



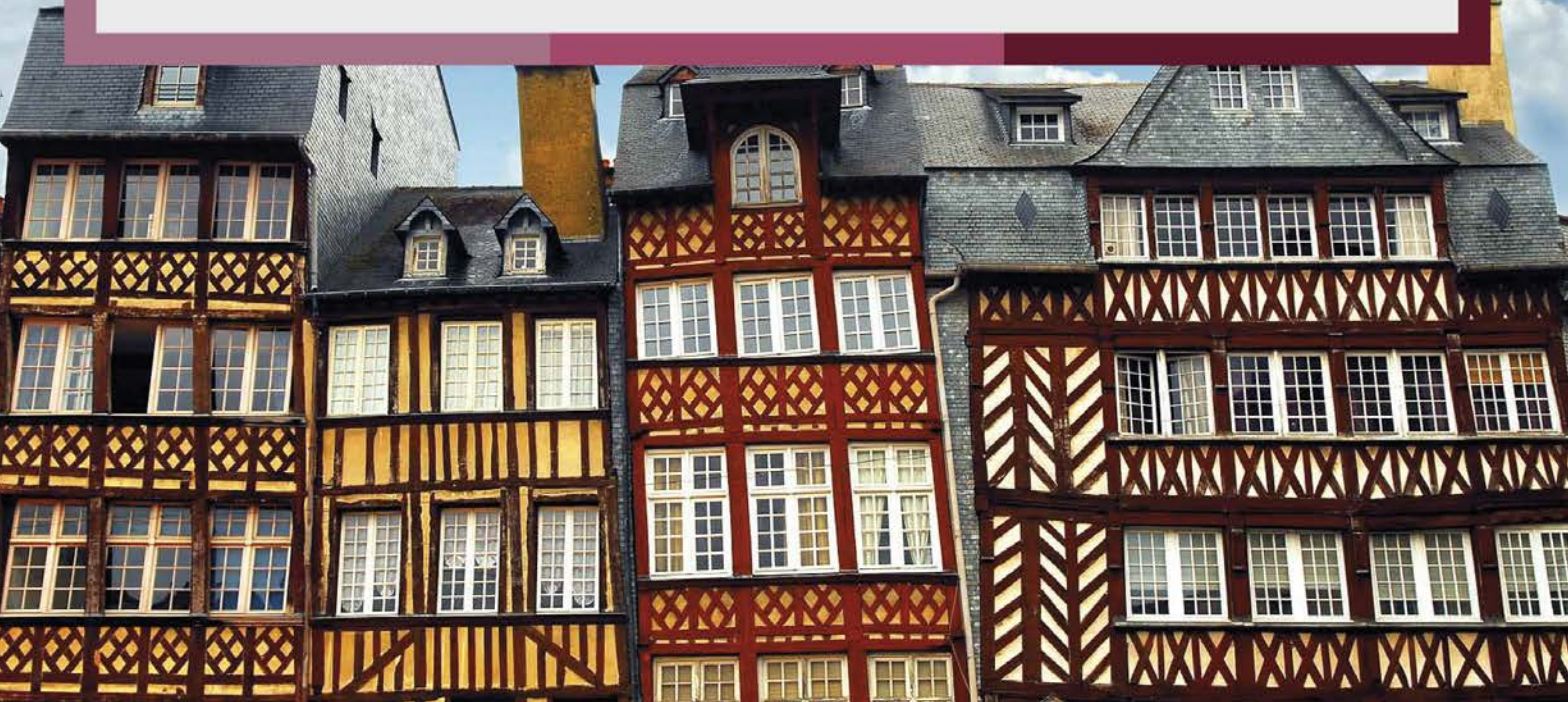
# Deepening Economic Integration with the Southern Neighbourhood: The Case of the DCFTA Negotiations with Tunisia

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## Abbreviations

ACAA – Agreement on Conformity Assessment and Acceptance  
BIT – Bilateral Investment Treaty  
CCP – Common Commercial Policy  
CETA – Comprehensive Economic and Trade Agreement between Canada, of the one part, and the European Union and its Member States, of the other part  
CJEU – Court of Justice of the European Union  
DCFTA – Deep and Comprehensive Free Trade Agreement  
DSM – Dispute Settlement Mechanism  
EC – European Communities  
ENP – European Neighbourhood Policy  
EU – European Union  
FTA – Free Trade Agreement  
GATS – General Agreement on Trade in Services  
GATT – General Agreement on Tariffs and Trade  
GI – Geographical Indication  
ICS – Investment Court System  
IPA – Investment Protection Agreement  
ISDS – Investor-State Dispute Settlement  
MERCOSUR – *Mercado Común del Sur*  
SPS – Sanitary and Phytosanitary  
TBT – Technical Barriers to Trade  
TFEU – Treaty on the Functioning of the European Union  
TRIPS – Trade-Related Aspects of Intellectual Property Rights  
WTO – World Trade Organization

## 1. Introduction

In the European Union (EU) terminology, the southern neighbourhood refers to a group of ten countries surrounding the south side of the Mediterranean Sea, from Morocco to Syria<sup>1</sup>. These countries are subjected to the EU Neighbourhood policy<sup>2</sup>, which essentially aims at the economic and legal integration in the Union of some of its closest countries from a geographical point of view<sup>3</sup>. This integration should be made on the basis of shared principles and values, and give rise to socially equitable and solidarity-based economies<sup>4</sup>. It is also supposed to improve cross-border mobility<sup>5</sup>.

The relations between the EU and the southern neighbourhood countries are longstanding. There is no need, within this study, to give an exhaustive overview of these political, economic and financial historical connections<sup>6</sup>. However, an important step in their evolution should be emphasized. In the late nineties, the EU started negotiating association agreements with the southern neighbourhood countries: the famous Euro-Mediterranean agreements. The commercial scope of these agreements was rather narrow as they were mainly directed to the liberalisation of the movements of industrial goods<sup>7</sup>. The results of the implementation of these agreements have been subject to criticism, especially on the Tunisian side<sup>8</sup>.

The many flaws in the Neighbourhood policy led to its being reoriented towards a brand new policy that was more targeted, pragmatic and flexible, as the Commission

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<sup>1</sup> See, e.g., European Parliament (M.A. López), 'Southern Partners', *Fact Sheets on the European Union*, April 2019.

<sup>2</sup> For a thorough study on the European Neighbourhood Policy, see: E. Lannon, 'Politique européenne de voisinage', *JurisClasseur Europe Traité*, Fasc. 2230, 31.12.2016.

<sup>3</sup> European Commission, 'Communication – European Neighbourhood Policy' COM(2004) 373 final, 12.5.2004; European Commission, 'Communication to the Council and the European Parliament – Strengthening the European Neighbourhood Policy' COM(2006) 726 final, 4.12.2006.

<sup>4</sup> *ibidem*.

<sup>5</sup> *ibid.*

<sup>6</sup> For an overview, see, e.g., J. Chandoul, 'L'ALECA, un instrument clé dans la politique de l'UE', *Observatoire Tunisien de l'Économie – Briefing paper n°2*, 12.05.2017. See also: E. Lannon, *op. cit.*

<sup>7</sup> Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Republic of Tunisia, of the other part, OJ L 97, 30.3.98, p. 2 (EU-Tunisia Association Agreement).

