Council Decision (EU) 2019/433 of 20 February 2018 on the position to be taken on behalf of the European Union within the Association Committee meeting in Trade configuration established by the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and the Republic of Moldova, of the other part, concerning the update of Annexes XXVIII-A (Rules applicable to financial services), XXVIII-B (Rules applicable to telecommunication services) and XXVIII-D (Rules applicable to international maritime transport) to the Agreement

COUNCIL DECISION (EU) 2019/433

of 20 February 2018

on the position to be taken on behalf of the European Union within the Association Committee meeting in Trade configuration established by the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and the Republic of Moldova, of the other part, concerning the update of Annexes XXVIII-A (Rules applicable to financial services), XXVIII-B (Rules applicable to telecommunication services) and XXVIII-D (Rules applicable to international maritime transport) to the Agreement

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 91, Article 100(2) and 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 Association Agreement between the European Union and the European Atomic Energy Community, and their Member States of the one part, and the Republic of Moldova, of the other part ('the Agreement') was concluded, on behalf of the Union, in accordance with Council Decision (EU) 2016/839[(1)] and entered into force on 1 July 2016.

(2) Several Union acts listed in Annexes XXVIII-A (Rules applicable to financial services), XXVIII-B (Rules applicable to telecommunication services) and XXVIII-D (Rules applicable to international maritime transport) to the Agreement ('the Annexes') have been amended or repealed since the conclusion of negotiations of the Agreement in June 2013. Therefore, in order to ensure proper approximation of the legislation of the Republic of Moldova to the EU acts, a number of acts that implement, amend, supplement or replace the acts listed in those Annexes should be added thereto, and certain deadlines should be amended to take into account the progress already made to date by the Republic of Moldova in the process of that approximation.

Changes to legislation: *There are currently no known outstanding effects for the Council Decision (EU) 2019/433. (See end of Document for details)*

(3) Pursuant to the Decision No 3/2014 of the EU-Republic of Moldova Association Council[(2)], the Association Committee meeting in Trade configuration ('the Committee') may update or amend certain Annexes to the Agreement.

(4) The Committee is to adopt decisions updating the Annexes. Such decisions are binding upon the Union.

(5) It is appropriate to establish the position to be taken on the Union's behalf in the Committee, concerning the update of the Annexes.

(6) The position of the Union within the Committee should therefore be based on the attached draft decisions,

HAS ADOPTED THIS DECISION:

Article 1

The position to be taken on the Union's behalf within the Committee shall be based on the following draft decisions attached to this Decision:

(a) Decision of the EU-Republic of Moldova Association Committee meeting in Trade configuration concerning the update of Annex XXVIII-A (Rules applicable to financial services) to the Agreement;

(b) Decision of the EU-Republic of Moldova Association Committee meeting in Trade configuration concerning the update of Annex XXVIII-B (Rules applicable to telecommunication services) to the Agreement;

(c) Decision of the EU-Republic of Moldova Association Committee meeting in Trade configuration concerning the update of Annex XXVIII-D (Rules applicable to international maritime transport) to the Agreement.

Article 2

This Decision is addressed to the Commission.

Done at Brussels, 20 February 2018.

For the Council

The President

V. GORANOV

DRAFT

DECISION No …/… OF THE EU-REPUBLIC OF MOLDOVA ASSOCIATION COMMITTEE MEETING IN TRADE CONFIGURATION

of … 2018

concerning the update of Annex XXVIII-A (Rules applicable to financial services) to the Association Agreement between the European Union and the European Atomic Energy Community and their Member States of the one part, and the Republic of Moldova, of the other part

THE ASSOCIATION COMMITTEE,

Having regard to the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and the Republic of Moldova, of the other part, signed in Brussels on 27 June 2014, and in particular Articles 61, 249, 436, 438 and 449 thereof,

Whereas:

(1) The Association Agreement between the European Union and the European Atomic Energy Community and their Member States of the one part, and the Republic of Moldova, of the other part ('the Agreement') entered into force on 1 July 2016.

(2) Articles 61 and 249 of the Agreement provide that the Republic of Moldova is to carry out approximation of its legislation to the EU acts and international instruments ('the Union *acquis*') referred to in Annex XXVIII-A (Rules applicable to financial services) to the Agreement ('Annex XXVIII-A').

(3) The Union *acquis* referred to in Annex XXVIII-A concerning money laundering has evolved since the conclusion of negotiations of the Agreement in June 2013. In particular, the Union adopted and notified to the Republic of Moldova Directive (EU) 2015/849 of the European Parliament and of the Council[(3)] and Regulation (EU) 2015/847 of the European Parliament and of the Council[(4)].

(4) The Republic of Moldova continues the process of approximating its legislation to the Union *acquis*, in accordance with the timelines and priorities set out in Annex XXVIII-A. It is therefore necessary to update Annex XXVIII-A in order to ensure that the evolution of the Union *acquis* listed therein with respect to money laundering is promptly and efficiently integrated in the ongoing process of approximation, in accordance with Article 449 of the Agreement.

