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COMMISSION OF THE EUROPEAN COMMUNITIES



Brussels, 10.7.2008 COM(2008) 445 final

Proposal for a

COUNCIL DECISION

on the signature and provisional application of the stepping stone Economic Partnership Agreement between the European Community and its Member States, of the one part, and Central Africa, of the other part

(presented by the Commission)

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EXPLANATORY MEMORANDUM

The attached proposal constitutes the legal instrument for the signature and provisional application of a stepping stone Economic Partnership Agreement (EPA) between the European Community and its Member States, of the one part, and Central Africa¹, of the other part:

Proposal for a Council Decision on the signature and provisional application of the stepping stone EPA.

As announced in the Communication to the Council and the European Parliament dated 23 October 2007, and as it was not possible to conclude before end 2007 a complete EPA with the whole Central African region², this stepping stone EPA has been negotiated in order to avoid disrupting trade between Central Africa, which is composed of Cameroon in the stepping stone EPA for the time being, and the European Community, pending completion of the comprehensive EPA with the whole Central African region. Following the initialling of this stepping stone EPA on 17 December 2007, Cameroon was added to the list of countries benefiting from the EPA trade regime established by Council Regulation (EC) No 1528/2007, adopted on 20 December 2007. This Regulation provides for an advance application of the EPA trade regime. This ensured that there was no trade disruption for Cameroon upon the expiry on 31 December 2007 of the trade provisions set out in Annex V of the Cotonou Agreement and the WTO waiver that covered them.

As Least Developed Countries (LDC), all other Central African countries, except Gabon and the Republic of Congo, benefit from the Everything But the Arms (EBA) initiative since 1 January 2008. This regime is broadly equivalent to the transitory trade regime of Cotonou and therefore does not disrupt their trade with the European Community. Gabon and the Republic of Congo are subject to the regular GSP regime since 1 January 2008 but were offered the possibility of joining the stepping stone EPA. Up to now, they have not decided to do so.

The stepping stone EPA contains provisions on Trade in Goods, that is to say Customs and Non Tariff Measures, Trade Defence Instruments, Customs Regime and Trade Facilitation, Technical Barriers to Trade and Sanitary and Phytosanitary Measures, and Forestry Governance and Trade for Forest Related Products. It also contains Development Cooperation provisions setting out priority areas of action for its implementation. The stepping stone EPA establishes a framework for development cooperation towards the strengthening of capacity and reinforcement of national economies in Central Africa. It also recalls the Commission's and Member States' intention to contribute to a regional development fund.

The negotiation of a full EPA with all Central African states continues, consistently with the negotiating directives for EPAs with the ACP States adopted by Council on 12 June 2002. The stepping stone EPA initialled by Cameroon is intended to be available for the region as a whole. It will be extended by the outcome of negotiations for full EPA reached in 2008. It therefore foresees the continuation of negotiations at regional level on Establishment, Services and Electronic Trade and Trade Related rules.

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At this stage, and for purposes of the present stepping stone EPA, the Central African part is composed of Cameroon which is the only country to have initialled it up to now.

The countries of this region are Cameroon, Central African Republic, Chad, Democratic Republic of Congo, Congo, Equatorial Guinea, Gabon, Sao Tomé and Principe.

Pending its entry into force, the stepping stone EPA foresees its provisional application.

The Commission has judged the results of the negotiations to be satisfactory and in accordance with the negotiating directives from the Council and requests the Council:

- to authorise the signature, on behalf of the European Community, of the stepping stone EPA with Central Africa;
- to approve the provisional application of the stepping stone EPA pending its entry into force.

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on the signature and provisional application of the stepping stone Economic Partnership Agreement between the European Community and its Member States, of the one part, and Central Africa, of the other part

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Articles 133 and 181 in conjunction with the first sentence of the first subparagraph of Article 300(2) thereof,

Having regard to the proposal from the Commission³,

Whereas:

- (1) On 12 June 2002 the Council authorised the Commission to open negotiations of Economic Partnership Agreements with ACP countries.
- (2) These negotiations for a stepping stone Economic Partnership Agreement (hereinafter referred to as the 'stepping stone EPA') have been concluded and the stepping stone EPA between the European Community and its Member States, of the one part, and Central Africa, of the other part (comprising Cameroon) was initialled on 17 December 2007.
- (3) Article 98(4) of the stepping stone EPA between the European Community and its member States and Central Africa therefore provides for its provisional application pending its entry into force.
- (4) The stepping stone EPA should be signed on behalf of the Community and applied on a provisional basis subject to its conclusion at a later date,

HAS DECIDED AS FOLLOWS:

Article 1

The signing of the stepping stone Economic Partnership Agreement between Central Africa and the European Community and its Member States is hereby approved on behalf of the Community, subject to the Council Decision concerning the conclusion of the said stepping stone Economic Partnership Agreement.

The text of the stepping stone Economic Partnership Agreement is attached to this Decision.

³ OJ C [...], [...], p. [...].

Article 2

The President of the Council is hereby authorised to designate the person(s) empowered to sign the stepping stone Economic Partnership Agreement on behalf of the European Community subject to its conclusion.

Article 3

The stepping stone Economic Partnership Agreement shall be applied on a provisional basis as provided for in Article 98(4) of this stepping stone Economic Partnership Agreement, pending completion of the procedures for conclusion. The Commission will publish a notice providing information on the date of provisional application.

Done in Brussels, [...]

For the Council
The President
[...]