Council Decision (EU) 2019/1708 of 7 October 2019 establishing the position to be taken on behalf of the European Union within the General Council of the World Trade Organization on the adoption of a decision to extend a WTO waiver permitting the United States to provide preferential tariff treatment under the US Caribbean Basin Economic Recovery Act (CBERA)

COUNCIL DECISION (EU) 2019/1708

of 7 October 2019

establishing the position to be taken on behalf of the European Union within the General Council of the World Trade Organization on the adoption of a decision to extend a WTO waiver permitting the United States to provide preferential tariff treatment under the US Caribbean Basin Economic Recovery Act (CBERA)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular the first subparagraph of Article 207(4), in conjunction with Article 218(9) thereof,

Having regard to the proposal from the European Commission,

Whereas:

(1) The Marrakesh Agreement establishing the World Trade Organization ('WTO Agreement') entered into force on 1 January 1995.

(2) Paragraph 2 of Article II of the WTO Agreement provides that the agreements and associated legal instruments included in Annexes 1, 2 and 3 to the WTO Agreement ('Multilateral Trade Agreements') are integral parts of the WTO Agreement and are binding on all Members.

(3) Pursuant to paragraph 3 of Article IX, in exceptional circumstances, the Ministerial Conference may decide to waive an obligation imposed on a Member by the WTO Agreement or any of the Multilateral Trade Agreements.

(4) Paragraphs 3 and 4 of Article IX of the WTO Agreement set out the procedures for the granting of waivers concerning the Multilateral Trade Agreements in Annex 1A, 1B or 1C to the WTO Agreement and their annexes.

(5) Pursuant to paragraph 1 of Article IV of the WTO Agreement, the Ministerial Conference has the authority to take decisions on all matters under any of the Multilateral Trade Agreements.

(6) Pursuant to paragraph 2 of Article IV of the WTO Agreement, in the intervals between meetings of the Ministerial Conference of the World Trade Organization ('WTO'), the General Council of the WTO conducts its functions.

(7) Pursuant to paragraph 1 of Article IX of the WTO Agreement, the WTO usually takes the decisions by consensus.

Changes to legislation: *There are currently no known outstanding effects for the Council Decision (EU) 2019/1708. (See end of Document for details)*

(8) The United States was granted a waiver of obligations under paragraph 1 of Article I of the General Agreement on Tarifs and Trade 1994 ('GATT 1994') on 15 February 1985, for the period from 1 January 1984 to 30 September 1995. On 15 November 1995, the Members renewed the waiver to 30 September 2005 and again on 29 May 2009 to 31 December 2014. On 5 May 2015, the Members extended the waiver in respect of paragraph 1 of Article I of the GATT 1994 to 31 December 2019, and expanded the waiver to cover paragraphs 1 and 2 of Article XIII of the GATT 1994 to the extent necessary for the United States to provide duty-free treatment for imports of eligible products originating in beneficiary countries designated pursuant to the provisions of the Caribbean Basin Economic Recovery Act ('CBERA').

(9) Pursuant to paragraphs 3 and 4 of Article IX of the WTO Agreement, the United States submitted a request to the General Council to take a decision to extend the existing WTO waiver to permit the United States to provide duty-free treatment to eligible products originating in Central American and Caribbean countries and territories under CBERA from 1 January 2020 to 30 September 2025.

(10) The United States justifies the request with the high prevalence of poverty and instability in the Caribbean Basin countries, particularly in Haiti. Benefits under CBERA are intended to expand economic opportunities and contribute towards a more stable and prosperous region.

(11) The extension of the waiver would not negatively affect either the economy of the Union or the Union's trade relations with the beneficiaries of the waiver. Moreover, the Union is supportive of actions against poverty and for stability.

(12) It is appropriate to establish the position to be taken on behalf of the Union in the General Council to support the United States request to extend the waiver in accordance with Article 218(9) TFEU, as the extension of the waiver will be binding on Members of the WTO,

HAS ADOPTED THIS DECISION:

Article 1

The position to be taken on behalf of the European Union in the General Council of the World Trade Organization shall be to support the extension of a WTO waiver permitting the United States to provide preferential tariff treatment to eligible products originating in Central American and Caribbean countries and territories under the Caribbean Basin Economic Recovery Act from 1 January 2020 to 30 September 2025.

Article 2

This Decision shall enter into force on the date of its adoption.