

Brussels, 29 June 2007

EU and the Central America Community start negotiations for new Association Agreement

The negotiations between the EU and the Central America Community for a comprehensive Association Agreement have started today in Brussels on the occasion of a high level meeting between the European Commission and Central America. The Association Agreement is envisaged as a comprehensive agreement, embracing the whole array of the multifaceted relations of the EU with Central America. Its objective is to enhance the political dialogue between both regions, intensify and improve their co-operation in a vast variety of areas, as well as to enhance and facilitate bi-regional economic links, including trade and investments. The Agreement will be negotiated with Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua. As soon as Panama takes the decision to join the economic integration process SIECA in Central America, it will be fully involved in the negotiations. The European Commission recently adopted an aid package of some €840 million for the period 2007-2013 to assist the region and its countries to address the most important challenges.

Benita Ferrero-Waldner, European Commissioner for External Relations and European Neighbourhood Policy, said on this occasion: *"The start of the negotiations today mark a decisive step in the very fruitful EU and Central America relations. I am convinced that the future Association Agreement will provide for a more effective political dialogue, strengthen co-operation, as well as our economic ties based on a better regulatory framework allowing for increased trade exchanges and investment which will then contribute to the welfare of both our societies. With such an ambitious agreement, both the EU and Central America reiterate their long standing commitment for a stronger partnership, both politically and economically, on the basis of a reinforced regional integration process"*.

She added: *"Our co-operation with Central America is just one of the ways in which the European Commission is helping the countries of the region to cope with the dual challenge of regional integration and social cohesion. In order to meet this objective, we have just adopted new co-operation strategies that increase aid for the region by 25% over previous periods. This is a powerful symbol of our solidarity with Central America."*

The Association Agreement will be negotiated on a 'region-to-region' basis in order to provide further impetus to the regional integration process in the Central American Isthmus, as this is a key to foster stability, progress and economic and sustainable development in the region to the benefit of all its citizens. It will also help to insert this region in the world economy by developing larger and more stable economies, able to attract investment.

For more information on the relations between the EU and Central America:

http://ec.europa.eu/external_relations/ca/index.htm