



Malta-EU Steering & Action Committee

COMPETITIVENESS AND CONSUMER AFFAIRS

Sectoral Committee
Weekly Update
23.04.10

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COM (2010) 125 - Third monitoring report on steel restructuring in Bulgaria

In Protocol 2 to the Europe Agreement, the European Union agreed on transitional arrangements for restructuring aid to allow Bulgaria to complete the restructuring process in the steel industry. Bulgaria was allowed to grant State aid for restructuring purposes, provided that:

- it would lead to the viability of the benefiting firms under normal market conditions at the end of the restructuring period,
- the amount and intensity of such aid was strictly limited to what was absolutely necessary in order to restore such viability and was progressively reduced,
- the restructuring programme was linked to the rationalisation and reduction of overall production capacity in Bulgaria

This report supplements the previous Commission reports and assesses the results achieved by the end of 2008. In view of the findings, the Commission concludes that the provisions of Protocol 2 to the Europe Agreement and EU-Bulgaria Association Council Decision 3/2006 of 29 December 2006 amending this Protocol were only respected in relation to the amount of restructuring aid granted and net capacity reduction. However, the Commission notes that the restructuring benchmarks (viability, productivity and cost reduction) were not achieved and were far below agreed targets.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0125:FIN:EN:PDF>

COM (2010) 136 - Proposal for a COUNCIL DECISION authorising the signature and provisional application of the Free Trade Agreement between the European Union and its Member States and the Republic of Korea

The proposal constitutes the legal instruments for authorising the signature and provisional application of a Free Trade Agreement (FTA) between the European Union and the Republic of Korea. The EU-Korea FTA was negotiated in accordance with the objectives set out in the Commission's Communication "Global Europe: competing in the world", which reviewed the contribution of EU trade policy to the European growth and jobs strategy.



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As stipulated in the negotiating directives adopted by the Council, the FTA negotiations with Korea aimed at ensuring a comprehensive and balanced agreement fully consistent with WTO rules and obligations. The agreement was to provide for the progressive and reciprocal liberalisation of trade in goods and services as well as rules on trade-related issues.

The institutional provisions foresee the establishment of a Trade Committee to supervise the implementation of the FTA and consider ways to further enhance trade relations between the Parties. An efficient dispute settlement mechanism is included. The Trade Committee shall be composed of representatives of the European Union and of Korea. The Trade Committee shall report to the Joint Committee established under the updated Framework Agreement on its activities and those of its specialised committees, working groups and other bodies

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0136:FIN:EN:PDF>

COM (2010) 156 - Proposal for a COUNCIL DECISION on the position to be taken by the European Union within the Association Council established by the Euro-Mediterranean Agreement establishing an association between the European Community and its Member States, of the one part, and the People's Democratic Republic of Algeria, of the other part, as regards the amendment of Article 15(7) of Protocol No 6 to that Agreement, concerning the definition of the concept of "originating products" and methods of administrative cooperation

The prohibition of drawback of customs duties is stipulated in Article 15 of Protocol No 6 annexed to the EC-Algeria Association Agreement. Paragraph 7 of that article provides for a transitional period prior to the full application of the prohibition of drawback of duties by Algeria and allows the country to grant duty drawback to its exporters or economic operators during this period.

The transitional period expired on 31 December 2009. However, Article 15(7) provides for the possibility of re-examining this provision by mutual agreement. Algeria has requested in writing that the period in which the provision on drawback applies be extended and that the rates of customs charges be revised.



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The parties have agreed to extend by three years the application period of Article 15(7), with effect from 1 January 2010 in order to provide clarity, long-term economic predictability and legal certainty for economic operators.

COM 157, 158, 161 and 166 deals with the same issue though with Tunisia, Morocco, Egypt and Palestine respectively.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0156:FIN:EN:PDF>

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0157:FIN:EN:PDF>

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0158:FIN:EN:PDF>

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0161:FIN:EN:PDF>

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0166:FIN:EN:PDF>

COM (2010) 163 - COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE Tax and Development Cooperating with Developing Countries on Promoting Good Governance in Tax Matters

On 28th April 2009, the European Commission issued a Communication on Promoting Good Governance in Tax Matters, to present concrete actions that could be taken to better promote the principles of good governance in the tax area (transparency, exchange of information and fair tax competition), both within the European Union and towards third countries. The general objective is to improve tax cooperation and tackle tax evasion and avoidance on as broad a geographical basis as possible.

