



EUROPSKI PARLAMENT

2014 - 2019

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*Odbor za međunarodnu trgovinu*

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**2014/0086(NLE)**

7.11.2014

## MIŠLJENJE

Odbora za međunarodnu trgovinu

upućeno Odboru za vanjske poslove

o prijedlogu odluke Vijeća o sklapanju, u ime Europske unije, Sporazuma o pridruživanju između Europske unije i Europske zajednice za atomsku energiju i njezinih država članica, s jedne strane, i Gruzije, s druge strane (09827/2014 – C8-0129/2014 – 2014/0086(NLE))

Izvjestitelj za mišljenje: Olli Rehn

PA\_Leg\_Consent

## SHORT JUSTIFICATION

The Association Agreement (AA) between the European Union (EU) and Georgia, negotiated under the aegis of the Eastern Partnership from 2012 to 2013, follows the model of the EU-Ukraine Association agreement which encompasses the most ambitious free trade agreement that the EU has ever negotiated with a third country, save for countries of the European Economic Area.

By establishing a Deep and Comprehensive Free Trade Area (DCFTA)<sup>1</sup> with the EU, Georgia should increase its market access to the largest economic block, by taking binding commitments on the adoption of laws, standards and common values, whereas the EU will benefit from smoother commercial flows and better investment conditions in Georgia. DCFTA includes several provisions aiming at reforming Georgia's trade and trade-related policies, in line with, and on the basis of, the EU acquis. These will provide for modernisation of the economy, anchoring of EU investment in the country, and better and more predictable policy environment.

### Market access

DCFTA provides for a complete elimination of all import duties and prohibition of export duties, on all goods on the EU side as of date of entry into force of the Agreement. Only some agricultural goods (mostly products of animal origin, sugars and cereal products), which are considered sensitive in the EU, will be subject to monitoring of trade flows. In addition, a limited number of fruits and vegetables, which are subject to entry prices in the EU, will be liberalised within TRQs (tariff rate quotas) covering traditional trade flows.

### Rules of origin

Georgia will apply the rules of origin which make it possible to join the Pan-Euro-Med (PEM) Convention, as a zone of cumulation of manufacturing processes with the EU and other PEM members, and which fosters positively regional economic integration for trade in goods.

### Services and establishment

The EU and Georgia provide to each other market access for cross-border services in a wide range of areas, beyond the commitments inscribed in GATS. Furthermore, the parties agreed on broad access for establishment in a wide variety of sectors, which are accompanied by so called 'mode 4' provisions, entitling qualified personnel to temporary work in the EU or Georgia, in sectors covered by the establishment provisions.

### Intellectual property

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<sup>1</sup> Title IV of the Association Agreement.

The parties reinforce their engagement to protect intellectual property beyond the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) provisions. These concern the extended protection of different intellectual property rights (i.e. trademarks, patents, design, plant variety) improved cooperation and stronger (civil) enforcement of IPs, including on the border. Equally, the Agreement on Geographical Indications is entirely integrated in the DCFTA.

### Public procurement

The EU and Georgia aim for further and gradual (within 8 years) modernisation of the Georgian procurement system and alignment of the legislation with the EU one. Completion of the reform process, aiming to adapt Georgian procurement practices to the EU ones, would result in better access to the EU market on the basis of national treatment, above certain value thresholds.

### Services

The reform process will cover the areas of postal and courier services, international maritime transport, electronic communications and financial services. As a result, the EU may deepen the access to its market in the services area within the bilateral services commitments. Georgia foresees up to 10 years for the gradual reform process.

Last but not least, AA foresees large sector-specific cooperation and regulatory convergence across the board, which carry long-term changes in terms of sustainable development, respect of the environment, labour rights, etc.

It is expected that the DCFTA will boost trade between the EU and Georgia – by 12% as regards Georgia's exports to the EU, and by 7.5% on imports from the EU. The DCFTA as a whole is expected to improve the current account balance of Georgia and boost the GDP by 4.3% ( 292 million EUR in national income), provided that the reforms are completed.

### Conclusions

Your rapporteur believes that the European Parliament will offer to Georgia, by giving its consent to this AA, a future closer to Europe. He is pleased by the fact that the Parliament of Georgia ratified the agreement on 18 July thus enabling its provisional application as of 1 September 2014. Your rapporteur underlines that the AA will turn out successful if it is thoroughly implemented by both partners. The EU should help Georgia in adopting the relevant laws and the decrees and in monitoring their actual enforcement.

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Odbor za međunarodnu trgovinu poziva Odbor za vanjske poslove da kao nadležni odbor preporuči davanje suglasnosti za prijedlog odluke Vijeća o sklapanju, u ime Europske unije, Sporazuma o pridruživanju između Europske unije i Europske zajednice za atomsku energiju i njezinih država članica, s jedne strane, i Gruzije, s druge strane.

## REZULTAT KONAČNOG GLASOVANJA U ODBORU

<b>Datum usvajanja</b>	6.11.2014
<b>Rezultat konačnog glasanja</b>	+ :                32 - :                5 0 :                1
<b>Zastupnici nazočni na konačnom glasanju</b>	William (The Earl of) Dartmouth, Tiziana Beghin, David Campbell Bannerman, Daniel Caspary, Salvatore Cicu, Santiago Fisas Ayxelà, Ska Keller, Jude Kirton-Darling, Gabrielius Landsbergis, Bernd Lange, Jörg Leichtfried, Marine Le Pen, David Martin, Anne-Marie Mineur, Alessia Maria Mosca, Franz Obermayr, Franck Proust, Viviane Reding, Olli Rehn, Inmaculada Rodríguez-Piñero Fernández, Matteo Salvini, Marietje Schaake, Helmut Scholz, Adam Szejnfeld, Iuliu Winkler
<b>Zamjenici nazočni na konačnom glasanju</b>	Bendt Bendtsen, Klaus Buchner, Nicola Danti, Agnes Jongerius, Sajjad Karim, Seán Kelly, Sander Loones, Fernando Ruas, Lola Sánchez Caldentey, Jarosław Wałęsa
<b>Zamjenici nazočni na konačnom glasanju prema čl. 200. st. 2.</b>	Laura Agea, Andi Cristea, Helga Stevens