Federation of the European Sporting Goods Industry

FESI exchange with Member States on the EU-Indonesia FTA
July 2026

FESI has held a series of meetings with Member States on the EU-Indonesia FTA ratification process. In these exchanges, FESI underlined the benefits the agreement would bring to the European sporting goods industry, while stressing the importance of swift ratification and entry into force to avoid a potential tariff gap following Indonesia's expected exit from the EU GSP scheme.

The overall message from Member States has been broadly positive. No major substantive opposition to the agreement itself has been identified so far, and several Member States see the deal as an important test case for the Commission's accelerated ratification approach. The main challenge remains procedural, notably the proposed use of English as the only authentic language version, which continues to raise concerns for France and Italy. However, the expectation among the Member States consulted is that a solution will be found and that the agreement can still move forward in time for entry into force by the end of 2026 or early 2027.

Please find below a structured summary of the main points discussed.

I. Meeting with the Romanian Perm. Rep. (Daniela Andrei, Director Trade Policy)

Romania remains supportive of the EU-Indonesia CEPA and expects the agreement to move forward, despite some procedural and sectoral sensitivities raised by other Member States. The main points of attention are the accelerated procedure, the translation issue, and the need to avoid a tariff gap after Indonesia's expected exit from the EU GSP scheme. Romania also expressed interest in receiving more concrete input from Romanian businesses on the expected benefits of the agreement.

Council process and expected timeline

- The EU-Indonesia CEPA text was received by Member States at the end of June and is currently being analysed in capitals.
- The Commission is seeking an accelerated procedure, as CEPA is considered a priority file.
- A Council vote could take place in **September**, provided the process moves smoothly.
- Romania is confident that the agreement can be adopted in Council.
- CEPA approval requires a **qualified majority**, meaning that individual objections would not necessarily block the process.

Language regime and translations

- The Commission's proposal to proceed initially on the basis of the English legal text had initially raised concerns for Romania.
- This is no longer expected to be a major issue for Romania, as the Commission has reassured Member States that **translations will follow soon**.
- Romania has already started its internal analysis on the basis of the English version.
- **France** and **Italy** were mentioned as being more reluctant to accept this approach at this stage.

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Sectoral concerns raised by Member States

- **Spain** has raised concerns related to **tuna** (which was not confirmed during our meeting with Spain).
- **Portugal** has raised concerns regarding **apparel** and the cumulative impact of this agreement, together with other FTAs, on domestic production.
- Despite these sectoral concerns, Romania expects the agreement to move forward.

Tariff gap and entry into force

- Romania is aware of the risk of a tariff gap following Indonesia's expected exit from the EU GSP scheme on **1 January 2027**.
- Romania asked whether such a tariff gap, with EU companies temporarily exposed to MFN duties, could have an **impact on consumer prices**.
- However, Romania does not expect any potential tariff gap to be long.
- Entry into force on **1 January 2027** is still considered achievable, provided the process remains on track.

Romanian position and domestic context

- Romania remains very supportive of the EU-Indonesia CEPA.
- However, Romania currently has an **interim government.**
- If a new government is not in place by September, Romania may not be able to take an official position or vote on the agreement.

Engagement with Romanian businesses

- Romania has limited visibility at this stage on the concrete benefits of the agreement for Romanian companies.
- The Permanent Representation noted that it has not yet engaged directly with Romanian businesses on CEPA and does not have a trade attaché in Jakarta.
- Romania would welcome **input from business stakeholders**, including through Romanian national associations.
- FESI will check within the broader CEPA Coalition whether member associations can provide feedback or examples from their Romanian members.

EU-India FTA

- Romania also noted that the Commission is pursuing an accelerated procedure for the EU-India FTA.
- The text could be presented to Council in **September**.
- It may be possible for the ratification process to be concluded by the end of the year, depending on progress.

