate with Mexico a third additional protocol to the Global Agreement to take account of the accession of Croatia to the European Union.

(2) These negotiations concluded successfully.

(3) The Third Additional Protocol was signed on […] in […] and entered into force on […], with effect from […].

(4) Because Croatia is a party to the Global Agreement, it is necessary to adapt several provisions of:

* Joint Council Decision No 2/2000 of the EC-Mexico Joint Council of 23 March 2000, as amended by Joint Council Decisions Nos 3/2004 of 29 July 2004 and 2/2008 of 25 July 2008, concerning trade in goods, certification of origin and government procurement; and
* Joint Council Decision No 2/2001 of 27 February 2001, as amended by Joint Council Decisions Nos 4/2004 of 18 May 2005 and 3/2008 of 15 December 2008, to update the authorities responsible for financial services and those measures inconsistent with Articles 12 to 16 of Decision No 2/2001 that Croatia will maintain under Article 17(3) thereof.

(5) Articles 5, 6, 7, 10 and 47 of the Global Agreement empower the Joint Council established under the Agreement to take decisions aimed at attaining the Agreement’s objectives, and in particular to decide on the appropriate arrangements and timetable for trade in goods, trade in services and public procurement,

HAS ADOPTED THIS DECISION:

Article 1

1. The Council hereby approves the positions to be adopted by the European Union in the Joint Council established in the Global Agreement on amendments necessary to take account of the accession of Croatia, as annexed to this Decision (Annexes I and II).

2. Minor changes to the draft Decisions may be agreed to by the representatives of the Union in the Joint Council established in the Global Agreement without further decision of the Council.

Article 2

The decisions of the Joint Council shall be published in the *Official Journal of the European Union* after their adoption.

Article 3

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

Done at Brussels,

 For the Council

 The President

1. Council Decision authorising the opening of negotiations for the adaptation of agreements signed or concluded between the European Union, or the European Union and its Member States, with one or more third countries or international organisations, in view of the accession of the Republic of Croatia to the European Union (Council document 13351/12 LIMITED). [↑](#footnote-ref-1)