32. Calls on the national parliaments to engage actively in supporting the enforcement of the directive and use their powers of scrutiny vis-à-vis national authorities at all levels;

33. Urges stakeholders, the business community and social partners to play their part in holding governments to account for revitalising the European services sector and creating stable jobs;

34. Asks the Council and its Presidency to place the internal market for services on the agenda for Competitiveness Council meetings on a regular basis; suggests reintroducing the Commission’s ‘compliance reports’ as a means of measuring the progress made in facilitating market access;

35. Urges the members of the European Council to take full political responsibility for a well functioning internal market for services; invites the President of the European Council to keep this topic on the European Council’s agenda for as long as is necessary, with a commonly agreed roadmap, including specific benchmarks and a timetable for Member States to give a fresh impetus and remove remaining obstacles to the full enforcement of the Services Directive;

36. Instructs its President to forward this resolution to the European Council, the Council, the Commission, and the parliaments and governments of the Member States.

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**Negotiations for an EU-Malaysia partnership and cooperation agreement**

European Parliament resolution of 11 September 2013 containing its recommendation to the Council, the Commission and the EEAS on the negotiations for an EU-Malaysia partnership and cooperation agreement (2013/2052(INI))

(2016/C 093/12)

The European Parliament,

— having regard to Council Regulation (EEC) No 1440/80 of 30 May 1980 concerning the conclusion of the Cooperation Agreement between the European Economic Community and Indonesia, Malaysia, the Philippines, Singapore and Thailand — member countries of the Association of the South-East Asian Nations

— having regard to the negotiations authorised by the Council in November 2004 and opened in Brussels in October 2010, at the occasion of the eighth EU-Asia (ASEM8) summit, on an EU-Malaysia partnership and cooperation agreement (PCA),

— having regard to the ASEM9 summit held in Vientiane (Laos) on 5 and 6 November 2012,

— having regard to the Association of Southeast Asian Nations (ASEAN) summit held in Cambodia from 18 to 20 November 2012,

Wednesday 11 September 2013

— having regard to its resolution of 15 February 2007 on the draft Commission decisions establishing Country Strategy Papers and Indicative Programmes for Malaysia, Brazil and Pakistan (1),

— having regard to its resolution of 16 December 2010 on ‘Malaysia: the practice of caning’ (2),

— having regard to its resolution of 21 January 2010 on ‘recent attacks on Christian communities’ (3),

— having regard to its resolution of 27 September 2011 on a New Trade Policy for Europe under the Europe 2020 Strategy (4),

— having regard to the accession of the European Union to the Treaty of Amity and Cooperation in Southeast Asia in July 2012 (5),

— having regard to the ongoing negotiations on an EU-Malaysia free trade agreement (FTA),

— having regard to the Agreement between the European Community and the Government of Malaysia on certain aspects of air services, signed in 2007 (6),

— having regard to the negotiations on a Voluntary Partnership Agreement with Malaysia in relation to the Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan, which started in 2007,

— having regard to the Malaysia-European Community Strategy Paper for the period 2007-2013,

— having regard to Rules 90(4) and 48 of its Rules of Procedure,

— having regard to the report of the Committee on Foreign Affairs and the opinion of the Committee on International Trade (A7-0235/2013),

A. whereas Malaysia is a founding member of ASEAN and will chair the organisation in 2015; whereas Malaysia is the EU’s second most important trading partner in ASEAN;

B. whereas Malaysia is an active member of the Asia-Pacific Economic Cooperation (APEC) forum, the Organisation of Islamic Cooperation (OIC), the Non-Aligned Movement (NAM), the Asian Development Bank (ADB), the UN Economic and Social Commission for Asia and the Pacific (Unescap), the Colombo Plan promoting economic and social development in the Asia-Pacific region, the UN Food and Agriculture Organisation (FAO), the Asia-Europe Meeting (ASEM), and the Brunei Darussalam-Indonesia-Malaysia-Philippines East Asian Growth Area (BIMP-EAGA); whereas Malaysia has also been a member of the World Trade Organisation (WTO) since its establishment in 1995, and is a member of the Group of 77 (G77) developing countries, the Developing Eight (D-8), the G15 and the UN Human Rights Council (2010-2013), among others;