<sup>8</sup> See, e.g., C. Ben Rouine, 'Historique des relations commerciales Tunisie-UE : L'heure du désenchantement ?', *Observatoire Tunisien de l'Économie – Briefing paper n°1*, 27.04.2017; M. Jonville, 'Perceptions de l'Accord de Libre Échange Complet et Approfondi (ALECA): Étude des attentes et conséquences économiques et sociales en Tunisie', *Forum Tunisien pour les Droits Économiques et Sociaux – Département d'études économiques*, Octobre 2018; R. El Azzouzi, 'L'accord de libre-échange UE-Tunisie «est un projet colonialiste»', *Mediapart*, 17.06.2019.



said in a communication published in 2015<sup>9</sup>. In the meantime, the EU decided, in this regard, to offer to some of the most advanced countries of the region a deepening of their economic integration into the Economic European Area through the negotiation of Deep and Comprehensive Free Trade Agreements (DCFTAs)<sup>10</sup>. By opening the markets in a broader way, these international agreements are perceived as adequate tools for the stabilization of the region, which is the new key concept of the Neighbourhood policy, along with differentiation and co-appropriation<sup>11</sup>.

Accordingly, on the 14 December 2011, the Council of the EU authorised the European Commission to start negotiations with Egypt, Jordan, Morocco and Tunisia<sup>12</sup>, four countries that are already members of the World Trade Organization (WTO)<sup>13</sup>. The negotiation with Morocco started in March 2013. In 2014, after four rounds, the negotiations were stalled for political reasons, which no doubt included the Western Sahara question following the rulings of the Court of Justice of the European Union (CJEU)<sup>14</sup>. Meetings to explore the possibility to re-launch trade negotiations were planned for December 2018 but have not yet led to decisive progress. With Egypt and Jordan, the negotiations have barely started. Only the scoping exercise seems to have been completed. This study will therefore rely, essentially, on the state of play of the negotiations with Tunisia. Started in October 2015, they are the most advanced and they represent the only opportunity to collect legal information.

Following on academic reflections that have already been made regarding the eastern neighbourhood association agreements<sup>15</sup>, this study provides an analysis of

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<sup>9</sup> European Commission & High Representative of the Union for Foreign Affairs and Security Policy, 'Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – Review of the European Neighbourhood Policy' JOIN(2015) 50 final, 18.11.2015.

<sup>10</sup> *ibidem*, pp. 7-9.

<sup>11</sup> *ibid.*

<sup>12</sup> See: European Commission, 'Overview of FTA and Other Trade Negotiations', July 2019. Available at: [http://trade.ec.europa.eu/doclib/docs/2006/december/tradoc\\_118238.pdf](http://trade.ec.europa.eu/doclib/docs/2006/december/tradoc_118238.pdf).

<sup>13</sup> This means, notably, that the DCFTAs have to comply with Article XXIV of the General Agreement on Tariffs and Trade (GATT) and Article V of the General Agreement on Trade in Services (GATS), according to which, *inter alia*, bilateral liberalisation commitments must cover the most part of trade flows that exist between the parties.

<sup>14</sup> Judgment of 21 December 2016, *Council v. Front Polisario*, C-104/16 P, ECLI:EU:C:2016:973; Judgment of 27 February 2018, *Western Sahara Campaign UK*, C-266/16, ECLI:EU:C:2018:118.

<sup>15</sup> See: G. Van der Loo, *The EU-Ukraine Association Agreement and Deep and Comprehensive Free Trade Area: A New Legal Instrument for EU Integration without Membership* (Brill/Nijhoff, 2016); P. Van Elsuwege & R. Petrov, 'Legal Perspectives on the Study of the European Neighbourhood Policy'

the information available since the EU-Tunisia DCFTA negotiations were launched, placing it in the broader context of the EU's negotiations of this new generation of FTAs. It will confirm, firstly, the idea that there is indeed a real specificity of the DCFTAs negotiated with the neighbourhood countries, to the extent that the EU seeks a deepening of the economic integration through a normative alignment<sup>16</sup>. In other words, if the global purpose of these international agreements is quite ordinary, at least if compared to the other FTAs negotiated by the EU, the method differs. A link is established between the opening of the markets and the conversion of the third State's legal order to European Union law, especially in key economic domains (2). This reflection on the specific features of the DCFTAs negotiated within the neighbourhood can be extended: can signs of specificity of the DCFTAs with the southern neighbourhood countries be identified? On the basis of a comparison between the DCFTA negotiated with the eastern neighbourhood and the texts of the EU proposal for a DCFTA with Tunisia (read together with the information contained in the reports of the first four rounds of negotiations), this study argues, secondly, that this specificity exists but should not be overestimated. Overall, DCFTAs remain FTAs and elements of adaptation to each country cannot conceal the common political economy logic that they convey (3). To conclude, a number of questions will be raised (4).

## **2. DCFTAs in the (southern) Neighbourhood: Progressive Economic Integration through Normative Alignment**

Considering the different level of economic development of the trading partners, the deepening of the economic integration of the southern neighbourhood countries into a 'common European space'<sup>17</sup> through the negotiation of DCFTAs is supposed to be progressive<sup>18</sup>. Legally speaking, this progressive opening of the economies

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in T. Schumacher, A. Marchetti and T. Demmelhuber (eds), *The Routledge Handbook on the European Neighbourhood Policy* (London/New York, Routledge, 2018) 105.

<sup>16</sup> See: G. Lepasant, 'La politique européenne de voisinage : une intégration par les normes de l'Ukraine à l'espace européen ?' (37) *Revue d'études comparatives Est-Ouest*, 2006/4, pp. 213-242; P. Van Elsuwege & R. Petrov (eds), *Legislative Approximation and Application of EU Law in the Eastern Neighbourhood of the European Union: Towards a Common Regulatory Space?* (London, Routledge, 2014).

<sup>17</sup> Decision No 1/2018 of the EU-Tunisia Association Council of 9 November 2018 adopting the EU-Tunisia strategic priorities for the period 2018-2020, OJ L 293, 20.11.2018, p. 39.

<sup>18</sup> See: Rapport conjoint du premier round de négociation sur un accord de libre-échange complet et approfondi (ALECA) entre la Tunisie et l'Union européenne, Tunis, 18-21 April 2016 (First Round Report).

concerned gives rise to a specific understanding of the two main characteristics of the new generation of free trade agreements: their comprehensive coverage has to take into account the asymmetry principle (2.1), their deep nature – *i.e.* the normative alignment process – is ordered on a selectivity basis, which recalls the co-appropriation principle of the European Neighbourhood policy<sup>19</sup> (2.2).

