



Plenary sitting

A8-0362/2016

1.12.2016

RECOMMENDATION

on the draft Council decision on the conclusion, on behalf of the Union, of the Protocol of Accession to the Trade Agreement between the European Union and its Member States, of the one part, and Colombia and Peru, of the other part, to take account of the accession of Ecuador
(07620/2016 – C8-0463/2016 – 2016/0092(NLE))

Committee on International Trade

Rapporteur: Helmut Scholz

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

**on the draft Council decision on the conclusion, on behalf of the Union, of the Protocol of Accession to the Trade Agreement between the European Union and its Member States, of the one part, and Colombia and Peru, of the other part, to take account of the accession of Ecuador
(07620/2016 – C8-0463/2016 – 2016/0092(NLE))**

(Consent)

The European Parliament,

- having regard to the draft Council decision (07620/2016),
 - having regard to the draft Protocol of Accession to the Trade Agreement between the European Union and its Member States, of the one part, and Colombia and Peru, of the other part, to take account of the accession of Ecuador (07621/2016),
 - having regard to the request for consent submitted by the Council in accordance with Articles 91, 100(2), 207(4), first subparagraph, and Article 218(6), second subparagraph, point (a), of the Treaty on the Functioning of the European Union (C8-0463/2016),
 - having regard to Rule 99(1), first and third subparagraphs, Rule 99(2), and Rule 108(7) of its Rules of Procedure,
 - having regard to the recommendation of the Committee on International Trade and the opinion of the Committee on Foreign Affairs (A8-0362/2016),
1. Gives its consent to conclusion of the protocol;
 2. Instructs its President to forward its position to the Council, the Commission and the governments and parliaments of the Member States and of Colombia, Ecuador and Peru.

SHORT JUSTIFICATION

The Trade Agreement between the European Union and its Member States, of the one part, and Colombia and Peru, of the other part, was signed in Brussels on 26 June 2012, and some of its provisions have been applied pursuant to Article 330 thereof between the European Union and Peru since 1 March 2013 and between European Union and Colombia since 1 August 2013.

The European Parliament adopted a legislative resolution in which it gave its consent to the conclusion of this Agreement on 11 December 2012.

Article 329 of the Trade Agreement provides for an accession possibility of other Member Countries of the Andean Community to the Agreement. The European Union and Ecuador have concluded negotiations for such accession on 17 July 2014.

On 20 November 2015 the European Parliament adopted a resolution on the accession of Ecuador to the Trade Agreement (2015/2656(RSP)) in which it welcomed the conclusion of the negotiations with Ecuador, encouraged the quick and complete entry into force and implementation of this agreement, considering that this would allow Ecuador to continue its new orientations of stimulating policies on economic and social sustainable development of the country under complicate regional and international framework conditions. Therefore the European Parliament urged in its resolution of 20 November 2015 on the accession of Ecuador to the Trade Agreement (2015/2656(RSP)) furthermore the Government of Ecuador to take note of the action plans submitted by Colombia and Peru and to take similar measures which should be submitted before the European Parliament votes on Ecuador's accession to the Trade Agreement.

In the aftermath of the resolution your Rapporteur chaired an official delegation of the European Parliament from 21 to 23 March 2016 to Ecuador. The delegation-visit which took place upon an invitation of President Correa offered the possibility to exchange views with the Ecuadorian Government, Congress representatives, the civil society and other stakeholders on the accession of Ecuador to the Trade Agreement. The delegation took place at a crucial moment and was highly relevant for the work of the INTA Committee as it allowed to follow-up on the European Parliament resolution, enabled the Members to get impressions on the ground and prepared the vote on the consent procedure.

Economically Ecuador is currently in a difficult situation due to the plunge in oil prices by more than 60% (2015) and the appreciation of the US dollar and the depreciation of other currencies (Colombia). In 2015, Ecuador's total exports decreased by 29%, mainly due to the decline in oil exports 50%, while non-oil exports also dropped by 6.1%, leaving insufficient revenues to cover the government's financial needs.

