



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 30.11.2004
COM(2004) 456 final/2

2004/0136 (CNS)

Corrigendum:

Changement de cote interinstitutionnelle:
CNS remplace AVC;
concerne toutes les langues.

Proposal for a

COUNCIL DECISION

**on the signature and conclusion, on behalf of the European Community,
of a Cooperation Agreement with the Principality of Andorra**

(presented by the Commission)

EXPLANATORY MEMORANDUM

The Principality of Andorra wishes to conclude as soon as possible a Cooperation Agreement with the European Community. This would be on the basis of the renewed mandate of the Council of 19 June 2002, after a series of meetings was discontinued since January 1998, when lastly a draft for the Cooperation Agreement was discussed with the Andorran side. It is to be recalled that on 24 February 1997 the Council authorized the Commission to open negotiations with Andorra.

On 4 September 2002 contacts on this matter were resumed between the Commission services and the Andorran authorities, on the basis of some reflections and suggestions on their part.

Most of the sectors contained in the 1998 draft Agreement were retained as matter for future cooperation, notably: Environment; Communication, Information and Culture; Education, Training and Youth; Social questions and Health; Transports, Energy and Trans-European Communications; Regional Policy. Andorra suggested through a non-paper of 29 April 2002 to add monetary issues, in particular the minting of the Euro. However, the Commission considered it more appropriate to keep Euro minting, as well as taxation of savings, as matters outside of the scope of the Cooperation Agreement, in order to maintain its Community character, in accordance with the mandate of the Council. The monetary sector, as a specific demand of Andorra, may be an issue of possible separate negotiation. The agreement on the taxation of savings is currently under advanced negotiation with the Andorran authorities.

The Principality of Andorra - an independent state, geographically situated between France and Spain – is a sovereign country, which has recently adopted its constitution (1993). The Bishop of Urgell (a Spanish city at the border) and the President of the French Republic, both on a personal capacity as Co-princes, are the Heads of the Andorran State. Andorra has strong bilateral relations with its neighbours and is so far linked to the European Community mainly through an Agreement, signed in Luxemburg on 28 June 1990, which established a custom union.

The Cooperation Agreement would not replace the latter; rather it would be complementary and enlarge the scope of the current relations of the Community with that country. The text of the annexed draft Agreement is self-explanatory.

Apart from the management of the Cooperation Committee set up by the Agreement, the conclusion of the Agreement will have no budgetary consequences.

Negotiations on the Cooperation Agreement were completed on 29 April 2004.

It is proposed that the Council adopts the attached decision on the signature and conclusion of a Cooperation Agreement with the Principality of Andorra.

Proposal for a

COUNCIL DECISION

**on the signature and conclusion, on behalf of the European Community,
of a Cooperation Agreement with the Principality of Andorra**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Articles 71; 137; 149; 150; 151; 152; 156; 159; 161;175; in conjunction with the second sentence of the first sub-paragraph of Article 300 (2) and the second sub-paragraph of Article 300 (3) thereof,

Having regard to the proposal from the Commission¹,

Having regard to the opinion of the European Parliament²,

Whereas:

- (1) The Community is determined to strengthen existing relations with Andorra, which are so far governed by an Agreement signed in Luxemburg on 28 June 1990, establishing a Custom Union,
- (2) Following the Council authorization of 24 February 1997, the Commission has concluded negotiations with Andorra on an agreement which covers a wide range of sectors of cooperation,
- (3) Certain tasks have been attributed to the Cooperation Committee established under the Agreement; the Commission should be delegated the power to undertake these tasks on behalf of the Community,
- (4) The Agreement should be signed and approved,

HAS DECIDED AS FOLLOWS:

Article 1

The Cooperation Agreement between the European Community and the Principality of Andorra is hereby approved on behalf of the European Community.

The text of the Agreement is attached to this Decision.

¹ OJ C [...], [...], p. [...].

² OJ C [...], [...], p. [...].

Article 2

The President of the Council is hereby authorized to designate the person empowered to sign the Agreement on behalf of the European Community.

Article 3

The President of the Council shall, on behalf of the Community, give the notification provided for in Article 14 of the Agreement.

Article 4

1. The Community shall be represented in the Cooperation Committee set up under Article 9 of the Agreement by the Commission assisted by the representatives of the Member States.
2. The position of the Community with regard to decisions to be taken by the Committee shall be determined by the Commission, following consultation of the representatives of Member States.

Done at Brussels, [...]