## 2.1. The asymmetry principle affects the reach of the comprehensive coverage of the FTA

The first main characteristic of the new generation of EU FTAs is their comprehensive nature<sup>20</sup>. From this point of view, the EU-Tunisian negotiations is no exception. Indeed it is quite clear, just by looking at the coverage of the contemplated EU-Tunisia DCFTA, that it greatly exceeds that of the existing Association agreement<sup>21</sup>. In the trade in goods domain alone, the negotiations extend beyond the industrial products, as they now embrace sensitive sectors such as agriculture, fisheries and textiles<sup>22</sup>. Beyond these trade issues, the anticipated agreement also covers all the classical domains of the new generation of EU free trade agreements: technical barriers to trade, sanitary and phytosanitary measures, trade facilitation, trade defence measures, energy and raw materials, services and investment, public procurement, competition, intellectual property rights, sustainable development and transparency.

This broadening of the scope of the liberalisation commitments has, however, to take into account the asymmetry principle, considered as a central parameter of the negotiations, especially for the Tunisian government<sup>23</sup>. This principle means that the extent of the respective commitments of the trading partners shall differ, in order to

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<sup>19</sup> European Commission & High Representative of the Union for Foreign Affairs and Security Policy, 'Joint Staff Working Document – Towards a new European Neighbourhood Policy' JOIN(2015) 50 final, 18.11.2015.

<sup>20</sup> See: B.A. Melo Araujo, *The EU Deep Trade Agenda. Law and Policy* (Oxford University Press, 2016).

<sup>21</sup> See the texts of the EU proposal on DG Trade website dedicated section, at: <http://trade.ec.europa.eu/doclib/press/index.cfm?id=1490>.

<sup>22</sup> First Round Report, p. 2.

<sup>23</sup> *ibidem*, p.1. See also: Rapport conjoint du deuxième round de négociation sur un accord de libre-échange complet et approfondi (ALECA) entre la Tunisie et l'Union européenne, Tunis, 28-31 May 2018 (Second Round Report), p. 2; Rapport conjoint du troisième round de négociation sur un accord de libre-échange complet et approfondi (ALECA) entre la Tunisie et l'Union européenne, Bruxelles, 10-14 December 2018 (Third Round Report), p. 2; Rapport conjoint du quatrième round de négociation sur un accord de libre-échange complet et approfondi (ALECA) entre la Tunisie et l'Union européenne, Tunis, 29 April – 3 May 2019 (Fourth Round Report), p. 1.

weigh in their different level of social-economic development. Two chapters of the EU text proposal, already discussed during the four round of negotiations, serve as a good illustration of the legal transcription of the commitments' modulations that this principle should generate. The first is the chapter on trade in goods. The parties – most probably the EU since the negotiations began on the basis of the EU proposal – decided to negotiate in the framework of a negative list approach<sup>24</sup>. This is a significant shift, considering that only industrial products are covered by the Association agreement<sup>25</sup>. Considering the breadth of the market opening that such liberalisation methodology entails, the challenges of the negotiations are now threefold: First, the parties, responding to a Tunisian demand, are trying to define transitory implementing periods. Second, they are attempting to identify sensitive products and economic sectors for which hindrances to trade liberalisation can be maintained, even if only on a temporary basis. The principal targets here are agricultural and textile products. Third, the EU still has to make an offer for financial and technical support designed to accompany the adaptation and the modernization of the Tunisian agricultural sector<sup>26</sup>.

The second key chapter within which the asymmetry principle plays a decisive role is the services and investment liberalisation one. So far, such commitments have been excluded from the bilateral economic relations of the EU and Tunisia<sup>27</sup>, since the Association agreement only contains a few programme provisions related to these domains that do not impose any significant legal constraint on the parties<sup>28</sup>. From now on, however, these strategic economic sectors for both the EU and Tunisia come within the scope of the negotiation. But here again, the opening commitments cannot be exactly the same. While the EU economy strongly relies on the service sector, the Tunisian economy is still much more fragile in this regard. So equivalent liberalisation commitments would certainly be counterproductive for the Tunisian

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<sup>24</sup> See: Text of the EU Proposal on the Trade in Agricultural and Fishery products Chapter (Published on 29 April 2016. Available at: <http://trade.ec.europa.eu/doclib/press/index.cfm?id=1490&serie=1106&langId=en>).

<sup>25</sup> Art. 6 et seq, EU-Tunisia Association Agreement.

<sup>26</sup> First Round Report, pp. 2-3; Second Round Report, p. 2; Third Round Report, p. 3; Fourth Round Report, p. 7.

<sup>27</sup> However, since Tunisia joined the WTO, multilateral commitments in specific economic sectors exist.

<sup>28</sup> See: Arts 31 and 32, EU-Tunisia Association Agreement. It should nonetheless be underlined that, within the Association agreement, the parties have committed themselves to allow the free movement of capitals connected to direct investments made in their respective territories (Art. 34, EU-Tunisia Association Agreement).

economy and would mostly benefit the EU and its economic operators. This is why the successive rounds of negotiation have been an opportunity for the Tunisian negotiators to insist on the need to parameter the respective offer of the parties on the basis of the asymmetry principle<sup>29</sup>. A decisive issue on this point is the Tunisian demand to shift from a negative list to a positive list approach<sup>30</sup>. For the time being, however, this issue remains undecided. In addition, questions have been raised regarding, on the one hand, the inclusion of specific safeguard clauses and, on the other hand, the way to allow effective access to strategic technologies and networks for the Tunisian service providers and investors, to allow them to meet the requirements of the EU internal market<sup>31</sup>. Finally, here again, the effectiveness of the liberalisation commitments seems to be connected to the financial and technical support the EU can offer in order to sustain the adjustment of the Tunisian service sector<sup>32</sup>.

In spite of the significance of the asymmetry principle and of its probable legal – as well as financial – transcriptions, the comprehensive approach of the negotiations does not really allow us to differentiate DCFTAs in the neighbourhood from elsewhere. As the different treatment of third States in EU legal instruments is a basic rule of the Union's external action<sup>33</sup>, the asymmetric coverage of the contemplated EU-Tunisia DCFTA cannot be considered, by itself, as a decisive marker of its specificity. It is mainly its 'deep' coverage that makes the difference. Not so much in itself, as all the EU FTAs can now be considered to be 'deep' since their main focus is to address 'behind-the-border' hindrances to trade and investment flows<sup>34</sup>. But because of the method used by the EU with its neighbours. This method is a normative alignment obligation by which the third State commits itself to bring its regulations gradually closer to corresponding EU law, if not copy-paste them in its own legal order.

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<sup>29</sup> First Round Report, p. 5; Second Round Report, pp. 4-5; Third Round Report, p. 5.

<sup>30</sup> Fourth Round Report, pp. 5-6.

<sup>31</sup> *ibidem*.

<sup>32</sup> First Round Report, p. 5.

<sup>33</sup> For instance, see: Judgment of 21 December 2016, *Swiss International Air Lines*, C-272/15, ECLI:EU:C:2016:993, para. 26.

<sup>34</sup> See: B.A. Melo Araujo, *The EU Deep Trade Agenda. Law and Policy* (Oxford University Press, 2016).

## 2.2. The normative alignment shall be premised on a selectivity basis defined by Tunisia

So far, normative alignment commitments should be generated by Tunisia in several areas<sup>35</sup>: sanitary and phytosanitary measures, technical barriers to trade, customs procedures, protection of intellectual property, rules on competition and state aid and the regulatory framework of telecom, maritime transport and financial services. The limited scope of this study excludes the possibility to address them all in detail. However, it is important to highlight a few interesting features of the alignment commitments in the fields of competition law and technical barriers to trade.