II. Meeting with the Spanish Perm. Rep. (José Manuel Rodriguez de Castro, Trade Counsellor)

Spain is supportive of the agreement and does not see major substantive obstacles. It views the EU-Indonesia CEPA as a suitable test case for the Commission's accelerated ratification approach, provided the language issue can be managed. Spain does not consider fisheries to be a major concern at this stage and showed particular interest in better understanding rules of origin challenges in apparel trade.

Overall assessment of the agreement

- Spain is supportive of the EU-Indonesia CEPA.
- The agreement is **not considered controversial** on substance, unlike other trade files such as Mercosur.
- The general view is that Member States support the deal and that the main sensitivities are procedural or sector-specific, rather than linked to the overall substance of the agreement.

Accelerated procedure and Council timeline

- The Commission is using the EU-Indonesia CEPA and the EU-India FTA as test cases for its new accelerated procedure.
- Spain considers that the Commission selected the right agreements to test this approach.
- Member States are aware of the risk of a **tariff gap** and want to avoid it.
- Member States currently have until the end of August to send comments to the Commission.
- If everything goes as planned, the text could be sent to Coreper in late September or early October for approval, with **signature in autumn**.
- The European Parliament would then have a couple of months to conduct its own consent procedure.
- **Entry into force by the end of 2026 or very early 2027** is considered achievable.

Language regime and Member State positions

- Under the proposed approach, the English version would be the only **authentic language** in case of a dispute between the EU and Indonesia.
- Translations into other EU languages will still be made available and will **carry legal weight within the EU.**
- If formal translation into all EU languages were required before signature, this could delay the process by around **10 months**.
- Translations into all EU languages are expected to be made available to Member States during the summer.
- Some Member States remain reluctant regarding the English-only authentic version and still need to be convinced, notably **France and Italy**.
- However, France and Italy alone would not constitute a blocking minority under qualified majority voting.
- Spain does not have an issue with the language approach, provided that no EU language other than English receives preferential treatment.
- While Member States could decide to oppose the agreement on the basis of the language issue, Spain noted that other options should be available to express concerns without jeopardising the deal, for example by supporting the agreement while **issuing a statement** objecting to the English-only approach.
- Spain noted that it would be unfortunate if some Member States opposed a deal they agree with on substance because of procedural concerns.

Sectoral issues

- **Fisheries are not considered a major concern** for Spain in this agreement.
- The tariff-rate quotas included in the agreement appear to have helped ease earlier concerns.
- Spain expressed strong interest in better understanding **rules of origin issues in apparel trade**.
- Spain acknowledged that **single transformation** for apparel is politically impossible to achieve in EU FTAs, but showed interest in exploring **alternative option**s advocated by the sporting goods industry.

EU-India FTA

- Spain expects the EU-India FTA process to be relatively smooth, although it may take a couple more months than Indonesia.
- Unlike Indonesia, there is no immediate timing pressure linked to GSP graduation.
- Spain considers the text to be good overall, particularly on tariff liberalisation.
- However, the **non-tariff barriers chapter** was described as somewhat **underwhelming**, with no binding mechanism.
- India's **Quality Control Orders** remain an issue for Spain.

- Spain hopes India will modify its framework unilaterally and welcomed recent indications that India may be looking into making the system easier for companies.

III. Meeting with the Lithuanian Perm. Rep. (Vytautas Čiužas, Minister Counsellor Trade Policy)

Lithuania is strongly supportive of the agreement and sees it as important both economically and strategically, including for diversification and access to critical raw materials. It supports moving quickly and considers signature by October and entry into force by the end of 2026 or early 2027 achievable, provided the language issue is resolved. Lithuania also stressed that failure to ratify within the available timeframe would send a negative signal about the EU's credibility as a trading partner.

Overall assessment of the agreement

- Lithuania is supportive of the EU-Indonesia CEPA.
- As a small and open economy, Lithuania sees trade agreements as important tools to support **diversification and strengthen trade opportunities**.
- Indonesia is considered relevant both as a large export market and as a strategic partner for diversification, including in relation to **critical raw materials**.
- Lithuania considers the agreement to be a **good deal on substance**.