*For the Council
The President*

ANNEX

DRAFT COOPERATION AGREEMENT BETWEEN THE EUROPEAN COMMUNITY AND THE PRINCIPALITY OF ANDORRA

THE EUROPEAN COMMUNITY

of the one part,

THE PRINCIPALITY OF ANDORRA

of the other part,

RESOLVED to consolidate and extend the existing close relations between the European Community and the Principality of Andorra,

CONSIDERING that trade relations between the European Community and the Principality of Andorra are governed by the Agreement in the form of an Exchange of Letters signed in Luxembourg on 28 June 1990, which establishes a customs union,

CONSIDERING that European integration has made considerable progress since that date,

CONSIDERING the exceptional situation of the Principality of Andorra, which is surrounded by the territory of the European Union but is not a member of it,

CONSIDERING the desire of the Principality of Andorra to play a greater part in the current integration of Europe and therefore to expand the scope of its relations with the European Union,

CONSIDERING that the European Community and the Principality of Andorra should conclude an agreement to provide the broadest possible basis for their cooperation in all areas of common interest within their fields of competence,

HAVE AGREED AS FOLLOWS:

PRINCIPLES

Article 1

The European Community and the Principality of Andorra (hereinafter “the Contracting Parties”) undertake, within the limits of their respective powers, to cooperate on the broadest possible basis and to their mutual advantage in matters of common interest, and in particular the priority areas referred to in Articles 2 to 8 of this Agreement.

AREAS OF COOPERATION

Article 2

Environment

The Contracting Parties shall cooperate to protect and improve the environment with a view to sustainable development. Their cooperation shall cover the following areas: climate change, protection of nature and biodiversity, environment and health, management of natural resources and waste management. To this end, they shall seek to reconcile the conservation of the Pyrenean environment with economic development.

The Contracting Parties shall cooperate, in a spirit of shared responsibility, to resolve the environmental problems confronting the Principality of Andorra and the Pyrenean regions of the European Community. They shall take account of the fact that certain problems, such as that of waste, are connected with the movement of goods and persons between their respective territories. The Contracting Parties shall in particular cooperate in the transfer and disposal of waste.

In so far as its means allow, and provided such standards are relevant to it in terms of the protection of the environment and sustainable development, the Principality of Andorra will endeavour to adopt environmental standards equivalent to the European Community's; the European Community will, on request, cooperate with the Principality of Andorra to this end.

The Contracting Parties will study the feasibility and practicalities of involving the Principality of Andorra in such European Community environmental programmes open to non-member countries as may be of interest to it.

The European Community shall help establish cooperation between the European Environment Agency and the Principality of Andorra.

Article 3

Communications, information, culture

Within the scope afforded by Community initiatives and Andorran law, the Contracting Parties agree to undertake joint projects in the area of communications, information and culture in the spirit of Article 151 of the Treaty establishing the European Community.

Such projects may include:

- exchanges of information on topics of mutual interest in the fields of culture and information,
- the organisation of cultural events,
- cultural exchanges,
- the conservation of the Andorran and Pyrenean architectural heritage and the restoration of monuments and sites,

- the conservation and promotion of the Andorran and Pyrenean cultural heritage,
- the establishment of cross-border research programmes on history, art and languages,
- measures to preserve, enhance and disseminate the Catalan language,
- the participation of the Principality of Andorra in European Community cultural projects.

Article 4

Education, vocational training and youth

Guided by Articles 149 and 150 of the Treaty establishing the European Community, the Contracting Parties undertake to cooperate in the field of education and vocational training with a view to helping create a European education area.

The Contracting Parties will study the feasibility and practicalities of involving the Principality of Andorra in such European Community education, vocational training and youth programmes as may be of interest to it.

Article 5

Social and health issues

The Contracting Parties undertake to study ways of strengthening coordination in social matters through exchanges of experts, cooperation between administrations, cooperation between businesses and training.

The Contracting Parties shall employ the same approach for the purposes of cooperating in the field of public health.

The Contracting Parties shall avoid all discrimination based on nationality against workers who are nationals of the other party and legally resident on their respective territories with regard to working conditions, pay and redundancy.

The Contracting Parties' cooperation on labour issues shall cover, inter alia, the development of careers guidance services, planning and the promotion of employment at local and regional levels.

Article 6

Trans-European networks and transport

The Contracting Parties undertake to pursue their cooperation on trans-European transport, energy and telecommunications networks and on transport in general. This cooperation shall be aimed, inter alia, at promoting the study of projects of common interest which show due regard for the Pyrenean environment. In their cooperation, the Contracting Parties will be guided by the objectives set out in Articles 154 and 154 of the Treaty establishing the European Community.