(5) Directive (EU) 2015/849 and Regulation (EU) 2015/847 should therefore be added to the list set out in Annex XXVIII-A.

(6) Directive 2005/60/EC of the European Parliament and of the Council[(5)] and Commission Directive 2006/70/EC[(6)] should be removed from the list set out in Annex XXVIII-A with effect from 26 June 2017.

Changes to legislation: *There are currently no known outstanding effects for the Council Decision (EU) 2019/433. (See end of Document for details)*

(7) Article 436(3) of the Agreement provides that the EU-Republic of Moldova Association Council ('the Association Council') is to have the power to update or amend the Annexes to the Agreement.

(8) Pursuant to Article 438(2) of the Agreement, the Association Council may delegate to the Association Committee any of its powers, including the power to take binding decisions.

(9) By Decision No 3/2014[7] the Association Council delegated the power to update or amend the Annexes to the Agreement which relate, *inter alia*, to Chapter 6 (Establishment, trade in services and electronic commerce) of Title V (Trade and Trade-related Matters) of the Agreement to the Association Committee meeting in Trade configuration, to the extent that there are no specific provisions in Chapter 6 relating to the update or the amendment of those Annexes. There are no specific provisions in Chapter 6 relating to the update or the amendment of the Annexes.

(10) Annex XXVIII-A should therefore be updated accordingly,

HAS ADOPTED THIS DECISION:

Article 1

Annex XXVIII-A (Rules applicable to financial services) to the Agreement is replaced by the Annex to this Decision.

Article 2

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

Done at …,

For the Association Committee

The Chair

ANNEX

ANNEX XXVIII-A

RULES APPLICABLE TO FINANCIAL SERVICES

The Republic of Moldova undertakes to gradually approximate its legislation to the following EU acts and international instruments within the stipulated timeframes.

Directive 2007/44/EC of the European Parliament and of the Council of 5 September 2007 amending Council Directive 92/49/EEC and Directives 2002/83/EC, 2004/39/EC, 2005/68/EC and 2006/48/EC as regards procedural rules and evaluation criteria for the prudential assessment of acquisitions and increase of holdings in the financial sector

Timetable: the provisions of Directive 2007/44/EC shall be implemented within three years of the entry into force of this Agreement.

Directive 2002/87/EC of the European Parliament and of the Council of 16 December 2002 on the supplementary supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate and amending Council Directives 73/239/EEC, 79/267/EEC, 92/49/EEC, 92/96/EEC, 93/6/EEC and 93/22/EEC, and Directives 98/78/EC and 2000/12/EC of the European Parliament and of the Council

Timetable: the provisions of Directive 2002/87/EC shall be implemented within three years of the entry into force of this Agreement.

Directive 2006/48/EC of the European Parliament and of the Council of 14 June 2006 relating to the taking up and pursuit of the business of credit institutions

The Savings and Credit Associations of the Republic of Moldova shall be treated in the same way as the institutions listed in Article 2 of that Directive and accordingly be exempt from the scope of that Directive

Timetable: the provisions of Directive 2006/48/EC shall be implemented within three years of the entry into force of this Agreement.

Commission Directive 2007/18/EC of 27 March 2007 amending Directive 2006/48/EC of the European Parliament and of the Council as regards the exclusion or inclusion of certain institutions from its scope of application and the treatment of exposures to multilateral development banks

Timetable: the provisions of Directive 2007/18/EC shall be implemented upon entry into force of this Agreement.

Directive 2006/49/EC of the European Parliament and of the Council of 14 June 2006 on the capital adequacy of investment firms and credit institutions

Timetable: the provisions of Directive 2006/49/EC, with the exception as set out below, shall be implemented within three years of the entry into force of this Agreement.

With regard to institutions other than credit institutions defined in point (a) of Article 3(1) of that Directive, the provisions related to the level of required initial capital as set out in Article 5(1) and (3), Article 6, points (a), (b) and (c) of Article 7, points (a), (b) and (c) of Article 8 and Article 9 of that Directive shall be implemented within 10 years of the entry into force of this Agreement.

Directive 2009/110/EC of the European Parliament and of the Council of 16 September 2009 on the taking up, pursuit and prudential supervision of the business of electronic money institutions amending Directives 2005/60/EC and 2006/48/EC and repealing Directive 2000/46/EC

Timetable: the provisions of Directive 2009/110/EC shall be implemented within three years of the entry into force of this Agreement.

Directive 94/19/EC of the European Parliament and of the Council of 30 May 1994 on deposit-guarantee schemes

Timetable: the provisions of Directive 94/19/EC, with the exception of the provision related to the minimum level of compensation for each depositor set out in Article 7 of that Directive, shall be implemented within five years of the entry into force of this Agreement.