

Proposal for a Council Decision on the signature of a Euro-Mediterranean Association Agreement between the European Community and its Member States and the People's Democratic Republic of Algeria on behalf of the European Community

(2002/C 262 E/08)

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(Submitted by the Commission on 22 March 2002)

EXPLANATORY MEMORANDUM

1. On the basis of directives adopted by the Council of the European Union on 10 June 1996, the Commission opened negotiations with Algeria with a view to the conclusion of a Euro-Mediterranean Association Agreement. In accordance with the directives, the negotiations were conducted in consultation with the Member States. Following several sessions of negotiations and numerous technical meetings, the negotiating directives were completed on 14 December 2000. After a fresh round of intensive negotiations in 2001, political agreement was reached on the last outstanding issues at the troika meeting of 5 December 2001. The draft Agreement was unanimously approved by the Member States in the Maghreb/Mashreq Group meeting of 10 December 2001 and was initialled on 19 December 2001.
2. The aim of the draft Euro-Mediterranean Association Agreement is to establish an association between the European Community and its Member States, of the one part, and Algeria, of the other part. It will replace the Cooperation Agreement and the Agreement on ECSC products signed in 1976 which are still in force. Following the entry into force of the agreements with Israel, Tunisia, Morocco and the Palestine Liberation Organisation, the signature of the agreements with Jordan and Egypt and the initialling of the agreement with Lebanon, this latest Agreement is a further illustration of the strengthening of the partnership established by the Barcelona Conference of 27 and 28 November 1995.
3. The future agreement will be concluded for an unlimited duration and will help strengthen existing ties between the Community and Algeria by establishing relations based on reciprocity and partnership. Respect for human rights and democratic principles will constitute an essential element of the Agreement.
4. The main components of the Agreement are as follows:
 - (a) regular political dialogue;
 - (b) a free trade area, to be established in stages, in accordance with WTO rules, between the Community and Algeria, over a maximum period of 12 years;
 - With regard to industrial products, the preferential arrangements for Algerian products introduced under the 1976 Cooperation Agreements are confirmed. Algeria will liberalise the arrangements applying to imports of EU origin on a reciprocal basis. The liberalisation will be phased according to the sensitivity of the products.
 - Specific reciprocal concessions are proposed for agricultural products, processed agricultural products and fishery products. The Parties will consider new reciprocal concessions within five years of the entry into force of the Agreement.
 - (c) The Agreement contains provisions related to free trade in goods in the areas of liberalisation of the provision of services, capital movements, competition rules, intellectual property rights and public procurement;
 - (d) The objective of economic cooperation will be to support Algeria's own efforts to achieve sustainable economic and social development. The 1976 Cooperation Agreements set out the main themes of action on economic cooperation: industrial, scientific, technical and technological cooperation, environmental protection, cooperation on fisheries, energy, promotion of regional cooperation and boosting private investment. The Euro-Mediterranean Agreement will strengthen this type of cooperation. New themes are also being introduced: education and training, standardisation and conformity assessment, approximation of legislation, financial services, agriculture, transport, telecommunications and information technology, tourism and customs.

- (e) The provisions concerning workers in the 1976 Cooperation Agreement are maintained, notably those relating to non-discrimination in respect of conditions of work, pay and dismissal and social security provision.

In addition to the above, the new Agreement will introduce social cooperation. This will be implemented in the form of a regular dialogue on any area of interest to either party in the social field. The above dialogue will also cover cultural cooperation.

- (f) With a view to achieving the Agreement's objectives, financial cooperation will be implemented for Algeria. This will in particular entail modernising the Algerian economy, upgrading economic infrastructure, promoting private investment and job-creating activity, taking into account the effects of the gradual creation of a free trade area on the economy and flanking measures to support social policy.
- (g) The Agreement contains extensive provisions on cooperation in the field of justice and home affairs, which is one of its most important features. Institution-building and strengthening the rule of law are the cornerstones of action in this field. On the subject of movement of persons, both parties have agreed to examine ways of simplifying and speeding up procedures for issuing visas to those contributing to the implementation of the Agreement. Cooperation in the area of control and prevention of illegal immigration will be given effect through the negotiation of readmission agreements. Cooperation is also envisaged in the legal and judicial field and in the areas of organised crime, money-laundering, racism and xenophobia, drugs and drug addiction and corruption. In the area of action against terrorism, cooperation will be implemented in compliance with international conventions and in the framework of the relevant Security Council resolutions.
- (h) The Agreement contains the standard general and institutional provisions. The Association Council will meet at ministerial level once a year where possible to discuss the major problems arising in the framework of the Agreement and issues of mutual interest.

An Association Committee will be set up to manage the Agreement.

A social affairs group must be set up by the Association Council one year after the Agreement's entry into force.

5. The Commission considers the outcome of the negotiations satisfactory for both parties. It has duly initialled the draft agreement and proposes:
- that the Council approve the signature of the Euro-Mediterranean Association Agreement between the European Community and Algeria on behalf of the European Community;
 - that the Council conclude the Euro-Mediterranean Association Agreement between the European Community and Algeria on behalf of the European Community.

The European Parliament must give its prior consent to conclusion.

Ratification by all Member States is a prerequisite for the entry into force of the Agreement.

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 310 in conjunction with the first sentence of the first subparagraph of Article 300(2) thereof,

Having regard to the proposal from the Commission,

Whereas:

- (1) On 10 June 1996, the Council authorised the Commission to open negotiations for a Euro-Mediterranean Association Agreement between the European Community and its Member States, of the one part, and Algeria, of the other part, and finalised the negotiating directives on 14 December 2000.
- (2) The negotiations have been completed and the Agreement was initialled on 19 December 2001,

HAS DECIDED AS FOLLOWS:

Sole Article

Subject to its conclusion at a later date, the President of the Council is hereby authorised to designate the persons empowered to sign, on behalf of the European Community, the Euro-Mediterranean Association Agreement between the European Community and its Member States, of the one part, and the People's Democratic Republic of Algeria of the other part.
