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JOINT STAFF WORKING PAPER

Implementation of the European Neighbourhood Policy in 2010 Sector Progress Report

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Implementation of the European Neighbourhood Policy in 2010 Sector Progress Report

1. INTRODUCTION

The Lisbon Treaty and the establishment, in 2011, of the European External Action Service provide new opportunities for the EU to strengthen relations with its neighbours. The European Neighbourhood Policy's (ENP) aims to deepen political dialogue and cooperation and to achieve a very substantial degree of economic integration with the Eastern and Southern neighbours.

Against this background, it is key to continue strengthening sector dialogue and sector cooperation with ENP partners in a wide range of areas such as: employment; social policy; trade and trade related matters; justice and home affairs issues, including migration, mobility and security; transport; environment; climate change; energy; student mobility; education, culture and health.

Sector dialogue supports the ongoing, longer-term, deep reform process of partners both in the South and the East. Sector reform contributes to greater prosperity for all citizens including the youth and underpins efforts towards better governance. Sector cooperation also helps prepare partners to negotiate and, in the future, to implement deep and comprehensive free trade agreements. Through the transfer of sector reform experience, the EU is able to support approximation of legislation, strengthen the capacity and enforcement capabilities of institutions and prepare the sector stakeholders for reform. Sector dialogue can also be conducive to conflict prevention and resolution, for example as in the case of Transnistria. It can also support state building, as in the case of the occupied Palestinian territory.

In 2010, sector dialogues were held in numerous fora including in sector subcommittees and working groups under the bilateral agreements with ENP partners. Several new subcommittees with the South Caucasus countries were launched in 2010. High level and technical dialogues, as well as exchanges in the context of European Neighbourhood and Partnership Instrument (ENPI) projects, also contributed to strengthening sector relations with ENP partners.

The present report provides an overview of ENP partners' progress, in 2010, on a range of sectoral policies. It also describes certain ENPI related issues (Neighbourhood Investment Facility, TAIEX, Twinning, SIGMA). Bilateral financial cooperation is dealt with in the country progress reports. This report furthermore summarises progress on preparation for the participation of ENP partners in EU programmes and agencies. The document is completed by Annexes on these issues, on political and economic indicators and on mobility.

2. SOCIAL REFORM AND DEVELOPMENT

The measures to boost employment, increase social cohesion, reduce inequalities and ensure inclusive growth were negatively effected by the lasting impact of the global financial and economic crisis on already strained public finances and budgets.

The **employment** situation improved in some countries in step with the global economic outlook, while other countries continued to struggle. In nearly all countries, the labour market remains segmented with a high share of informal employment and precarious work situations and the development of the skills needed to support the diversification of the economy, investment and the modernisation of the labour market remains a major challenge. Poor employment and social prospects for the young generation in particular, nurtured discontent and contributed to social unrest in the Southern region.

Efforts to reduce **poverty** in the ENP partner countries were curbed by the necessity to contain budget deficits. The remittances were on the increase from 2009, but generally still below the 2008 level, impacting particularly *Armenia* and the *Republic of Moldova*.

Reforms of pension systems are under way in several countries and the provisions for **social protection** were reviewed in most ENP countries in an attempt to counter the impact of the global recession on the vulnerable population as well as on public finances. Social inclusion approaches often suffer from uncoordinated interventions of a multitude of institutions and players and from the related lack of capacity to cooperate efficiently on delivering services to the people. Under these circumstances, the efforts for **social inclusion** were rather marginal, but *the Republic of Moldova* ratified the UN convention on the rights of disabled persons.

The framework for **social dialogue** was undergoing a slow change, and modest changes were introduced in 2010 in most countries, most notably in the legislation but the impact on the ground of the modest changes introduced in legislation in 2010 has yet to be confirmed in the general climate of limited independence and poor capacities of social partners.

The provisions for **social protection** were reviewed in most ENP countries in an attempt to counter the impact of the global recession on the vulnerable population, as well as on public finances. Under these circumstances, the efforts directed towards **social inclusion** were rather marginal, although *the Republic of Moldova* ratified the UN convention on the rights of disabled persons.

The participation of **women** in economic and political life made little progress, although the highest ever share of female candidates in the *Lebanese* municipal elections (8.2%) is a welcome sign of improvement. *Egypt* organised training events for women community leaders, while *Lebanon*, *Tunisia* and *Morocco* directed their efforts at combating domestic violence.

Sustainable development

Despite the global environment of financial and economic crisis, most of the partner countries' economies performed well in 2010. However, the lack of structural reforms, the high unemployment rates and persistent levels of poverty remain disappointing and endanger the long term objective of **sustainable development**, including environmental protection.

3. TRADE, MARKET AND REGULATORY REFORM

Some progress was made in 2010 in the area of **trade and economic integration**. Negotiations on the Deep and Comprehensive Free Trade Agreement (DCFTA) with *Ukraine* continued through several negotiation rounds in 2010, although progress was rather limited. Progress in the negotiations on the trade related part of the framework agreement with *Libya* was also slow. A fact-finding mission to explore the possibility of DCFTA negotiations with *the Republic of Moldova* took place in June 2010 and the European Commission presented its key recommendations in October 2010. *Armenia* and *Georgia* continued to make progress in their DCFTA preparations. A Commission proposal for extending the current ATP Regulation for the Republic of Moldova, which would also include a significant increase in the wine quota, was presented to the Council for approval.

There was good progress regarding the negotiation of agreements on further liberalisation of trade in agricultural, processed agricultural products and fish and fishery products with the Mediterranean partners; the EU-*Egypt* agreement entered into force in June 2010, and the EU-*Morocco* agreement was signed in December 2010. Also in December 2010, the Commission and the *Palestinian Authority* initialled a draft agreement which is expected to support the development of the economy of the West Bank and the Gaza Strip. Negotiations with *Tunisia* continued fruitfully and some exploratory talks on possible future negotiations on the liberalisation of trade in agricultural, processed agricultural and fish and fisheries products took place with *Lebanon* in May 2010.

Negotiations with the Mediterranean ENP partners on the liberalisation of services and the right of establishment made little progress in 2010.

The Agreement on Conformity Assessment and Acceptance for Industrial Products (ACAA) with *Israel* was signed in May 2010 in the sector of Good Manufacturing Practice of Pharmaceuticals.

Good progress was made in the area of protection of "Geographical Indications" (GIs). In July 2010, the European Union and *Georgia* concluded negotiations on a bilateral agreement for the protection of their respective GIs. The GI's negotiations with *the Republic of Moldova* proceeded fruitfully during the reporting period. GIs are handled with *Ukraine* in the framework of the negotiations on the Deep and Comprehensive Free Trade Agreement. Moreover, in the framework of the agreement on further liberalisation of trade in agricultural, processed agricultural products and fish and fishery products, the EU and *Morocco* agreed to start negotiations on GIs within three months following the entry into force of the agreement.

Some progress was achieved in the negotiations of Protocols establishing a Dispute Settlement Mechanism applicable to disputes under the trade provisions of the bilateral Association Agreement with the Mediterranean partners. The EU and *Egypt* signed the protocol in March 2010, while the protocol with *Lebanon* was signed in December 2010.

The 9th Union for the Mediterranean Trade Ministerial meeting, which was held in Brussels on 11 November 2010, endorsed a package of measures to facilitate trade in *Palestinian* products with other Euro-Mediterranean partners in line with the Euromed Trade Roadmap for 2010 and beyond. The ministerial meeting also agreed that the working priorities for 2011 should focus on the following issues: a Euro-Mediterranean trade and investment facilitation mechanism; enhanced cooperation with the business community on Euro-Mediterranean trade

and investment relations; reinforced cooperation in the area of the fight against piracy and counterfeiting in the Euro-Mediterranean region; and enhanced sectoral cooperation

As reported last year, some **customs** administrations in partner countries, such as *Israel, Morocco, the Republic of Moldova* and *Tunisia*, have already implemented a large part of the customs-related commitments in their respective Action Plans and are continuing their reform process. *Georgia* and *Jordan* amended their customs legislation with the introduction of a new Code and a temporary law amending the customs law. Several ENP partners are implementing national strategic plans to modernise customs services (*the Republic of Moldova, Jordan, and Morocco*) and to enhance the automation of customs procedures (*Armenia, Lebanon, Georgia, Jordan, and the Republic of Moldova*). Several partners, such as *Georgia* and *the Republic of Moldova* are strengthening the use of risk analysis. An interactive English version of the website of the *Egyptian* Customs Authority is now available to operators. The facilitation of trade for reliable operators remains a priority, and several countries continued their efforts to ensure the security of the supply chain based on international standards (WCO) and made progress on the concept of “authorised economic operators” (AEO). Several countries are working towards the creation of a single window environment. The question of customs ethics is being tackled in most countries, but it remains a concern, especially in *Ukraine*, where cumbersome, bureaucratic and restrictive customs controls are applied, and in *Azerbaijan*. *Georgia* and *Ukraine* have made no real progress towards ensuring the proper implementation of WTO-compatible customs valuation rules. Several Mediterranean partners (*Egypt, Jordan, Lebanon, Morocco, oPt, Syria and Tunisia*) participated in the “SIROCCO” joint customs operation conducted in June 2010. SIROCCO is a joint customs operation, coordinated by OLAF and carried out by the customs administration of the EU and eleven partner countries from the southern rim of the Mediterranean. The customs services in the region, and in particular *the Republic of Moldova* and *Morocco*, also reinforced IPR protection and the fight against pirating and counterfeiting. The European Commission and the State Customs Committee of *Belarus* continued discussions on issues of common interest.

On **standards, technical regulations and conformity assessment**, most ENP partner countries continued their preparatory work towards the conclusion of bilateral agreements on Conformity Assessment and Acceptance of Industrial Products (ACAAs). In May 2010, the EU and *Israel* signed an ACAA agreement in the sector of Good Manufacturing Practice of Pharmaceuticals. *Egypt* and *Tunisia* are also well advanced in their ACAA preparations.

Negotiations on the **liberalisation of services and establishment** with *Egypt, Israel, Morocco* and *Tunisia* made no progress in 2010.

Regarding **sanitary and phyto-sanitary (SPS)** issues, the ENP partners continued to make progress in 2010. As stated in last year’s report, substantial efforts remain necessary in order to achieve the ENP Action Plan objectives and to prepare for (possible) future deep and comprehensive free trade agreements between the EU and ENP partners. ENP partners adopted a food safety strategy (*Georgia*) or made progress with the preparation of such a strategy (*Armenia, the Republic of Moldova, Ukraine*). Most ENP partners adopted or prepared legislation which, to some extent, is increasingly approximated with EU standards. The European Commission and the *occupied Palestinian territory* initiated a gap analysis regarding SPS legislation and institutional capacity which was supported by TAIEX.

ENP partners trained SPS staff and strengthened laboratories (*Armenia, Azerbaijan, Georgia, the Republic of Moldova and Ukraine*). In 2010, additional ENP partners were connected to the external window of the EU's Rapid Alert System for Food and Feed (*Armenia, Azerbaijan, Israel, Jordan*). In 2010, the European Commission's Food and Veterinary Office carried out fourteen inspection visits to ENP countries covering various sectors (*Egypt, Georgia, Israel, Jordan, the Republic of Moldova, Morocco and Ukraine*). In April 2010, Eastern ENP partners participated in a seminar on handling food emergencies and crises, organised jointly by the Commission and the European Food Safety Authority and held in Kyiv. A similar event for Mediterranean ENP partners was held in October 2010 in Parma. The EU and the ENP partners continued exchanging experience through other training events, including in the context of the Commission's 'Better Training for Safer food' programme. In July 2010, the EU and the Eastern partners held a first meeting on SPS and animal welfare issues under the Eastern Partnership panel on trade and trade-related regulatory approximation. The EU and its partners pursued SPS cooperation through ongoing (twinning) projects under the ENPI. A new twinning was launched with *Israel*. SPS cooperation with *Belarus* continued, including on the subject of rabies.

All countries made efforts to improve their **business climate**, but only some of them managed to improve their comparative ranking in the global race. The main beneficiaries were new entrepreneurs, because many countries have made it easier to set up a company. Increased transparency in the functioning of public institutions is likely to benefit the business climate throughout the region. The legal framework for the **establishment** of a company by non-nationals did not change in 2010. Other changes in **company law** concerned business registers in Egypt and Israel, minimum capital in Jordan, and investor protection in Georgia.

In 2010, most of the partner countries worked on the implementation of their respective **tax** administration reform. Activities range, for example, from the development of electronic declaration systems, (*Armenia, Georgia, Tunisia*) to the development of risk-based controls (*Armenia*). Both *Georgia* and *Ukraine* adopted a new Tax Code and most of the partners continued to expand the network of bilateral treaties on the avoidance of double taxation with EU Member States. *The Republic of Moldova* approved a new regulation on VAT refunds in October 2010, aimed at simplifying the refunds procedure and increasing transparency, while the VAT collection and management system in *Ukraine* remained dysfunctional.

In the field of **competition policy**, some countries (*Armenia, Egypt, Georgia, Ukraine*) continued their reforms towards establishing a modern competition policy. However, overall, there are still many challenges in implementing competition policies in many ENP countries (*Azerbaijan, Jordan, Lebanon, the Republic of Moldova, Morocco, Tunisia*) where an adequate legal and institutional framework is not yet in place.

The legal protection of **intellectual property rights** was reinforced in particular in the Eastern Partnership countries, where *Armenia* adopted a law on trademarks, *Georgia* a law on design and an amendment to the patent law, and *the Republic of Moldova* a law on copyrights. *Ukraine* acceded to the Singapore treaty and the Strasbourg agreement. Jordan amended the trademark fees' schedule. Vigorous enforcement of the legal provisions is still needed, as demonstrated by the high rankings of the EaP countries in the report of May 2010 by the Business Software Alliance, where they all appear on the world list of the fifteen highest piracy rates.

On **financial services**, despite the effects of the global financial and economic crisis, most partner countries continued to make some progress in implementing the modernisation of

their financial sectors. New banking laws (*Israel, Jordan, the Republic of Moldova, Palestinian Authority, Ukraine*) and laws regulating the non banking financial sector (*Azerbaijan, Egypt, the Republic of Moldova, Morocco*) were under consideration in several ENP countries.

Most countries improved their **public procurement** mechanisms either by drafting or adopting new laws, by setting up procurement agencies or review authorities, or by developing electronic procurement systems. Training the economic operators to understand the new system was an important part of the implementation of the reforms.

In the area of free **movement of capital and payments**, ENP partners made modest progress. *Morocco* facilitated the availability of international credit cards, but *Ukraine* reinstated some restrictions.

All ENP partner countries further improved their **statistics** with a view to conforming more closely to European and international standards. They have recently introduced new legislation, worked on development plans and provided to the EU a considerable number of statistical data in various areas including trade, energy and demography.

Many of the developments in **consumer protection** came about through other areas of co-operation, such as the air services agreements that the EU signed with *Georgia* and *Jordan*, and which include, among others, harmonisation with EU rules in that area. In *Ukraine* the financial sector regulators developed consumer protection measures for financial services. *Jordan* developed a specific consumer protection law and *Lebanon* reactivated its consumer protection council. In July 2010, *Israel* initiated a review of the Israeli standard on the safety of toys with a view to adopting the EN European Standard. *Jordan* transposed several European standards and prepared draft regulations in some priority sectors (e.g. electrical products and electronic appliances, toys and gas appliances equipment).

As regards co-operation in the field of **public internal financial control** (PIFC) in the framework of public finance management, *the Republic of Moldova* and *Ukraine* continued their reform efforts by establishing and implementing control systems and internal audit. Inter-Ministerial cooperation to prevent irregularities needs ongoing attention. Reforms gathered pace in *Armenia* and *Georgia*, while initiatives stagnated in *Azerbaijan*. Steady advances were made in *Jordan, the occupied Palestinian territory, and Morocco* and *Tunisia*, but they lost momentum in *Egypt and Lebanon*. Public internal financial control, which is based on advanced principles such as managerial accountability and operationally independent and decentralised internal audit, can only develop successfully under the principle of transparency inherent in a democratic state order.

In the area of **enterprise policy**, many regional activities took place in both ENP south and ENP east.

The Mediterranean partner countries continued implementing the 2009-2010 work programme on Euro-Mediterranean industrial cooperation and the Euro-Mediterranean Charter for Enterprise. *Syria*, together with *Egypt* and the *Palestinian Authority*, launched a regional survey on the added value of the Charter process and on the possible need to revise the Charter. *Jordan* consulted partner countries on their priorities for future Charter activities. Based on a proposal from *Tunisia*, the European Training Foundation completed a very successful pilot project on entrepreneurial learning in higher education. Exchange of knowledge and good practice continued with the publication of a directory of on-line

manuals, the development of a Euro-Mediterranean good practice data base and the participation of Mediterranean partner countries in many European and Euro-Mediterranean events, including those organised by the regional, EU-supported 'Invest in MED' programme and under the dialogue on the textile sector.

The Eastern Partnership economic platform created a specific panel for 'Small and Medium Enterprises' (SME panel), which provides a forum for exchange on enterprise policies in the six eastern partnership countries and in the EU. A number of projects were launched under the SME Flagship Initiative, namely East-Invest (networking); TAM/BAS (advisory services) and SME Facility (funding). Also, the Eastern partner countries welcomed the "Enterprise Policy Performance" project, conducted by the European Commission, the OECD, the European Training Foundation (ETF) and the European Bank for Reconstruction and Development (EBRD).

The general tendency in the ENP area is towards applying the International Financing Reporting Standards for **accounting** at least for major companies with international exposure. Regarding **audit** *Egypt* started up the operations of an independent oversight board, *the Republic of Moldova* further developed its board, and *Israel* developed plans to establish such a board.

4. COOPERATION ON JUSTICE, FREEDOM AND SECURITY

In the field of **migration**, dialogue with ENP partners was pursued mainly at bilateral level through the available institutional frameworks, such as the Justice and Home Affairs Subcommittees and the Working Groups on Migration. New subcommittees on Justice and Home Affairs were established with *Armenia* and with *Azerbaijan*. The European Commission supported dialogue in this field also at regional level, in particular through the EUROMED Migration project II.

The EU signed **visa** facilitation and readmission agreements with *Georgia*, which entered into force in March 2011. Progress has been made in the EU-*Ukraine* visa dialogue which entered into the operational phase in November 2010 on the basis of an action plan setting out all technical conditions to be met by Ukraine before the possible establishment of a visa-free travel regime. As regards *the Republic of Moldova*, following the launch of the visa dialogue, in June 2010, a similar action plan on visa liberalization with a view to the visa dialogue entering a fully operational phase was presented in January 2011.

The implementation of the Visa Facilitation and Readmission Agreements with both *Ukraine* and *the Republic of Moldova* continued. In October 2010, the Commission adopted draft negotiating directives for the renegotiation of the Visa Facilitation Agreements in order to align them with the new Visa Code and introduce further facilitations.