Accelerated procedure and political context

- The Commission wants to move faster on trade agreements through the new accelerated procedure.
- This is seen as a clear **political objective of President von der Leyen and Commissioner Šefčovič**.
- Lithuania noted that legal scrubbing took time, but that Member States now have a text on which to work.
- A first discussion is expected this week in the Trade Policy Committee.
- The Irish Presidency wants to move quickly on this file.
- Lithuania noted that Member States had already started looking at the agreement before formal transmission, as negotiations were concluded last September.

Language regime and Member State positions

- The main challenge identified is the proposed language regime.
- The Commission presented its approach at the last TPC meeting.
- Under this approach, translations will be provided to Member States as soon as possible, but **only the English version would be authentic** in case of a dispute between the EU and Indonesia.
- Other language versions would remain legally valid within the EU.
- This is not an issue for Lithuania, but it may be problematic for a small number of Member States.
- Lithuania welcomed the clarifications provided by the Commission, while noting that the proposal is still being analysed by Member States.
- If full translations were required before proceeding, this could delay the process by around **nine months**.
- **Translations are expected to be ready by September**, so that Member States can vote with the text available in their own language.
- Technical work can already start on the basis of the English text, but politically it will be important to have translations ready before Coreper.

Council timeline and ratification

- The Commission would like signature at Council level by **October**.
- Lithuania considers this realistic, provided the language issue is resolved.

- If a vote is needed, there would likely be **no blocking minority**, as only two Member States are currently unhappy with the language approach.
- However, Lithuania noted that having some Member States oppose the agreement on procedural grounds would send the **wrong political signal**.
- Lithuania stressed that negotiations were concluded around 18 months before Indonesia's expected loss of GSP status.
- If the EU cannot ratify the agreement within that timeframe, this would send a negative signal regarding the **EU's credibility and reliability** as a trading partner.
- Lithuania also noted that the European Parliament can move quickly when there is time pressure.

Next steps and stakeholder engagement

- Lithuania would be happy to meet with the CEPA Coalition after the summer.
- Such an exchange could be useful to discuss the agreement and its expected benefits from a business perspective.

EU-India FTA

- Lithuania expects the same accelerated model to be followed for the EU-India FTA.
- **Signature by the end of the year** is considered possible and is understood to be one of President von der Leyen's objectives.
- **Legal scrubbing** is close to conclusion.
- Lithuania supports the EU-India FTA, which is considered particularly important given the number of Lithuanian companies already active in India.
- Lithuania sees the FTA as a useful framework to create channels for addressing ongoing issues, including India's **Quality Control Orders**.
- The agreement is also considered good on substance.

IV. Meeting with the Croatian Perm. Rep. (Hrvoje Ćiković, Minister Plenipotentiary)

Croatia is supportive of the EU-Indonesia CEPA and considers the agreement positive on substance. While not fully comfortable with the English-only authentic language approach, Croatia indicated that it would not oppose the process if a majority of Member States supports it. Croatia expects a solution to be found on the language issue and sees entry into force by the end of 2026 or shortly thereafter as realistic.

Overall assessment of the agreement

- Croatia is supportive of the EU-Indonesia CEPA and considers it a good agreement on substance.
- No major content-related concerns were raised.
- Croatia noted that there is a **shared sense of urgency** among Member States to move this file forward.
- The broader geopolitical context, including recent shifts in U.S. trade policy, has reinforced the need for the EU to demonstrate progress on its trade agenda.

Ratification process and accelerated procedure

- Croatia noted that the outlook for FTA ratification is better now than a year ago.
- Technical procedures, including legal scrubbing and translations, are still considered too lengthy, but the Commission is now clearly seeking to speed up the process.
- The EU-Indonesia CEPA and the EU-India FTA are seen as **test cases for this accelerated approach**.
- Croatia welcomed the Commission's efforts to provide more clarity on how it intends to accelerate the process, including during last week's Trade Policy Committee discussion.
- Croatia considers that there is a good chance for the **Indonesia agreement to enter into force by the end of the year or shortly thereafter**.

