

Brussels, 26.3.2025 COM(2025) 119 final

2025/0063 (NLE)

Proposal for a

COUNCIL DECISION

on the position to be taken on behalf of the European Union in the Joint Committee established by the Euro-Mediterranean Interim Association Agreement on Trade and Cooperation between the European Community, of the one part, and the Palestine Liberation Organisation (PLO) for the benefit of the Palestinian Authority (PA) of the West Bank and the Gaza Strip, of the other part, concerning the extension of the EU – PA Action Plan

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EXPLANATORY MEMORANDUM

1. SUBJECT MATTER OF THE PROPOSAL

This proposal concerns the decision establishing the position to be taken on the Union's behalf in the Joint Committee established by the Euro-Mediterranean Interim Association Agreement on Trade and Cooperation¹ ("Interim Association Agreement") between the European Community, of the one part, and the Palestine Liberation Organisation (PLO) for the benefit of the Palestinian Authority (PA) of the West Bank and the Gaza Strip, of the other part, in connection with the envisaged adoption of a recommendation concerning the extension of the EU-PA Action Plan².

2. CONTEXT OF THE PROPOSAL

2.1. The Interim Association Agreement

The Interim Association Agreement on Trade and Cooperation between the EU and the Palestine Liberation Organisation (PLO) on behalf of the Palestinian Authority ('the Agreement') from 1997 forms the legal basis for the bilateral relations between the European Union and the Palestinian Authority (PA). The agreement provides for duty-free access to EU markets for Palestinian industrial goods, and a phase-out of tariffs on EU exports to Palestine* over five years. Pursuant to Article 1, the Agreement aims to:

- provide an appropriate framework for a comprehensive dialogue, allowing the development of close relations between the Parties;
- establish the conditions for the progressive liberalisation of trade;
- foster the development of balanced economic and social relations between the Parties through dialogue and cooperation;
- contribute to the social and economic development of the West Bank and the Gaza Strip;
- encourage regional cooperation with a view to the consolidation of a peaceful coexistence and economic and social stability;
- promote cooperation in other areas that are of reciprocal interest.

The Agreement entered into force on 1 July 1997.

2.2. The Joint Committee

The Joint Committee is established by Article 63 of the Interim Association Agreement. It has the power to take decisions in the cases provided in the Agreement as well as in other cases necessary for the purpose of attaining the objectives set out therein. The decisions taken shall be binding on the Parties. According to Article 63(2), the Joint Committee may also formulate any resolutions, recommendations or opinions which it considers desirable for the attainment of the common objectives and the smooth functioning of the Agreement. Contrary to decisions, such recommendations are not binding on the Parties.

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https://www.consilium.europa.eu/en/documents-publications/treaties-agreements/agreement/?id=1997014

https://enlargement.ec.europa.eu/system/files/2019-01/eu-palestine_action_plan_2013.pdf

^{*} This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue.

The office of Chairman of the Joint Committee shall be held alternately by the EU and the Palestinian Authority in accordance with the conditions laid down in the Rules of Procedure and shall meet at least once a year and when circumstances require on the initiative of its Chairman.

2.3. The envisaged act of the Joint Committee

The Joint Committee is to adopt a recommendation concerning the extension of the EU-PA Action Plan (the 'envisaged act'). In accordance with Article 10 of the Rules of Procedure of the Joint Committee, the recommendation will be adopted by written procedure.

The purpose of the envisaged act is to extend by two years the validity of the EU – PA Action plan to ensure the continuation of cooperation between the two parties. Pursuant to Article 63 of the Interim Association Agreement, the recommendations of the Joint Committee are not legally binding. Nevertheless, given that the Interim Association Agreement explicitly foresees the adoption of recommendations by the Joint Committee in Article 63(2), such recommendations should be considered to have legal effects.

3. POSITION TO BE TAKEN ON THE UNION'S BEHALF

The position to be adopted by the European Union in the Joint Committee established by the Interim Association Agreement on the adoption of a recommendation on the two-year extension of the EU-PA Action Plan is based on the text of the recommendation annexed to this Decision.

Both parties have repeatedly confirmed the richness and vitality of relations between the European Union and PA and their full commitment to the continued development of the bilateral relation in all areas of mutual interest.

The recent conflict in the Gaza Strip and the fragile ceasefire and volatility in the region does not provide an environment conducive to enter into strategic discussions. The extension of the Action Plan would offer a longer period to engage on a strategic dialogue. The Action Plan is in line with the European Neighbourhood Policy and complementary to the EU Joint Strategy for Palestine³. Furthermore, in the context of ongoing work for a new Pact for the Mediterranean and of a new Middle East Strategy, as well as discussions on a comprehensive multiannual programme to support the Palestinian Authority, the extension of the Action Plan is in the interest of the Parties as it stipulates priority objectives and complementary objectives (political, economic, sector cooperation, other) to advance the bilateral relation.

