Council Decision (EU) 2019/2136 of 5 December 2019 authorising the opening of negotiations to amend the International Sugar Agreement 1992

COUNCIL DECISION (EU) 2019/2136

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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(3) and (4) thereof,

Having regard to the recommendation from the European Commission,

Whereas:

(1) By Council Decision 92/580/EEC[(1)], the Union became a Party to the International Sugar Agreement 1992[(2)] (the 'ISA') and a member of the International Sugar Organization (the 'ISO').

(2) The Union has since 1995 approved the extension of the ISA for two-year periods. On 19 July 2019, during the 55th Session of the International Sugar Council (the 'ISC'), the Commission, upon authorisation by the Council, expressed its position in favour of a further extension of the ISA for a period of up to two years, ending on 31 December 2021.

(3) On 19 July 2019 the ISC took the decision to extend the ISA for two years, until 31 December 2021.

(4) Pursuant to Article 8 of the ISA, the ISC performs or arranges for the performance of all such functions as are necessary to carry out the provisions of the ISA. Pursuant to Article 13 of the ISA, all decisions of the ISC are taken in principle by consensus. In the absence of consensus, decisions are made by a simple majority vote, unless the ISA provides for a special vote.

(5) Pursuant to Article 25 of the ISA, members of the ISO hold 2000 votes in total. Each member of the ISO holds a specified number of votes which is adjusted annually in accordance with the criteria set out in the ISA.

(6) It is in the Union's interests to participate in an international agreement on sugar, considering the importance of that sector for a number of Member States and for the economy of the European sugar sector.

(7) However, the institutional framework of the ISA, and especially the distribution of votes among members of the ISO that also determines the members' financial contribution to the ISO, no longer reflects the realities of the global sugar market.

(8) Under the ISA rules on financial contributions to the ISO, the Union's share of the financial contribution has remained the same since 1992, although the global sugar market, and in particular the Union's relative position in it, has substantially changed since then. As a result, the Union has assumed a disproportionately large share of the budgetary costs and responsibility in the ISO in recent years.

(9) By Council Decision (EU) 2017/2242[(3)], the Commission was authorised by the Council to open negotiations with the other parties to the ISA within the ISC with a view to modernising the ISA, in particular as regards the discrepancies between the number of votes and financial contributions of members of the ISO, on the one hand, and their relative position in the global sugar market, on the other. That authorisation remains valid until 31 December 2019.

(10) Based on the authorisation given by Decision (EU) 2017/2242, the Commission opened negotiations with member countries of the ISO and presented proposals for the amendment of Article 25 of the ISA. On 19 July 2019, the ISC took the decision to open negotiations for a partial review of the ISA before its meeting in November 2019, under the guidance of the United Nations Conference on Trade and Development (Unctad). Following requests of several member countries of the ISO, the ISC decided, in addition to amending Article 25 of the ISA, to review other parts of the ISA, namely those covering the objectives and the work programme of the ISO. In accordance with the ISC decision, the negotiations are to be concluded no later than 31 December 2021.

(11) A new authorisation from the Council is therefore required to cover for the extended scope and timeframe of the negotiations.

(12) Any amendments agreed upon in the negotiations should be adopted in accordance with the procedure set out in Article 44 of the ISA. Pursuant to that Article, the ISC may, by special vote, recommend to members of the ISO an amendment of the ISA. As a member of the ISC, in accordance with Article 7 of the ISA, the Union should be able to participate in negotiations with a view to amending the institutional framework of the ISA.

(13) It is therefore appropriate that the Commission be authorised to open negotiations within the ISC to amend the ISA, that negotiating directives be established, and that the special committee appointed by Decision (EU) 2017/2242 continue to be consulted by the Commission when conducting the negotiations,

HAS ADOPTED THIS DECISION:

Article 1

1 The Commission is hereby authorised to open negotiations to amend the International Sugar Agreement 1992.

2 The negotiations shall be conducted on the basis of the negotiating directives of the Council set out in the addendum to this Decision.

Article 2

The negotiations shall be conducted in consultation with the Working Party on Commodities.

Article 3

This Decision shall apply until 31 December 2021.

Article 4

This Decision is addressed to the Commission.

Done at Brussels, 5 December 2019.

For the Council

The President

M. LINTILÄ

(**1**) Council Decision 92/580/EEC of 13 November 1992 on the signing and conclusion of the International Sugar Agreement 1992 (OJ L 379, 23.12.1992, p. 15).

(**2**) International Sugar Agreement 1992 (OJ L 379, 23.12.1992, p. 16).

(**3**) Council Decision (EU) 2017/2242 of 30 November 2017 authorising the opening of negotiations to amend the International Sugar Agreement 1992 (OJ L 322, 7.12.2017, p. 29).

Changes to legislation:
There are currently no known outstanding effects for the Council Decision (EU) 2019/2136.