



**2023/0260(NLE)**

5.10.2023

## **DRAFT OPINION**

of the Committee on Agriculture and Rural Development

for Committee on Foreign Affairs and the Committee on International Trade

on the proposal for a Council decision on the conclusion, on behalf of the European Union, of the Advanced Framework Agreement between the European Union and its Member States, of the one part, and the Republic of Chile, of the other part  
(COM(2023)0432 – C9-0000 – 2023/0260(NLE))

Rapporteur for opinion: Francisco Guerreiro

PA\_Leg\_Consent

## SHORT JUSTIFICATION

On 13 November 2017, the Council authorized the opening of negotiations with Chile for the modernisation of the existing 2002 EU-Chile Association Agreement (AA). The negotiations were concluded on the technical level in October 2021, and, with some bilateral discussions following, the agreement's chapters were published by 9 December 2022, updated as the EU-Chile Advanced Framework Agreement (AFA).

The AFA contains elements of shared competence with Member States, and consequently will be submitted not only to the European Parliament for consent but also to all EU Member States for ratification. In the meantime, the trade and investment market access provisions of the AFA will be submitted to the EU-only ratification procedure, as an Interim Trade Agreement (ITA) under EU exclusive competence. This ITA will expire once the AFA has entered into force.

The AFA achieves a high level of tariff liberalisation on the Chilean side, resulting in 99.9% of EU exports being tariff-free. However, the AFA retains exclusions for sensitive products of both parties, notably sugar for EU and Chile, and rice and bananas for the EU. Additional access to the EU market is granted only in the form of duty-free quotas. The AFA rationalises existing duty-free quotas granted to Chile for beef and sheep meat, removing the annual growth rate and clarifying fixed amounts. Aside from the increase concerning poultry, other increases in existing duty free quotas of pork, garlic and canned fish remain modest. The Agreement protects a further 216 European agri-food geographical indications (GIs) and 18 Chilean GIs.

In line with Parliament's resolution of 14 September 2017, the Agreement seeks to develop upon the existing Association Agreement by the addition of a dedicated trade and sustainable development (TSD) chapter. The core standards of the International Labour Organisation (ILO) and the Paris Agreement are found under this TSD chapter and are therefore not yet included as essential elements of the agreement, subject to sanctions under the general dispute settlement chapter. However, the TSD chapter commits both parties to effectively implement the Paris Agreement and the Nationally Determined Contributions, and provides for a novel Review clause under which TSD provisions can be revised to take into account evolving environmental and social standards.

The Agreement includes a dedicated chapter on sustainable food systems which will serve as a basis for improved EU-Chile cooperation for the transition towards a sustainable food system, including cooperation on antimicrobial resistance and animal welfare. Both parties commit to maintain their current prohibitions on use of antibiotics as growth promoters.

In accordance with Article 218(6) of the Treaty on the Functioning of the European Union, the consent of the European Parliament is required in order for the Council to adopt a decision concluding the Agreement.

In the light of the above, the Rapporteur recommends the Parliament to give its consent to the conclusion of the Agreement.

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The Committee on Agriculture and Rural Development calls on the Committee on Foreign Affairs and the Committee on International Trade, as the committees responsible, to recommend approval of the proposal for a Council decision on the conclusion, on behalf of the European Union, of the Advanced Framework Agreement between the European Union and its Member States, of the one part, and the Republic of Chile, of the other part.