C. whereas in October 2010 Malaysia joined the Trans-Pacific Partnership (TPP), established in 2005 with a view to concluding a free-trade agreement which could have major consequences for EU trade policy; whereas the negotiations conducted by the TPP took a hugely important turn with the accession of the United States in February 2008, Mexico in June 2012 and Canada in October 2012;

(1) OJ C 287 E, 29.11.2007, p. 507.
(4) OJ C 56 E, 26.2.2013, p. 87.
D. whereas Malaysia is a frequent contributor to UN and other peacekeeping missions, including to Lebanon, Timor-Leste, the Philippines, Indonesia, Pakistan, Sierra Leone, Sudan, Western Sahara, Nepal and Kosovo, and has deployed a medical unit to Afghanistan;

E. whereas Malaysia has a multicultural, multi-linguistic, multi-faith and multi-ethnic society, with a Malay-Muslim majority and minority communities of Indians, Chinese and non-Malay indigenous people;

F. whereas Malaysia held parliamentary elections on 5 May 2013;

G. whereas Malaysia, an emerging economy, has established successive socioeconomic restructuring programmes, starting with the New Economic Policy (NEP) in 1971, which was replaced by the National Development Policy in 1991 and subsequently by the National Vision Policy in 2001 under the ‘New Economic Model’ for Malaysia’s long term development goal to become a developed country by 2020 (‘Vision 2020’);

H. whereas Malaysia adopted a Peaceful Assembly Act on 20 December 2011;

I. whereas cooperation between the EU and Malaysia on women’s rights, children’s rights, indigenous peoples’ rights, migration, freedom of the press and human rights defenders has been strengthened by regular contacts with the civil society and the Malaysian Human Rights Commission (Suhakam); whereas the EU is also gradually establishing cooperation with Malaysia in areas falling under the Common Foreign and Security Policy (CFSP) such as maritime security and non-proliferation of weapons of mass destruction;

J. whereas to foster further relations the Malaysian Parliament set up the Interparliamentary Union (IPU) Malaysia-EU Caucus in November 2010, with members representing both the government coalition and the opposition;

I. Addresses the following recommendations to the Council, the Commission and the European External Action Service:

**On the partnership and cooperation agreement negotiations**

(a) to elevate the EU’s relations with countries in Southeast Asia, including and in particular Malaysia, through the timely conclusion of the negotiations on partnership and cooperation agreements with seven ASEAN countries; to raise awareness in the EU of the importance, significant potential and the multi-faceted nature of those relations;

(b) to emphasize that the EU-Malaysia partnership and cooperation agreement will provide unique opportunities to establish a new level of strategic and political framework for the bilateral relations, expand the EU’s engagement in a number of areas of mutual interest — among others in trade cooperation, energy, science & technology, migration, counter-terrorism, human rights and fundamental freedoms, good governance, social standards and labour conditions, anti-corruption, trafficking in persons and non-proliferation — and strengthen the EU-Malaysia policy dialogue on environment, green technology and climate change;

(c) to strengthen the EU negotiating team during negotiation rounds to match the thematic expertise available on the Malaysian side and, in addition to facilitating the negotiations, show appropriate EU interest in them;

(d) to call for a consistent approach to the PCA and FTA negotiations; to recall that each must support the other’s objectives;

(e) to emphasise that the two negotiations should be dependent on each other and be carried out in parallel;
Political dialogue

(f) to commend the creation of the Malaysian Maritime Enforcement Agency (MMEA) combining all law enforcement activities of federal laws at sea in one agency; to commend the results of Malaysia's subregional cooperation with Singapore, Indonesia, the Philippines, Thailand, the Asia Maritime Security Initiative (Amarsective) and the Regional Cooperation Agreement on Combating Piracy and Armed Robbery Against Ships in Asia (ReCAAP), and of cooperation within the ASEAN Regional Forum (ARF), in significantly improving maritime security in both the Malacca Strait, through which more than 50,000 vessels pass annually, and Malaysia's coastal waters; to express appreciation for the fact that the Malaysian Armed Forces have taken part in the anti-piracy operations off the Somali coast; sees potential for closer EU-Malaysian cooperation in enhancing maritime security, in particular in coast guard capacity-building, information sharing, naval interoperability and the development of legal aspects;