Article 7

Regional policy

The Contracting Parties, each in accordance with its own legislation, agree to step up their regional cooperation, in line with the European Community's policy of cross-border, transnational and interregional cooperation.

To that end, they encourage the following courses of action:

- the study of a concerted approach to the development of the regions situated on the frontier between the European Community and the Principality of Andorra with a view to promoting a policy on the Pyrenees comparable to that on the Alps. Similarly, the European Community will offer the Principality of Andorra the possibility of taking part in future programmes of the *Interreg* type on the same terms as other non-member countries;
- the organisation of visits and exchanges of officials and experts, with a view to exploring the scope for cooperation;
- cooperation in matters of mountain policy, drawing on the Community policy aimed at ensuring continued and sustainable agricultural land use, economic development and the preservation of the countryside.

Article 8

Other areas of cooperation

The Contracting Parties may by mutual consent extend this Agreement by concluding agreements on specific matters.

GENERAL PROVISIONS

Article 9

1. A Cooperation Committee shall be responsible for administering this Agreement and ensuring that it is properly implemented.
2. For the purpose of the proper implementation of this Agreement the Contracting Parties shall exchange information and, at the request of either Party, shall hold consultations within the Cooperation Committee.
3. The Cooperation Committee shall draw up its own its rules of procedure.
4. The Cooperation Committee shall be composed, on the one hand, of representatives of the European Community and, on the other, of representatives of the Principality of Andorra.
5. The Cooperation Committee shall take decisions by common accord.
6. The Cooperation Committee shall be chaired by each of the Contracting Parties in turn, in accordance with the arrangements to be established in its rules of procedure.
7. The Cooperation Committee shall meet by common accord at the request of either of the Contracting Parties. The Cooperation Committee's rules of procedure will specify the practical arrangements for the organisation of meetings.

Article 10

The Contracting Parties agree that any dispute arising between them over the implementation or interpretation of this Agreement will be submitted to the Cooperation Committee.

Article 11

This Agreement shall be concluded for an unlimited period.

Article 12

Either Contracting Party may denounce this Agreement by notifying the other Contracting Party in writing. In that case, the Agreement shall cease to have effect six months after the date of such notification.

Article 13

This Agreement shall apply, on the one hand, to the territories to which the Treaty establishing the European Community is applied and under the conditions laid down in that Treaty and, on the other, to the territory of the Principality of Andorra.

Article 14

This Agreement will be approved by the Contracting Parties in accordance with their own procedures.

This Agreement shall enter into force on the first day of the second month following notification that the procedures referred to in the first paragraph have been complied with.

Article 15

This Agreement is drawn up in duplicate in the Catalan, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Slovak, Slovenian, Spanish and Swedish languages, each of these texts being equally authentic.

Done at [...] on the [...] day of [...] two thousand and four

For the European Community

For the Principality of Andorra

FINANCIAL STATEMENT				
				DATE:
1. BUDGET HEADING: n.a.		APPROPRIATIONS:		
2. TITLE: Cooperation Agreement with the Principality of Andorra				
3. LEGAL BASIS: Articles : 71; 137; 149; 150; 151; 152; 156; 159; 161; 175; in conjunction with the second sentence of the first sub-paragraph of Article 300 (2) and the second sub-paragraph of Article 300 (3).				
4. AIMS: Cooperation activities to be decided later				
5. FINANCIAL IMPLICATIONS None	12 MONTH PERIOD (EUR million)	CURRENT FINANCIAL YEAR [n] (EUR million)	FOLLOWING FINANCIAL YEAR [n+1] (EUR million)	
5.0 EXPENDITURE - CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTIONS) - NATIONAL AUTHORITIES - OTHER	None	None	None	
5.1 REVENUE - OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES) - NATIONAL	None	None	None	
	[n+2]	[n+3]	[n+4]	[n+5]
5.0.1 ESTIMATED EXPENDITURE				
5.1.1 ESTIMATED REVENUE				
5.2 METHOD OF CALCULATION:				
6.0 CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET?				YES
6.1 CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET?				NO
6.2 WILL A SUPPLEMENTARY BUDGET BE NECESSARY?				NO
6.3 WILL APPROPRIATIONS NEED TO BE ENTERED IN FUTURE BUDGETS?				NO
OBSERVATIONS:				