On the 16th of April, an earthquake of 7.8 magnitude shook Ecuador. At least 673 people were killed and 27,732 people injured. The Ecuadorian Government estimates that reconstruction costs will be around USD 3.0 billion, which represents approximately 3.0% of GDP economic activity.

Ecuador is bound to lose its GSP+ status on 31 December 2016, following changes in the respective EU regulation. A situation in which Ecuador would neither enjoy the GSP+ status nor the benefits arising from the Trade Agreement could cause a negative impact on the Ecuadorian economy.

The accession of Ecuador to the Trade Agreement with Colombia and Peru and its implementation in a progressive and flexible way with a pre-development approach by the Commission, taking into account the periodic evaluations after consultation of the Ecuadorian Government and the civil society in both side should be a step forward in the alliance with important, like-minded and fast-growing countries in a region that is turning more and more to Asia and the Pacific.

Ecuador responded to the request by the European Parliament and transmitted on 21 June 2016 the document “Panorama of Policies, Achievement and Actions of Ecuador aimed at the Good Living (Buen Vivir)” to the European Parliament.

In the light of the above your rapporteur recommends that the Parliament gives its consent to the accession of Ecuador to the Trade Agreement between the EU and its Member States, of the one part, and Colombia and Peru, of the other part. But he wants to point out that the monitoring, evaluation and follow-up of existing agreements must be a key priority of the Common Commercial Policy and that the Commission is under an obligation to inform Parliament about its activities concerning the implementation, monitoring and follow-up of this agreement especially concerning the sustainable development obligations as outlined in the resolution of the European Parliament of 20 November 2015.

The European Parliament's consent to this Council Decision is a mandatory component in the completion of the ratification process of the Additional Protocol.

26.10.2016

OPINION OF THE COMMITTEE ON FOREIGN AFFAIRS

for the Committee on International Trade

on the proposal for a Council decision on the conclusion of the Protocol of Accession to the Trade Agreement between the European Union and its Member States, of the one part, and Colombia and Peru, of the other part, to take account of the Accession of Ecuador (COM(2016)0174 – C8-0000/2016 – 2016/0092(NLE))

Rapporteur: Elmar Brok

SHORT JUSTIFICATION

The accession of Ecuador to the Trade Agreement between the European Union and its Member States, of the one part, and Colombia and Peru, of the other part, is a major step forward in the EU's relations with Ecuador, which has become an important and like-minded regional partner.

Negotiations for a trade agreement with the Andean countries started in 2009. While Ecuador and Bolivia subsequently opted out of the talks, an agreement was concluded in June 2012 with Colombia and Peru. Pending ratification by all parties, the agreement has been provisionally applied with Peru since 1 March 2013 and with Colombia since 1 August 2013. Ecuador decided to restart its negotiations with the EU in early 2013. Negotiations were concluded on 17 July 2014 and the text was initialled on 12 December 2014.

The agreement provides for a progressive market opening for goods, services, government procurement and investment, including the abolition of most tariffs. It therefore allows Ecuador to maintain preferential access to the EU market despite becoming ineligible for the GSP+ scheme following the country's re-classification as an upper middle income country by the World Bank. In addition, the agreement contains a Trade and Sustainable Development chapter, which includes ambitious provisions on labour and environmental protection and aims to ensure predictable and stable environmental conditions for investors and operators on both sides.

The agreement will allow both parties to develop even closer bilateral relations and will be an impetus for further economic and political integration in the Andean region. It will also provide an opportunity to enhance the EU's political dialogue with Ecuador, based on respect for democratic principles and fundamental rights. This dialogue should also touch upon sensitive issues such as freedom of expression and press freedom, which have been severely

limited as a result of the Communication Law adopted in June 2013. During the first three years since its entry into force, almost 900 proceedings were instigated against critical journalists and media outlets.

The rapporteur calls on the European External Action Service and on the Commission to ensure the full implementation of the sustainable development provisions and to closely monitor the political and fundamental rights situation in the country, as well as to regularly report to the European Parliament on the implementation of the agreement.