Regarding technical barriers to trade (TBT), and as a basic rule observable in order fields<sup>36</sup>, Tunisia undertakes to bring gradually its regulations closer to those of the Union<sup>37</sup>. This entails the integration of the *acquis*, of course, but also all the administrative and institutional reforms necessary to the proper implementation of the agreement. If needed, Tunisia is also under the obligation to put into place efficient and transparent administrative structures<sup>38</sup>. As the competition field will show, a kind of surveillance mechanism has been established in order for the EU to monitor the Tunisian alignment process and the subsequent evolution of Tunisian laws and regulations. It consists, mainly, in a regular exchange of information with the EU<sup>39</sup>. Moreover, Article 6(8) of the TBT chapter indicates that, alongside the transposition of EU law, Tunisia has to repeal any national standard in conflict with EU norms and to cease immediately their application. Indeed,

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<sup>35</sup> No need to insist on the fact that only Tunisia supports normative alignment commitments (on the EU *acquis*).

<sup>36</sup> For instance, the Sanitary and Phytosanitary (SPS) measures commitments are submitted to the same logic.

<sup>37</sup> See: EU Proposal, TBT Chapter, Art. 6(1): 'La Tunisie prend les mesures nécessaires en vue de se conformer progressivement aux règlements techniques de l'UE énumérés à l'Annexe II (contenu de l'Annexe II à définir) ainsi qu'aux procédures de l'UE en matière de normalisation, de métrologie, d'accréditation, d'évaluation de la conformité et de surveillance du marché et s'engage à respecter les principes et les pratiques définis dans les décisions et règlements pertinents de l'UE'. See also: First Round Report, p. 6.

<sup>38</sup> See: EU Proposal, TBT Chapter, Art. 6(2): 'Pour atteindre ces objectifs, la Tunisie prendra les mesures suivantes selon le calendrier défini à l'Annexe II: i) intégrer l'acquis pertinent de l'UE dans la législation tunisienne; ii) procéder aux réformes administratives et institutionnelles nécessaires à la mise en œuvre du présent accord. iii) mettre en place les structures administratives efficaces et transparentes qui sont nécessaires à la mise en œuvre du présent chapitre'.

<sup>39</sup> EU Proposal, TBT Chapter, Art. 6(4).

‘Tunisia gradually transposes the body of European standards (EN) as national standards, including harmonised European standards whose non-mandatory application confers a presumption of conformity with the legislation referred to in Annexe II. In parallel with this transposition, Tunisia revokes any national standards that contradict European standards and ceases to apply them on its territory’<sup>40</sup>.

The significance of this normative alignment process for Tunisia results also from the fact that it conditions in part the compatibility of the Tunisian legal order with, on the one hand, the future Agreement on Conformity Assessment and Acceptance (ACAA) that should be negotiated within the context of the DCFTA<sup>41</sup> and, on the other hand, WTO law<sup>42</sup>. Yet, these far-reaching commitments in the strategic domain of standardisation allows for very limited participation of the Tunisian authorities in drafting the norms<sup>43</sup>. This is why the Tunisian negotiators underlined the need for a structured, regular and reactive dialogue concerning the regulatory framework of standardisation and, also, raised the issue of the effective participation of the Tunisian competent bodies to the European standardisation organisations<sup>44</sup>. A decision on this latter issue has still to be taken.

In the field of competition, a similar logic applies. First, it can be recalled, that this regulation domain is not an invention of the DCFTA negotiating mandate. The Association agreement already contains a specific chapter concerning ‘competition and other economic disposition’, which covers basic competition law matters, namely

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<sup>40</sup> EU Proposal, TBT Chapter, Art. 6(8): ‘La Tunisie transpose progressivement le corpus de normes européennes (EN) en tant que normes nationales, y compris les normes européennes harmonisées dont l’application non obligatoire confère une présomption de conformité à la législation visée à l’Annexe II. Parallèlement à cette transposition, la Tunisie révoque toute norme nationale contradictoire aux normes européennes et cesse de les appliquer sur son territoire’. The similarity of these obligations with those that derives, for the Member States, from the primacy principle since *Costa* (Judgment of 15 July 1964, *Costa / E.N.E.L.*, 6/64, ECLI:EU:C:1964:66) and *Simmenthal* (Judgment of 9 March 1978, *Amministrazione delle finanze dello Stato v Simmenthal*, 106/77, ECLI:EU:C:1978:49) is striking.

<sup>41</sup> European Commission & High Representative of the Union for Foreign Affairs and Security Policy, ‘Joint Communication to the European Parliament and the Council – Strengthening EU support to Tunisia’ JOIN(2016) 47 final, 29.9.2016, p. 8. See also: Second Round Report, pp. 5-6; Third Round Report, pp. 5-6; Fourth Round Report, p. 3.

<sup>42</sup> Notably the Agreement on Technical Barriers to Trade (Annex 1A (Multilateral Agreements on Trade in Goods) of the Uruguay Round Agreements establishing the WTO).

<sup>43</sup> Note however that Art. 6(7) and (8) of the TBT Chapter of the EU Proposal indicates that: ‘Tunisia shall ensure that its relevant national bodies participate in the work of the European and international organisations for standardisation, fundamental and legal metrology, conformity assessment, including accreditation, according to their respective fields of activity and the membership status to which Tunisia is entitled’ and that: ‘In addition, Tunisia undertakes to gradually fulfil the other conditions for accession, in accordance with the requirements applicable to full members of the European standardisation organisations’.

<sup>44</sup> First Round Report, p. 6.

cartels, abuse of market dominance, state aid, state monopolies and special rights enterprises<sup>45</sup>. In addition, even if the implementation of this mechanism depends on the adoption of a specific decision by the Association Council, the competition obligations that the Association agreement establishes have already to be interpreted in light of EC law<sup>46</sup>. Therefore, the main objective of the DCFTA negotiations is, first and foremost, to widen and update these commitments<sup>47</sup>. Their widening can be seen in the fact that the parties have agreed that some practices and transactions not covered by the Association agreement, namely mergers, may also be incompatible with the shared objective of a free and undistorted competition<sup>48</sup>. Insofar as they may affect trade between the parties, they are therefore incompatible with the agreement<sup>49</sup>. Basically, as in EU law, the applicability of these commitments depends on the exercise of an economic activity<sup>50</sup>. Regarding the update of the commitments, and this is a key point from a normative alignment perspective, all the previously mentioned notions of competition law have to be interpreted in accordance with EU law as it now stands, that is to say on the basis of the criteria stemming from the TFEU, the case law of the Court of justice, secondary law and all the soft law instruments employed in the EU legal order<sup>51</sup>. Contrary to the Association agreement mechanism, the effectiveness of this global referral to EU law no longer depends on the adoption of a decision by one of the joint organs established by the future DCFTA. From the date of its entry into force, the competition chapter will apply in entire reference to EU law.