Regarding the **Mobility Partnership** with *the Republic of Moldova*, new initiatives were included, covering areas such as strengthening organisational and institutional capacity of the country to regulate legal migration flows, the promotion of sustainable use of remittances and their attraction into the local economy, supporting the implementation of the EU-Republic of Moldova visa facilitation and readmission agreements, protection of victims of trafficking, analysing the effects of migration on families left behind, as well as protection of refugees and asylum seekers. The implementation of most of these projects will start in 2011.

The mobility partnership with *Georgia* entered the implementation phase with a project on the reintegration of migrants and other activities. Several other projects have been approved for

funding, with implementation starting shortly. Discussions started in 2010 between the EU, *Armenia* and a group of EU Member States for the establishment of a Mobility Partnership with *Armenia*.

ENP partners continued to enhance their **border management** capacities to combat cross-border and organised crime. They also further approximated the border and law-enforcement authorities to EU standards. Efforts to professionalise border management services need to be resolutely pursued, including through technical training of staff in order to maintain the capacity to ensure effective border controls and surveillance. The continuing work on border demarcation and delimitation serves to underpin the above efforts, as well as contributing to overall regional security. *The Republic of Moldova* and *Ukraine* adopted Integrated Border Management Strategies.

The third and fourth meetings of the Eastern Partnership Integrated Border Management (IBM) Panel were held in Brussels in June and in Chisinau in November 2010. The Panel took stock of the development of the Eastern Partnership IBM Flagship Initiative, which includes training activities to enhance the surveillance capacity of the Eastern partners, as well as pilot projects on technical equipment and border-crossing infrastructure.

Regarding **the fight against organised crime**, the First Protocol to the UN Convention against Trans-national Organised Crime to Prevent, Suppress and Punish the Trafficking of Persons, especially Women and Children, has been signed and ratified by all partners except *Morocco*. Neither *Jordan* nor *Morocco* have signed or ratified the Second Protocol against the Smuggling of Migrants by Land, Sea and Air. The Third Protocol against the Illicit Manufacturing of and Trafficking in Firearms, Their Parts, Components and Ammunition remains to be signed and ratified by *Armenia*, *Egypt*, *Jordan*, *Israel* and *Ukraine*. As was the case in 2009, the full and effective implementation of established national plans and strategies against all forms of organised crime, particularly in the context of regional cooperation, remained a priority for all partner countries.

Most ENP partners continued to implement the national action plans adopted **to fight trafficking in human beings**, including victim support measures, while working on the design and adoption of successor action plans. In this regard, renewed attention needs to be paid to the rehabilitation of victims, including social and medical services. In 2010, substantial new laws were adopted in *Egypt* and drafted in *Lebanon*. *Azerbaijan* and *Ukraine* ratified the 2005 Council of Europe Convention on Action against Human Trafficking completing the ratification of this important instrument by all ENP partners who are members of the Council of Europe.

Most ENP partners continued to develop and implement national strategies to combat **money laundering and the financing of terrorism**, incorporating the 40 + 9 FATF (Financial Action task Force) recommendations. The work of MoneyVal continues to serve as a reference point for reform. The Council of Europe's 2005 Convention on the Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism has yet to be signed by *Azerbaijan* and *Georgia*. In 2010, *Morocco* and *Tunisia* indicated their intention to apply to join the Egmont Group.

Regarding the fight against **drugs**, all partner countries continued implementing their obligations under the 1988 UN Convention against Illicit Traffic in Narcotic and Psychotropic Substances, and other international instruments. Continued attention to human resource development and capacity building within designated national authorities and other law

enforcement agencies is still required. As stated in 2009, effective intelligence-sharing among ENP partners and other geographical neighbours on drugs production and trafficking supply routes is critical for regional cooperation. The implementation of an integrated approach requires structured cooperation with civil society groups, including the development of harm-reduction and rehabilitation programmes. In October 2010, ENP partners including *Belarus, Libya and Syria* participated in a TAIEX-funded regional seminar on the EU drug monitoring system and the prospects for technical cooperation with the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA). *Jordan* joined the Council of Europe's Pompidou Group in 2010, while the latter's cooperation with *Algeria, Egypt, Lebanon, Morocco and Tunisia* continued under the MedNet network with training seminars on drug treatment, school surveys (MedSPAD), supply indicators and data collection.

On **police and judicial cooperation**, *Azerbaijan, Georgia and the Republic of Moldova* did not sign the 2001 Second Additional Protocol to the European Convention on Mutual Assistance in Criminal Matters to protect individual rights in the processing of personal data. This protocol is still awaiting ratification by *Armenia and Ukraine*.

In the area of **criminal law** cooperation, *Azerbaijan* ratified the Council of Europe Convention on Cybercrime, but *Georgia* has yet to ratify it. *Azerbaijan and Georgia* did not sign the 2003 Additional Protocol of that Convention concerning the criminalization of acts of a racist and xenophobic nature committed through computer systems. In 2010, *Armenia* signed the Council of Europe Convention on the Protection of Children against Sexual Exploitation and Sexual Abuse, whereas it has still to be ratified by *Azerbaijan, Georgia, the Republic of Moldova and Ukraine*. In addition, the 1997 Additional Protocol to the Convention on the Transfer of Sentenced Persons has yet to be signed by *Azerbaijan* and ratified by *Armenia*. As was the case in 2009, further attention is required in order to ensure the ratification and effective implementation of these Conventions. Non-Council of Europe ENP partners are encouraged, where possible, to accede to the 1983 Council of Europe Convention on the Transfer of Sentenced Persons and its 1997 Additional Protocol, as well as the 2001 European Convention on Cybercrime and its 2003 Additional Protocol. In 2010, *Lebanon and Morocco* indicated their interest in acceding to the European Convention on Cybercrime.

With regard to **civil law**, *Belarus, Egypt, Georgia, Israel, Jordan and Ukraine* continued their cooperation under the Hague Conference on Private International Law working on international protection of children, family and property relations, legal cooperation and commercial and finance law. In this context, and in order to improve international legal assistance and cooperation, ENP partners are encouraged, as they were in 2009, to accede - if they have not already done so - to the 1980 Hague Convention on Civil Aspects of International Child Abduction; the 1996 Hague Convention on Parental Responsibility and the Protection of Children; the 1965 Hague Convention on the Service Abroad of Judicial and Extrajudicial Documents and the 1970 Convention on Taking of Evidence Abroad in Civil or Commercial Matters.

With the assistance of The Hague Conference, *Algeria, Egypt, Lebanon, Jordan, Morocco and Tunisia* participated in the work of the Judicial Conference on Cross-Frontier Family Law Issues – the so-called “Malta Process” which seeks to promote expert dialogue on international child protection and **family law** issues. The Malta Process is recognised by these ENP partners as a point of reference in deliberating on and settling cross-frontier family law disputes.

In the context of the Malta Process, *Egypt, Lebanon, Jordan, Morocco* and *Tunisia* took part in December 2010 in two successful judicial seminars held in Rabat (Morocco) on cross-border protection of children and families, related to the 1980 and 1996 Hague conventions and organized by the Supreme Court of Morocco and the Hague conference on Private International Law with the financial support of the TAIEX instrument.

As regards **data protection**, *Azerbaijan* and *Ukraine* ratified the 1981 Convention for the Protection of Individuals with regard to Automatic Processing of Personal Data. The latter is yet to be ratified by *Armenia* and *Azerbaijan*. Ratification is essential in terms of developing further judicial and police cooperation, as well as exchange of data with EUROJUST and Europol. The 2001 Additional Protocol to the Convention, regarding supervisory authorities and trans-border data flows, has yet to be ratified by *Armenia* and *the Republic of Moldova* and signed by, *Azerbaijan*, and *Georgia*. A law on data protection entered into force in *Morocco*.

Regarding **judicial reform**, work continued in order to enhance the capacity and efficiency of the judiciary in line with relevant national reform strategies. Efforts to secure greater judicial independence, effectiveness and impartiality faltered in several partner countries (*Armenia, Azerbaijan, the Republic of Moldova* and *Ukraine*), while certain advances were noted in others (*Georgia, Jordan*). A new reform strategy was adopted for the *occupied Palestinian territory*, whereas the situation did not change substantially in other ENP partner countries. National programmes for the continuing training of judges, prosecutors and court staff continued to be implemented in several partner countries (*Egypt, Jordan, Morocco, occupied Palestinian territory*) along with the upgrading of court administrative procedures and the improvement of automated case management (*Armenia, Georgia, the Republic of Moldova, Morocco*). Improvements in access to justice were also noted in *the Republic of Moldova* and the *occupied Palestinian territory*. No tangible progress was noted in the area of judicial reform in *Lebanon*, although there were some signs of a political commitment to comprehensive reform in *Egypt* and *Tunisia* following recent developments there.

In the area of **penitentiary reform**, progress remained slow across *Armenia, Azerbaijan, Georgia, Egypt, the Republic of Moldova, Morocco, Ukraine* and *Tunisia*, while reform advanced in *Jordan* in cooperation with international partners. Prison overcrowding, including for remand prisoners, use of ill treatment and torture and lack of access by human rights and international observers to penitentiary facilities remain significant unaddressed issues in most ENP partner countries. The use of parole and other alternatives to detention and long-term incarceration need to be explored in parallel with improvements to medical and social care.

In the area of **juvenile justice**, there was a dialogue with *Georgia, Jordan, Morocco* and *Ukraine* on the development of appropriate protection policies for child and young offenders by law enforcement agencies. Customised juvenile justice approaches, including juvenile parole boards, are necessary in order to develop appropriate prevention and probation policies. The application of international standards and norms on juvenile justice, particularly the 1985 UN Standard Minimum Rules for the Administration of Juvenile Justice (Beijing Rules) and the 1990 UN Guidelines for the Prevention of Juvenile Delinquency (Riyadh Guidelines), serve as one of the main reference points for policy dialogue.

All partner countries except *Syria* completed ratification of the 2005 UN Convention against **Corruption**. As a complement to their international obligations under the above Convention, *Egypt* and *Tunisia* have yet to sign the 2003 African Union Convention on Preventing and

Combating Corruption. Cooperation with civil society in the implementation of national anti-corruption plans remains critical in all partner countries in order to fight corruption in both the public and private sectors. Enhanced vigilance is required in relation to transparency in public procurement, in order to guarantee the accountability of public officials.

In 2010, the Council of Europe's Criminal Law Convention on Corruption and its 2003 Additional Protocol, aimed at protecting domestic and foreign judicial arbitrators and jurors from corruption, entered into force in *Ukraine*. The latter was not signed by *Azerbaijan* and *Georgia*.

With regard to civil service and **public administration reform**, further advances in planning for a professional and accountable civil service were noted in *Jordan*, *the Republic of Moldova*, *the occupied Palestinian territory* and *Ukraine*, while the pace slackened further in *Armenia*, *Azerbaijan*, *Egypt*, *Georgia* and *Lebanon*. The absence of comprehensive reform strategies incorporating schedules for implementing ethics codes and strengthening the quality of public service through training poses a serious obstacle to further advances in the case of each ENP partner.

Regional cooperation under the **Euro-Mediterranean Justice Programme** with the participation of all Mediterranean ENP partners including *Algeria* and *Syria* continued in 2010, covering the themes of access to justice and legal aid, resolution of cross-border family conflicts and criminal and prison law.

All Mediterranean partners, including *Algeria* and *Syria*, participated actively in the **EuroMed Police II** programme which covers joint cooperation activities and seminars for senior officers on specialized topics of practical police cooperation in all fields of organized crime, terrorism, drug and weapons trafficking.

5. TRANSPORT, ENERGY, CLIMATE CHANGE, ENVIRONMENT, CIVIL PROTECTION, RESEARCH AND INNOVATION, INFORMATION SOCIETY, AUDIOVISUAL SECTOR

Regarding **transport**, the partner countries continued to implement sector reforms to increase the efficiency, safety and security of transport operations.

In the aviation sector, negotiations on more comprehensive Euro-Mediterranean aviation agreements were launched with *Tunisia*. In December 2010, the EU signed comprehensive air services agreements with *Georgia* and with *Jordan*. The agreements will open the respective markets and integrate Jordan and Georgia into a Common Aviation Area with the EU. Jordan and Georgia will harmonise their legislation with European standards and implement EU aviation rules in areas such as aviation safety, security, environment, consumer protection, air traffic management, competition issues and social aspects. Negotiations on a Common Aviation Area agreement with *Lebanon* and *Ukraine* advanced slowly and need to be accelerated, particularly in view of the importance of safety aspects in *Ukraine*. Most countries continued to implement a policy of gradual introduction of EU standards. However, the civil aviation administrations (in particular in relation to safety oversight) and the performance of carriers need to be strengthened.

In the road sector, a number of countries made substantial progress regarding the introduction of the digital tachograph under the UN-ECE AETR agreement on driving times and rest periods.

Reform of the rail sector is ongoing. In some countries (*Egypt*) very comprehensive railway restructuring plans made good progress, while in other countries (*Jordan, the Republic of Moldova or Armenia*) rail policy concentrated on the upgrading or construction of new railway infrastructure.

Partner countries paid particular attention to maritime safety standards. However, certain partners need to step up their efforts to implement these standards, especially *Georgia* and *the Republic of Moldova*, which are still considered a high risk flag and remain on the black list of the Paris Memorandum of Understanding on port state control. *Egypt, Lebanon* and *Ukraine* also remained on the black list.

A number of important initiatives to promote regional transport cooperation continued. The Euro-Mediterranean Transport Working Groups met regularly and agreed on further steps to implement both the regulatory reform and related actions of the Regional Transport Action Plan for the Mediterranean for the period 2007-2013 in respect of transport network planning (RTAP). EC-funded technical support is ongoing and multi-faceted. As part of the SAFEMED II project to develop Euro-Mediterranean co-operation in the field of maritime safety and security, in late 2010 a number of countries indicated their willingness to share their AIS (Automatic identification systems) data with the rest of the Safemed project beneficiary countries through the use of the already established EC/EMSA MED AIS Regional Server located in Rome, Italy. Furthermore, in the framework of the Motorways of the Sea-MEDAMOS project, work has started on the development of a roadmap for a Motorway of the Seas network in the Mediterranean, which also connects to the Trans European Transport network (TEN-T). A short list of priority projects drawn up by the Euro-Mediterranean Transport Infrastructure Working group has received practical technical assistance in 2010 with a view to their realization. These projects lie at the basis of the implementation of the missing infrastructure links of the Trans Mediterranean Transport network (TMN-T). Under the Euro-Mediterranean Aviation Project, plans have been developed to create a cell within the EASA which is fully devoted to cooperation with the Mediterranean Partners during the period 2011-2013. This will favour the harmonisation of the standards and procedures of air safety between the European Union and the Mediterranean Partners. Regional cooperation with Eastern partners has continued to make progress in the Eastern Partnership and TRACECA framework. Regarding the Eastern Partnership, transport cooperation was launched in May 2010 under 'Platform 2 on Economic Integration and Convergence with EU Policies'. Transport cooperation will focus in particular on road safety. The TRACECA Coordinating project has used a participatory methodology that was developed to identify the list of TRACECA infrastructure priority projects which were presented at the first TRACECA Investment Forum, held on 12 October 2010 in Brussels. Most of the projects presented, for instance the "Road/Armenian project "North-South Corridor" and Road/Georgia Zestaponi-Samtredia Motorway Widening, will be financed through EIB loans and grant schemes. As a follow-up to this exercise, several projects were earmarked to receive practical technical assistance. The foundations have been laid to develop a regional maritime safety and security strategy in the Black Sea and Caspian Sea. Also, in order to enhance maritime trade and port operations and establish Motorways of the Sea for the Black Sea and the Caspian Sea, a number of pilot projects have been developed, with the close involvement of both the public and private sectors.

The EU and the ENP partners enhanced **energy** dialogue and cooperation. The ENP partners took some steps towards reform, increasingly aimed at achieving a measure of approximation with EU rules and enhanced efforts on energy efficiency and renewable energy.

Bilateral energy dialogue and cooperation continued, particularly in the energy subcommittees and in the context of ENPI energy projects. The first ever meetings of the energy subcommittees were held, in October 2010, with *Armenia* and *Georgia*. In October 2010, the Commission and *Egypt* held an energy dialogue under the EU-Egypt Memorandum of Understanding (MoU) on a strategic partnership. In November 2010, the Georgian Prime Minister and the Energy Commissioner co-chaired a Georgia energy investment conference in Brussels. Also in November 2010, the EU-Ukraine Summit endorsed the fifth progress report on the implementation of the EU-Ukraine Memorandum of Understanding (MoU) on Energy cooperation. In October 2010, the European Commission and *Belarus* held an energy dialogue. Negotiations on an Energy MoU with *Algeria* have not yet been concluded. The energy dialogue with *Libya* continued in the context of the EU-Libya framework agreement negotiations.

At regional/multilateral level, the EU and the Eastern partners consolidated cooperation under the Eastern Partnership (EaP). A second series of EaP Energy Security Platform meetings were held in May and October 2010, focusing on security of supply, oil supply and energy efficiency. In addition, in July 2010 an EaP workshop on electricity interconnection was held. The EU and the Eastern partners continued their cooperation, including in the context of the ‘Baku initiative’ for EU-Black Sea/Caspian energy cooperation. The areas of (project) cooperation remained market integration, regulatory convergence, networks, energy efficiency and renewable energy.

The EU and the Mediterranean ENP partners made progress in the context of the Euro-Mediterranean energy cooperation. Partners took steps, with EU support, towards the future realisation of the Mediterranean Solar Plan and the Euro-Mediterranean gas and electricity rings. Projects aimed at the integration of the Maghreb (concluded in 2010) and Mashrek energy markets, regulation, energy statistics, energy efficiency and renewable energy also continued. In June 2010, *Algeria, Morocco and Tunisia* adopted an action plan for the period 2010-2015, confirming their intention to establish a Maghreb electricity market as a preparation for gradual integration with the EU energy market. As reiterated during the dialogue with the parties, the European Commission remains committed to re-activating the trilateral energy cooperation with Israel and the Palestinian Authority, which has stalled due to the regional conflict. The aim remains to establish a joint energy office and to facilitate the development of projects of common interest, such as the joint “Solar for Peace” initiative.

ENP partners adopted new energy strategies (*Belarus, Lebanon*), implemented existing strategies, continued preparing new policies (*Egypt, Israel*) or announced plans to update policies (*Jordan, the Republic of Moldova*). Partners continued their efforts to enhance the (future) use of domestic energy resources such as hydrocarbons (*Azerbaijan, Israel, Jordan and Tunisia*), renewable energy sources, uranium (*Armenia, Egypt and Jordan*) and oil shale (*Armenia, Egypt, Jordan and Morocco*). In April 2010, *Egypt, Jordan, Morocco, Syria, Turkey* and energy companies (including from the EU) signed a declaration on the establishment of an oil shale cooperation centre. The EU supported this process.

