Ecuador: European Parliament approves the accession to the Multiparty Trade Agreement

By an overwhelming majority of 499 votes in favor, the European Parliament approved the Resolution November 26 Accession of Ecuador to the Multiparty Trade Agreement (ACM) that integrate Peru and Colombia with the European Union. This approval is an important step and a positive signal from the European Parliament, which also paves the way for when the legislature to decide on the contents of the Protocol on the Accession of Ecuador to ACM in the course of 2016.

The Chairman of the Committee on International Trade of the European Parliament (INTA), highlighted the "efforts of Ecuador to a more inclusive society" and noted that poverty and extreme poverty in Ecuador, decreased in the past seven years according to the World Bank (WB), during which the Ecuadorian Government invested more than USD 40 billion in the social sectors. He also noted that this approval will lead to the adoption of "measures to ensure that trade and investment contribute to alleviating poverty and reducing inequality."

This is the first instance in which the full European Parliament should intervene in the process of approving the Accession of Ecuador to ACM. The second is when the Protocol of Accession to be officially submitted to Parliament by the Council of the EU, whose approval the Trade Agreement negotiated by Ecuador with the European Union enter into force.

In the case of bananas, the Stabilisation Mechanism agreed not affect the benefits that will Ecuadorian exports to the gradual reduction of the tariff, which will reach 75 euros per tonne from the first of January 2020. In this regard, the conditions they established the mechanism will ensure that Ecuadorian exports to maintain its leadership and growth prospects in the European market.

Source: Ministry of Foreign Trade of Ecuador