A significant second point in this regard is that a specific provision is devoted to the effective implementation of the free competition objective. However, the obligations that it contains are only addressed to Tunisia. Within a period of three years, the Tunisian government has to adopt (or otherwise to maintain) an entire set of regulations able to ensure the effective implementation of the competition chapter

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<sup>45</sup> Art. 36-38, EU-Tunisia Association Agreement.

<sup>46</sup> Art. 36(2), (3), (4) and (5), EU-Tunisia Association Agreement.

<sup>47</sup> First Round Report, p. 4; Second Round Report, p. 4.

<sup>48</sup> EU Proposal, Competition Chapter, Art. 1(2)(c). The significance of this inclusion is notably due to the fact that mergers are not, *per se*, forbidden in Tunisia (See: Second Round Report, p. 4).

<sup>49</sup> EU Proposal, Competition Chapter, Art. 1(2).

<sup>50</sup> EU Proposal, Competition Chapter, Art. 2.

<sup>51</sup> EU Proposal, Competition Chapter, Art. 1(3) and (4). Due to the complexity and rapid evolution of EU competition law, especially through case law, this obligation appears like a source of difficulties for the Tunisian negotiators. See: First Round Report, p. 4; Second Round Report, p. 4; Third Round Report, p. 4; Fourth Round Report, p. 3.



of the DCFTA<sup>52</sup>. But this goes further: first, Tunisia has also the obligation to establish (or to maintain) an independent and efficient competition authority<sup>53</sup>. This issue was raised during the negotiations rounds since two authorities competent in this field actually coexist in Tunisia: the Ministry of Economy and the *Conseil de la concurrence* (Competition Council)<sup>54</sup>. This situation might be regarded as problematic from an EU law perspective insofar as one of these is a political entity, which might not easily fit in with the independence requirement for the competition authorities stemming from EU law. Second, Tunisia has to comply with several procedural standards when implementing its national competition law<sup>55</sup>. A third and final point which makes the neighbourhood DCFTAs very specific, is that the general dispute settlement mechanism (DSM) has jurisdiction over part of the competition chapter<sup>56</sup>. This is quite extraordinary, if compared for instance to CETA<sup>57</sup> or the EU-Japan Economic and Partnership Agreement<sup>58</sup>. Indeed, while the entire chapter is excluded from the scope of the jurisdiction of the DSM, the violation of the implementation commitments of Tunisia can nonetheless be subjected to it. That is to say, the EU can monitor the alignment process of the Tunisian legal order and, if necessary, resort to arbitration panels to sanction any violation of the obligations it implies for Tunisia.

These two domains of alignment show that rather than the integration of the third State into the European Economic Area, the DCFTAs have the effect of extending its boundaries for the benefit of EU law. For the neighbour, the normative alignment is an obligation that is part of the overall negotiations, which give no opportunity to

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<sup>52</sup> EU Proposal, Competition Chapter, Art. 6.

<sup>53</sup> EU Proposal, Competition Chapter, Art. 6(a), para. 2.

<sup>54</sup> Second Round Report, p. 4.

<sup>55</sup> EU Proposal, Competition Chapter, Art. 6(a), para. 3.

<sup>56</sup> See, for instance, Arts 260-261, Association Agreement between the European Union and its Member States, of the one part, and Ukraine, of the other part, OJ L 161, 29.5.2014, p. 3 (EU-Ukraine Association Agreement); Art. 207, Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part, OJ L 261, 30.8.2014, p. 4 (EU-Georgia Association Agreement); Art. 297, Comprehensive and enhanced Partnership Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and the Republic of Armenia, of the other part, OJ L 23, 26.1.2018, p. 4 (EU-Armenia Partnership Agreement). For Tunisia, see: EU Proposal, Competition Chapter, Art. 7.

<sup>57</sup> Art. 17.4, Comprehensive Economic and Trade Agreement between Canada, of the one part, and the European Union and its Member States, of the other part, OJ L 11, 14.1.2017, p. 23 (CETA): 'Nothing in this Chapter shall be subject to any form of dispute settlement pursuant to this Agreement'.

<sup>58</sup> Art. 11.9, Agreement between the European Union and Japan for an Economic Partnership, OJ L 330, 27.12.2018, p. 3 (EU-Japan EPA): 'The provisions of this Chapter shall not be subject to dispute settlement under Chapter 21'.

participate effectively in the drafting of the norm. Admittedly, one of the parameter of the negotiations that is regularly evoked during the negotiation rounds is selectivity<sup>59</sup>. Tunisia shall be the decision-maker regarding the identification of the areas that are concerned in priority by the normative alignment. However, is this selectivity rule a sufficient guarantee for the effective implementation of the co-appropriation principle that is supposed to drive the Neighbourhood policy?

Besides, this external policy may have significant costs: for the third State, depending on the extent of reforms deemed necessary; and for its economic operators who might have to adjust their production process in order to have access to the EU market. This gives a definite economic advantage to the European companies. This is why the EU devotes great amounts of money to the technical and financial assistance programs aimed at facilitating the normative alignment. Here is certainly another peculiarity of the treatment of the EU neighbours within the overall context of DCFTA negotiations.

### **3. Is there a Specificity of the DCFTAs Negotiated with the Southern Neighbourhood Countries?**

In order to identify a specificity of the southern DCFTAs, a comparison with the FTA part of the association agreements concluded with the eastern countries is necessary. But then, all depends on the level of comparison. From a broad perspective, they might all look identical: their economic objectives are the same, they are all 'deep and comprehensive', the institutional structure that they establish will probably be very similar and the settlement of disputes by arbitral panels is designed in many ways like the WTO dispute settlement mechanism<sup>60</sup>. If one looks closer, however, they seem to be completely different agreements. For instance, the list of protected geographical indications (GIs) will probably not be the same in the Georgian association agreement and in the Tunisian DCFTA<sup>61</sup>. In other words, the choice of the level of comparison is inevitably partially arbitrary and can hardly, therefore, pretend to have any real scientific significance. Still, a comparison under the guiding hypothesis that the eastern neighbourhood agreements are probably

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<sup>59</sup> First Round Report, p. 1.

<sup>60</sup> Even if the text of the EU proposal regarding these two issues has not been published yet, it is most likely that the EU will not depart from its common practice within the context of the DCFTA negotiations with Tunisia.

<sup>61</sup> See *infra*, sub-section 2.

much more subjected to the internal market logic than the southern one can be put forward. In order to test it, this section will address, first, domains of similarity between the eastern and southern agreements, which tend to contradict this guiding hypothesis (3.1). Subsequently, domains of uncertainties, where the comparison remains inconclusive, will be underlined (3.2). Finally, a clear distinctive feature between these agreements will be sketched: the question of the inclusion of an investment protection legal regime (3.3).

