



## **NEGOTIATIONS OF THE ENHANCED PARTNERSHIP AND COOPERATION AGREEMENT (EPCA) BETWEEN THE EU AND THE KYRGYZ REPUBLIC 2017-2019 REPORT**

Following the adoption of negotiating directives by the Council in 2017, the Kyrgyz Republic and the European Union have concluded in June 2019 a new Agreement (*Enhanced Partnership and Cooperation Agreement – EPCA*), which, once implemented, will replace the current Partnership and Cooperation Agreement (PCA) in force since 1999. The Agreement was initialled in Bishkek on 6 July 2019 in the margins of the EU-Central Asia Ministerial meeting.

This new Agreement contains a series of political, cooperation and trade-related provisions, which will reinforce the bilateral relations. These provisions aim to support Kyrgyz Republic's reforms, notably in the areas of the judiciary, education, rural development, water management and infrastructure, as well as opportunities to promote private sector development and facilitate trade. On the latter, the EPCA brings the PCA up to current more modern EU and international standards.

The new Agreement includes numerous provisions, which go beyond the WTO requirements, paving the way for a more business-friendly economic environment and for more predictability and certainty for European investors in the region.

Besides, the Parties agreed to provide each other substantial market access on public procurement. Additionally, Kyrgyz Republic agreed to all provisions going beyond the Agreement on Government Procurement (GPA). Kyrgyz Republic also renounced to any offsets.

The new Agreement will also be the first one in Central Asia that contains a list of Geographical Indications (GIs) to be protected: 167 GIs will be fully protected by the Agreement (given the limited administrative capacity in the country, a transition period was agreed for the entry into force of this section).

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As for the Agreements concluded with Kazakhstan and Armenia, which are, like the Kyrgyz Republic, members of the Eurasian Economic Union, this Agreement does not contain any tariff preferences. However, the Agreement, once implemented, will be usefully complemented by the Generalized System of Preferences (GSP+) mechanism, from which Kyrgyz Republic benefits already since 2017. This scheme offers additional tariff preferences in exchange of the compliance with 27 core human rights, governance, environment and labour conventions.

The Parties are now engaged in the joint legal scrubbing process. Once this process is finalised, the text will be submitted to the Council for signature and subsequently for the conclusion of the Agreement upon the European Parliament's consent.