

Record of the high-level European Commission-Central America meeting¹

A high-level delegation of the member countries of the Economic Integration Subsystem of Central America, SIECA (Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua) and representatives of the European Commission met in Brussels on 28 and 29 June to prepare the ground for negotiations on an Association Agreement. The SIECA Presidency *pro tempore* was represented by Mr Enrique Lacs, deputy trade minister of Guatemala. The delegation of the European Commission was led by Mr Tomás Duplá del Moral, acting Deputy Director-General of External Relations, and by Mr Karl Falkenberg, Deputy Director-General of Trade. Mr Pablo Garrido, head of Panama's mission to the EU, and Mr Alfonso Pimentel, Executive Director of the SIECA General Secretariat were also present.

In follow-up to the conclusions of the XVth Joint Committee meeting held on 23 April 2007 in Guatemala City, particularly Central America's commitments concerning regional economic integration, the Central American side explained the aims and content of the Framework Agreement for the Establishment of a Custom Union, which was initialled by the trade ministers of El Salvador, Guatemala, Honduras and Nicaragua on 25 June.

This Agreement is a legal instrument to speed up and consolidate the establishment of a customs union in Central America, and will be signed and ratified shortly. The Agreement also includes a clause authorising the accession of other SICA countries.

On this basis, and in accordance with the declaration by Heads of State and Government at the Vienna Summit (May 2006) and the joint Guatemala declaration (April 2007), the two parties decided to start official negotiations for an Association Agreement.

Central America reiterated its commitment to presenting a basic proposal for all tariffs before the first round of negotiations.

It was also agreed by the parties that Central America would develop a jurisdictional mechanism that could secure enforcement of regional economic legislation throughout the region.

The two delegations decided provisionally that the first round of the negotiations would take place in Central America in the last quarter of 2007. On this point the EU delegation noted that countries wishing to take active part in this process must be party to the Framework Agreement.

¹ ***NB: This is a non official translation by the European Commission. The original signed document by both sides is the Spanish version.***

Likewise, Central America would establish a process for the entry into force of the Framework Agreement, and in any case the essential elements that guarantee the working of the Association Agreement, before the conclusion of the negotiations.

Both delegations expressed satisfaction that Panama was gradually moving closer to SIECA and called on Panama to complete the formalities so that it could participate fully in the negotiation process.

The Central American delegation confirmed that El Salvador will hold the SIECA Presidency *pro tempore* in the second half of this year.

For the European Commission

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For Central America

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