



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 10 June 2003

10324/03

LIMITE

**PESC 308
COMED 6
COMAG 5**

"I/A" ITEM NOTE

from: General Secretariat of the Council of the European Union
to: "Mashrek / Maghreb" Group

Subject : **RELATIONS WITH THE MEDITERRANEAN REGION**
– Report by the Greek Presidency on the review on the implementation of the
Common Strategy of the EU on the Mediterranean region

Subject to confirmation by COREPER, the Council is asked to note the attached report on the implementation of the Common Strategy of the European Union on the Mediterranean Region, and to invite the European Council to take note of it. This report drawn up on the Presidency's responsibility was noted by the "Mashrek/Maghreb" Working Party on 6 June 2003.

**Report by the Greek Presidency on the review on the implementation of the
Common Strategy of the EU on the Mediterranean region**

I. INTRODUCTION

1. When adopting the Common Strategy on the Mediterranean region, the Feira European Council (19/20 June 2000) also asked the Council to examine and evaluate the actions undertaken in the framework of the Common Strategy and to report at least once a year, on the progress made in achieving its objectives.
2. In January 2001, the General Affairs Council held an orientation debate on the external action of the Union based on a Presidency report and a report by the SG/HR on the Common Strategies (doc. 14871/00 CAB 21).
3. In June 2001, the European Council took note of a report on the implementation of the Common Strategy in the Mediterranean region which set out to examine all the initiatives implemented under the Common Strategy in the context of the French and Swedish Presidencies of which the Council had taken note on 18 September 2000 and 22/23 January 2001.
4. On 21 January 2002, the Council took note of a report on the review of the implementation of the priorities of the Belgian Presidency of which the Council had taken note on 16 July 2001.
5. Furthermore, the Council on 28 January 2002 endorsed a joint report by the SG/HR and the Commission on the effectiveness of the Common Strategies (cf.doc. 5607/02 dated 23 January 2002) which drew a series of recommendations regarding the existing Common Strategies, their implementation and effectiveness.

6. This report reviews the implementation of the Common Strategy from January 2002 to June 2003. This period saw the holding of Barcelona V (Valencia, April 2002) which adopted the Valencia Action Plan. The Action Plan started being implemented during the Spanish, Danish and Greek Presidencies, the priorities of which were respectively taken note of by the Council on 28 January 2002, 22 July 2002 and 27 January 2003. The Mid-term Euromediterranean Conference of Foreign Affairs Ministers which was held in Crete (May 2003), took stock of work accomplished to date and provided an impulse for Barcelona VI to be held in Naples in December 2003.

II. FULFILMENT OF OBJECTIVES

The EU's policy objectives towards the Mediterranean region outlined in the Common Strategy (Part II) were implemented as follows:

Significant progress was achieved during that period towards realising the objectives of the Barcelona Declaration and its subsequent acquis. By setting clear objectives in all the areas of the Euromediterranean Partnership, the Valencia Action Plan opened the way for a more result-oriented approach in the fulfilment of the objectives of the Barcelona Process. The sectoral Euromediterranean Ministerial Conferences of Trade (Toledo, March 2002), Industry (Malaga, April 2002), Environment (Athens, July 2002) and Energy (Athens, May 2003) represented important contributions in their respective areas of activity.

7. The EU continued its efforts to set up a more structured dialogue in the field of human rights and democracy both bilaterally in the framework of its political dialogue with Mediterranean partners and multilaterally by encouraging the submission of national presentations at Senior Official meetings. In May 2003, the Commission submitted a Communication "Giving an impulse to EU actions in the field of human rights and democratisation, in cooperation with Mediterranean partners".
8. With regard to the promotion of Investment, the period under examination saw the setting up of the Facility for Euromediterranean Investment and Partnership (FEMIP, October 2002). EIB loans signed in 2002 amounted to 1,6 bn euros nearly one third of which in favour of the private sector.
9. Cooperation was strengthened in the field of JHA notably with the adoption of a framework document on a regional programme on JHA at the Valencia Ministerial Conference.
10. Emphasis was also put on the dialogue of cultures and civilisations. At their mid-term Ministerial Conference in Crete (May 2003), the Foreign Affairs Ministers of the Barcelona Process agreed on "Guiding principles for the dialogue of cultures and civilisations". Agreement was also reached on the goals, objectives, fields of activity and modalities of establishment of a Euro-Mediterranean Foundation on a Dialogue of Cultures.
11. Furthermore, the Union continued the process of completing the network of Association Agreements. During the period under review, Association Agreements were signed with Algeria (April 2002) and Lebanon (June 2002). The period under examination saw the entry into force of the Association Agreement with Jordan (May 2002) and of the interim agreement with Lebanon (March 2003). The network of association agreements has thus been almost completed. Negotiations with Syria went on.

III. IMPLEMENTATION OF AREAS OF ACTION AND SPECIFIC INITIATIVES

- POLITICAL AND SECURITY

12. The conduct of a bilateral political dialogue was usually linked to the Association Agreements which, institutionalise this dialogue. Political dialogue was held at:

- Association Council level with Tunisia (January 2002), Israel (October 2002), Jordan (June 2002) and Morocco (February 2003)
- Association Committee level with Israel (October 2002), Tunisia (September 2002) and Jordan (November 2002)
- Outside the framework of the Association Agreements political dialogue was also held at Ministerial level with Algeria (June 2002, June 2003) and with Egypt (June 2003).

13. Dialogue on political and security issues concentrated on the following areas:

- Anti-terrorist cooperation: Following ad hoc meetings in March and December 2002 the possibility of adopting a subregional approach on concrete actions was examined.
- ESDP: Dialogue with the Mediterranean partners on ESDP was pursued in order to enhance greater transparency and mutual understanding on these issues. Information sessions followed by an exchange of views were held regularly during the Senior Officials' Meetings. Seminars on Mediterranean security were held in Stockholm (September 2002), Rhodes (November 2002) and Corfu (May 2003). Further progress in promoting dialogue on ESDP in line with the Common Strategy was achieved by the EU with the adoption by the Council in March 2003 of the Option Paper on Dialogue and Cooperation on the European Security and Defence Policy between the EU and Mediterranean Partners.
- Partnership Building Measures (PBMs): the Malta seminars and Euromesco network of Foreign Policy Institutes are still ongoing, while the pilot project on mitigation of natural or man-made disasters will be evaluated once it has been completed; work on reactivating the Register of Treaties continued. In this context two joint Senior Official-Euromesco meetings were held. The first (Barcelona, June 2002) concentrated on the

security dimension of confidence building in the Euro-Mediterranean region and the impact of ESDP as perceived by the Mediterranean partners and the second (Copenhagen, November 2002) focussed on the issue of the building of a comprehensive concept on security in the region.

14. In Crete Ministers agreed to include the Parliamentary Assembly, of a consultative capacity, in the framework of the Barcelona Process once the European Parliament and the Euro-Mediterranean national parliaments will have reached agreement on its creation.

ECONOMIC AND FINANCIAL

14. In the economic and financial area, the following developments can be mentioned:

- Implementation of Association Agreements was pursued : During Association Committee and Council meetings the bilateral relationship between the EU and mediterranean partners was deepened through increased cooperation, more detailed discussion and the setting -up of workplans. Negotiations on the reciprocal liberalisation of agricultural trade was pursued by the EU notably with Morocco and Israel.
- Efforts were made to increase attractiveness of the region to investors. The ongoing implementation of the Euromed Market Programme established the basis for closer regulatory and legislative approximation to the EU Internal Market. The fifth Euro-Mediterranean Business Summit (Istanbul, March 2002) discussed requirements for investment in infrastructure in the Mediterranean and EIB investment opportunities, Association Agreements and the new WTO round. During the BusinessSummit the Union of Mediterranean Confederation of Enterprises (UMCE) was created. A reinforced Investment and Partnership Facility was established by the EIB with the aim to promote investment in the private sector and regional infrastructure. The Facility was launched in October 2002 in Barcelona. The fourth Euromed Conference of Industry Ministers (Malaga, April 2002) concentrated on the regulatory framework, promotion of innovation and use of new technology, strengthening of dialogue between private sectors and governments, and promotion of dialogue between authorities responsible for industry and business development.

- South-South integration was promoted : The Free Trade Agreement between Egypt, Jordan, Morocco and Tunisia was initialled on 11 January 2003 in Amman as a follow-up to the Agadir Declaration adopted on 8 May 2001 by the same countries. The Union provided strong encouragement of the Agadir process with the aim to support South-South regional integration and all the initiatives aiming at extending free trade areas to Southern and Eastern Mediterranean partners. The Commission approved a MEDA programme of support to Agadir partners.

- In the area of trade relations, the second Euromed meeting of Ministers of Trade was held in Toledo on 19 March 2002. It dealt in particular with rules of origin, with the objective of the integration of Mediterranean countries in the pan-European cumulation system; attention was also paid to the liberalisation of trade in services. The period under examination saw significant progress in the preparation of a model protocol for the adoption of the pan Euro-Mediterranean cumulation of origin.

- Progress was made in the support of interconnexion of infrastructure in the Euromediterranean Area with the adoption of the priorities of the regional cooperation on Energy for the period 2003-2006 at the 3rd Ministerial Conference of Energy (Athens, May 2003). These priorities focus on the promotion and development of the Trans-Euromediterranean Energy Networks, the security of supply the promotion of renewable sources of Energy as well as the safety, security and financing of energy infrastructures.

- Improved integration of environmental concerns in the Euromediterranean Area was promoted at the second Euro-Mediterranean Conference on the Environment (Athens, July 2002) which adopted a Declaration on integrating the environment into the Euro-Mediterranean partnership. The aim consisted in achieving the goal of sustainable development for the partnership thus also paving the way for an exchange of experiences on cooperation on sustainable development between the Mediterranean and the Baltic; finally, work on the sustainability impact assessment of the Euromed free trade area continued.

- The efforts to ensure rapid delivery of financial assistance under MEDA intensified i.a. through the creation of the Commission's Europe-Aid Co-operation Office and the de-concentration of the Europe-Aid services towards the Commission delegations in the Mediterranean countries. In 2002 a total of 763 million Euro was committed and 685 million Euro was paid out..
- The social consequences of economic transition were examined at the sixth meeting of government experts of the Euro-Mediterranean partnership on economic transition (Brussels, June 2002). The meeting focussed inter alia on the economic impact of 11 September events on the region, the development of the housing sector, joint assessment of Employment policies and ways to accelerate economic growth. The economic impact of EU enlargement on the Mediterranean partners was also examined at the 7th meeting of experts on economic transition (Brussels, April 2003).

- **SOCIAL AND CULTURAL/JUSTICE AND HOME AFFAIRS**

15. This period saw a series of activities aiming at bringing perceptions closer together in two important areas; the Valencia Ministerial Conference adopted a regional programme in Justice and Home Affairs matters as well as an Action Programme for the Dialogue between Cultures and Civilisations which includes important initiatives in the fields of youth, education and the media.
16. Operational implementation of the regional programme on cooperation in the field of justice, in combating drugs, organised crime and terrorism as well as on cooperation in the treatment of issues relating to the social integration of migrants, migration and movement of people, good governance and enhancement of the rule of law, started; it constituted a significant breakthrough and its implementation was agreed after consultation with the Mediterranean partners; a workshop was set up to validate projects in the three sectors of intervention (justice, police, migration).
17. The Council adopted in February 2003 Conclusions aiming at facilitating the issuance of visas to Mediterranean representatives attending bilateral and multilateral meetings of the Barcelona Process.

18. The dialogue of cultures and civilisations was promoted during the period under examination: the mid-term Ministerial Conference of Crete (May 2003) agreed on "Guiding principles for the Dialogue between Cultures and Civilisations" which underlined i.a. the need to promote mutual respect between cultures traditions and values as well as the respect for each other in a world based on tolerance and acceptance of differences. In Valencia, the Ministerial Conference agreed to the principle of creating a Euro-Mediterranean Foundation to promote a dialogue of cultures and civilisations. In Crete, the Foreign Affairs Ministers made also progress on the setting up of a Euromediterranean Foundation by agreeing on its goals, objectives, activities and modalities of establishment.
19. An expert Seminar on the Euro-Mediterranean dialogue between Cultures and Civilisations and the role of the Media was organised in Vienna (June 2002) drawing the attention to media reporting on and in the area. Furthermore, following agreement in the Valencia Conference, the TEMPUS programme of inter-university co-operation was opened to Mediterranean partners.
20. Involvement of civil society in the activities of the Barcelona Process was encouraged. In Valencia, the Ministerial Conference welcomed the holding of the Civil Forum and agreed to define the best way to support and develop further involvement of the civil society. At the Crete Ministerial a representative of the Civil Forum presented to the Ministers the outcome of the Forum's meeting in Hania (May 2003).

VI. FINAL REMARKS

- Good progress was realised during the period under examination in achieving the Common Strategy's objectives in all its range of activities.
- With regard to decision-making procedures inside the EU, Qualified Majority Voting was not used for any decision during the period under review.
- A longer-term perspective was introduced through the setting of priorities in consultation with the incoming Presidencies.

- The presentation of the priorities by each Presidency at the Senior Official's meetings and the Euromed Committee enabled a regular policy debate with Mediterranean partners on the orientations of the partnership and follow-up action. It reinforced the sense of co-ownership of the Barcelona Process which was called for at the Valencia Ministerial. In order to implement the actions to be carried out under the Valencia Action Plan a Roadmap prepared by the Commission was reviewed and endorsed by all 27 partners.

- Interpillar coherence was strengthened both because of an effort by the successive Presidencies to take into account all relevant aspects of an issue, and also because the issues themselves cover a wide range of subjects, this was particularly true in the case of work which led to the adoption of the Justice and home Affairs regional programme in Valencia and the promotion of dialogue on ESDP.

- With the enlargement of the EU under way, relations with Mediterranean partners need to be also addressed outside the scope of the Common Strategy in the broader perspective of a proximity framework. The European Council in Copenhagen confirmed that the EU should take the opportunity offered by enlargement to enhance relations with its neighbours on the basis of shared values. In March 2003 the Commission presented a Communication for a new framework of relations with the EU's Eastern and Southern neighbours. At the mid term Ministerial Conference in Crete, the Ministers of Foreign Affairs agreed that this proposal sets out a means to reinforce the Barcelona Process and to develop closer cooperation based on the mutual recognition of common interests.