In 2010, several ENP partners continued their preparations towards a degree of approximation with the internal energy market. In May 2010 *the Republic of Moldova* became a member of the Energy Community, following the entry into force of the new electricity and gas laws. In December 2010, *Ukraine* ratified the Energy Community Treaty and became a member in February 2011. In July 2010 *Ukraine* adopted a new gas law which the EU considers to be a sound basis for starting to align with the EU and Energy Community rules. In May 2010, *Armenia* applied to become an observer of this Community. *Georgia*, which is currently an

observer under the Energy Community, looked into the possibility of membership. In February 2010, the *occupied Palestinian territory* established the electricity regulatory council.

ENP partners continued to develop, construct and refurbish energy infrastructure, including power plants (to deal with growing demand) and energy networks. The main gas and oil export pipelines of Baku-Tbilisi-Erzurum (Turkey) and Baku-Tbilisi-Ceyhan (Turkey) also brought Caspian resources to the EU in 2010. In June 2010, *Azerbaijan* and Turkey agreed on gas pricing and transit through Turkey. This is a major step in the development of the Azerbaijani Shah-Deniz-II gas field and the strategic Southern Gas Corridor. The EU-European Investment Bank-World Bank study for a Caspian Development Corporation was pursued with the central purpose of aggregating gas demand in support of the Corridor's development. In September 2010, the Heads of State of *Azerbaijan*, *Georgia* and Romania, as well as the Hungarian Prime Minister, endorsed the AGRI project (Azerbaijan-Georgia-Romania Interconnection). The aim of the project is to export liquefied natural gas from Azerbaijan, via a Georgian Black Sea terminal, to Romania and beyond. *Azerbaijan*, *Georgia*, Lithuania, Poland and *Ukraine* continued working towards a Euro-Asian Oil Transportation Corridor. *Azerbaijani*, *Georgian* and Bulgarian companies further studied the possibilities of developing compressed natural gas supply to the EU across the Black Sea from the Georgian coast.

Following up the joint 2009 EU-*Ukraine* conference on the modernisation of the Ukrainian gas transit system, the EU agreed to support a feasibility study and an environmental and social impact study on the modernisation of the Ukrainian gas networks and underground gas storage facilities. In September 2010 the EU, the European Investment Bank, the EBRD and the World Bank agreed to consider the reconstruction of sections of the Urengoy-Pomary-Uzhgorod gas pipeline as a 'fast track' project. *Tunisia* continued to implement the project to double the capacity of the gas interconnection with Italy. *Algeria* continued the construction of the "Medgaz" interconnection with Spain and the preparations for the "GALSI" interconnection with Italy.

Regarding electricity, *Ukraine* and the *Republic of Moldova* continued with preparations to join the interconnected electricity networks of continental Europe in the future. Financing for a technical study is being identified. *Belarus* explored with Lithuania and Poland the possibilities for electricity interconnections. *Armenia* and *Georgia*, as well as *Armenia* and *Iran*, made progress on new electricity interconnections. *Azerbaijan*, *Georgia* and Turkey continued to work towards the Black Sea Electricity Transmission Line. *The Republic of Moldova* further prepared electricity interconnections with Romania. *Morocco* launched the construction of a third electricity connection with Spain. *The occupied Palestinian territory* and *Jordan* continued studying an additional electricity interconnection. *Tunisia* continued work on an electricity interconnection with Italy.

ENP partners made further efforts to promote and use renewable energy sources and to increase energy efficiency. Strategies and laws in these areas were launched or are in preparation (*Algeria*, *Armenia*, *Egypt*, *Israel*, *Jordan*, *the Republic of Moldova*, *Morocco* and *Ukraine*) and institutions were established or strengthened (*Azerbaijan*, *Lebanon* and *Morocco*). ENP partners further prepared and commissioned solar and wind power plant projects. In October 2010, *Georgia (Tbilisi)* hosted a major conference of the EU-supported Covenant of Mayors, aiming at promoting energy efficiency and the use of renewables at local level.

Armenia and *Ukraine* continued the safety upgrading of their nuclear power plants and strengthened the nuclear regulatory authorities. *Armenia* and Russia agreed to construct, expectedly in the period 2012-201/18 a new nuclear power plant. *Armenia* continued to prepare a decommissioning strategy for the Medzamor Nuclear Power Plant, as well as a nuclear fuel/radioactive waste strategy. In 2010, *Ukraine*, the European Commission and the International Atomic Energy Agency (IAEA) completed their joint evaluation of the nuclear safety of the country's nuclear power plants. The evaluation concluded that there was full compliance with most of the IAEA's standards. *Ukraine* is making progress in addressing the cases of non-full compliances. *Ukraine* took further steps to restore the Chernobyl site to an environmentally safe condition. *Belarus*, *Egypt* and *Jordan* further prepared their plans to construct a nuclear power plant. *Jordan* launched the construction of a nuclear research reactor.

In the field of **climate change**, some partners (*Armenia*, *Egypt*, *Israel* and *Morocco*) submitted national communications to the UN Framework Convention on Climate Change, including greenhouse gas inventories, vulnerability assessments and mitigation and adaptation measures. *The Republic of Moldova* completed a first draft National Low Emission Development Strategy and a draft National Climate Change Adaptation Strategy. *Israel* launched a pilot project for a voluntary greenhouse gas registry. *Georgia* organised a second Climate Week to raise awareness among stakeholders. In the oPt, the Council of Ministers approved the establishment of a National Committee on Climate Change.

The majority of partner countries continued to prepare investment projects to promote the use of the Joint Implementation and Clean Development Mechanism under the Kyoto Protocol. Some new projects in *Egypt*, *Israel*, *Jordan* and *Ukraine* were registered at UN level, but the vast majority of projects have still not yet been formally registered. In the reporting period, international discussions and negotiations on a post-2012 climate change regime continued. The EU remains fully committed to the UN negotiating process with a view to concluding a robust and effective legally binding international agreement. All partner countries are encouraged to fully implement the Cancun agreement and in particular devise a low carbon development strategy including update information on target or actions that they will implement.

Overall, there was only modest progress in the field of **environment**. *Egypt* and *the Republic of Moldova* took some steps to strengthen environmental administration. Enhanced administrative and implementation capacity, as well as enhanced resources, are still required in partner countries, including cooperation and co-ordination between the different authorities. *Ukraine* adopted a National Environment Strategy until 2020. In the oPt, the Environmental Quality Authority developed an Environment Sector Strategy for 2011-2013. Several partner countries took steps to prepare (*Georgia*) or review and implement (*Jordan*) their overall environment strategies and action plans. Some partner countries continued to prepare (*Armenia*, *Georgia*, *Morocco* and *the Republic of Moldova*) or review (*Jordan*) environmental framework legislation. As regards issue-specific legislation and implementing legislation, *Israel* adopted new legislation on the packaging of waste, *Jordan* approved new instructions on environmental audit and *Tunisia* adopted a Decree setting emission limit values for air pollution from fixed sources. *Algeria* is preparing new legislation on air quality and environmental liability. Implementation and enforcement of environmental legislation continues to require attention. *Azerbaijan* established the State Commission for Integrated Water Management and also strengthened environmental authorities. *Egypt* took some steps to enhance administrative capacities with regard to integrated coastal zone management and marine pollution. As regards sector-specific strategies, programmes and plans, *Egypt* designed

a waste management master plan for Cairo as a model for the rest of the country. *Azerbaijan* submitted a National Implementation Plan for 2007–2020 under the Stockholm Convention on Persistent Organic Pollutants (POPs), and *Armenia* established inventories of landfills, obsolete pesticides and PCBs. *Lebanon* began to prepare a National Water Strategy. *Morocco* launched a programme for the protection of biodiversity and published a new strategy for the management of water resources. In *oPt*, the Council of Ministers approved a Water and Wastewater Strategy for 2011-2013.

Overall, partner countries took limited steps to integrate environment considerations into other policy sectors. Most partners still need to complete or strengthen procedures for EIA, in particular with regard to public participation. State-of-the-environment reports were prepared or published in *Georgia* and *Israel*. *Morocco* started work on drawing up regional reports on the state of the environment in five out of sixteen regions. In most partner countries, further attention is required with regard to access to information and public participation.

In January 2011, *Armenia* ratified the Protocol on Strategic Environmental Assessments to the UNECE Convention on Environmental Impact Assessment in a Trans-boundary Context. Overall progress remained limited in terms of ratifying and signing international and regional environment conventions and protocols. Furthermore, implementation of the many already ratified agreements remains a challenge in most cases. Partner countries participated actively in various regional initiatives, such as the Horizon 2020 Initiative and the Eastern Partnership Flagship Initiatives. Partner countries also continued to participate in activities under the EU Water Initiative, including national policy dialogues in some countries. REC *Caucasus* and REC *Moldova* continued to play an important role in enhancing stakeholder participation and networking in the area of the environment. The European Commission held a further technical environment meeting with *Belarus* in October 2010. Environment sub-committees with *Armenia* and *Georgia* met for the first time. Construction and upgrading of environment related infrastructure continued, including with the support of EU financing instruments such as the Neighbourhood Investment Facility (NIF), EU Member States and International Financial Institutions. Many partners showed a continued interest in EU experiences, and are increasingly ready to converge with key elements of the EU's environment directives.

In the field of **civil protection**, the Community Civil Protection Mechanism was mobilised in December 2010 to assist *Israel* to combat forest fires. Discussions with *the Republic of Moldova* on an administrative arrangement are underway. Partner countries continued to participate in the Eastern Partnership flagship initiative and the Euro-Mediterranean Programme on preparedness of and response to man-made and natural disasters.

Reforms in the **Information Society** field are well advanced in most ENP countries, and some are progressing towards the establishment of truly independent telecoms regulators. However, in many cases the political situation does not yet allow the introduction of key institutional safeguards supporting genuine independence (such as budget autonomy, separation of regulatory and commercial activities, transparent criteria for the appointment and dismissal of the board members, etc). Except for *Azerbaijan*, *Belarus*, *Israel*, and the *occupied Palestinian territory*, partner countries have established independent regulatory authorities. *Syria* recently established a regulator. There is a need to continue to strengthen administrative capacity or the independence of the regulator in many countries, in particular in *Algeria*, *Armenia*, *Egypt*, *Lebanon* and *Ukraine*. Overall, those countries which have opened the telecoms markets the most (in relative terms), such as *Israel*, *Jordan* and *Morocco*, have clearly benefited and are the countries where the share weight of the ICT sector on the GDP is the highest in the region (14% in *Jordan*, 12.5% in *Morocco*).

At regional/multilateral level, the Mediterranean partners continued to be involved in the second phase of EUMEDCONNECT (whose high-capacity IP-based data-communications network serves the research and education communities in seven countries across the southern Mediterranean) and the activities supported by the Euro-Mediterranean Group of European Regulators (EMERG). For example, in May 2010 a high level workshop on the establishment of "Independent Regulatory Authorities" took place in Beirut (Lebanon). Under the Eastern Partnership (EaP), a similar workshop took place for Eastern regulators in the field of electronic communications in Vienna in October 2010. A first informal network of regulators of the EaP was established, enabling the development of further contacts with a view to providing expertise and sharing of best practice in the field of telecoms regulation. In September 2010 the "High-Performance Computing Infrastructure for South East Europe's Research Communities" (HP-SEE) project was launched, thereby complementing the linking of the research and education communities around the Black Sea with a computation infrastructure. This brings the Black Sea community to a level similar to that of their European partners. The Black Sea Interconnection (BSI) project was concluded in 2010 and HP-SEE is continuing and enhancing its services. BSI has served as a role model for the Central Asian CAREN initiative.

Partner countries made limited progress in the **audiovisual** sector. While many Mediterranean partners still need to set up agencies or strengthen their administrative capacities, media freedom actually seems to be deteriorating in some Eastern partner countries, notably *Ukraine*.

Regarding **research and innovation**, ENP partner countries were very interested in increasing their participation in the 7th Research Framework Programme (FP7) and strengthened their national contact points as well as their research system. Countries that had paid particular attention to building a strong national contact points network, such as *Egypt*, *Morocco*, *Ukraine* and *Tunisia*, reaped the benefits in the form of increased success under the FP7. The participation of several countries (*Algeria*, *Armenia* and *Lebanon*) remained below their potential. In 2010, first negotiations started with *the Republic of Moldova* on FP7 association. *The Republic of Moldova* adopted a comprehensive action plan with a view to preparing its possible association with the FP7. *Israel*, the only ENP country already fully associated with the FP7, continued to perform at a high level. A Science and Technology Agreement between the EU and *Algeria* is currently in preparation. *Egypt* and *Syria* strengthened their cooperation with the Enterprise Europe Network. *Tunisia* joined this network and *Morocco* submitted an application to join it.

At regional/multilateral level, a second call for proposals, ERA-WIDE, was issued for all ENP countries in July 2010, with a deadline for submission of March 2011. The call aims to develop the research strategy of research centres, and to increase cooperation capacity and networking with EU Member States and FP7 associated countries. Participation in ERA-WIDE should improve the quality of research activities and/or promising research centres under all FP7 thematic priorities. In January 2010, *Egypt* hosted the 'Euromed Innovation Marketplace' in Cairo, in the framework of the Union for the Mediterranean,. This event provided a platform for researchers, scientists, business people, inventors and policy makers from Mediterranean and EU countries to meet, network and further develop projects, business ideas and partnerships.

Eastern partner countries continued to play an active part in the International S&T Cooperation Network for Eastern European and Central Asian countries (FP7 IncoNet EECA project). The network aims to support a bi-regional EU-EECA policy dialogue on science and

technology and to increase EECA participation in FP7. Some countries also played an active part in the Black Sea ERA-NET project, which aims to contribute to the coordination of national research programmes (from EU Member States and partner countries) targeting the extended Black Sea region. A first call for proposals was launched in 2010, which aims to promote collaborative research for innovative solutions concerning sustainable development and focusing on energy, climate change and environmental research.

6. HUMAN CAPITAL AND PUBLIC HEALTH

Education and training

Higher Education

Most ENP partners adopted medium-term strategic approaches for higher education development for the period up to 2015, including governance reforms and changes to the legal and budgetary expenditure frameworks. As in 2009, the Bologna Process continued to act as the main policy reference framework for higher education reform in all partner countries¹. ENP partners advanced on quality assurance and on the adaptation of higher education provision to the three-cycle structure. Reference to and use of the European Credit Transfer System (ECTS) increased for the purposes of academic credit transfer, as well as mutual recognition of degrees. In conjunction with the above, Bologna Process Diploma Supplements were introduced in *Ukraine* and continued to be applied in *Georgia, the Republic of Moldova* and *Tunisia*. Other ENP partners are encouraged to adopt the former or similar national measures to provide greater transparency of higher education qualifications. The introduction of quality assurance mechanisms, ensuring equal and transparent access to higher education and the development of university autonomy remain key policy goals. Strengthening partnerships with enterprises and industry remains critical in order to ensure the relevance of taught programmes and to enhance the employment prospects of higher education graduates. In March, *Egypt, Israel, Jordan, Morocco* and *Tunisia* participated in the second meeting of the Bologna Policy Forum in Vienna, focusing on mobility issues and how best to promote “brain circulation” through international cooperation. The Vienna Ministerial Conference also officially launched the European Higher Education Area as envisaged under the 1999 Bologna Declaration.

A total of 89 students from ENP partner countries were awarded Erasmus Mundus Masters Course scholarships under Action 1 of Erasmus Mundus in 2010, and two doctoral candidates received fellowships to take part in Erasmus Mundus Joint doctorates (Action 1). Since 2009, it has been possible for higher education institutions from ENP and other third countries to be involved in Erasmus Mundus Master Courses and Erasmus Mundus Joint Doctorates as full

¹ Only Ukraine, Moldova, Georgia, Armenia and Azerbaijan are formal signatories to the Bologna Declaration. The Bologna Declaration of June 1999, signed by 29 European Ministers of Higher Education, foresees the establishment of a European Higher Education Area by 2010. The Bologna Process aims to put in motion the reforms necessary for its creation, namely: the introduction of a three-cycle system (bachelor/master/doctorate), quality assurance and mobility and recognition of qualifications and periods of study. Armenia, Azerbaijan, Georgia, the Republic of Moldova and Ukraine joined the Bologna Process at the Bergen Conference in May 2005. Southern ENP partners adopted a declaration calling for the establishment of a Euro-Mediterranean Higher Education Area at the First Euro-Mediterranean Ministerial Conference on Higher Education and Scientific Research in Cairo in June 2007.

partners from the outset. ENP universities and higher education institutions are encouraged to use this opportunity to strengthen the link with their EU counterparts.

In addition, student and academic mobility is forecasted to receive an additional boost in the academic year 2010-11 under the Action 2 (Partnerships). Total realised mobility flows between ENP partner countries and the EU came to 1 138 for the academic year 2009-10 including 913 students and academics from ENP partner countries.

Under Action 1, it is now possible for higher education institutions from ENP and other third countries to be involved in Erasmus Mundus Master Courses (EMMC) and Erasmus Mundus Joint Doctorates (EMJD) as full partners from the outset. ENP universities and higher education institutions are encouraged to use this opportunity to strengthen links with their EU counterparts.

In 2010, 52 university graduates from ENP countries benefitted from master's scholarships to study at the College of Europe (Bruges and Natolin). In addition, 48 graduate students from ENP countries and the Russian Federation received scholarships to follow a master's degree in European Integration Studies in European universities for the academic years 2010-11 and 2011-12 under a special pilot project.

There was a significant increase in participation from ENP partner countries in the Jean Monnet Programme in 2010. For the first time ever, one Jean Monnet teaching module each was selected from universities in *Armenia, Azerbaijan and Egypt*, while one module and a conference were selected from the *occupied Palestinian territory*. One new conference and teaching module was selected in *the Republic of Moldova and Morocco* respectively, while a conference and two new Chairs were selected in *Ukraine*. ENP partner universities are encouraged to continue submitting high quality applications under the Jean Monnet programme in order to improve understanding of European integration and wider relations with the European Union, as well as to promote academic research, teaching and free and open debate on issues of mutual interest.

In the context of the Eastern Partnership, Jean Monnet seminars were held in *Ukraine* in October and in Brussels in December 2010. In the same context, an exploratory round table to present the eTwinning programme for schools, its cooperation opportunities and technical requirements took place in *the Republic of Moldova* in October, to discuss the potential partial opening of the programme to Eastern Partnership countries.

