



Interview ▶ We talk with Eusebi Nomen about the association agreement with the European Union

ALBA CLADELLAS
ESCALDES-ENGORDANY

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Eusebi Nomen explains the state of negotiations with the European Union and analyzes the situation after Monaco's withdrawal from the agreement negotiations.

–The Government is negotiating an association agreement with the European Union, while Monaco has said no to this agreement. In fact, this week the Andorran delegation is traveling to Brussels to continue making progress in the negotiations. How do you see the situation?

–In recent days we have seen how Europe has been objective to Andorra. First, the presidents of the three main European financial regulators that control banks, financial markets and insurance and pensions signed a letter addressed to the Commission warning of the dangers of establishing an association agreement with Andorra, Monaco and San Marino. The problem is not what the text literally says; the problem is not whether Andorra can go and do pedagogy, or not, to the signatories of the letter. The problem for Andorra is that after this letter, no one in Brussels can afford to make a tailor-made suit for the Andorran, or Monegasque, financial sector. Therefore, it seems to me that the first conclusion to be drawn from these facts is that the tailor-made suit for the Andorran financial sector that the Government had assured us it had in place will not be viable.

–But the financial sector has insisted a lot on the need to achieve a tailored suit to fit the Andorran reality with the free circulation of financial services and the obligations of the sector.

–Indeed, the proportional smallness of the Andorran financial sector, and also that of Monaco, need a tailored suit. Our financial sector cannot directly deal with the brutality of the size of global banks operating within the Single Market. The reality of Europe is that there will not be a tailor-made suit for Andorran banks or for Andorran insurance companies or for the operations that are intended to be carried out from Andorra in the European organized markets. First conclusion: there will be no tailored suit for the Andorran financial sector. Second conclusion: I think everyone will agree that without a specific framework, the Andorran financial sector is no longer viable within a pure and hard association agreement.

–What other recent events would you highlight?

–The second objective thing that Europe has given Andorra are the statements of the vice-president of the European Commission stating that Andorra cannot maintain its fiscal policy if it wants to sign the association agreement. You will remember that during the electoral campaigns of 2019 and 2023 DA stated flatly that the European Commission had nothing to say about the taxation of Andorra. Now we have the objective reality. You will remember that the Andorra Sobirana candidacy clearly stated



Eusebi Nomen

«DA had no established pact with Brussels and Andorra will have to have a general VAT of 15%»

during the 2019 electoral campaign (and other candidacies have repeated this during the 2023 campaign) that the association agreement involved a minimum VAT of 15% and a harmonization of direct fiscal pressure. DA treated everyone we explained this reality to as populists. The problem is not whether Andorra Sobirana were the first to say what is happening now, or not. The important issue is that with these statements by the vice-president, Margaritis Schinas, it seems clear to me that there will be no tailored suit for Andorra in fiscal matters. Third conclusion: if Andorra wants to sign the association agreement, it will

have to impose a general VAT of 15% or higher and will have to harmonize the other fiscal policies.

–But DA said during the electoral campaign that Brussels has no power over direct taxation.

–Indeed, DA won the 2019 and 2023 elections by stating that the Government had verbal agreements according to which Brussels would make us a tailor-made suit, which would respect our specificities, which would repeal a series of obligations. DA won the elections claiming that they had a pact to keep the VAT below 15%, and that anyone who said otherwise was

a populist and a bad Andorran. DA has won the elections claiming that Brussels had nothing to say about Andorra's fiscal policies. Now the facts show that Andorra had no pact established with Brussels, the facts show that Andorra will have to have a general VAT of 15% and the facts show that the Commission demands from Andorra the harmonization of fiscal policies. Fourth conclusion: DA has won the last two elections thanks, in large part, to not telling the truth about fundamental issues of the association agreement. A reality that DA knew perfectly well, but that they had to hide from the public in order to win



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elections, even if this meant wasting time and future opportunities in Andorra. In fact, if the candidacy of Andorra Sobirana knew this reality and we explained it even if they called us populists and any other nonsense, the reality is that DA also knew it but DA opted for the electoral lies that the voter believed.