In view of the expected economic and political benefits resulting from Ecuador's accession to the EU - Colombia and Peru Free Trade Agreement and of the inclusion of an ambitious Trade and Sustainable Development chapter, reflecting the parties' commitment to respect, comply and enforce international treaties and agreements in the field of labour rights and environmental protection, the rapporteur proposes that AFET recommend consent to this agreement.

The Committee on Foreign Affairs calls on the Committee on International Trade, as the committee responsible, to recommend that Parliament give its consent to the proposal for a Council decision on the conclusion of the Protocol of Accession to the Trade Agreement between the European Union and its Member States, of the one part, and Colombia and Peru, of the other part, to take account of the Accession of Ecuador.

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	Accession to the Trade Agreement between the EU and its Member States, of the one part, and Colombia and Peru, of the other part, to take account of the Accession of Ecuador
References	COM(2016)0174 – 2016/0092(NLE)
Committee responsible	INTA
Rapporteur Date appointed	Elmar Brok 24.5.2016
Date adopted	24.10.2016
Result of final vote	+: 39 –: 8 0: 3
Members present for the final vote	Lars Adaktusson, Michèle Alliot-Marie, Nikos Androulakis, Francisco Assis, Petras Auštrevičius, Amjad Bashir, Elmar Brok, Klaus Buchner, James Carver, Fabio Massimo Castaldo, Javier Couso Permuy, Andi Cristea, Georgios Epitideios, Anna Elżbieta Fotyga, Michael Gahler, Sandra Kalniete, Janusz Korwin-Mikke, Andrey Kovatchev, Eduard Kukan, Ilhan Kyuchyuk, Arne Lietz, Barbara Lochbihler, Sabine Lösing, Ulrike Lunacek, Andrejs Mamikins, Ramona Nicole Mănescu, Tamás Meszerics, Javier Nart, Ioan Mircea Pașcu, Vincent Peillon, Alojz Peterle, Kati Piri, Cristian Dan Preda, Jaromír Štětina, Dubravka Šuica, Charles Tannock, László Tőkés, Johannes Cornelis van Baalen, Geoffrey Van Orden
Substitutes present for the final vote	Ana Gomes, Javi López, Juan Fernando López Aguilar, Antonio López-Istúriz White, Urmas Paet, Jean-Luc Schaffhauser, Helmut Scholz, Bodil Valero
Substitutes under Rule 200(2) present for the final vote	Karoline Graswander-Hainz, Marijana Petir, Ivan Štefanec

PROCEDURE – COMMITTEE RESPONSIBLE

Title	Accession to the Trade Agreement between the EU and its Member States, of the one part, and Colombia and Peru, of the other part, to take account of the Accession of Ecuador	
References	07620/2016 – C8-0463/2016 – COM(2016)0174 – 2016/0092(NLE)	
Date of consultation / request for consent	14.11.2016	
Committee responsible Date announced in plenary	INTA 24.11.2016	
Committees asked for opinions Date announced in plenary	AFET 24.11.2016	DEVE 24.11.2016
Not delivering opinions Date of decision	DEVE 20.4.2016	
Rapporteurs Date appointed	Helmut Scholz 20.4.2016	
Discussed in committee	26.9.2016	12.10.2016
Date adopted	29.11.2016	
Result of final vote	+: –: 0:	25 4 2
Members present for the final vote	William (The Earl of) Dartmouth, Laima Liucija Andrikienė, David Campbell Bannerman, Salvatore Cicu, Marielle de Sarnez, Eleonora Forenza, Karoline Graswander-Hainz, Ska Keller, Bernd Lange, David Martin, Emmanuel Maurel, Sorin Moisă, Alessia Maria Mosca, Franz Obermayr, Artis Pabriks, Franck Proust, Godelieve Quisthoudt-Rowohl, Marietje Schaake, Helmut Scholz, Adam Szejnfeld, Hannu Takkula	
Substitutes present for the final vote	Klaus Buchner, Sergio Gutiérrez Prieto, Agnes Jongerius, Syed Kamall, Costas Mavrides, Fernando Ruas, Wim van de Camp, Jarosław Wałęsa	
Substitutes under Rule 200(2) present for the final vote	Rosa D’Amato, Bernd Kölmel	
Date tabled	1.12.2016	