Tempus continued supporting higher education reform across all partner countries by promoting voluntary convergence with developments in the EU. A third Call for Proposals for Tempus IV was launched, eliciting a strong response from all ENP partner countries with a particular interest in multi-country and inter-regional projects (ENP and the Russian Federation) under the broad themes of curricular and governance reform and higher education and society. A total of 34 projects from ENP countries were selected under the Call, with a further eight projects for the Russian Federation. Tempus issued three policy-relevant publications in 2010: a review of university governance, the state of play of the Bologna Process in all Tempus countries for 2009-10, and a specific report on the same for the countries of the Southern Mediterranean. In addition, overviews of the higher education systems in the different Tempus partner countries were published on the Tempus website providing interesting insight of the national systems. Furthermore, the Commission took preparatory measures to facilitate *Libya's* full participation in the programme as from the fourth Call for Proposals (2011), including the establishment of a National Tempus Office.

The work of the Higher Education Reform Experts (HERE) continued, including a specific regional training seminar on quality assurance for the Southern Caucasus in *Georgia* in November 2010. Two general experts meetings as part of the Bologna Process training seminars were held, in Tallinn in June 2010, on recognition of studies and in Cyprus, in November 2010, on the social dimension of higher education. Moreover, a regional seminar on university governance involving experts from Eastern European countries (including Russia) took place in Kyiv in April 2010.

As in 2009, ENP partners are encouraged to refer to the European Standards and Guidelines for Quality Assurance in Higher Education (ESG) and, where applicable, to join the European Quality Assurance Register (EQUAR). In pursuing the internationalisation of higher education, greater attention should be paid to the professional development of academic and administrative staff, as well as to promoting the active involvement of students in decision-making processes, particularly in the areas of mobility and changes to curricular content.

Vocational Education and Training

The reform of vocational education and training (VET) made advances in most partner countries, with the implementation of the initial phases of national reform strategies, including adoption of changes to the legal framework and governance structures. The direction of reform is predicated on the gradual introduction of competence-based training standards in a lifelong learning perspective, as well as cumulative investments in infrastructure, curricular development and teacher training. Coordination between involved ministries, state agencies and donors in all partner countries remains a critical factor influencing the overall dynamics and quality of agreed reform initiatives. Partner countries continue to face particular challenges in providing initial and continuing training adapted to labour market and future skill needs. Participative approaches and social dialogue on VET as well as vocational training quality are equally important items on the reform agenda. The development of entrepreneurial training and apprenticeships with industry support is not yet fully embedded into reform-thinking in partner countries and requires further investment. Equity and access to vocational education and training, particularly for women and in rural areas, are also pressing concerns.

As in 2009, work continued apace on the design of agreed national qualification frameworks aligned or modelled on the European Qualifications Framework (EQF) with the support of the European Training Foundation (ETF). The latter began implementing a regional qualifications project in the construction and tourism sectors involving *Egypt, Jordan, Morocco* and *Tunisia*, while continuing a cross-regional project on entrepreneurship as a key competence in professionally oriented higher education, in line with the Euro Mediterranean Enterprise Charter involving all ENP Mediterranean partners and pre-accession countries. A regional conference on social partnership took place in this context. Support was provided for the skills development basket of the Mobility Partnerships with *the Republic of Moldova*. ETF completed the dissemination of the MEDA ETE (Education and Training for Employment) project in December providing practical examples and results of measures to maximize youth employment in the areas of entrepreneurship and e-learning for the information of decision-makers in all ENP Mediterranean partners and Turkey.

In the context of the work of the Eastern Partnership, the Black Sea Labour Market Reviews were discussed at a regional conference on 'Labour Markets and Employability of Human Capital' in Ukraine in October. This regional report is based on country studies of which the reports on *Azerbaijan* and *Belarus* were published in 2010.

The Torino Process (a participatory review of progress in vocational education and training policy in ENP partner countries, the Russian Federation, Western Balkans, Turkey and Central Asia) completed its first year of evidence-based policy work and analysis in cooperation with national Ministries and interested stakeholders in thirteen partner countries. The draft national reports and the parallel Business and Education Studies were discussed in national seminars with ENP partners to corroborate their findings and identify future medium-term policy priorities and challenges. Algeria did not yet confirm interest in participating in the process.

Youth

All partner countries continued to promote **youth** exchanges and informal education as a means of enhancing understanding and intercultural dialogue, as well as ensuring better social integration of young people. Medium term national youth strategies and approaches were adopted in *Egypt*, *Morocco* and the *occupied Palestinian territory*. As was the case in 2009, the formulation and development of coherent national youth policies remained weak in all ENP partner countries, with actions between concerned state agencies often being uncoordinated. The integration of youth needs into wider reform plans in health, social welfare, justice and employment remained a critical issue. The full relevance and cost-effectiveness of investment in youth work in terms of tackling drug addiction, addressing social exclusion and facilitating young peoples' integration into working life needs to be underlined.

Levels of participation registered for actions under Youth in Action increased in all partner countries compared to 2009. The programme supports youth exchanges, voluntary service and youth cooperation activities in non-formal education. All ENP partners concerned confirmed their participation in the Euro Mediterranean Youth IV programme, which was launched in 2010. It promotes intercultural dialogue by stimulating and encouraging mutual comprehension between young people in the Euro-Mediterranean region, combating stereotypes and prejudices, and enhancing the sense of youth solidarity through the promotion of active citizenship.

Culture

By the end of 2010, all partner countries except *Israel*, *Lebanon* and *Morocco* had ratified the 2005 UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions. Signature of the Convention is essential for the further development of cultural cooperation, as it is now part of the Union's legal order.

In 2010, a specific programme for strengthening regional capacities for cooperation in the cultural sector was launched under the Eastern Partnership. The aim of the Eastern Partnership Culture Programme is to support the role of culture in the region's sustainable development and to promote capacity building and regional cooperation between public and non-profit based civil society organisations in the region and with the EU. In addition, Eastern partners participated for the first time in an enlarged meeting of the National Cultural Contact Points in March under the Culture Programme.

In order to complement the Kyiv Initiative and to further enhance policy dialogue on culture, *Armenia*, *Azerbaijan*, *Georgia*, *the Republic of Moldova* and *Ukraine* should expedite, where applicable, the signature and ratification of the 2000 European Landscape Convention and the

2005 Council of Europe Framework Convention on the Value of Cultural Heritage for Society.

In 2010, a Special Action for ENP countries which have ratified the 2005 UNESCO Convention - *Armenia, Azerbaijan, Belarus, Egypt, Georgia, Jordan, the Republic of Moldova, occupied Palestinian territory, Tunisia and Ukraine* – was launched under Strand 1.3 (Cooperation Projects with Third Countries) of the Culture Programme. A total of 170 applications were submitted by cultural organisations from the eligible ENP countries. Sixteen projects were selected involving 24 ENP partner organisations. The themes covered cultural heritage; visual arts; performing arts; literature, books and reading; architecture, design and the applied arts, multi-media and new technologies and interdisciplinary activities.

In October 2010, the Commission published a report ‘Towards a Strategy for Culture in the Mediterranean Region’. This serves as a basis for the elaboration of a Euro Mediterranean Strategy for Culture, a process which was launched at the 2008 culture ministerial. In the report, external experts made proposals on how to design a future strategy sensitively and efficiently in areas such as cultural policy, access to culture, regional collaboration and intercultural dialogue.

Implementation of the twelve 2009 projects under the Euro-Med Heritage IV programme began during the reporting period. The projects include the preservation of written heritage, the promotion of intangible cultural heritage, youth outreach and engagement in culture, and the management of water heritage. The first Conference on Cultural Policies in the Arab region took place in *Lebanon* in June 2010, providing an opportunity for dialogue between ministries and cultural operators on how best to advance cultural cooperation within wider socio-economic development.

The Anna Lindh Euro-Mediterranean Foundation continued to implement the ‘Restore Trust, Rebuild Bridges’ Initiative in cooperation with the Alliance of Civilizations, as a means to promote conciliation, dialogue and confidence-building between peoples in the Middle East. The Foundation also continued implementing a special programme on Arab Children’s Literature² as part of its triennial Action Plan. The first Anna Lindh Report on Euro-Mediterranean Intercultural Trends and Mutual Perception was published in April 2010, providing a scientific analysis of the status of intercultural trends among the peoples of the region, with recommendations for policy makers, civil society organisations and opinion leaders for the positive advancement of exchanges in the region.

Public health

ENP partners sustained **health** sector reform, generally on the basis of existing strategies. In 2010 *the occupied Palestinian territory* adopted a new health strategy covering 2011-2013. *The Republic of Moldova* adopted a primary health care strategy for 2010-2013. The ongoing health sector challenges of ENP partners are still communicable and non-communicable diseases, the improvement of primary health care, greater efficiency in the sector, financial sustainability and better access to health services, in particular for the most vulnerable. In 2010 the European Commission, with reference to last year’s Influenza A (H1N1) epidemic,

² The “Arab Children Literature Programme” is a regional programme launched in 2006 with the support of Swedish Aid (SIDA) which seeks to strengthen the intellectual, social and emotional development of children in the Arab region through developing childrens’ literature and promoting reading for pleasure. It is implemented in five focus countries Egypt, Jordan, Lebanon, the occupied Palestinian territory and Syria.

proposed to additional ENP partners to establish communication channels for the exchange of epidemiological information in the event of public health emergencies of international concern. In 2010, such channels were established with *Armenia, Azerbaijan, Belarus, Georgia, the occupied Palestinian territory and Ukraine*. The European Commission invited ENP countries to the high level EU global health conference, which was held in June 2010 in Brussels.

The EU continued, in its health dialogue with partners, to promote the implementation of key international health agreements, namely the International Health Regulations and the Framework Convention on Tobacco Control (FCTC). In June 2010, *Tunisia* ratified the FCTC. The fight against HIV/AIDS and tuberculosis remained a challenge in the Eastern neighbourhood. Also in 2010, the European Commission invited *Belarus, the Republic of Moldova and Ukraine* to its HIV/AIDS Think Tank. In 2010, *Georgia* adopted a strategic plan on combating HIV/AIDS covering the period 2011-2016.

The EU and the Mediterranean ENP partners maintained cooperation in the EpiSouth Network for Communicable Diseases Control in Southern Europe and the Mediterranean. In 2010, the launch of the second phase of the EpiSouth project was prepared. The EU, the ENP partners, the European Centre for Disease Prevention and Control (ECDC) and the World Health Organisation (WHO) maintained their contacts on health policy issues, in particular through the HIV/AIDS Think Tank and the EpiSouth project. In 2010, *Israel* started to explore possibilities for enhanced interaction with ECDC. The ECDC provided assistance to *Syria* in the context of an ongoing EU supported health project.

7. CROSS-BORDER COOPERATION

In the area of **Cross-Border Cooperation (CBC)**, thirteen of the planned fifteen programmes under the ENPI are being implemented. After a slow start the programmes are gaining momentum. They have launched their first (and in some cases their second) call for proposals and finalised the selection of the projects. In addition to nearly EUR 1 billion of Community funding (from both Heading 4 and the European Regional Development Fund), a number of Member States (Estonia, Finland and Sweden) and the Russian Federation decided to co-fund the programmes with an additional EUR 150 million. For the Russian Federation, the CBC is the main financial instrument for cooperation with the EU.

Two CBC programmes (Spain-Morocco and the CBC Atlantic Programme) were not submitted by the deadline of 30 June 2010. They were therefore cancelled and their funds have been re-allocated. The contribution from the European Regional Development Fund has to those programmes been returned to Spain to support external cross border co-operation within the framework of the cohesion policy. The Mid-Term Review of the ENPI CBC Strategy Paper was conducted in 2010 and the new Indicative Programme 2011-13 is being finalised with a view to its adoption by the European Commission in 2011.

8. OPERATIONAL ASPECTS

During 2010, **TAIEX**³ continued to provide valuable support in assisting the transition and reform processes. ENP partners availed of its advice and technical assistance to support convergence with European practices and standards across a wide range of policies. The

3

TAIEX provides short-term technical assistance and advice on convergence with EU legislation, best practices and standards and on related administrative capacity needs, technical training and peer assistance, as well as a data base and information network that facilitates the monitoring of approximation measures, see also : <http://taix.ec.europa.eu>

European Commission ensured that TAIEX events were consistent with the country-specific sector policy dialogue. The table and charts in the annex reflect the extent to which ENP partner countries used this instrument in the period up to 31 December 2010. The European Commission also included them in multi-country TAIEX events on topics of common interest.

ENP partners continued to benefit from the **twinning**⁴ instrument under the European Neighbourhood and Partnership Instrument. In 2010 the long-term twinning of experienced EU Member State officials with their peers in an ENP partner country continued to contribute to reforms and to the transfer of EU regulatory and institutional experience.

By the end of 2010, 151 twinning covenants had been established or are being implemented, whilst 128 covenants were still being prepared or were under negotiation with 12 ENP partner countries. These 279 twinning projects are broadly spread among ENP partner countries and across a wide range of sector policies (see annex).

In 2010, **SIGMA** continued to work with *Armenia, Azerbaijan, Georgia, Egypt, Jordan, the Republic of Moldova, Morocco, Tunisia and Ukraine*, while extending its reach to *Lebanon*. It supports governance and public administration reforms in areas such as administrative law and administrative justice, public expenditure management, internal and external audit, public procurement, civil service reform and regulatory management. As a joint initiative of the OECD and the European Union, SIGMA assisted the national reform teams of ENP partners by providing ‘peer practitioner’ expertise, consisting of either OECD staff or public servants from within Member State administrations. A total of 54 reform-support activities took place in 10 ENP countries up to the end of 2010, principally in the areas of policy-making, public procurement, financial control and public administration reform (see annex).

In June 2010, the **CIUDAD** programme⁵ (Cooperation in Inter Urban Development and Dialogue) commenced implementation of 21 intra- and inter-regional (East-South) projects promoting cooperation between **local and regional authorities** in capacity building for improved governance in sustainable urban development and planning. The programme also sustains an extensive network of over 170 partners and associates from 27 EU and ENPI countries, as well as thematic groups on energy efficiency, solid waste management and cultural heritage and sustainable tourism.

9. NEIGHBOURHOOD INVESTMENT FACILITY

In 2010 the **Neighbourhood Investment Facility (NIF)** completed its third year of operation. This is a financial instrument providing grant support to lending operations by the EIB, the EBRD, and other European finance institutions in support of projects in the European Neighbourhood region.

The NIF was created to pursue three objectives:

- (1) Establishing better energy and transport infrastructure interconnections between the EU and neighbouring countries and among neighbouring countries themselves;

⁴ http://ec.europa.eu/europeaid/index_en.htm

⁵ <http://www.ciudad-programme.eu>

- (2) Addressing threats to our common environment, including climate change;
- (3) Promoting equitable socio-economic development and job creation through support for small and medium-sized enterprises and the social sector.

In order to accomplish these objectives the NIF makes use of a broad range of measures, embracing co-financing through direct grants, loan guarantees, interest rate subsidies, and technical assistance for project preparation and supervision. In order to maintain consistency with policy objectives, operations are evaluated according to a set of Strategic Orientations and priority criteria. A revised set of Strategic Orientations has been adopted for 2011-2013.

In 2010, € 110 million from the EU budget were allocated as a grant contribution to the NIF, bringing the total EU budget contribution to € 295 million in 2007-10⁶. This was supplemented by a Member State grant funding contribution to the 'NIF Trust Fund', of approximately € 78 million (see Annex for an overview of the Member State pledges).

In its third year of operations, 15 projects were approved (13 projects in 2009 and 15 in 2008). These projects received a total financing of € 121,5 million from the NIF (an increase of 9,8% when compared to € 110,7 million in 2009), and contributed to leverage loans from European Finance Institutions amounting to € 2,54 billion.

By financing these large projects, the NIF supports the reform priorities agreed with ENP partner countries and contributes to the investment necessary to further integrate the EU and its neighbours. The full list of projects approved in 2010 and an overview of the distribution of NIF contributions per country, sector and objective are presented in the Annex.

10. EU PROGRAMMES AND AGENCIES

During 2010, the European Commission made progress with the participation, under certain conditions, of ENP partners in **European Union programmes and agencies**. Participation serves to support the ENP partner countries' efforts to strengthen administrative and regulatory capacities in various policy fields. ENP partners are eligible to participate or to cooperate in a wide range of Union programmes⁷. In terms of participation in Union Programmes, negotiations to enable participation were successfully concluded with *the Republic of Moldova, Morocco and Ukraine*, leading to the signature of the Protocols in September, October and November 2010 respectively. The Protocol that was concluded with Israel in 2008⁸ to enable it to participate in Union programmes is still awaiting the consent of the European Parliament before it can be formally concluded. To date, it remains provisionally applicable.

With regard to participation in the work of **EU agencies**, preliminary technical cooperation on drug monitoring between **EMCDDA** (European Monitoring Centre on Drugs and Drug Addiction) and ENP partners took place in October. Technical cooperation arrangements on aviation safety continued between **EASA** (European Aviation Safety Agency) and *Armenia, Azerbaijan, Georgia, Israel, the Republic of Moldova, Morocco and Ukraine*. Technical

⁶ For the 2007-2013 period, the European Commission has earmarked a total amount of € 700 million for the NIF

⁷ For a full list of these programmes, see "Other relevant Commission Documents" at http://ec.europa.eu/world/enp/documents_en.htm

⁸ Official Journal L129 of 17/05/2008, pp 39-43

contacts also continued between ENP partners and **EFSA** (European Food Safety Agency) and between some partners and **ECDC** (European Centre for Disease Prevention and Control). Technical cooperation arrangements with **FRONTEX** are in force with *Georgia, the Republic of Moldova* and *Ukraine*, while they remain under discussion with *Egypt* and *Morocco*. Formal contacts also exist between **EUROJUST** and *Egypt, Israel, the Republic of Moldova, Morocco* and *Ukraine*, while **EUROPOL** approved the start of negotiations on an operational agreement with *Israel* in October.

Overview of Annexes

- (1) Governance related indicators for ENP partner countries
- (2) Tables of international human rights' conventions binding ENP partner countries
- (3) Main macroeconomic indicators of ENP partner countries
- (4) Tables on trade between the EU and the ENP partner countries
- (5) Tables on committee and programmed amounts under ENPI
- (6) Tables on mobility under Youth In Action, Erasmus Mundus, TEMPUS IV, scholarships in European Integration Studies, scholarships College of Europe
- (7) Tables of TAIEX events with ENP partner countries
- (8) Tables on SIGMA
- (9) Tables on twinning projects with ENP partner countries
- (10) Neighbourhood Investment Facility projects

Governance / Freedom of the Press / Human Rights & Fundamental Freedoms

	GOVERNANCE									FREEDOM OF PRESS									HUMAN RIGHTS & FUNDAMENTAL FREEDOM									
	Transparency International CORRUPTION PERCEPTION INDEX					World Bank REGULATORY QUALITY				Reporters Without Borders WORLDWIDE PRESS FREEDOM INDEX					World Bank VOICE AND ACCOUNTABILITY				Freedom House POLITICAL RIGHTS					Freedom House CIVIL LIBERTIES				
	2006	2007	2008	2009	2010	2006	2007	2008	2009	2006	2007	2008	2009	2010	2006	2007	2008	2009	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010
Nigeria						26,3	28,6	22,2	20,5	40,00	40,50	31,33	49,56	47,33	21,6	20,2	19,7	17,5	6	6	6	6	6	5	5	5	5	5
Armenia	2,9	3	2,9	2,7	2,6	59	60,2	61,8	60,5	25,50	23,63	22,75	31,13	27,50	26,9	30,3	28,8	25,6	5	5	5	6	6	4	4	4	4	4
Azerbaijan	2,4	2,1	1,9	2,3	2,4	34,1	2,1	42,5	43,8	47,00	55,40	53,63	53,50	56,38	14,9	14,9	13,5	13,3	6	6	6	6	6	5	5	5	5	5
Belarus	2,1	2,1	2,0	2,4	2,5	4,3	5,3	6,7	7,1	57,00	63,63	58,33	59,50	57,00	4,3	5,3	6,7	7,1	7	7	7	7	7	6	6	6	6	6
Egypt	2,8	3,4	2,8	2,8	3,1	35,1	3,4	49,03	48,6	46,25	58,00	50,25	51,38	43,33	17,8	11,5	14,4 0	15,2	6	7	6	6	6	5	6	5	5	5
Georgia	2,8	3,4	3,9	4,1	3,8	44,4	58,7	68,80	70	21,00	20,83	31,25	18,83	23,25	44,7	42,3	40,4 0	43,1	3	3	4	4	4	3	3	4	4	4
Israel																												
Jordan	5,9	6,1	6	6,1	6,1	78	82,5	86	81,4	12,00	13,25	8,83	23,75	23,25	70,2	69,7	68,3	67,3	1	1	1	1	1	2	2	2	2	2
Libya	5,3	4,7	5,1	5	4,7	62,9	62,1	62,8	61,4	27,50	40,21	36,00	31,88	37,00	28,8	27,4	26,9	24,6	5	5	5	5	6	4	4	4	5	5
Lebanon	2,7	2,5	2,6	2,5	2,2	8,8	15,5	20,8	17,1	62,50	66,50	61,50	64,50	63,50	1,9	1,9	1,9	2,8	7	7	7	7	7	7	7	7	7	7
Maldives	3,6	3	3	2,5	2,5	51,7	47,6	48,3	50,5	27,00	28,75	14,00	15,42	20,50	31,3	34,1	35,6	35,5	5	4	5	5	5	4	4	4	4	3
Republic of Moldova																												
Morocco	3,2	2,8	2,9	3,3	2,9	41,5	42,7	47,8	48,1	19,17	24,75	21,38	33,75	19,13	32,7	36,5	38,9	38,9	3	3	3	4	3	4	4	4	4	4
Occupied Palestinian Territory	3,2	3,5	3,5	3,3	3,4	47,9	51	52,7	51,9	24,83	33,25	32,25	41,00	47,40	28,4	29,3	27,9	26,5	5	5	5	5	5	4	4	4	4	4
Ukraine						11,7	6,8	14	49,5	47,00	32,00	51,25	69,83	56,13	29,3	24	22,6	20,4	5	4	5	5	6	5	6	6	6	6
Yemen	2,9	2,4	2,1	2,6	2,5	7,8	9,2	15	13,3	63,00	66,00	59,63	78,00	91,50	4,8	4,3	4,3	5,7	7	7	7	7	7	7	6	6	6	6
Yemen	4,6	4,2	4,4	4,2	4,3	58	56,8	55,6	54,3	53,75	57,00	48,10	61,50	72,50	19,9	13	11,5	11,4	6	6	7	7	7	5	5	5	5	5
Ukraine	2,8	2,7	2,5	2,2	2,4	32,7	36,4	39,1	31,4	26,50	26,75	19,25	22,00	46,83	45,7	45,2	47,1	47,4	3	3	3	3	3	2	2	2	2	2

State of Ratification / Signature of selected Human Rights Conventions

Source: <http://treaties.un.org/>

State of ratification/ signature of major HR conventions *	ICCPR International Covenant on Civil and Political Rights OP1 OP2	ICESCR International Covenant on Economic, Social and Cultural Rights OP	CEDAW Convention on the Elimination of All Forms of Discrimination against Women OP	CAT Convention against Torture OP Right to Individual Complaint (Art.22)	CRC Convention on the Rights of the Child OP AC OP SC
ALGERIA	ICCPR 12/09/1989 OP1 - 12/09/1989 OP2 - NO	12/09/1989 OP - NO	CEDAW 22/05/1996 -R OP - NO	CAT 12/09/1989 OP - NO Art. 22 11/05/1994	CRC 16/04/1993 OP-AC - 06/05/2009 OP-SC - 27/12/2006
ARMENIA	ICCPR 23/06/1993 OP1 - 23/06/1993 OP2 - NO	13/09/1993 OP - 29/09/2009	CEDAW 13/09/1993 OP - 16/09/2006	CAT 13/09/1993 OP 14/09/2006 Art. 22 - NO	CRC 23/06/1993 OP-AC - 30/09/2005 OP-SC - 30/06/2005
AZERBAIJAN	ICCPR 13/08/1992 OP1 - 27/11/2001 OP2 - 22/01/1999	13/08/1992 OP-25/09/2009	CEDAW 10/07/1995 OP - 1/06/2001	CAT 16/08/1996 OP 28/01/2009 Art. 22 4/02/2002	CRC 13/08/1992 OP-AC - 3/07/2002 OP-SC - 3/07/2002
BELARUS	ICCPR 12/11/1973 OP1 - 30/09/1992 OP2 - NO	12/11/1973 OP - NO	CEDAW 04/02/1981 OP - 3/02/2004	CAT 13/03/1987 OP - NO Art. 22 - NO	CRC 1/10/1990 OP-AC - 25/01/2006 OP-SC - 23/01/2002
EGYPT	ICCPR 14/01/1982 OP1 - NO OP2 - NO	14/01/1982 OP - NO	CEDAW 18/09/1981 R OP - NO	CAT 25/06/1986 OP - NO Art. 22 - NO	CRC 6/07/1990 R OP-AC - 6/02/2007 OP-SC - 12/07/2002
GEORGIA	ICCPR 3/05/1994 OP1 - 3/05/1994 OP2 - 22/03/1999	3/05/1994 OP - NO	CEDAW 26/10/1994 OP - 30/07/2002	CAT 26/10/1994 OP - 9/08/2005 Art. 22 30/06/2005	CRC 2/06/1994 OP-AC - 03/08/2010 OP-SC - 28/06/2005

ISRAEL	ICCPR 3/10/1991 OP1 - NO OP2 - NO	3/10/1991 OP - NO	CEDAW 3/10/1991 R OP - NO	CAT 3/10/1991 R OP - NO Art. 22 - NO	CRC 3/10/1991 OP-AC - 18/07/2005 OP-SC - 23/07/2008
JORDAN	ICCPR 28/05/1975 OP1 - NO OP2 - NO	28/05/1975 OP - NO	CEDAW 1/07/1992 R OP - NO	CAT 13/11/1991 OP - NO Art. 22 - NO	CRC 24/05/1991 R OP-AC - 23/05/2007 OP-SC - 4/12/2006
LEBANON	ICCPR 3/11/1972 OP1 - NO OP2 - NO	3/11/1972 OP - NO	CEDAW 16/04/1997 R OP - NO	CAT 5/10/2000 OP - NO OP – 22/12//2008 Art. 22 - NO	CRC 14/05/1991 OP-AC - 11/02/2002 OP-SC - 8/11/2004
LIBYAN ARAB JAMAHIRIYA	ICCPR 15/05/1970 OP1 - 16/05/1989 OP2 - NO	15/05/1970 OP - NO	CEDAW 4/02/1981 – R OP - 18/06/2004	CAT 16/05/1989 OP - NO Art. 22 - NO	CRC 15/04/1993 OP-AC - 29/10/2004 OP-SC - 18/06/2004
MOROCCO	3/05/1979 OP1 - NO OP2 - NO	3/05/1979 OP - NO	CEDAW 21/06/1993 R OP - NO	CAT 21/06/1993 R OP - NO Art. 22 19/10/2006	CRC 21/06/1993 R OP-AC - 22/05/2002 OP-SC - 2/10/2001
REPUBLIC OF MOLDOVA	ICCPR 26/01/1993 OP1 - 23/01/2008 OP2 - 20/09/2006	26/01/1993 OP - NO	CEDAW 1/07/1994 OP - 28/02/2006	CAT 28/11/1995 OP - NO OP 24/07/2006 Art. 22 - NO	CRC 26/01/1993 OP-AC - 7/04/2004 OP-SC - 12/04/2007
SYRIAN ARAB REPUBLIC	ICCPR 21/04/1969 OP1 - NO OP2 - NO	21/04/1969 OP - NO	CEDAW 28/03/2003 OP - NO	CAT 19/08/2004 OP - NO Art. 22 - NO	CRC 15/07/1993 OP-AC - 17/10/2003 OP-SC - 15/05/2003
TUNISIA	18/03/1969 OP1 - NO OP2 - NO	18/03/1969 OP - NO	CEDAW 20/09/1985 R OP - 23/09/2008	CAT 23/09/1988 R OP - NO Art. 22 22/09/1988	CRC 30/01/1992 R OP-AC - 2/01/2003 OP-SC - 13/09/2002

State of ratification/ signature of major HR conventions *	CERD Convention on the Elimination of all Forms of Racial Discrimination Right to Individual Complaint (Art.14)	CMW Convention on Migrant Workers	Rome Statute International Criminal Court	CED International Convention for the Protection of All Persons from Enforced Disappearance	CRPD Convention on the Rights of Persons with Disabilities OP
ALGERIA	CERD 14/02/1972 Art. 14 12/09/1989	21/04/2005	28/12/2000	6/02/2007	04/12/2009 OP – 30/03/2007
ARMENIA	CERD 23/06/1993 Art. 14 - NO	NO	1/10/1999	10/04/2007	30/03/2007 OP – 22/09/2010
AZERBAIJAN	CERD 16/08/1996 Art. 14 27/09/2001	11/01/1999	NO	06/02/2007	28/01/2009 OP- 28/01/2009
BELARUS	CERD 08/04/1969 Art. 14 - NO	NO	NO	NO	NO OP - NO
EGYPT	CERD 1/05/1967 Art. 14 - NO	19/02/1993 - R	26/12/2000	NO	14/04/2008 OP - NO
GEORGIA	CERD 2/06/1999 Art. 14 30/06/2005	NO	5/09/2003	NO	10/07/2009 OP – 10/07/2009
ISRAEL	CERD 3/01/1979 R Art. 14 - NO	NO	31/12/2000	NO	30/03/2007 OP - NO

JORDAN	CERD 30/05/1974 Art. 14 - NO	NO	11/04/2002	NO	31/03/2008 OP-30/03/2007
LEBANON	CERD 12/11/1971 R Art. 14 - NO	NO	NO	06/02/2007	14/01/2007 OP-14/01/2007
LIBYAN ARAB JAMAHIRIYA	CERD 03/06/1968 Art. 14 - NO	NO	18/06/2004	NO	01/05/2008
REPUBLIC OF MOLDOVA	CERD 26/01/1993 Art. 14 - NO	NO	12/10/2000	06/02/07	21/09/2010 OP - NO
MOROCCO	CERD 18/12/1970 R Art. 14 19/10/2006	21/06/1993	8/09/2000	06/02/2007	08/04/2009 OP - 08/04/2009
SYRIAN ARAB REPUBLIC	CERD 21/04/1969 Art. 14 - NO	02/06/2005	29/12/2000	NO	10/06/2009 OP - 10/06/2009
TUNISIA	CERD 13/01/1967 Art. 14 - NO	NO	NO	06/02/2007	02/04/2008 OP – 02/04/2008
UKRAINE	CERD 20/06/1974 R Art. 14 28/07/1992	NO	20/01/2000	NO	04/02/10 OP – 04/02/10

last update 1 December 2010

* **date of signature in bold**; date of ratification in standard. Also in bold where an instrument has been neither signed nor ratified ("NO").

MACRO-ECONOMIC INDICATORS

	Real GDP growth						Inflation						GDP per capita					
	(% change)						(period average)						(in EUR)					
	2005	2006	2007	2008	2009	2010	2005	2006	2007	2008	2009	2010	2005	2006	2007	2008	2009	2010
	2005	2006	2007	2008	2009	2010	2005	2006	2007	2008	2009	2010	2005	2006	2007	2008	2009	2010
Algeria	5,3	1,8	3,1	3,6	2,2	3,9	1,6	2,5	3,5	4,4	5,7	4,4	2.580	5.461	5.677	5.921	5.987	6.168
Armenia	14,0	13,3	13,7	6,8	-14,2	2,6	0,6	2,9	4,4	9,0	3,5	8,1	1.223	1.584	2.081	2.524	1.885	2.075
Azerbaijan	26,4	34,5	25,0	10,8	9,3	5,0	5,3	11,4	19,7	15,4	0,6	7,4	2.086	6.022	7.866	8.746	9.777	9.852
Belarus	9,4	9,9	8,6	10,0	-0,2	7,6	10,3	7,0	12,1	13,3	10,1	7,7	2.476	1.959	2.647	3.778	3.457	4.344
Egypt	9,4	6,8	7,1	7,2	4,7	5,1	11,4	7,6	9,5	18,3	11,8	11,1	1.004	1.373	1.650	2.022	2.257	2.570
Georgia	9,6	9,4	12,3	2,3	-3,8	6,3	8,3	9,2	9,2	10,0	1,7	7,1	1.196	1.406	1.690	1.981	1.754	1.981
Israel	5,3	5,2	5,3	4,1	0,7	4,5	1,3	2,1	0,5	4,6	3,3	2,8	16.232	16.858	17.337	19.379	19.713	21.980
Jordan	7,2	8,2	8,9	7,2	2,3	3,4	3,5	7,5	5,4	14,9	-0,7	5,7	1.601	3.421	3.644	3.813	3.861	3.932
Lebanon	2,6	0,6	7,5	8,5	9,0	8,0	-0,7	5,6	4,1	10,8	1,2	5,0	4.403	4.350	4.450	4.859	6.489	7.008
Libya	9,9	5,9	6,0	2,8	-1,6	10,3	2,9	1,4	6,2	10,4	2,4	4,5	6.294	7.208	8.023	10.567	6.973	9.379
Moldova	6,6	4,8	3,0	7,8	-6,0	6,9	11,0	12,8	12,4	12,7	0,0	7,4	668	757	902	1.160	1.097	1.234
Morocco	3,0	7,8	2,7	5,6	4,9	4,2	1,0	3,3	2,0	3,7	1,0	2,2	1.368	2.124	2.411	2.813	2.855	2.839
Occupied Palestinian Territory	6,0	-4,8	-1,2	7,1	7,4	9,3	3,5	3,8	2,7	9,9	2,8	3,7	1.287	1.248	1.229	1.566	1.529	1.625
Syria	6,0	5,2	6,3	5,2	5,0	4,0	7,2	10,0	3,9	15,7	2,6	3,4	1.039	1.171	1.399	1.700	2.018	2.187
Tunisia	4,2	5,3	6,3	4,5	3,1	1,0	2,0	4,5	3,1	4,9	3,8	4,8	2.302	2.448	2.550	2.707	2.735	2.880
Ukraine	2,7	7,3	7,9	2,3	-14,8	4,2	13,6	9,1	12,8	25,2	15,9	9,4	1.465	1.830	2.235	2.650	1.829	2.266

	Unemployment						Central Government Balance						Gross Public Debt					
	(% officially registered)						(% of GDP)						(% of GDP)					
	2005	2006	2007	2008	2009	2010	2005	2006	2007	2008	2009	2010	2005	2006	2007	2008	2009	2010
Algeria	15,4	12,3	13,8	11,3	10,2	9,9	11,9	13,9	6,2	9,0	-5,4	-1,9	27,3	21,7	11,8	6,6	8,1	7,3
Armenia	8,2	7,2	6,7	6,3	7,0	6,7	-2,0	-2,1	-2,2	-1,2	-7,9	-4,9	24,3	18,7	17,4	16,1	40,6	44,0
Azerbaijan	1,1	1,0	0,9	0,9	0,9	1,0	-2,3	-2,7	-2,3	-9,5	-14,9	-16,6	11,1	9,5	7,4	5,9	6,7	4,6
Belarus	1,5	1,2	1,0	0,8	0,9	1,0	-0,6	1,4	-0,2	0,0	-1,8	-2,6	9,6	11,0	11,6	10,7	20,0	22,4
Egypt	10,5	10,6	8,9	8,7	9,4	9,7	-8,4	-8,1	-7,3	-6,8	-6,6	-8,0	104,4	98,8	87,1	76,6	76,2	74,1
Georgia	13,8	13,6	13,3	16,5	16,9	15,0	-2,4	-3,0	-4,7	-6,3	-9,2	-6,6	36,6	28,9	22,9	25,0	37,3	39,5
Israel	9,0	7,7	7,3	6,1	7,5	6,6	-1,9	-1,0	0,0	-2,2	-5,1	-3,7	95,9	84,4	78,1	76,8	77,7	76,2
Jordan	9,0	13,2	13,1	12,7	12,9	13,4	-10,0	-6,7	-8,6	-9,8	-10,3	-7,8	84,2	69,6	67,5	58,3	64,7	62,4
Lebanon	na	na	na	na	na	na	-8,5	-11,2	-10,8	-10,0	-8,6	-7,4	178,0	180,0	168,0	160,0	148,0	139,0
Libya	na	na	17,0	20,7	na		29,4	31,1	28,6	30,3	7,0	12,9	7,0	5,4	4,9	6,3	9,7	8,1
Moldova	7,3	1,5	1,4	1,4	3,1	3,4	1,6	-0,3	-0,2	-1,0	-6,3	-2,5	32,0	29,8	26,8	21,3	24,4	26,3
Morocco	10,8	9,7	9,8	9,6	9,1	9,8	-5,5	-2,1	0,2	0,4	-2,1	-4,3	62,1	66,1	62,6	56,8	56,9	59,8
Occupied Palestinian Territory	23,8	23,6	21,5	26,0	25,0	24,0	-17,7	-30,2	-26,0	-21,6	-25,9	-16,0	-29,4	7,3	10,3	7,3	6,1	3,2
Syria	8,0	8,3	8,4	8,6	8,5	8,3	-5,0	-3,5	-3,4	-2,2	-2,8	-3,7	32,7	34,0	28,8	25,7	23,8	25,5
Tunisia	14,2	14,3	14,1	12,6	13,3	14,0	-3,0	-3,0	-2,9	-1,0	-3,0	-3,0	52,5	48,8	45,9	43,3	42,8	43,1
Ukraine	4,4	3,8	3,3	2,9	3,4	2,2	-2,3	-1,4	-2,0	-3,2	-8,7	-6,5	18,4	13,9	12,3	20,5	35,3	41,3

