

Press release

CENTRAL AMERICA Tegucigalpa (Honduras), 29 June 2012

EU and Central America sign Association Agreement

Today, the EU and Central America (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama) signed a comprehensive Association Agreement which also includes an ambitious trade component. The signing ceremony took place at the occasion of the Meeting of Presidents of SICA (Sistema de la Integración Centroamericana, Central American Integration System) in Honduras. The EU was represented by EU Trade Commissioner Karel De Gucht and by the European External Action Service Managing Director for the Americas, Christian Leffler.

The six Central American countries were represented by their respective Ministers of Foreign Affairs and Ministers for Trade in the Presence of the six Presidents. The agreement consists of three pillars: political dialogue, cooperation and trade. The provisions related to the free trade area will enter into force at the end of this year, beginning of next year at the latest; whereas the Agreement as a whole will enter into force as soon as it is ratified by all parties.

European Commissioner for Trade, Karel De Gucht, stated: "In the current economic situation it is vital for European businesses to count on a stable and predictable business and investment environment. The region-to-region trade deal will help to establish major business opportunities for both sides. European exporters will save around €90 million on customs per year and European service providers, such as for telecoms and transport, will get greater market access. At the same time, this deal should have a positive spill-over effect on Central America's overall economic integration process and contribute to the stability of the region."

The European External Action Service Managing Director for the Americas, Christian Leffler, who attended on behalf of the High Representative of the Union for Foreign Affairs and Security Policy, Catherine Ashton, said: "The Association Agreement constitutes a new milestone in our long standing relationship. It is the strongest institutional bond that can tie the EU to its partners. A bond that reflects that both regions share a long term path, a joint project that goes beyond particular circumstances and leaders. Such an ambitious tool encompasses three pillars: Political Dialogue, Cooperation and Trade. Indeed, these three parts of the Agreement complement each other in a comprehensive approach."

Further information

Highlights of the trade pillar of the EU-Central America Association Agreement
More on Trade relations with Central America