(g) to reiterate the global importance of the South China Sea and to appeal to all the parties involved to settle their conflicting territorial claims, including those relating to the Spratly/Nansha Islands, by means of international arbitration, in accordance with international law (in particular the UN Convention on the Law of the Sea), in order to ensure regional stability and peace; to condemn recent violent events in Sabah and to call for the peaceful resolution of the situation; to commend Malaysia and Singapore for having peacefully solved in 2010 long-standing territorial and water disputes;

(h) to welcome cooperation and take positive note of Malaysia's increased capability to combat terrorism, money laundering, drug and arms trafficking and the forgery of travel documents;

(i) to recall that Malaysia enjoyed an extraordinarily high degree of political stability over a long period; to congratulate on the very high turnout in the 5 May 2013 legislative elections, expressing the interest of the people in the political participation; to note that the latest elections showed Malaysia's move towards a more pluralist democracy; to call on the Malaysian authorities to see to it that an independent and impartial assessment on the elections is made in response to allegations of irregularities; to call on the new government to respond to the growing ethnic and political tension, the wider distribution of popular support among a number of political parties and the increasing civil unrest and growing number of demonstrations, and open up an active dialogue with the opposition and with all ethnic groups; to stress also the importance of taking measures to address public discontent over corruption; to call on the government to continue with the economic and political reform agenda, including electoral reform;

(j) to seek Malaysia's commitment to continue developing socio-economic policies that ensure fair treatment of all ethnic and religious groups and that assure all citizens of Malaysia of their full rights, including access to the civil service, education and business opportunities; to promote inclusiveness in Malaysia's economic growth also for the poorest, while acknowledging the achievements in the development of the country and in the reduction of poverty achieved;

(k) to encourage the government to involve Malaysia's prolific and active civil society further in the decision-making process through consultation, and to lift restrictions on civil society; to commend the work of civil society in drawing attention to environmental issues, women's rights, consumer protection, the rights of indigenous people and other ethnic groups, media freedom, social justice, human rights and the rights of religious minorities;

(l) to stress the need for active and frequent EU participation in high-level meetings and summits of organisations in the region in which the EU has been invited to take part;

(m) to recall that progress in the political area is instrumental to free and fair trade, just as much as trade liberalisation is helpful in promoting political liberalisation, democracy and human rights;
Human rights and fundamental freedoms

(n) to welcome Malaysia’s statement at the UN Human Rights Council in 2009 that it was considering replacing the death penalty with life imprisonment, and the establishment of an independent Malaysian Law Commission in 2011 to review laws to be repealed; to urge the government to establish an immediate moratorium on executions and take the legislative steps to abolish the capital and corporal punishment;

(o) to protect and promote human rights and fundamental freedoms throughout the negotiations for an EU-Malaysia partnership and cooperation agreement, in particular the freedoms of expression, assembly and association, and sexual orientation and gender identity, and the promotion of ILO social and labour standards; to ensure the implementation of the human rights clause in any agreement; to encourage the government to take the necessary steps to sign, ratify and effectively implement the UN Convention against torture and other cruel, inhuman or degrading treatment or punishment, its Optional Protocol, and the International Covenant on Civil and Political Rights (ICCPR);

(p) to stress the importance of making progress in media freedoms, as the main media are still exposed to censorship; welcome the High Court ruling of 2012, in the case of the internet media Malaysiakini, that a license to publish print media is a right, not a privilege; to express regret that freedom of assembly is still limited, especially in urban areas; to express concerns about the Evidence Act which creates legal liability to owners, administrators and controllers of computers which are used to publish a publication;

(q) to welcome the progress made in many areas when the Internal Security Act (ISA) was replaced in July 2012 by the Security Offences Special Measures Act (SOSMA), which has limited the maximum detention period without trial or charge to 28 days; to express disappointment, however, that some provisions of the SOSMA still have shortcomings, for instance as regards the appeal system, which — the changes made notwithstanding — could still result in indefinite detention if bail is not allowed, and the fact that the SOSMA restricts basic rights such as privacy of communications and allows the source of evidence to be concealed, thereby preventing cross-examination during trials;