	Current Account Balance						Trade Balance						Foreign Direct Investment					
	(% of GDP)						(% of GDP)						(net, % of GDP)					
	2005	2006	2007	2008	2009	2010	2005	2006	2007	2008	2009	2010	2005	2006	2007	2008	2009	2010
Algeria	20,6	24,7	22,6	20,1	0,3	4,4	25,7	29,1	25,3	23,7	5,6	12,8	1,1	1,8	1,4	2,3	2,0	2,2
Armenia	-3,9	-1,4	-6,4	-11,8	-16,0	-14,6	-13,2	-14,0	-17,3	-22,8	-24,4	-24,6	5,1	7,0	8,8	7,8	8,4	7,0
Azerbaijan	1,3	17,7	27,3	33,7	23,7	26,1	25,0	36,9	46,1	47,1	33,9	38,2	3,5	-6,1	-16,4	-1,1	0,3	1,0
Belarus	1,6	-1,8	-6,7	-8,6	-13,0	-16,0	1,0	-4,5	-8,9	-10,3	-14,1	-16,9	1,0	0,4	3,0	3,5	3,6	2,4
Egypt	3,2	1,6	1,7	0,5	-1,6	-1,4	-11,6	-11,2	-15,5	-16,2	-11,7	-10,5	4,3	5,6	8,1	7,5	3,6	3,7
Georgia	-10,9	-15,1	-19,7	-22,7	-11,2	-9,9	-18,9	-23,9	-26,8	-29,8	-22,3	-22,2	7,1	13,7	15,5	12,2	6,1	5,0
Israel	3,4	5,3	2,5	1,2	3,9	3,1	-0,2	0,6	-1,7	-1,3	0,0	-1,5	1,0	-0,1	1,2	0,9	1,4	-1,2
Jordan	-17,9	-11,6	-17,6	-9,6	-5,0	-7,0	-42,0	-34,4	-37,9	-34,4	-29,2	-24,6	12,0	22,1	11,5	11,8	5,1	6,2
Lebanon	-13,4	-5,6	-7,1	-11,3	-9,7	-11,3	-28,4	-13,5	-18,2	-18,7	-16,2	-15,9	8,0	11,9	7,5	8,9	10,7	10,0
Libya	38,9	44,6	41,7	40,7	15,6	19,9	41,2	42,9	38,5	42,0	21,8	27,8	2,4	2,6	1,1	-2,0	2,1	2,0
Moldova	-7,6	-11,4	-15,3	-16,3	-8,5	-8,3	-40,6	-46,4	-51,9	-52,9	-35,7	-37,4	6,4	7,4	12,1	11,7	2,3	3,4
Morocco	1,8	2,0	-0,3	-6,4	-5,8	-7,1	-13,8	-14,9	-18,8	-21,9	-17,9	-19,5	2,7	3,1	3,1	2,3	0,8	1,0
Occupied Palestinian Territory	-7,5	-8,0	-0,8	8,7	1,9	-8,9	-67,2	-63,7	-57,7	52,8	55,0	-52,3	na	na	na	na	na	
Syria	1,0	2,7	1,1	-1,5	-4,9	-3,9	-0,5	2,7	-1,3	3,9	3,9	-1,8	2,7	2,6	2,8	4,2	2,6	1,3
Tunisia	-1,1	-2,0	-2,6	-3,8	-2,9	-4,5	-6,8	-8,1	-11,0	-8,9	-8,5	-10,9	2,6	3,2	6,0	5,7	3,3	3,3
Ukraine	2,9	-1,5	-3,7	-7,1	-1,5	-2,1	-1,3	-4,8	-7,4	-8,9	-3,7	-6,3	8,7	5,3	6,5	5,5	4,0	4,2

The EU's Trade Balance with Partner Countries

millions of euro

	2005			2006			2007			2008			2009			2010		
	Imports	Exports	Balance	Imports	Exports	Balance	Imports	Exports	Balance	Imports	Exports	Balance	Imports	Exports	Balance	Imports	Exports	Balance
Algeria	20.887	10.494	-10.393	24.156	9.968	-14.188	20.585	11.251	-9.335	28.259	15.363	-12.895	17.382	14.777	-2.605	20.800	15.523	-5.278
Armenia	514	419	-95	339	478	138	354	604	250	318	670	352	161	534	374	257	557	300
Azerbaijan	2.508	1.495	-1.012	5.448	1.955	-3.494	7.349	1.593	-5.756	10.609	2.062	-8.547	7.333	1.612	-5.721	9.754	2.347	-7.406
Belarus	3.422	3.234	-187	4.462	4.393	-69	4.381	4.836	456	4.661	6.372	1.711	2.580	4.982	2.401	2.627	6.717	4.090
Egypt	5.230	8.493	3.263	7.654	9.081	1.427	7.035	10.405	3.370	8.234	12.742	4.508	6.173	12.662	6.489	7.071	14.767	7.696
Georgia	276	681	405	471	926	454	459	1.090	631	735	1.214	479	519	878	359	556	1.155	599
Israel	9.749	13.544	3.795	9.992	13.972	3.980	11.356	14.264	2.908	11.241	14.055	2.814	8.911	11.457	2.546	11.082	14.463	3.382
Jordan	391	2.349	1.958	233	2.677	2.444	222	2.666	2.444	302	2.955	2.653	176	2.603	2.427	239	2.782	2.542
Lebanon	216	3.175	2.958	225	3.198	2.973	309	3.311	3.003	357	3.919	3.562	256	4.206	3.951	330	4.719	4.390
Libya	19.813	3.590	-16.224	26.068	3.676	-22.391	27.398	4.162	-23.236	35.133	5.751	-29.382	20.788	6.313	-14.475	27.300	6.689	-20.610
Moldova	435	1.080	645	514	1.183	669	727	1.494	767	748	1.708	960	516	1.227	712	582	1.530	948
Morocco	9.104	11.838	2.735	7.218	10.473	3.255	8.085	12.376	4.291	8.404	14.452	6.048	6.559	11.940	5.382	7.715	13.630	5.914
occupied Palestinian territory	10	47	36	13	39	26	14	46	32	7	61	54	6	51	45	9	80	71
Syria	3.012	2.860	-152	3.480	3.001	-478	3.385	3.208	-177	3.609	3.471	-138	2.320	3.078	758	3.539	3.647	108
Tunisia	6.812	7.974	1.162	7.628	8.719	1.091	8.977	9.505	529	9.500	9.909	409	7.901	9.021	1.120	9.513	11.072	1.559
Ukraine	8.655	13.281	4.625	9.873	18.263	8.390	12.395	22.379	9.983	14.527	25.096	10.569	7.896	13.922	6.026	11.322	17.338	6.016
Total	91.034	84.552	-6.482	107.774	92.002	-15.773	113.031	103.190	-9.840	136.644	119.800	-16.843	89.477	99.263	9.789	112.696	117.016	4.321

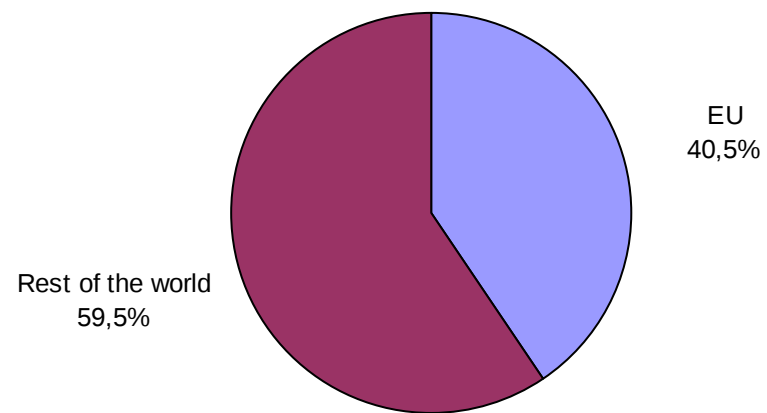
Source: EUROSTAT (Comext, Statistical regime 4)

EU Share of Partner Countries' Imports and Exports

	EU share of total Partner Country imports (%)					EU share of total Partner Country exports (%)				
	2005	2006	2007	2008	2009	2005	2006	2007	2008	2009
Algeria	61,2	55,2	51,3	53,1	50,6	53,9	51,6	46,2	52,2	51,9
Armenia	35,3	35,7	34,7	30,8	27,4	46,7	48,1	48,8	53,9	44,5
Azerbaijan	29,9	30,8	29,4	28,2	26,7	54,2	56,9	28,6	57,7	45,5
Belarus	21,6	22,6	21,9	22,0	23,0	44,7	46,2	43,9	43,5	43,8
Egypt	35,3	31,8	31,4	32,1	31,9	38,2	43,0	37,4	34,8	29,9
Georgia	31,5	30,3	30,7	27,9	30,0	25,4	26,3	34,1	22,5	21,2
Israel	39,4	38,3	37,0	34,9	37,3	29,7	28,3	29,9	29,2	26,1
Jordan	25,0	23,9	25,0	21,3	21,4	3,6	3,3	3,3	3,9	3,0
Lebanon	45,3	40,7	38,6	36,8	37,5	11,3	10,2	11,5	12,4	10,0
Libya	56,2	50,0	48,4	48,6	45,6	76,5	75,7	79,8	76,9	75,1
Moldova	45,5	46,9	48,6	43,7	43,6	38,7	47,3	51,6	48,8	52,4
Morocco	54,1	57,7	57,3	58,7	59,2	73,0	62,3	62,2	58,9	62,0
occupied Palestinian territory	-	-	-	-	-	-	-	-	-	-
Syria	25,0	22,2	20,9	19,7	21,2	32,7	33,0	29,1	28,4	26,0
Tunisia	70,1	65,9	71,9	64,3	68,2	80,2	77,2	76,7	72,2	72,8
Ukraine	33,8	43,3	44,9	33,8	34,0	30,2	28,7	29,9	27,4	24,0

Source: IMF (DoTS)

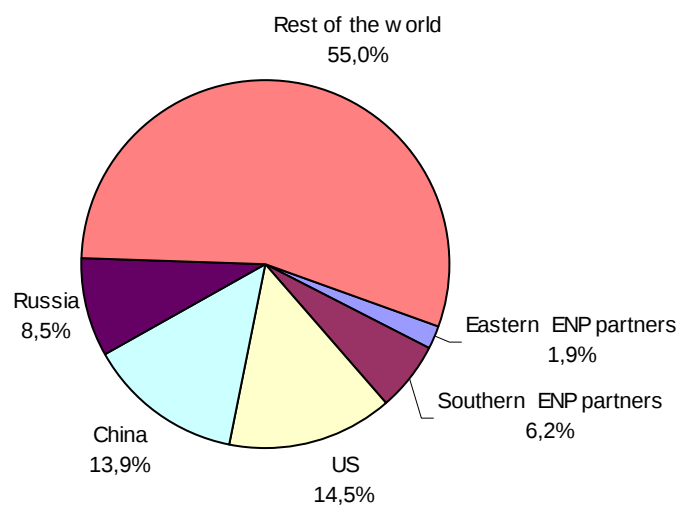
**Partner countries' trade with the EU and the rest of the
world 2009
(East and South)**



Total trade volume: € 446.984 million

Source: IMF (DoTS)

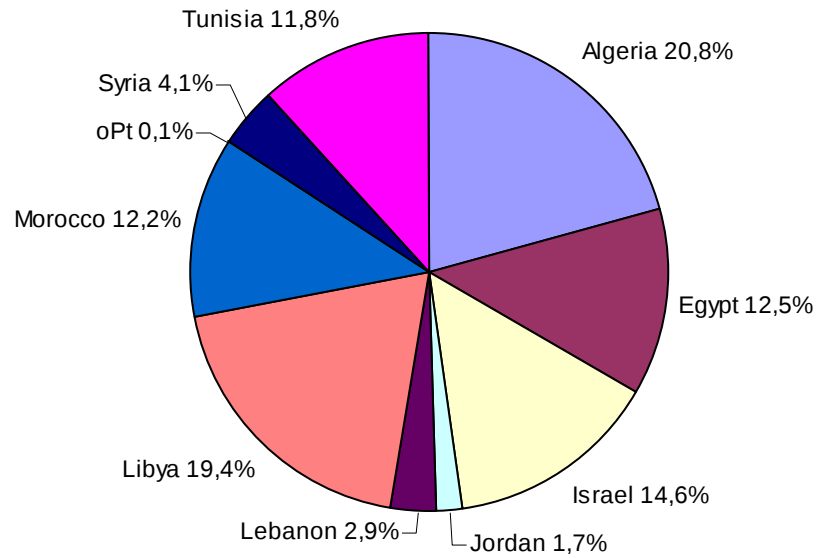
EU trade with the world 2010



Total EU trade with the world: € 2.839.888 million

Source: EUROSTAT (Comext, Statistical Regime 4)

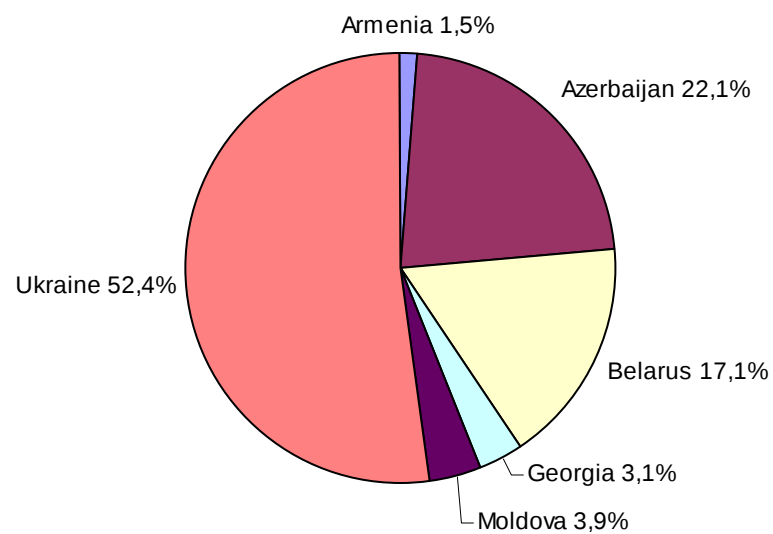
Breakdown of Southern ENP partners' trade with the EU 2010



Total trade volume: € 174.971 million

Source: EUROSTAT (Comext, Statistical regime 4)

Breakdown of Eastern ENP partners' trade with the EU 2010



Total trade volume: € 54.742 million

Source: EUROSTAT (Comext, Statistical regime 4)

ENPI Commitments 2007-2010 - Current Prices M €						
Country	2007	2008	2009	2010	Total 2007-2010	Average 2007-2010
Algeria	57,00	32,50	35,60	59,00	184,10	46,03
Armenia	21,00	24,00	24,70	27,70	97,40	24,35
Azerbaijan	19,00	22,00	20,00	7,00	68,00	17,00
Belarus	6,00	5,00	10,00	10,00	31,00	7,75
Egypt	137,00	149,00	140,00	192,00	618,00	154,50
Georgia	24,00	90,30	70,90	37,20	222,40	55,60
Israel	2,00	2,00	1,50	2,00	7,50	1,88
Jordan	62,00	65,00	68,00	70,00	265,00	66,25
Lebanon	50,00	50,00	43,00	44,00	187,00	46,75
Libya	2,00	4,00	0,00	12,00	18,00	4,50
Moldova	40,00	62,30	57,00	66,00	225,30	56,33
Morocco	190,00	228,70	145,00	158,90	722,60	180,65
occupied Palestinian territory	452,70	387,00	352,60	377,90	1570,20	392,55
Russia	13,00	5,00	18,00	26,50	62,50	15,63
Syria	20,00	20,00	40,00	50,00	130,00	32,50
Tunisia	103,00	73,00	77,00	77,00	330,00	82,50
Ukraine	142,00	138,60	116,00	126,00	522,60	130,65
Total	1340,70	1358,40	1219,30	1343,20	5261,60	1315,40
Regional						
Regional/Interregional Cooperation East	143,70	112,00	126,30	200,80	582,80	145,70
Regional/Interregional Cooperation South	177,80	171,50	223,80	194,30	767,40	191,85
Total	321,50	283,50	350,10	395,10	1350,20	337,55
Cross-Border Cooperation ENPI *	4,20	60,00	69,20	68,40	201,80	50,45
Grand Total	1666,40	1701,90	1638,60	1806,70	6813,60	
*Funding for cross-border cooperation under ENPI is complemented by funding coming from the European Regional Development Fund (ERDF). EUR 219.1 million were allocated under ERDF in the period 2007-10 for that purpose.						

ENPI Allocations 2011-2013 - Current Prices M €

Country	ENPI allocations 2011-2013	Aid average per capita (€ per yr)
Algeria	172,00	1,71
Armenia	157,32	16,29
Azerbaijan	122,49	4,84
Belarus	80,26	2,74
Egypt	449,29	2,10
Georgia	180,29	13,65
Israel	6,00	0,28
Jordan	223,00	13,27
Lebanon	150,00	13,32
Libya	60,00	3,35
Moldova	273,14	23,69
Morocco	580,50	6,37
Occupied Palestinian Territory	504,00	44,91
Russia	45,00	0,11
Syria	129,00	2,33
Tunisia	240,01	7,94
Ukraine	470,05	3,35

Regional Cooperation East	262,32
Regional Cooperation South	288,00
Interregional Cooperation	862,67
Cross-Border Cooperation	292,86

Youth in Action mobility figures 2010

Youth in Action ⁹				
	Youth Exchanges and Youth Workers Mobility		Voluntary Service	
Country/Year	2009	2010	2009	2010
<i>Armenia</i>	351	334	67	67
<i>Algeria</i>	91	55	0	1
<i>Azerbaijan</i>	231	163	8	4
<i>Belarus</i>	221	253	10	11
<i>Georgia</i>	344	356	60	47
<i>Egypt</i>	79	102	13	4
<i>Israel</i>	183	220	10	7
<i>Jordan</i>	94	61	4	2
<i>Lebanon</i>	68	109	3	4
<i>Republic of Moldova</i>	309	228	11	13
<i>Morocco</i>	116	84	4	6
<i>occupied Palestinian territory</i>	142	90	2	6
<i>Syria</i>	10	24	0	0
<i>Tunisia</i>	108	97	1	7
<i>Ukraine</i>	641	707	86	105
Overall Total per Action	2988	2883	279	284

⁹ Provisional figures gathered at application level for participants in projects submitted at decentralised level.