### 3.1. Similarities

The competition chapter is a good illustration of similarity between the projected EU-Tunisia DCFTA and certain eastern Association agreements. As it has already been stated, a crucial characteristic of the competition chapter is, besides its own interpretation by reference to EU law, the alignment of the third State's competition regulations on EU law that it demands. On this point, eastern DCFTAs and the forthcoming Tunisian agreement are very similar. Furthermore, regarding state aid, Tunisia is considered, like Ukraine, to be an 'area where the standard of living is abnormally low or where there is serious underemployment', according to Art. 107(3)(a) TFEU<sup>62</sup>. Indeed, the EU proposal for the Tunisian DCFTA negotiations indicates that

'For the purposes of applying the provisions of Article XX.1(2)(d), the Parties agree that during the first five years following the conclusion of this Agreement, any public aid granted by Tunisia shall be assessed taking into account the fact that Tunisia shall be regarded as an area identical to the areas of the Union referred to in Article 107(3)(a) of the Treaty on the Functioning of the European Union. The Association Council shall decide, taking into account the economic situation of Tunisia, whether this period should be extended by five years in five years'<sup>63</sup>.

While this rule should normally be of temporary validity, it nevertheless makes it easier to consider state aids as compatible with the agreement during a transitory period, so as to take into account the different level of socio-economic development

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<sup>62</sup> See, for instance, Arts 267(3), a), EU-Ukraine Association Agreement.

<sup>63</sup> Art. 6(c) of the Competition chapter of the EU proposal: 'Aux fins de l'application des dispositions de l'Article XX.1(2)(d), les parties conviennent que pendant les cinq premières années suivant la conclusion du présent accord, toute aide publique octroyée par la Tunisie est évaluée en tenant compte du fait que *ce pays est considéré comme une zone identique aux zones de l'Union visées à l'Article 107, paragraphe 3, point a), du traité sur le fonctionnement de l'Union européenne*. Le Conseil d'association décide, en tenant compte de la situation économique de la Tunisie, si cette période doit être prorogée de cinq ans en cinq ans'. We underline. The same rule already exists in the EU-Tunisia Association Agreement, see Art. 92(3), a).

of the neighbour countries. This allows flexibility for the implementation of the state aid rules in the EU partner's legal order, and can therefore be interpreted as a legal transcription of the two main parameters of the DCFTAs negotiations in the neighbourhood: asymmetry and progressive opening to market economy logic.

However, regarding the exclusion of the competition chapter from the jurisdiction of the dispute settlement mechanism, one key issue remains to be settled in the DCFTA negotiations with Tunisia. In addition to the implementation obligations<sup>64</sup>, some of the eastern neighbours – namely Georgia and Moldova – have agreed to the submission of (some of) the state aid provisions to the jurisdiction of the dispute settlement mechanism<sup>65</sup>. For instance, Article 207 of the Georgian Association agreement only excludes from the DSM jurisdiction its dispositions concerning antitrust, mergers, state monopolies, state enterprises and enterprises entrusted with special or exclusive rights. In spite of the minor legal constraints that they impose, the subsidies dispositions, not explicitly excluded, can therefore be considered to be included within the scope of the dispute settlement mechanism established by the Association agreement. From the outset of negotiations, the Tunisian negotiators raised the issue of the usefulness of specific dispute settlement provisions for the competition chapter, and especially state aids<sup>66</sup>. Yet, so far, the question remains: will the EU and Tunisia agree to submit the latter field of the DCFTA to the jurisdiction of the DSM? For now, disputes on state aid issues have to be resolved through consultations in the association council<sup>67</sup>, as is the case for instance within the comprehensive and enhanced partnership agreement concluded with Armenia<sup>68</sup>. In this respect, the competition field shows that even within the eastern neighbours, the content of the commitments might differ to a significant extent.

### 3.2. Uncertainties

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<sup>64</sup> See *supra*, fn 55.

<sup>65</sup> In the case of Ukraine, the Association Agreement (Art. 265) does not allow the recourse to the DSM it establishes for the state aid section of the competition chapter. However, it explicitly indicates that none of its provisions prevents the parties from activating, if necessary, the WTO DSM. Regarding the EU-Moldova Association Agreement, no provision explicitly excludes the state aid chapter from the jurisdiction of the DSM. See: Art. 339 et seq., Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and the Republic of Moldova, of the other part, OJ L 260, 30.8.2014, p. 4 (EU-Moldova Association Agreement).

<sup>66</sup> First Round Report, p. 4.

<sup>67</sup> Art. 36(6), EU-Tunisia Association Agreement.

<sup>68</sup> Art. 294, EU-Armenia Partnership Agreement.

In the perspective of a comparison between the eastern and southern DCFTAs, there are two domains where the conclusions remain uncertain: the protection of geographical indications and the temporary entry and stay of persons for business purposes.

The temporary entry and stay of persons for business purposes is one of the key aspects of the negotiations with Tunisia, and probably one of the most contentious. The main reason for that is because this mode of services supply implies the cross-border movement of natural persons<sup>69</sup>. Yet, the right to cross-border mobility that these liberalisation commitments give rise to is only granted to specific categories of persons, mostly those who are highly qualified. Indeed, in order to benefit from this kind of commitments, these persons have to be linked to an economic activity, be it an investment or the supply of a service, at a managerial position<sup>70</sup>. It should be underlined here that these commitments do not prevent the parties from applying measures to regulate the entry and temporary stay of natural persons into their territory<sup>71</sup>. In particular, the sole fact of requiring a visa for natural persons of a certain country and not for those of other countries is not contrary to these obligations<sup>72</sup>. In fact, this is a field of great asymmetry between the EU and Tunisia since Tunisian natural persons find it very difficult to access the EU market, even for short stays, whereas empirical studies show that it is much easier in the opposite direction. Considering the state of play of the negotiations, there is not much to say on this point for the moment. But it will be interesting to follow how these commitments will be articulated with EU immigration policy, especially through the negotiations of visas facilitation agreements. Indeed, the issue of establishing a synergy between the DCFTA and the visa facilitation agreement has been raised several times since the first round of negotiations<sup>73</sup>. Although the EU refused to merge the two sets of negotiations, officially at least, an obvious convergence is now ongoing<sup>74</sup>. It should be underlined here that Tunisia insisted on the fact that the issue

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<sup>69</sup> In WTO terminology, this refers to Mode 4, that is the supply of a service by a service supplier of one Member, through presence of natural persons of a Member in the territory of any other Member. See: Art. I(2), (d), General Agreement on Trade in Services.

<sup>70</sup> EU Proposal, Service and Investment Chapter, Art. 4.1(5).

<sup>71</sup> EU Proposal, Service and Investment Chapter, Art. 1.1(3) and (4).

<sup>72</sup> *ibidem*.

<sup>73</sup> First Round Report, p. 5; Second Round Report, p. 5; Third Round Report, p. 5; Fourth Round Report, p. 6.

<sup>74</sup> Fourth Round Report, p. 6.

of the temporary entry and stay of persons for business purposes has to be approached as an economic issue, and not as an immigration issue. The way this chapter has been negotiated in the eastern neighbourhood, particularly regarding its articulation with the visa-free agreements, could potentially be the source of some inspiration, even if the stakes are different in the absence of any EU membership perspective for Tunisia.