–Would you like to highlight any other recent event?

–I think it is essential to point out that Monaco, a country with a lower level of sovereignty than Andorra, has agreed with the European negotiator that the negotiations are over and that they will continue to have a good neighborly relationship with the EU, but without an agreement association Monaco does not have the level of sovereignty that Andorra has in customs matters and has an important part of its sovereignty shared with France. However, Monaco has said no to the association agreement. He said this for two fundamental reasons: housing and the rights of its citizens.

–Andorra also has a major housing problem.

–Indeed, we have experienced the drop that our housing sector has suffered due to a small opening, especially because of the 90-day passive residence route. Now it seems clear that Andorra will only be able to follow the path of Monaco or sign a pure and hard partnership agreement, without specifics, without a tailored suit. Let's imagine what can happen to our housing sector with the free movement and establishment of individuals and companies. The reality of Andorra is that we do not have a physical size that generates a critical mass sufficient to cushion an opening without specifics. We've seen it with the absurd 90-day residency immigration law. Imagine what can happen with free movement if the association agreement is signed.

–Why do you think this agreement with Europe is a mistake?

–The main error would not be so

much the agreement itself, but two fundamental facts. The first thing that the Government and the majority that have led the negotiations has been lying to the public: you will remember the numerous times they have stated, especially during the electoral campaigns, that they had a pact with Brussels that guaranteed the specifics for Andorra. I have spoken to my friends in Monaco who confirm that Brussels has never guaranteed a tailored suit for Monaco or the other two micro-states. It is now clear that DA has lied to us. The second fundamental fact is that the political voices that have proposed to study and work on alternative paths to the DA have been branded with a red-hot iron as populists, which has led us to a current scenario where the Government has no plan B. The Government has believed his lie. It was believed that in the end we would have a partnership agreement with specifics. Today the association agreement with specifics is impossible and today Andorra has no plan B. The Government of Andorra has no alternative program voted by the citizens.

-And now, what?

-Reality only leaves Andorra with two options: Sign a pure and hard association agreement, without a tai-



► Image of Eusebi Nomen.

lored suit, or open a new growth and life project outside of the association agreement. The government does not have a plan B, it does not have a road map for either of these two paths that Andorra will now have to deal with. Above all, the fact that seems more important to me is that the sovereign citizenry has not voted for any DA program that specifies a clear program in case of not signing the association agreement or in case of having to sign an agreement association without specifics. It seems to me that we can conclude that DA are not legitimated to continue governing if they cannot sign a partnership agreement with specifics, as they promised during the last two election campaigns and, today it is clear that they cannot do that, and it is clear that it was all a big electoral fraud.

-Which road map do you see Andorra should follow after the NO of Monaco?

-I join the voices with parliamentary representation from Andorra Endavant and Concòrdia that ask to stop the negotiations. It seems clear to me that the Government has lied to us, it seems clear to me that DA has won two elections based on the lie that they had an association agreement with specifics. It seems clear to me

that the Government has no plan B when faced with the reality that Andorra will not have a tailored suit for financial services, it will not have a tailored suit for the fiscal model and, in fact, it will not have any relevant tailored suit. DA had no point in his program as to what his program would be in the event of not having a tailored suit or in the event of breaking off the partnership agreement negotiations. It seems to me that the Government cannot continue with negotiations based on lies to the public, it seems to me that the Government must follow the Monaco path of saying no to an association agreement without specifics and it seems to me that, then, we must go elections and that the political forces that have a country program outside the association agreement explain it and those who want to go to a pure and hard association agreement without specifics, explain it. No lies and let the sovereign people vote. Obviously, this should lead us to two candidacies, a platform united by the truth and a sovereign Andorran project with transparency and a second platform by those who want to cede sovereignty to Brussels without specifics. I see it so clearly. The objective reality that Europe and Monaco have given us leaves no room for doubt. ≡

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☎ (+376) 353 424 / (+376) 379 769

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✉ laportella@andorra.ad

📍 Casa Nova Olivet 10 · Ordino

🌐 www.laportella.ad