Mobility under

Erasmus Mundus, Action 2, 2010-2011

<u>ENP Country</u>	<u>Total Mobility Flows for academic year 2010-2011*</u>
ARMENIA	34
ALGERIA	81
AZERBAIJAN	33
BELARUS	80
EGYPT	102
GEORGIA	59
ISRAEL	65
JORDAN	34
LEBANON	27
REPUBLIC OF MOLDOVA	66
MOROCCO	79
OCCUPIED PALESTINIAN TERRITORY	50
SYRIA	26
TUNISIA	77
UKRAINE	100
GRAND TOTAL	913

*Figures based on the projected mobility flows by 1 September 2011, subject to possible adjustment upwards

Erasmus Mundus Action 1 – Erasmus Mundus Masters Scholarships				
	Students		Scholars	Joint Doctorate Candidates
Country/Year	Academic year 2009- 2010	Academic year 2010-2011	Academic year 2009-2010	Academic year 2010-2011*
<i>Algeria</i>	5	3	6	
<i>Armenia</i>	13	6	1	
<i>Azerbaijan</i>	3	1	2	
<i>Belarus</i>	5	6	2	
<i>Egypt</i>	7	8	2	
<i>Georgia</i>	9	7	2	1
<i>Israel</i>	8	6	13	1
<i>Jordan</i>	1	1		
<i>Lebanon</i>	3	2	2	
<i>Republic of Moldova</i>	10	6	1	
<i>Morocco</i>	3	4	7	
<i>occupied Palestinian territory</i>	2	2		
<i>Syria</i>		1		
<i>Tunisia</i>	10	6	2	
<i>Ukraine</i>	29	30	8	
Overall Total	124	89	48	

The 2010 selection of Erasmus Mundus Masters Courses scholars take place throughout the academic year. Final figures per nationality for 2010 to 2011 will therefore only be available following the submission of final reports

Tempus IV- number of projects per country accepted in 2010						
Country	Total Projects	National Projects	Multi Country Projects	Joint Projects	Structural Measures	As Grant Holder
<i>Algeria</i>	6	0	6	5	1	
<i>Armenia</i>	4	1	3	2	2	
<i>Azerbaijan</i>	2	1	1	2		1
<i>Belarus</i>	2		2	2		
<i>Egypt</i>	4	2	2	4		
<i>Georgia</i>	5		5	4	1	1
<i>Israel</i>	2	1	1	1	1	1
<i>Jordan</i>	5	2	3	5		1
<i>Lebanon</i>	7	1	6	6	1	1
<i>Republic of Moldova</i>	5	1	4	5		
<i>Morocco</i>	8	1	7	7	1	
<i>occupied Palestinian territory</i>	3	1	2	3		1
<i>Syria</i>	4	2	2	3	1	
<i>Tunisia</i>	7	1	6	5	2	
<i>Ukraine</i>	5		5	5		

ENP and Russian Federation: Scholarships in European Integration Studies in European universities 2010	
<i>The figures refer concurrently to scholarships awarded for academic years 2010-11 and 2011-12 as certain masters courses extend over 12 months</i>	
Country	Scholarships Awarded
<i>Algeria</i>	
<i>Armenia</i>	3
<i>Azerbaijan</i>	3
<i>Belarus</i>	4
<i>Egypt</i>	1
<i>Georgia</i>	10
<i>Israel</i>	3
<i>Jordan</i>	1
<i>Lebanon</i>	
<i>Libya</i>	
<i>Morocco</i>	1
<i>Moldova</i>	3
<i>occupied Palestinian territory</i>	1
<i>Syria</i>	
<i>Tunisia</i>	
<i>Ukraine</i>	10
<i>Russian Federation</i>	8
Total for ENP countries plus Russian Federation	48

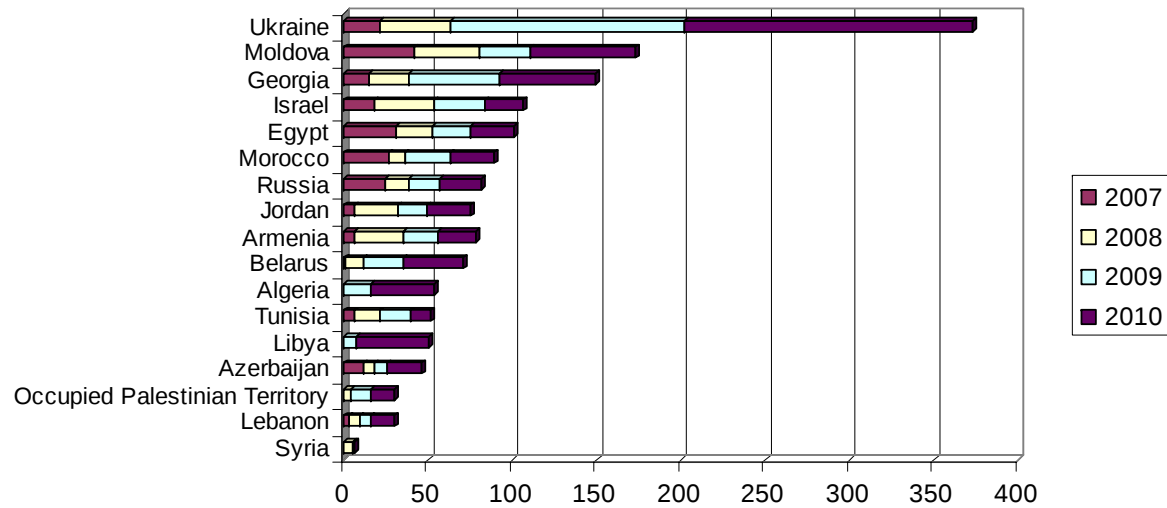
ENP Scholarships to the College of Europe 2010	
<i>52 scholarship grants were awarded as follows</i>	
Country	Scholarships Awarded
<i>Algeria</i>	3
<i>Armenia</i>	6
<i>Azerbaijan</i>	5
<i>Belarus</i>	8
<i>Egypt</i>	1
<i>Georgia</i>	4
<i>Israel</i>	
<i>Jordan</i>	
<i>Lebanon</i>	1
<i>Libya</i>	
<i>Morocco</i>	4
<i>Moldova</i>	10
<i>occupied Palestinian territory</i>	
<i>Syria</i>	
<i>Tunisia</i>	1
<i>Ukraine</i>	9
Total for ENP countries	52

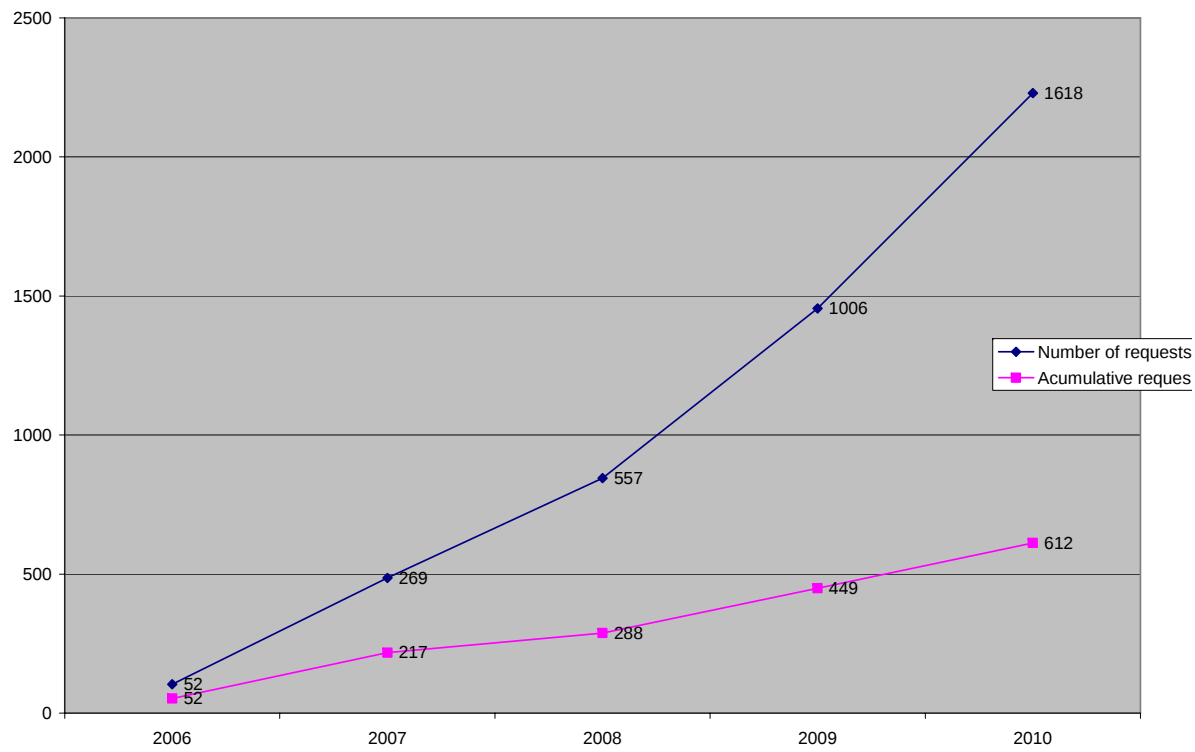
Breakdown of TAIEX requests from ENP partner countries and the Russian Federation

Number of requests per country

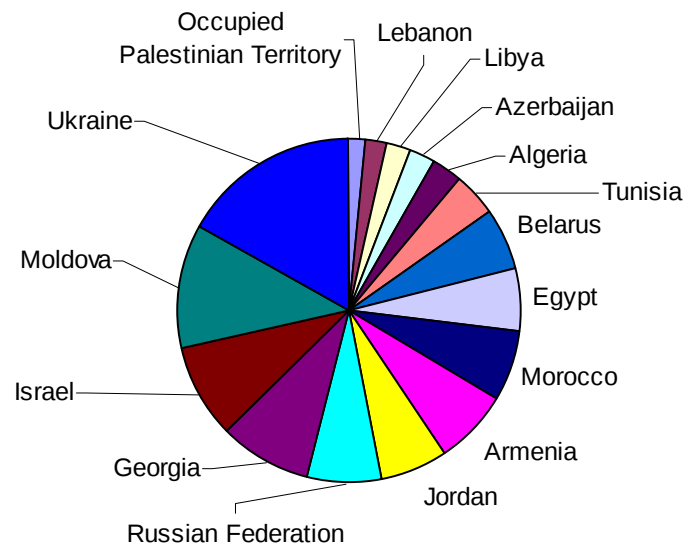
	2007	2008	2009	2010	Total
Algeria			16	38	54
Armenia	7	29	20	22	78
Azerbaijan	12	6	8	20	46
Belarus	1	11	24	35	71
Egypt	31	22	22	26	101
Georgia	15	24	54	56	149
Israel	18	36	30	22	106
Jordan	7	25	17	29	78
Lebanon	3	7	6	14	30
Libya			8	43	51
Moldova	42	39	30	62	173
Morocco	27	10	26	26	89
Occupied Palestinian territory		4	12	14	30
Russian Federation	25	14	18	25	82
Syria		5	1		6
Tunisia	7	15	18	12	52
Ukraine	22	41	139	172	374
Total	217	288	449	616	1570

Number of requests per country

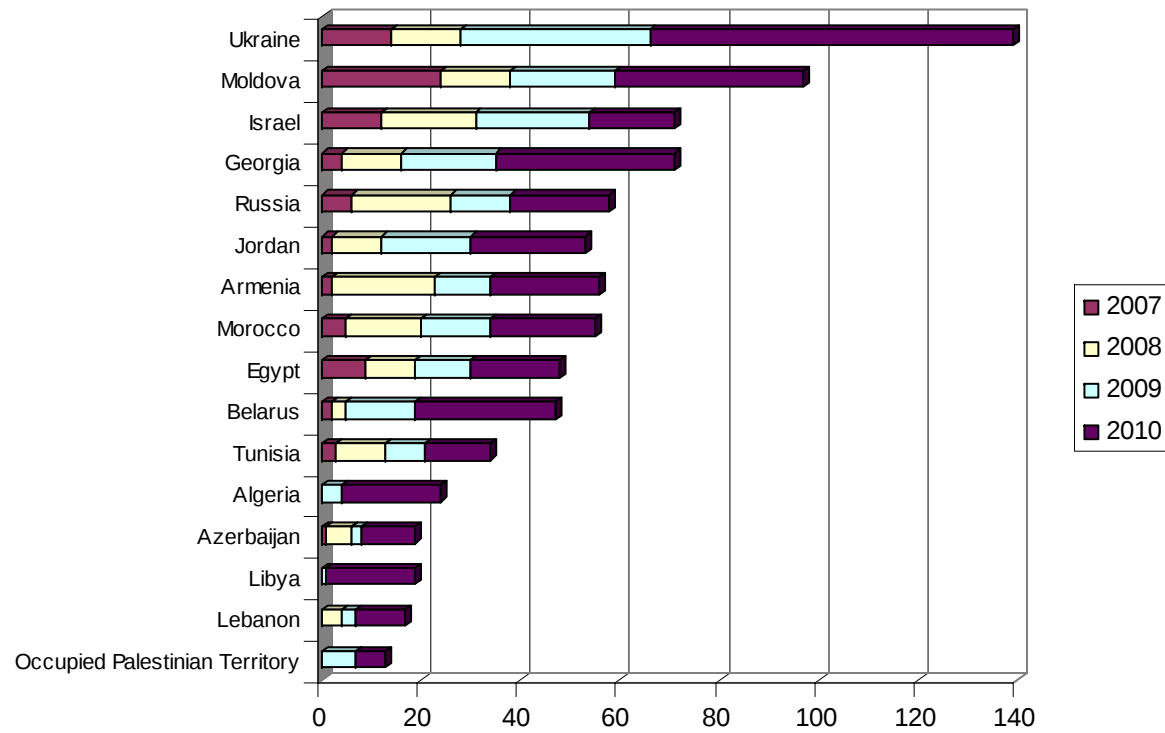




Single country events 2007- 2010 (Total: 821)



Single country events

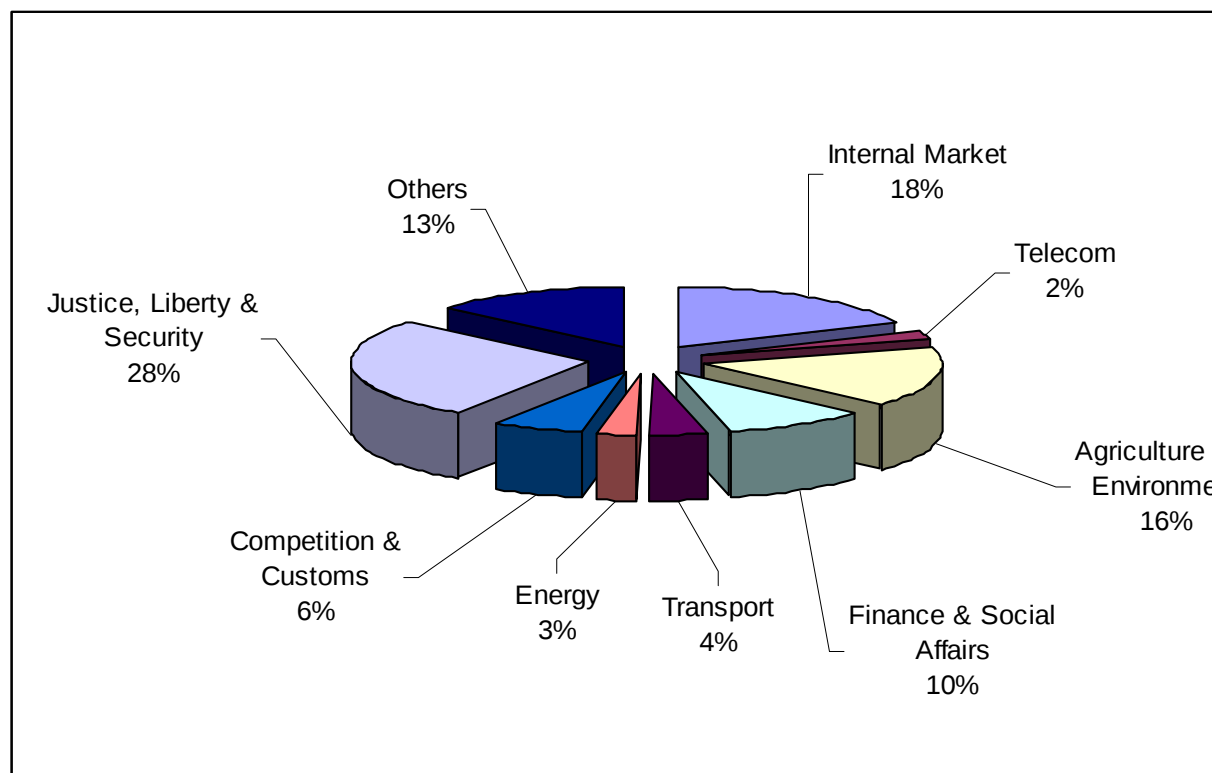


Number of participants (single and multi-country events)

	2007	2008	2009	2010	Total
Algeria	93	106	36	357	592
Armenia	42	221	235	700	1198
Azerbaijan	33	148	78	308	567
Belarus	308	79	370	776	1533
Egypt	139	179	410	771	1499
Georgia	142	130	282	757	1311
Israel	315	422	465	376	1578
Jordan	75	49	425	527	1076
Lebanon	24	61	78	352	515
Libya			10	1596	1606
Moldova	559	476	585	697	2317
Morocco	55	353	298	389	1095
occupied Palestinian territory	15	14	178	76	283
Russia	437	617	309	915	2278
Syria	10	16	14	17	57
Tunisia	131	149	75	501	856
Ukraine	899	294	1093	2925	5211
Total	3.277	3.314	4.941	12040	23572

** attended at no cost to TAIEX

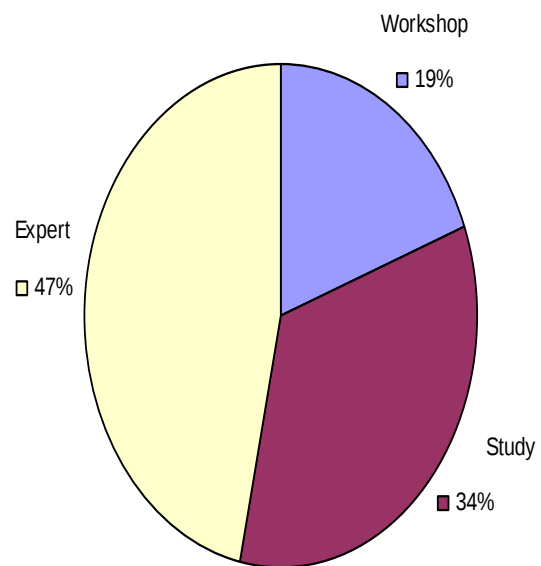
Taiex breakdown of events by sector 2008 – 2010



