

AGREEMENT
ESTABLISHING AN ASSOCIATION
BETWEEN CENTRAL AMERICA, ON THE ONE HAND,
AND THE EUROPEAN UNION
AND ITS MEMBER STATES, ON THE OTHER

THE REPUBLIC OF COSTA RICA,

THE REPUBLIC OF EL SALVADOR,

THE REPUBLIC OF GUATEMALA,

THE REPUBLIC OF HONDURAS,

THE REPUBLIC OF NICARAGUA,

THE REPUBLIC OF PANAMA,

hereinafter referred to as "Central America",

on the one hand, and

THE KINGDOM OF BELGIUM,

THE REPUBLIC OF BULGARIA,

THE CZECH REPUBLIC,

THE KINGDOM OF DENMARK,

THE FEDERAL REPUBLIC OF GERMANY,

THE REPUBLIC OF ESTONIA,

IRELAND,

THE HELLENIC REPUBLIC,

THE KINGDOM OF SPAIN,

THE FRENCH REPUBLIC,

THE ITALIAN REPUBLIC,

THE REPUBLIC OF CYPRUS,

THE REPUBLIC OF LATVIA,

THE REPUBLIC OF LITHUANIA,

THE GRAND DUCHY OF LUXEMBOURG,

HUNGARY,

MALTA,

THE KINGDOM OF THE NETHERLANDS,

THE REPUBLIC OF AUSTRIA,

THE REPUBLIC OF POLAND,

THE PORTUGUESE REPUBLIC,

ROMANIA,

THE REPUBLIC OF SLOVENIA,

THE SLOVAK REPUBLIC,

THE REPUBLIC OF FINLAND,

THE KINGDOM OF SWEDEN,

THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND,

Contracting Parties to the Treaty on the European Union and the Treaty on the Functioning of the European Union, hereinafter referred to as the "Member States of the European Union", and

THE EUROPEAN UNION,

on the other,

CONSIDERING the traditional historical, cultural, political, economic and social links between the Parties and the desire to strengthen their relations based on common principles and values, building on the existing mechanisms that govern relations between the Parties, as well as the desire to consolidate, deepen and diversify bi-regional links in areas of common interest in a spirit of mutual respect, equality, non-discrimination, solidarity and mutual benefit;

CONSIDERING the positive development in both regions during the last two decades, which has enabled the furtherance of common goals and interests to enter into a new stage of relations, deeper and more modern and permanent, in order to establish a bi-regional association that responds to the current internal challenges as well as new international realities;

EMPHASISING the importance that the Parties attach to the consolidation of the political dialogue and economic cooperation process established to date between the Parties under the San José Dialogue initiated in 1984 and renewed on numerous occasions since then;

RECALLING the conclusions of the 2006 Vienna Summit, including the commitments undertaken by Central America as regards the deepening of regional economic integration;

RECOGNISING the progress achieved in the Central American economic integration process, such as, the ratification of the *Convenio Marco para el Establecimiento de la Unión Aduanera Centroamericana* and the *Tratado sobre Inversión y Comercio de Servicios*, as well as the implementation of a jurisdictional mechanism securing enforcement of regional economic legislation throughout the Central American region;

REAFFIRMING their respect for democratic principles and fundamental human rights as set out in the Universal Declaration of Human Rights;

RECALLING their commitment to the principles of the rule of law and good governance;

BASED on the principle of shared responsibilities and convinced of the importance of preventing illicit drug use and of reducing its harmful effects, including the fight against the cultivation, production, processing and trafficking of drugs and its precursors, and money laundering;

NOTING that the provisions of this Agreement that fall within the scope of Part III, Title V of the Treaty on the Functioning of the European Union bind the United Kingdom and Ireland as separate Contracting Parties, and not as part of the European Union, unless the European Union together with the UK and/or Ireland have jointly notified the Republics of the CA Party that the United Kingdom (UK) or Ireland is bound as part of the European Union in accordance with Protocol No. 21 on the position of the United Kingdom and Ireland in respect of the area of Freedom, Security and Justice annexed to the Treaty on European Union and the Treaty on the Functioning of the European Union. If the United Kingdom and/or Ireland ceases to be bound as part of the European Union in accordance with Article 4a of the Protocol No. 21, the European Union together with the UK and/or Ireland shall immediately inform the Republics of the CA Party of any change in their position in which case they shall remain bound by the provisions of this Agreement in their own right. The same applies to Denmark in accordance with the Protocol annexed to those Treaties on the position of Denmark;

HIGHLIGHTING their commitment to working together in pursuit of the objectives of poverty eradication, job creation, equitable and sustainable development, including aspects of vulnerability to natural disasters, environmental conservation and protection and biodiversity, and the progressive integration of the Republics of the CA Party into the world economy;

REAFFIRMING the importance that the Parties attach to the principles and rules which govern international trade, in particular those contained in the Marrakesh Agreement Establishing the World Trade Organisation, done on April 15, 1994 (hereinafter referred to as the "WTO Agreement"), and the multilateral agreements annexed to the WTO Agreement, and to the need to apply them in a transparent and non-discriminatory manner;

CONSIDERING the difference in economic and social development existing between the Republics of the CA Party and the EU Party and the shared objective of strengthening the process of economic and social development in Central America;

DESIRING to strengthen their economic relations, particularly trade and investment, strengthening and improving the current level of access of the Republics of the CA Party to the European Union market, thus contributing to economic growth in Central America and the reduction of asymmetries between the two regions;

CONVINCED that this Agreement will create a climate conducive to growth in sustainable economic relations between them, more particularly in the trade and investment sectors which are essential to the realisation of the economic and social development and technological innovation and modernisation;

HIGHLIGHTING the need to build upon the principles, objectives and mechanisms that govern relations between the two regions, in particular the Political Dialogue and Cooperation Agreement between the European Community and its Member States, and the Republics of Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama signed in 2003 (hereinafter referred to as the "2003 Political Dialogue and Cooperation Agreement"), as well as the 1993 Framework Cooperation Agreement signed between the same parties;

AWARE of the need to promote sustainable development in both regions through a development partnership involving all relevant stakeholders, including civil society and the private sector, in line with the principles set out in the Monterrey Consensus and the Johannesburg Declaration, and its Plan for Implementation;

REAFFIRMING that the States in their exercise of sovereign power to exploit their natural resources, according to their own environmental and developmental policies, should promote sustainable development;

MINDFUL of the need to develop a comprehensive dialogue on migration to strengthen bi-regional cooperation on migration issues in the framework of the Political Dialogue and Cooperation Parts of this Agreement and ensure the effective promotion and protection of human rights of all migrants;

RECOGNISING that no provision in this Agreement shall in any way refer to, nor shall be interpreted or construed in any way as defining the position of the Parties in ongoing or future bilateral or multilateral trade negotiations;

EMPHASISING the will to cooperate in international *fora* on issues of mutual interest;

BEARING IN MIND the strategic partnership developed between the European Union and Latin America and the Caribbean in the context of the 1999 Rio Summit and reaffirmed at the 2002 Madrid Summit, the 2004 Guadalajara Summit, the 2006 Vienna Summit, the 2008 Lima Summit and the 2010 Madrid Summit;

TAKING INTO ACCOUNT the Madrid Declaration of May 2010;

HAVE DECIDED TO CONCLUDE THIS AGREEMENT: