

Eighth Union for the Mediterranean Trade

The 8th Euromed Trade Ministerial Conference was held in Brussels on December 9, 2009.

Ministers discussed the uncertain global economic and financial situation, which is starting to show signs of recovery, but has posed challenges to all countries in the Euro-Mediterranean region. Against this background, Ministers confirmed their support to the commitment taken at the G-20 summits to avoid any new protectionist measures, which are counter-productive to the current economic and financial challenges faced by the Euro-Mediterranean region. Ministers reiterated the importance of remaining committed to a common regulatory framework based on transparency and predictability across the Euro-Mediterranean region in order to encourage trade and economic growth.

Ministers laid emphasis on the importance of strengthening the dialogue amongst Southern Mediterranean countries on common economic stimulation initiatives in the Euro-Mediterranean region and the essential role played by the Union for the Mediterranean in promoting regional integration and fostering open trade and investment conditions. In this regard, Ministers also stressed the progress made by the Union for the Mediterranean in promoting regional projects, particularly relating to renewable energies and water.

Ministers also expressed their determination to conclude in 2010 the negotiations on the Doha Development Agenda, as set out in the G-20 Pittsburgh statement and as reflected at the recent WTO Ministerial in Geneva. They affirmed their commitment to reach an ambitious, comprehensive and balanced agreement to fulfill the development objectives of the Doha Round. In this context, Ministers also outlined that the accession of those Southern Mediterranean partners who are not members to the WTO remains a priority in the trade field beyond 2010.

Toward the establishment of the Euro-Mediterranean Free Trade Area

Euromed Ministers discussed the state of play of the establishment of a Euromed Free Trade Area by 2010. Ministers welcomed the progress made in the implementation of Euro-Mediterranean Association Agreements between the EU and Southern Mediterranean partners and encouraged the rapid conclusion of the free trade agreement with Syria so as to complete the network of Association Agreements.

Liberalizing trade in services and the right of establishment

Regional negotiations on the liberalization of trade in

services and the right of establishment were launched at the Marrakech Ministerial conference in 2006. Following the Lisbon Ministerial conference, bilateral negotiations on the liberalization of trade in services and the right of establishment were launched in 2008 with Egypt, Morocco and Tunisia and they should be concluded in the course of 2010.

Ministers stressed the need to accelerate negotiations while maintaining a high level of ambition in all four modes of supply given their expected benefits in terms of increased investments in the Euro-Mediterranean region. Ministers agreed that negotiations should aim at progressive and reciprocal liberalization of trade in services and the right of establishment taking into account the level of development of each partner country.

Ministers invited other interested Mediterranean partners to launch bilateral negotiations as soon as possible.

Reinforcing the institutional and legal framework for Euro-Mediterranean trade: negotiations on the establishment of a dispute settlement mechanism

Euromed Ministers welcomed the significant progress made since the Marseille Ministerial in the negotiations on the establishment of a more efficient dispute settlement mechanism for the trade provisions of the Association Agreements. Ministers noted the signature of a bilateral protocol with Tunisia and the initialing of bilateral protocols with Jordan, Lebanon and Morocco.

Ministers agreed that discussions need to be accelerated with a view to concluding as soon as possible the remaining bilateral protocols.

Deepening liberalization of agriculture, processed agricultural and fisheries products

Ministers noted the conclusion of a number of bilateral agreements covering these products and emphasized the importance of launching negotiations on further liberalization of agricultural, processed agricultural and fisheries products with all Mediterranean partners, including on tariff and non tariff obstacles to trade.

Negotiations on Agreements on Conformity Assessment and Acceptance of Industrial Products

Ministers took note the on-going preparatory work to reach agreement on conformity assessment and acceptance of industrial products (ACAA) with all Mediterranean countries and agreed on the need to accelerate these discussions with

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a view to launching negotiations with the largest number of Mediterranean partners in 2010. Ministers noted the request from Southern Mediterranean partners to accede to RAPEX.

In parallel, Ministers agreed that the preparation of Mediterranean partners for the future implementation of legislation and standards in this area needs to be supported through targeted capacity building assistance, such as the setting up and the upgrading of conformity assessment infrastructures or the establishment of a Mediterranean Rapid Alert System amongst interested Southern Mediterranean partners.

Establishing a network of free trade agreements amongst Southern Mediterranean countries

Euromed Ministers welcomed progress in the consolidation of the network of Free Trade Agreements amongst Mediterranean partners, in particular the very recent signature of the Association Agreement establishing a Free Trade Area between Jordan and Turkey.

The importance of completing by 2010 (or shortly thereafter) the network of free trade agreements between Turkey and Southern Mediterranean countries was highlighted. The

implementation of the Agadir Agreement between Morocco, Tunisia, Jordan and Egypt has shown an increase of trade flows amongst the partners, although there is still potential. Ministers stressed the importance of fully implementing this agreement, which remains open to other eligible Mediterranean partners, and to reinforce actions to tackle non tariff obstacles to trade and to ensure that business is aware of the opportunities offered by this agreement.

In the margins of the recent WTO ministerial conference, Ministers of Agadir members have met and took stock of the progress made and discussed the action plan for 2010. Ministers signed an agreement on the mutual recognition of conformity assessment certificates which will be further developed in 2010.

Euromed Ministers support efforts to facilitate trade of Palestinian products with other Euro-Mediterranean partners on a bilateral and regional basis by 2010. In this respect, cooperation to facilitate the preparation of accession to the WTO as well a possible multilateral initiative on duty free/ quota free access have been highlighted.

Enhancing regional integration

Ministers welcomed the significant progress made by

the Pan-Euro-Med working group concerning the single regional convention on preferential rules of origin for the Pan-Euro-Mediterranean area, which will replace the current network of protocols, will allow the inclusion of the Western Balkans into the Pan-Euro-Mediterranean system and will pave the way for the simplification of Pan-Euro-Mediterranean rules of origin. Ministers support the conclusion of the Convention which should enter into force as soon as possible. Ministers noted that work on the revision of the Pan-Euro-Mediterranean rules of origin started at the last meeting of the Pan-Euro-Med Working Group and will be carried out within this Group throughout 2010, which should take into account the interests of the Euromed partners, their industrial production processes and capabilities and the new technological developments. In this context, Ministers reiterated the crucial role played by rules of origin in regional economic integration, the importance of ensuring that Southern Mediterranean partners are involved on the work carried out by the EU on the drafting of new rules of origin, and the need to use all means available to increase awareness on the opportunities of cumulation offered by the Pan-Euro-Mediterranean system, particularly for the business community.

The Euromed Trade Roadmap beyond 2010

Euromed Ministers generally endorsed the Euromed Trade Roadmap beyond 2010 (the "Roadmap"), which has been drafted by the Senior Officials Working Group established at the Lisbon Ministerial, which held its final meeting in Marrakech, while noting the reservations by some Southern Mediterranean countries on certain aspects of the Roadmap.

The Roadmap identifies concrete actions that can enhance economic integration and boost Euro-Mediterranean trade and investment by 2010 and considers progressively turning the existing Euro-Mediterranean Association Agreements into deep and comprehensive Free Trade Agreements.

In their discussions on the Roadmap, Ministers have stressed the importance of timely and effectively implementing the actions and measures defined therein, in particular:

- 1) That the conclusion of the on-going negotiations should be given the highest priority.
- 2) That the implementation of the concrete initiatives foreseen in the Roadmap should start as soon as possible in 2010. In particular:

The implementation of the trade and investment facilitation mechanism should start without delay in view of a first

phase being operational for business by 2010. The network of focal points that have been designated will meet in early 2010 to decide on the first steps to implement the mechanism. In this respect, Ministers have suggested looking for possible funding of this mechanism, under the different EU regional projects.

The Euro-Mediterranean business should be made aware as soon as possible of the main elements of the Roadmap and its potential opportunities as well as the state of play of the Union for the Mediterranean projects. Ministers stressed the importance of the business participation in the implementation of the Roadmap. Ministers encouraged the organization in early 2010 of an Euro-Mediterranean business forum.

The cooperation in the area of fight against piracy and counterfeiting in the Euro-Mediterranean region should be reinforced from 2010, notably through reinforced institutional capacities and exchanges of information and experience.

3) That Euro-Mediterranean trade relations should move beyond tariffs, taking into account the outcome of the current negotiations, to remove non tariff barriers and to include regulatory issues, so as to allow real market access and contribute to a more favorable investment climate. In this respect, Ministers expressed their commitment to the launching beyond 2010 of bilateral negotiations on a package of non tariff and regulatory issues. The timing and scope of these bilateral negotiations will take into consideration the specific situation of each Southern Mediterranean partner.

4) That South-South regional integration is another key building block of the Euromed Free Trade Area and that the network of Free Trade Agreements in the Mediterranean region needs to be completed and subsequently reinforced by moving beyond trade in goods to cover services, investment and regulatory issues.

Ministers also noted the conclusions of the meeting of Euro-Mediterranean partners which took place in Alexandria in April 2009 which announced the establishment of the Intra-Mediterranean Fund with an initial budget of €400 million to fund viable infrastructure projects.

Ministers stressed that the Roadmap should be a dynamic work program for the years to come. Ministers have agreed that the Senior Officials Working Group should meet in principle twice a year to monitor the implementation of the Roadmap and propose any necessary adaptation or modification to the Euro-Mediterranean Trade Ministers for decision.