Type of assistance requested 2007-2010

	Workshop	Expert mission	Study visit	Total
Algeria	5		49	54
Armenia	19	31	28	78
Azerbaijan	13	13	20	46
Belarus	8	33	30	71
Egypt	40	24	37	101
Georgia	39	69	41	149
Israel	17	42	47	106
Jordan	22	34	19	75
Lebanon	4	13	13	30
Libya	2	4	45	51
Moldova	29	64	80	173
Morocco	25	16	48	89
occupied Palestinian territory	6	16	8	30
Russian Federation	5	30	47	82
Syria		1	5	6
Tunisia	6	17	29	52
Ukraine	60	129	184	373
Total	300	536	730	1566

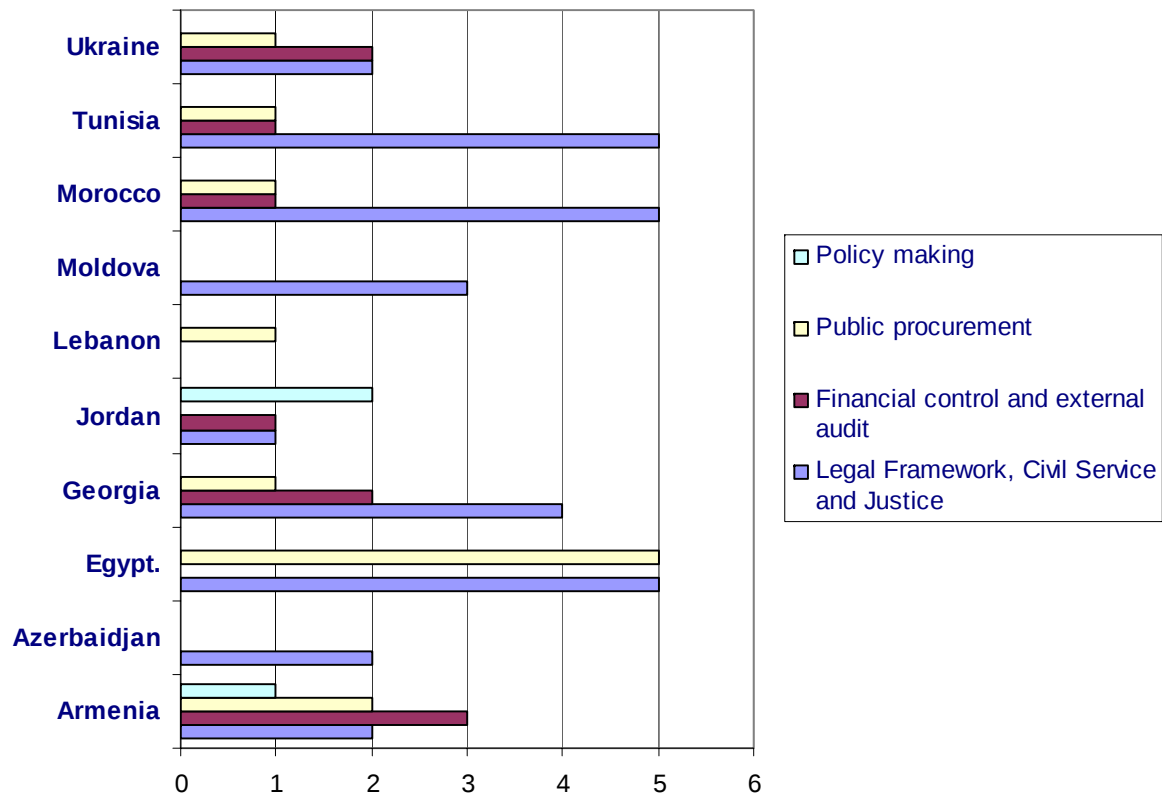
Type of assistance requested 2007-2010



SIGMA

Activities per country/sector 2010

N°	Country	Sector	N° of actions
1.	Armenia	Legal Framework, Civil Service and Justice	2
		Financial Control and External Audit	3
		Public Procurement	2
		Policy-making	1
2.	Azerbaijan	Legal Framework, Civil Service and Justice	1
		Public Procurement	1
3.	Egypt	Legal Framework, Civil Service and Justice	5
		Policy-making	5
4.	Georgia	Legal Framework, Civil Service and Justice	4
		Financial Control and External Audit	2
		Public Procurement	1
5.	Jordan	Legal Framework, Civil Service and Justice	1
		Financial Control and External Audit	1
		Policy-making	2
5.	Lebanon	Public Procurement	1
6.	Moldova	Legal Framework, Civil Service and justice	3
7.	Morocco	Legal Framework, Civil Service and Justice	5
		Financial Control and External Audit	1
		Public Procurement	1
8.	Tunisia	Legal Framework, Civil Service and Justice	4
		Financial Control and External Audit	1
		Public Procurement	1
9.	Ukraine	Legal Framework, Civil Service and Justice	2
		Financial Control and External Audit	2
		Public Procurement	1



**Twinning projects
ENPI South (per country)**

Country	2005-2010 Launched/ongoing/ terminated	2005-2010 Under preparation/ identification/project ideas	TOTAL
Algeria	5	10	15
Egypt	13	20	33
Israel	5	2	7
Jordan	16	7	23
Lebanon	7	5	12
Morocco	21	26	47
Tunisia	24	22	46
TOTAL	91	92	183

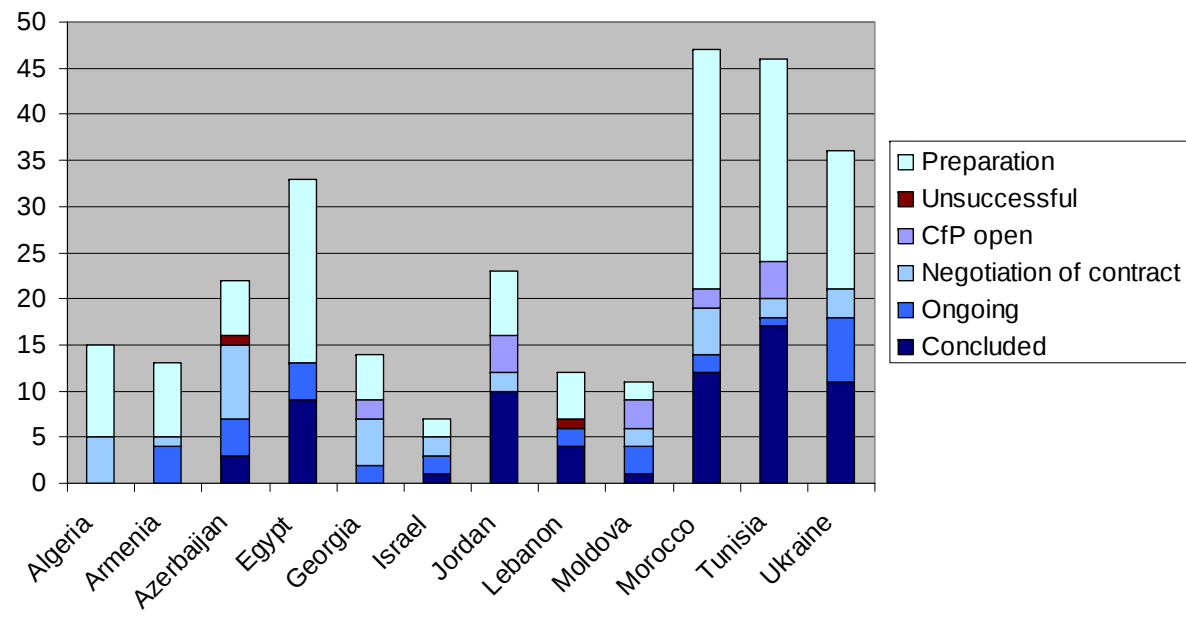
**Twinning projects
ENPI East (per country)**

Country	2005-2010 Launched/ongoing	2005-2010 Under preparation/ identification/project ideas	TOTAL
Armenia	5	8	13
Azerbaijan	16	6	22
Georgia	9	5	14
Moldova	9	2	11
Ukraine	21	15	36
TOTAL	60	36	96

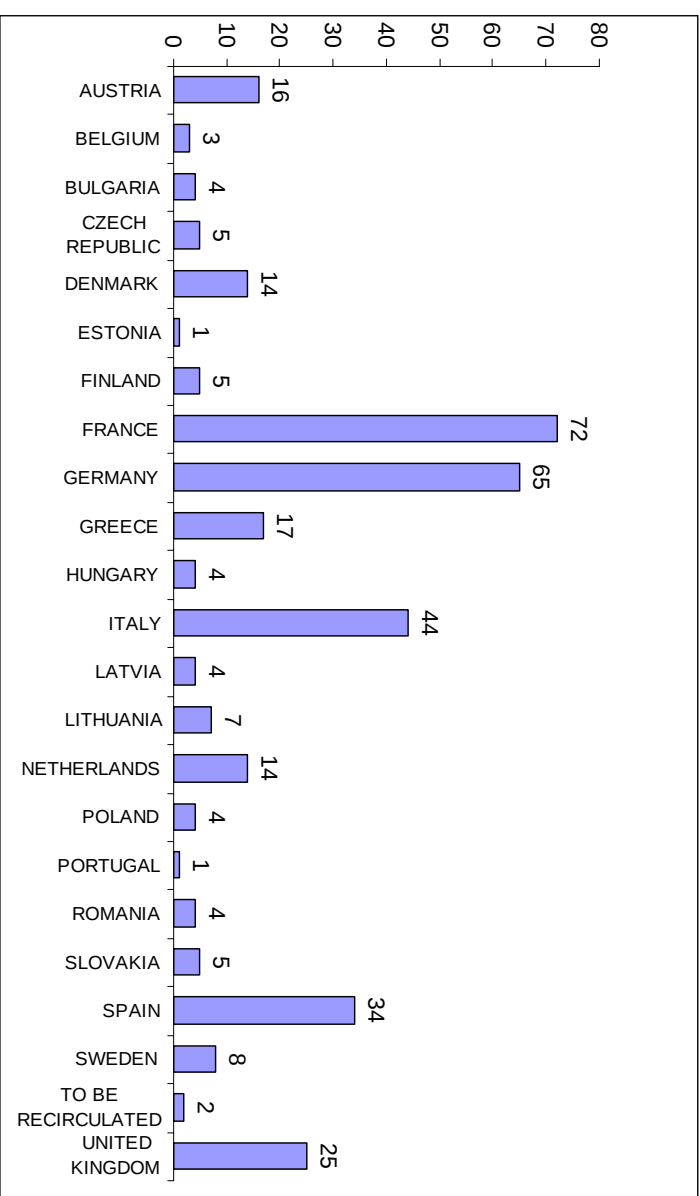
Twinning projects ENP 2005-2010 (per sector)

Finance & Internal Market	62
Trade & Industry	47
Justice & Home Affairs	39
Health & Consumer Protection	20
Employment & Social Affairs	18
Environment	16
Transport	15
Energy	12
Agriculture	14
Telecommunications	8
Other	28
TOTAL	279

Twinning projects in the ENPI region, per country
Total of 279 projects for 12 countries -151
launched/ongoing/concluded - 128 preparation/project ideas



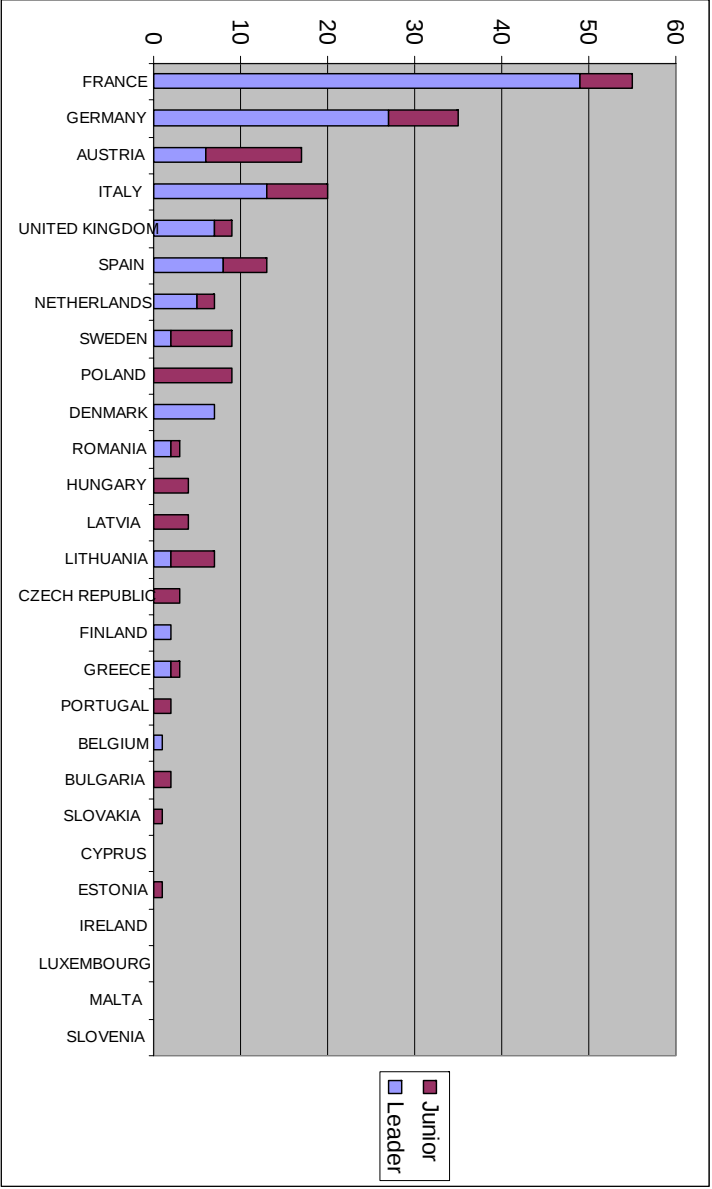
Number of Twinning proposals by Member State 2006 – 2010 *358 Proposals from 22 Member States for 151 ENP-Twinning Calls for Proposals (21.12..2010)*



**Member States selected
in awarded Twinning projects
2005-2010**

21 EU Member States Selected for

134 attributed ENP-Twinning (21.12.2010)



**Neighbourhood Investment Facility (NIF): List of projects approved
for a contribution in 2010**

Projects in the ENP East Region:

The NIF contribution to the nine projects approved for the East amounts to €47,5 million. The total amount for these projects is approximately €0,75 billion.

Country	Name of the project	Consortium of European Financing Institution	Sector	NIF contribution (€ million)	Total project cost (€ million)
LIBYIA	Tunis High Speed Urban Railway (14M + 14M)	AFD, EIB, KfW	Transport	28	550
EGYPT	Combined Renewable Energy Masterplan for Egypt	KfW, AFD, EIB	Energy	3	up to 500
EGYPT	Egyptian Power Transmission	EIB, AFD, KfW	Energy	20	762
EGYPT	Improved Water and Wastewater Services Programme Upper Egypt (IWSP 2)	KfW, AFD, EIB	Water/Sanitation	10	300
EGYPT	Technical Assistance for the implementation of a 20 MW PV Grid Connected Power Plant Project in Egypt	AFD, EIB, KfW	Energy	0,8	up to 100
JORDAN	Jordan Electricity Transmission	EIB, AFD	Energy	2,2	up to 150
ALGERIA	National Sanitation Programme	AFD, EIB, KfW	Water/Sanitation	10	176
			Total	74,0	1.788,0

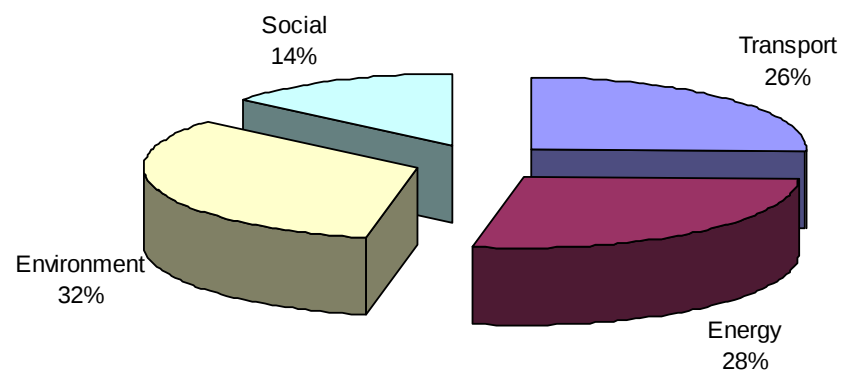
Projects in the ENP South Region:

The NIF contribution to the seven projects approved for the South amounts to €74 million.

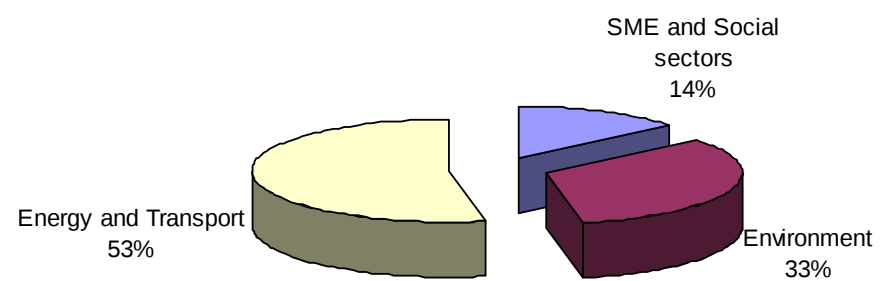
The total amount for these projects is approximately €1,7 billion.

Country	Name of the project	Consortium European Financing Institution	Sector	NIF contribution (€ million)	Total project cost (€ million)
TUNISIA	Tunis High Speed Urban Railway (14M + 14M)	AFD, EIB, KfW	Transport	28	550
EGYPT	Combined Renewable Energy Masterplan for Egypt	KfW, AFD, EIB	Energy	3	up to 500
EGYPT	Egyptian Power Transmission	EIB, AFD, KfW	Energy	20	762
EGYPT	Improved Water and Wastewater Services Programme Upper Egypt (IWSP 2)	KfW, AFD, EIB	Water/Sanitation	10	300
EGYPT	Technical Assistance for the implementation of a 20 MW PV Grid Connected Power Plant Project in Egypt	AFD, EIB, KfW	Energy	0,8	up to 100
JORDAN	Jordan Electricity Transmission	EIB, AFD	Energy	2,2	up to 150
COCCO	National Sanitation Programme	AFD, EIB, KfW	Water/Sanitation	10	176
			Total	74,0	1.788,0

Distribution of NIF contribution by Sector 2010



Distribution of NIF contribution by Objectives by Sector 2010



**Neighbourhood Investment Facility: Contributions pledged
by Member States 2008-2010 (as of 31/12/2010)**

List of Member State direct contributions (officially announced)	Pledge (2008-10)	Additional pledges made in 2009	Total
Germany	27.5	7.5	35
France	15	5	20
Poland	3		3
Czech Republic	3		3
Spain	2		2
Austria	2	2	4
Bulgaria	2		2
Estonia	1		1
Finland	1	1	2
Greece	1		1
Italy	1		1
Luxembourg	1		1
Portugal	1		1
Romania	1		1
Sweden	1		1
Total	62.5	15.5	78