(r) to express satisfaction that Malaysian lawyers have shown courage and autonomy in defending core values of the rule of law and the independence of the judiciary, and are able to advocate for and defend civil and political rights, albeit with limited impact; to express particular appreciation for the work done by the Malaysian Bar Council; to note that tensions have emerged between the judiciary and legal professionals and to raise concerns that the institutional framework has at the same time become more reserved as regards full respect for the independence of legal processes and the exclusivity of courts’ judicial powers; to suggest that the government listen to and address the concerns over tensions caused by state-run sharia courts operating in parallel with the national, common-law system;

(s) to call on Malaysia to comply with internationally agreed social standards; to underline the importance of compliance with, and rapid implementation of, all International Labour Organisation rules, including the right freely to form independent trade unions; to urge both the Malaysian authorities and European investors and companies operating in Malaysia to observe international labour standards and to guarantee decent pay and working conditions in Malaysia;

(t) to call on Malaysia to protect the constitutional rights of all Malaysians to freedom of religion or belief and to promote interreligious good relations and tolerance; to condemn, in this connection, the demolition of Hindu temples in 2006 and the attacks on Christian churches and the desecration of mosques in 2010, and to condemn the recent political and judicial interventions in relation to well-established linguistic uses; to call for the Christians to be able to exercise fully their constitutional right to practise their religion according to their traditions and without interference or fear of prosecution; to call for the right of all Malaysians to decide their own religious affiliation freely to be upheld; to call for
the speedy removal of the current administrative and legal obstacles to Muslims who convert to Christianity or Hinduism, and to call for the state to offer such converts protection from prosecution; to call on Malaysia to amend, in the interests of religious freedom, the laws in force in 10 of the 13 states of Malaysia that prohibit missionary activity by non-Muslims and that impose long prison sentences and flogging for those who break them;

(u) to encourage the government to improve the right of women to enjoy gender equality, especially in relation to Sharia legislation and family law; to stop the use of caning as a punishment;

**Economic, scientific and cultural cooperation**

(v) to welcome Malaysia's drive to increase energy efficiency, the use of renewable energies and investment in green technologies in the fields of transport, energy and buildings, despite it being a major oil and gas producer; also to welcome the fact that Malaysia has recognised the need to transform its economy into a low-carbon one as part of its responsibility in the global fight against climate change; to stress that renewable energies, such as palm oil and hydropower, must be produced in an environmentally sustainable way, without reducing the size of tropical forests, reducing biodiversity or replacing food production by fuel production;

(w) to express the opinion that while Malaysia is undoubtedly one of the most successful Southeast Asian economies, it needs to invest progressively in the pursuit of academic and scientific knowledge if it is to reach the next level of standard of living and become a highly developed country; to support the pursuit of increased academic exchanges and cooperation through the Erasmus Mundus programme and the MYEULINK project, and to suggest that the exchanges should be two-way; to encourage closer cultural cooperation, including through the introduction of Malaysian culture to the European public;

(x) to express appreciation for the fact that Malaysia was one of the first countries to start negotiating with the EU on a FLEGT Voluntary Partnership Agreement, which should guarantee that wood exported to the EU from Malaysia comes from legal sources; to urge that the negotiations be concluded in a timely manner, as the EU is a major market for Malaysian timber;

(y) to recall the EU's internal debate about the dangers of allowing the production of biofuel to expand at the expense of food production, and to emphasise that palm oil cultivation for biofuels must be carried out in a sustainable manner, avoiding forest conversion and loss of biodiversity, respecting the land rights of indigenous people and providing opportunities for the poorest communities to raise their living standards;

(z) to encourage tourism between the EU and Malaysia to be developed further; to embrace the view that eco-tourism has vast potential in Malaysia;

**Other provisions**

(aa) to consult Parliament regarding the provisions on parliamentary cooperation;

(ab) to include clear benchmarks and binding deadlines for the implementation of the partnership cooperation agreement and to provide for monitoring mechanisms, including regular reports to Parliament;

(ac) to encourage the EU negotiating team to continue its close cooperation with Parliament by providing up-to-date information on the progress of the negotiations pursuant to Article 218(10) TFEU;

2. Instructs its President to forward this resolution containing Parliament's recommendations to the Council, the Commission, the Vice-President of the European Commission/High Representative of the Union for Foreign Affairs and Security Policy (VP/HR), the European External Action Service and the Government and Parliament of Malaysia.