4. LEGAL BASIS

4.1. Procedural legal basis

4.1.1. Principles

Article 218(9) of the Treaty on the Functioning of the European Union (TFEU) provides for decisions establishing 'the positions to be adopted on the Union's behalf in a body set up by an agreement, when that body is called upon to adopt acts having legal effects, with the exception of acts supplementing or amending the institutional framework of the agreement.'

The concept of 'acts having legal effects' includes acts that have legal effects by virtue of the rules of international law governing the body in question. It also includes instruments that do

European Joint Strategy in support of Palestine 2021-2024 - European Commission

not have a binding effect under international law, but that are 'capable of decisively influencing the content of the legislation adopted by the EU legislature'4.

4.1.2. Application to the present case

The Joint Committee is a body set up by an agreement, namely the Interim Association Agreement.

The act which the Joint Committee is called upon to adopt constitutes an act having legal effects.

The envisaged act has legal effects because Article 63(2) of the Interim Association Agreement explicitly foresees the adoption of recommendations by the Joint Committee which thus have legal effects under international law and it will extend the current EU – PA Action Plan for two years.

The envisaged act does not supplement or amend the institutional framework of the Agreement.

Therefore, the procedural legal basis for the proposed decision is Article 218(9) TFEU.

4.2. Substantive legal basis

4.2.1. Principles

The substantive legal basis for a decision under Article 218(9) TFEU depends primarily on the objective and content of the envisaged act in respect of which a position is taken on the Union's behalf. If the envisaged act pursues two aims or has two components and if one of those aims or components is identifiable as the main one, whereas the other is merely incidental, the decision under Article 218(9) TFEU must be founded on a single substantive legal basis, namely that required by the main or predominant aim or component.

4.2.2. Application to the present case

The main objective and content of the envisaged act relate to cooperation with a third country, including political, trade, economic, sector cooperation, other, in the framework of an interim association agreement, adopted on the basis of current Articles 207 and 209 TFEU, and the European Neighbourhood Policy.

Therefore, the substantive legal basis of the proposed decision are Articles 207 and 209 TFEU.

4.3. Conclusion

The legal bases of the proposed decision should be Articles 207 and 209 in conjunction with Article 218(9) TFEU.

5. PUBLICATION OF THE ENVISAGED ACT

As the act of the Joint Committee will amend the duration of the EU – PA Action Plan, it is appropriate to publish it in the *Official Journal of the European Union* after its adoption, in accordance with the Rules of Procedure of the EU – PA Joint Committee.

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Judgment of the Court of Justice of 7 October 2014, Germany v Council, C-399/12, ECLI:EU:C:2014:2258, paragraphs 61 to 64.

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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 Articles 207 and 209 in conjunction with Article 218(9) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The Euro-Mediterranean Interim Association Agreement on Trade and Cooperation between the European Community ('the Agreement'), of the one part, and the Palestine Liberation Organisation (PLO) for the benefit of the Palestinian Authority of the West Bank and the Gaza Strip, of the other part, was concluded by the Union by Council Decision on 24 February 1997 and entered into force on 1 July 1997⁵.
- (2) In view of the recent conflict in the Gaza Strip following Hamas' brutal terrorist attacks on Israel on 7 October 2023 and the fragile ceasefire and volatility in the region.
- (3) The EU envisages to adopt a new Pact for the Mediterranean and a new Strategy for the Middle East, as well as multi-year support to the Palestinian Authority.
- (4) The Parties agree that the current Action Plan⁶ continues to guide the privileged EU-PA partnership and to support the implementation of the Euro-Mediterranean Interim Association Agreement.
- (5) Pursuant to Article 63 of the Agreement, the Joint Committee may take decisions and may make appropriate recommendations.
- (6) The Joint Committee is to adopt the recommendation on the extension by two years of the EU PA Action Plan by written procedure.
- (7) It is appropriate to establish the position to be taken on the Union's behalf within the Joint Committee as the recommendation will have legal effects.
- (8) The extension of the Action Plan for two years will give the Parties full opportunity to take forward their cooperation for the coming years, including through possible negotiation of partnership priorities,

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https://enlargement.ec.europa.eu/system/files/2019-01/eu-palestine_action_plan_2013.pdf

HAS ADOPTED THIS DECISION:

Sole Article

The Union position within the Joint Committee established by the Euro-Mediterranean Interim Association Agreement on Trade and Co-operation between the European Community, of the one part, and the Palestine Liberation Organisation (PLO) for the benefit of the Palestinian Authority (PA) of the West Bank and the Gaza Strip, of the other part, with regard to the extension of the EU-PA Action Plan shall be based on the draft recommendation of the Joint Committee attached to this Decision.

Done at Brussels,

For the Council The President