

DECISIONS

COUNCIL DECISION (EU) 2021/1851

of 15 October 2021

on the position to be taken on behalf of the European Union within the International Sugar Council as regards amendments to the International Sugar Agreement 1992 and the timetable for their implementation

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to the proposal 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 Organisation (the 'ISO').
- (2) Pursuant to Article 8 of the ISA, the International Sugar Council (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.
- (3) Pursuant to Article 25 of the ISA, ISO members hold 2 000 votes in total. Each ISO member holds a specified number of votes, which is adjusted annually in accordance with the criteria set out in that Article.
- (4) However, the distribution of votes among ISO members, which also determines those members' financial contributions to the ISO, no longer reflects the realities of the global sugar market.
- (5) Under the ISA rules on financial contributions to the ISO, the Union's share of the financial contribution has remained unchanged 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.
- (6) 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 ISO members, on the one hand, and their relative position in the global sugar market, on the other.
- (7) Based on the authorisation given by Decision (EU) 2017/2242, the Commission opened negotiations with member countries of the ISO and presented concrete proposals for the amendment of Article 25 of the ISA, which governs the adoption of the administrative budget and member contributions. During its 55th session on 19 July 2019, the ISC decided to open negotiations for a partial review of the ISA before its subsequent meeting in November 2019, under the guidance of the United Nations Conference on Trade and Development.

⁽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).

- (8) Following requests from several ISO members, the ISC decided that, in addition to amending Article 25 of the ISA, other parts of the ISA are to be subject to negotiations, in particular the objectives set out in Article 1 of the ISA, the work priorities of the ISO under Articles 32, 33 and 34 of the ISA, and the rules for the appointment of the Executive Director set out in Article 23 of the ISA.
- (9) As the authorisation given by Decision (EU) 2017/2242 expired on 31 December 2019 and given the need to continue negotiations, a new authorisation was given by the Council by Council Decision (EU) 2019/2136 ^(*).
- (10) The wording of the amendments to the ISA was agreed by the ISC during its 57th session in November 2020 and 58th session in June 2021.
- (11) Any amendments agreed upon in the negotiations are to be adopted in accordance with the procedure set out in Article 44 of the ISA. Pursuant to that Article, the ISC is able, by special vote, to recommend to ISO members an amendment to the ISA. As an ISC member, in accordance with Article 7 of the ISA, the Union is able to participate in that special vote which aims to launch the procedure for amending the institutional framework of the ISA.
- (12) According to the timetable for the implementation of the partial review of the ISA, the special vote in accordance with Article 44 of the ISA, to recommend members to amend the ISA, will be held during the 59th session of the ISC planned for November 2021.
- (13) It is appropriate to establish the position to be taken on the Union's behalf within the ISC, during its 59th session, as regards the amendments to the ISA. That position should reflect that amending the ISA on the basis of the outcome of the negotiations for its partial review is in the interest of the Union.
- (14) In addition, it is appropriate to establish the position to be taken on the Union's behalf within the ISC, during its 59th session, as regards the timetable for the implementation of the amendments to the ISA. That position should reflect that the entry into force of the amendments to the ISA at the latest on 1 January 2024 is in the interest of the Union,

HAS ADOPTED THIS DECISION:

Article 1

The position to be taken on the Union's behalf within the International Sugar Council (the 'ISC'), during its 59th session, as regards amendments to the International Sugar Agreement 1992 (the 'ISA') and the timetable for their implementation, shall be to vote in favour of:

- (a) recommending to the International Sugar Organisation members to amend the ISA to reflect the outcome of the negotiations for the partial review of the ISA in respect of Articles 1, 23, 25, 32, 33 and 34 thereof;
- (b) approving the timetable, as agreed upon during the 58th session of the ISC in June 2021, establishing the deadlines for the different stages of the procedure set out in Article 44 of the ISA;
- (c) implementing the amendments referred to in point (a) in accordance with the timetable referred to in point (b), thereby ensuring that those amendments enter into force at the latest on 1 January 2024.

^(*) Council Decision (EU) 2019/2136 of 5 December 2019 authorising the opening of negotiations to amend the International Sugar Agreement 1992 (OJ L 324, 13.12.2019, p. 3).

Article 2

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

Done at Luxembourg, 15 October 2021.

For the Council
The President
J. CIGLER KRALJ