The protection of geographical indications (GIs) is another domain where the distinction between eastern and southern DCFTAs is, for now, unclear. First of all, we need to underline that the system of protection of geographical indications has been standardized in all the new generation of free trade agreements negotiated by the EU, including those concluded with third states outside the EU neighbourhood. Based on the mutual recognition of the respective legal regime of the parties concerning the protection of these very specific intellectual property rights<sup>75</sup>, its main objective is to widen and deepen the protection already granted to the economic operators on the basis of the Lisbon Arrangement and, particularly, the TRIPs agreement<sup>76</sup>. The thorough analysis of this complex legal regime is outside the scope of this study, but one significant point shall nonetheless be raised when comparing the eastern and the southern DCFTAs. The eastern neighbours have agreed to protect almost all the European GIs in their market; this accounts for approximately 3,000 GIs that are listed in about 150 pages in the annexes of the DCFTA<sup>77</sup>. Will Tunisia accept such a comprehensive protection? Or will the European negotiators focus, as they did with other third States – notably in Asia – on around 200 GIs<sup>78</sup>? Whatever the results of the negotiations with Tunisia will be<sup>79</sup>, the comprehensive protection of the European GIs that derives from the eastern DCFTAs shows that

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<sup>75</sup> See, for instance: Art. 202, EU-Ukraine Association Agreement; Art. 170, EU-Georgia Association Agreement; Art. 297, EU-Moldova Association Agreement; Art. 231, EU-Armenia Partnership Agreement; Art. 10.18, Free Trade Agreement between the European Union and its Member States, of the one part, and the Republic of Korea, of the other part, OJ L 127, 14.5.2011, p. 1 (EU-Korea FTA); Art. 14.23-24, EU-Japan EPA.

<sup>76</sup> J. Drexler, H. Grosse Ruse-Khan, S. Nadde-Phlix (eds), *EU Bilateral Trade Agreements and Intellectual Property: for Better or Worse?* (Berlin/Heidelberg, Springer, 2014).

<sup>77</sup> See: Annex XXII-C and XXII-D, EU-Ukraine Association Agreement; Annex XVII-C and XVII-D, EU-Georgia Association Agreement; Annex XXX-C and XXX-D, EU-Moldova Association Agreement; Annex X, EU-Armenia Partnership Agreement.

<sup>78</sup> See for instance: Annex 10-A and 10-B, EU-Korea FTA; Annex 14-B, EU-Japan EPA.

<sup>79</sup> The Third Round Report (p. 4) indicates that the parties have exchanged their list of GIs the protection of which is requested. The preliminary procedures are currently ongoing.

these markets are perceived as an extension of the EU internal market, at least from the specific perspective of these intellectual property rights.

### 3.3. Distinctive feature

The legal standards of investment protection, as well as the (in)famous investor-State dispute settlement (ISDS) mechanism, are excluded from the scope of the eastern association agreements. Besides the fact that they contain no chapter on investment protection, they all explicitly exclude the backdoor integration of such legal regime through the implementation of the national treatment and most favoured nation treatment clauses<sup>80</sup>. It is true that this exclusion could only be temporary. All the eastern DCFTAs contain a review clause indicating that the parties can re-open negotiations in order to include investment protection provisions and ISDS<sup>81</sup>. For now, however, investment protection in the eastern neighbourhood relies on the application of the bilateral investment treaties that the Member States have concluded with Ukraine, Georgia, Moldova and Armenia<sup>82</sup>. The EU DCFTAs with the eastern neighbours only contain investment liberalisation commitments. Considering the integration of the eastern neighbour countries to the external edges of the EU legal order, it is tempting to analyse the absence of an investment protection chapter in the DCFTAs as proof that the EU does not consider them as third States like the others, even if mutual trust certainly does not apply in this context<sup>83</sup>. The extent of the normative alignment implied by the eastern DCFTAs and the association of the CJEU in the settlement of disputes by a preliminary ruling procedure<sup>84</sup> might help explain this.

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<sup>80</sup> Art. 87(1), 88(1)(ii) and (2)(ii), EU-Ukraine Association Agreement; Art. 79(1)(b) and (2)(b), EU-Georgia Association Agreement; Art. 205(1)(b) and (2)(b), EU-Moldova Association Agreement; Art. 144(1)(b) and (2)(b), EU-Armenia Partnership Agreement.

<sup>81</sup> Art. 89, EU-Ukraine Association Agreement; Art. 80(2), EU-Georgia Association Agreement; Art. 206(2), EU-Moldova Association Agreement; Art. 203, EU-Armenia Partnership Agreement.

<sup>82</sup> A list of those treaties can be gathered on the UNCTAD Investment Policy Hub Website (<https://investmentpolicy.unctad.org/international-investment-agreements>).

<sup>83</sup> In *Achmea* and *Opinion 1/17*, the CJEU relied on the mutual trust that is supposed to exist between Member States in order to exclude the possibility of treaty-based investment arbitration (*i.e.* when the mandatory consent to the jurisdiction of the arbitral tribunal is given through a bilateral investment treaty concluded between two Member States) within the EU internal market. See: Judgment of 6 March 2018, *Achmea*, C-284/16, ECLI:EU:C:2018:158, para. 58; Opinion 1/17 (*EU-Canada CET Agreement*) of 30 April 2019, ECLI:EU:C:2019:341, paras. 128-129.

<sup>84</sup> Art. 322, EU-Ukraine Association Agreement; Art. 267, EU-Georgia Association Agreement; Art. 403, EU-Moldova Association Agreement; Art. 342, EU-Armenia Partnership Agreement.

One of the main distinctive features of the southern DCFTAs – at least in light of the ongoing negotiations with Tunisia – is the fact that they will probably include a chapter on the protection of investments and, therefore, the new system of arbitral dispute settlement mechanism promoted by the EU: the Investment Court System (ICS). Since the CJEU recently found it compatible with EU law<sup>85</sup>, the future DCFTA with Tunisia should indeed, in principle, include an investment protection agreement (IPA)<sup>86</sup> similar to the one concluded with Canada within CETA<sup>87</sup>, and those currently negotiated with Singapore<sup>88</sup> and Vietnam<sup>89</sup> in addition to the free trade agreements. However, there are two reservations to the conclusion of an investment protection agreement with Tunisia. The first one is proper to the EU. Since investment protection is not, in its entirety, a matter of EU exclusive competence<sup>90</sup>, an IPA negotiated at the EU level has to be ratified by all the Member States, according to their own constitutional requirements. Practically, this means 38 parliamentary ratifications. However, considering the ongoing debates on this issue, such a general acceptance of the ratification in all the Member States is far from certain. The second reservation concerns Tunisia. During the negotiations, the Tunisian negotiators drew their attention to certain features of the Investment Court System that necessitate clarifications, in particular those that constitute innovative features for investment arbitration<sup>91</sup>. As for now, reports from the negotiations seem to indicate that, in response, the EU has focused the presentation of the ICS on two of its main characteristics: the integrity and impartiality of the members of the tribunals, on the one hand, and transparency, on the other<sup>92</sup>. The Tunisian negotiators also raised questions about the legal issues related to the articulation of the investment protection agreement with the DCFTA and the BITs in force between Tunisia and the Member States<sup>93</sup>. Regarding the latter, following what has been done with Canada

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<sup>85</sup> Opinion 1/17 (*EU-Canada CET Agreement*) of 30 April 2019, ECLI:EU:C:2019:341.