This Communication aims to improve synergies between tax and development policies by suggesting ways in which the EU could assist developing countries in building efficient, fair and sustainable tax systems and administrations with a view to enhancing domestic resource mobilisation in a changing international environment.

The commission is therefore proposing to strengthen the support to domestic revenue mobilisation in developing countries, and to Promote the principles of good governance in tax matters, through various methods that can be found in the communication.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0163:FIN:EN:PDF>



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COM (2010) 168 - Proposal for a COUNCIL DECISION on the signature of the regional Convention on pan-Euro-Mediterranean preferential rules of origin

At present the pan-Euro-Mediterranean cumulation zone includes the European Union, the EFTA States, the participants in the Barcelona Process and the Faroe Islands. The pan-Euro-Mediterranean system of cumulation of origin is made up of a multiplicity of agreements, setting out free trade provisions based on a network of identical rules of origin allowing for diagonal cumulation, along the countries of the zone. This cumulation zone is bound to grow in the future.

At the Euro-Med Trade Ministerial Conference in Lisbon in October 2007, the idea of a convention was revived and Ministers agreed to start the drafting of a single convention on preferential rules of origin for the pan-Euro-Mediterranean area. The Commission took an active part in the process, initiated in 2007, with a view to drawing up the draft text of the Convention in the framework of the Pan-Euro-Med Working Group.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0168:FIN:EN:PDF>

COM (2010) 170 - COMMISSION REPORT on the state of data protection in the Internal Market Information System

The Commission is satisfied with the way personal rights and freedoms with regard to personal data are ensured in the Internal Market Information (IMI) System. IMI is an internet-based, secure and multilingual information exchange system that assists Member States to carry out their duties of administrative cooperation.

The fundamental objective of the Internal Market Information (IMI) system is to create the conditions in which day-to-day administrative cooperation between the Member States can take place, by supplying a cross-border eGovernment application to support Internal Market legislation. The system is an enabling mechanism. It provides Member States administrations with a multilingual, open and flexible tool to support the mutual assistance and information exchange required to implement Internal Market legislation efficiently. The system is operated and maintained by the Commission.

In 2010, the Commission will explore the possibility of extending IMI to other areas of the Internal Market and gain more experience with the practical use of



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the system in the area of services. In the first quarter of 2011, it will publish a staff working paper on the functioning and development of the IMI system in 2010, which will also cover data protection.

This report, announced in the Commission Recommendation on data protection guidelines for the Internal Market Information System reviews the Recommendation's implementation by the Member States and by the Commission and assesses the state of data protection in IMI. It also covers new issues which were not addressed in the Recommendation – in particular, coverage of the new Services Directive.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0170:FIN:EN:PDF>

COM (2010) 172 - Proposal for a COUNCIL DECISION on the conclusion of the regional Convention on pan-Euro-Mediterranean preferential rules of origin

At present the pan-Euro-Mediterranean cumulation zone includes the European Union, the EFTA States, the participants in the Barcelona Process and the Faroe Islands. The pan-Euro-Mediterranean system of cumulation of origin is made up of a multiplicity of agreements, setting out free trade provisions based on a network of identical rules of origin allowing for diagonal cumulation, among the countries of the zone. This cumulation zone is bound to grow in the future.

At the Euro-Med Trade Ministerial Conference in Lisbon in October 2007, the idea of a convention was revived and Ministers agreed to start the drafting of a single convention on preferential rules of origin for the pan-Euro-Mediterranean area in order to replace the current network of protocols on rules of origin. To this end, they entrusted the technical work required to the Pan-Euro-Med Working Group. On 26 November 2009 the Council authorised the Commission to open negotiations with the EFTA States, the participants in the Barcelona Process, the participants in the Stabilization and Association Process and the Faroe Islands on the Convention.

All negotiating directives were fulfilled by the Commission. The Convention consolidates all protocols on rules of origin in force between members of the pan-Euro-Mediterranean system of cumulation of origin. The Convention



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integrates all protocols on rules of origin in force between the partners participating in the Stabilisation and Association Process and the countries and territories of the pan-Euro-Mediterranean zone.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0172:FIN:EN:PDF>