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Language regime and Member State positions

- The Commission's proposed approach is to have **one authentic language, English**, while translations are prepared in parallel.
- Croatia is **not fully comfortable with this approach but indicated that it would not oppose it** if a majority of Member States support it.
- Croatia stressed the need to look at the bigger picture and avoid delaying a good agreement for procedural reasons.
- For some Member States, the language issue may raise legal constraints, and **a workable solution will need to be found.**
- **France and Italy** were mentioned as Member States with concerns, although Croatia noted that their positions appear to have softened.
- Croatia expects that a solution will eventually be found, as was the case with other complex trade files such as Mercosur.

Timeline and entry into force

- Croatia considers that everyone broadly agrees on the need to move quickly.
- Entry into force in **January or February 2027** was considered achievable if the process remains on track.
- Croatia underlined that Europe needs to show progress and credibility on trade, particularly in the current international context.

DG Trade transition

- Croatia noted the recent reshuffle at senior level within DG Trade, including the replacement of **Sabine Weyand** as Director-General.
- The transition will need to be monitored, although it is not expected at this stage to change the political priority attached to the file.

Bangladesh

- On the possible opening of EU-Bangladesh FTA negotiations, Croatia noted that no decision has yet been taken in the Trade Policy Committee.
- Croatia has requested additional written information.

V. Meeting with the Polish Perm. Rep. (Wojciech Sudoł, Trade attaché)

Poland is positive about the agreement and has not identified major concerns at this stage, although no official position has yet been adopted. The main issue is the proposed language regime, with France and Italy still needing to be convinced. Poland also noted the hypothetical risk that the language issue could be framed as requiring unanimity, although this argument has not been formally used. Poland expressed interest in FESI's views on apparel rules of origin and potential EU-Bangladesh FTA negotiations.

Overall assessment of the agreement

- Poland is positive about the EU-Indonesia CEPA.
- While there is no official position yet, Poland has not identified any major concerns at this stage.
- Most Member States appear to want the agreement to move forward as quickly as possible, in particular **before Indonesia's GSP eligibility expires**.
- Trade files are generally sensitive in Poland, especially in the aftermath of Mercosur, but the agricultural part of the EU-Indonesia CEPA is considered consensual.

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Council process and expected timeline

- No formal discussion had taken place yet at Council level at the time of the meeting.
- The first discussion is expected to take place this Thursday in the Trade Policy Committee.
- Council is currently working under the assumption that **the agreement could enter into force by the end of the year.**
- Poland noted that the main challenge is not the substance of the agreement, but the procedure linked to the language regime.

Language regime and Member State positions

- The proposed use of English as the only authentic language is the main issue.
- For most Member States, this approach appears acceptable, **but a small number of Member States still need to be convinced.**
- France and Italy were mentioned as the key Member States with concerns, although it is still difficult to assess how strong their opposition will be.
- The Commission is working to find a solution and is expected to **provide all translations before the end of the summer.**
- In principle, FTAs are approved by **qualified majority**, meaning that two Member States would not be sufficient to block the agreement.
- However, Poland noted that some could potentially argue that **the issue is not strictly a trade matter but a language issue requiring unanimity.** This remains hypothetical and has not been formally used as an argument by France or Italy.

EU-India FTA

- Poland noted that the Commission is following the same approach for the EU-India FTA, with English as the only authentic language.
- Content-wise, Poland considers the agreement to be good.
- Agriculture is expected to be partially excluded, which may increase the chances of approval, although it could also make the benefits of the agreement less visible.
- Entry into force is currently expected in 2027.

Follow-up topics for FESI

- Poland expressed interest in learning more about FESI's position on rules of origin for apparel.
- Poland also expressed interest in FESI's views on the possible opening of EU-Bangladesh FTA negotiations.

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