<sup>86</sup> The text of the EU Proposal is available at: [http://trade.ec.europa.eu/doclib/docs/2019/january/tradoc\\_157662.%20ALECA%202019%20-%20texte%20protection%20des%20investissements.pdf](http://trade.ec.europa.eu/doclib/docs/2019/january/tradoc_157662.%20ALECA%202019%20-%20texte%20protection%20des%20investissements.pdf).

<sup>87</sup> See; CETA, Chapter 8, especially its D and F Sections.

<sup>88</sup> Text available at: <http://trade.ec.europa.eu/doclib/press/index.cfm?id=961>.

<sup>89</sup> Text available at: <http://trade.ec.europa.eu/doclib/press/index.cfm?id=1437>.

<sup>90</sup> Opinion 2/15 (*Free Trade Agreement between the European Union and the Republic of Singapore*) of 16 May 2017, ECLI:EU:C:2017:376.

<sup>91</sup> Second Round Report, p. 5.

<sup>92</sup> Third Round Report, p. 5.

<sup>93</sup> Fourth Round Report, p. 7.



for instance<sup>94</sup>, the rule seems straightforward: a substitution of the EU-Tunisia IPA to these BITs should normally be organized. This means that the sunset clause of the BITs is neutralised and replaced by the transitory system that the EU-Tunisia IPA will establish. In practice, investors covered by the BITs will only be able to rely on them for a few years after the entry into force of the EU-Tunisia IPA, provided that the treatment object of the claim was accorded when the BIT was still in force<sup>95</sup>. Regarding the articulation of the IPA and the DCFTA, many uncertainties remain, and it is outside the scope of this study to dwell upon them. But indeed, questions can be raised. For instance, the coexistence of the general dispute settlement mechanism established by the DCFTA and the ICS established by the IPA might prove to be problematic, notably if the two jurisdictions are simultaneously requested to settle linked disputes, when the contested measure is the same in both instances.

Whatever the results of the negotiations with Tunisia will be regarding the investment protection issue, it remains that the EU seems to consider this domain as part of its DCFTA offer in the southern neighbourhood only. However, from this specific perspective, the rationale of the distinction between eastern and southern neighbours seems unclear.

#### **4. Concluding remarks**

According to the European Commission, the new European Neighbourhood policy rests on three main principles: differentiation, co-appropriation and stabilisation<sup>96</sup>. DCFTAs can be considered as appropriate tools for differentiation. It is indeed probably easier to adjust reciprocal commitments on olive oil quotas than on fundamental values, such as human rights and the rule of law. Besides, delays for the implementation of certain sensitive obligations can always be agreed in order to accommodate the demand for progressivity of the third State. In other words, the classical techniques of international economic law seem suited for the differentiation

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<sup>94</sup> See: Art. 30.8(1) and Annex 30-A, CETA.

<sup>95</sup> See: Art. 30.8(2), CETA: 'Notwithstanding paragraph 1, a claim may be submitted under an agreement listed in Annex 30-A in accordance with the rules and procedures established in the agreement if: (a) the treatment that is object of the claim was accorded when the agreement was not terminated; and (b) no more than three years have elapsed since the date of termination of the agreement'.

<sup>96</sup> European Commission & High Representative of the Union for Foreign Affairs and Security Policy, 'Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – Review of the European Neighbourhood Policy' JOIN(2015) 50 final, 18.11.2015.

purpose. Regarding co-appropriation and stabilisation, however, a DCFTA with Tunisia might not prove to be the most appropriate legal instrument. It is a matter of doubt whether allocating funds to compensate the cost of the alignment towards European standards and the socio-economic adjustments implied by the liberalisation commitments fits properly with the definition of appropriation (even taking into account the selectivity rule). In addition, the 'stabilisation through liberalisation' policy, if not always ineffective, has already proven to be random.

With this in mind, if one looks through the lens of the DCFTAs, the EU seems to pass from an association policy including a trade aspect to an association policy *via* trade, the market and the standards considered to be suited for its effective development. In this regard, despite the specificities of these agreements in the neighbourhood context, a form of normalisation of the neighbour countries in the EU's external action can be noticed. The case of the cross-border people's mobility is quite telling. On one hand, the EU negotiates visas facilitation together with readmission agreements. On the other hand, in the framework of the temporary entry and stay of persons for business purposes commitments, the EU only facilitate cross-border mobility for the most qualified and economically active workers. This dual policy can also be observed with third State, outside the neighbourhood framework. So, are DCFTAs instruments of the neighbourhood policy? Or should we note, rather, the absorption of the neighbourhood policy by the common commercial policy?

# Texts & Cases

## 1. TEXTS

General Agreement on Tariffs and Trade (GATT)

General Agreement on Trade in Services (GATS)

Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Republic of Tunisia, of the other part, *OJ L 97*, 30.3.98, p. 2

Free Trade Agreement between the European Union and its Member States, of the one part, and the Republic of Korea, of the other part, *OJ L 127*, 14.5.2011

Association Agreement between the European Union and its Member States, of the one part, and Ukraine, of the other part, *OJ L 161*, 29.5.2014

Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and the Republic of Moldova, of the other part, *OJ L 260*, 30.8.2014

Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part, *OJ L 261*, 30.8.2014

Comprehensive Economic and Trade Agreement between Canada, of the one part, and the European Union and its Member States, of the other part, *OJ L 11*, 14.1.2017

Agreement between the European Union and Japan for an Economic Partnership, *OJ L 330*, 27.12.2018

Comprehensive and enhanced Partnership Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and the Republic of Armenia, of the other part, *OJ L 23*, 26.1.2018

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European Commission, 'Communication – European Neighbourhood Policy' COM(2004) 373 final, 12.5.2004

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Rapport conjoint du premier round de négociation sur un accord de libre-échange complet et approfondi (ALECA) entre la Tunisie et l'Union européenne, Tunis, 18-21 April 2016

Rapport conjoint du deuxième round de négociation sur un accord de libre-échange complet et approfondi (ALECA) entre la Tunisie et l'Union européenne, Tunis, 28-31 May 2018

Rapport conjoint du troisième round de négociation sur un accord de libre-échange complet et approfondi (ALECA) entre la Tunisie et l'Union européenne, Bruxelles, 10-14 December 2018

Rapport conjoint du quatrième round de négociation sur un accord de libre-échange complet et approfondi (ALECA) entre la Tunisie et l'Union européenne, Tunis, 29 April – 3 May 2019

## 2. CASES

Judgment of 15 July 1964, *Costa / E.N.E.L.*, 6/64, ECLI:EU:C:1964:66

Judgment of 9 March 1978, *Amministrazione delle finanze dello Stato v. Simmenthal*, 106/77, ECLI:EU:C:1978:49

Judgment of 21 December 2016, *Council v. Front Polisario*, C-104/16 P, ECLI:EU:C:2016:973

Judgment of 21 December 2016, *Swiss International Air Lines*, C-272/15, ECLI:EU:C:2016:993

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Judgment of 27 February 2018, *Western Sahara Campaign UK*, C-266/16, ECLI:EU:C:2018:118

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