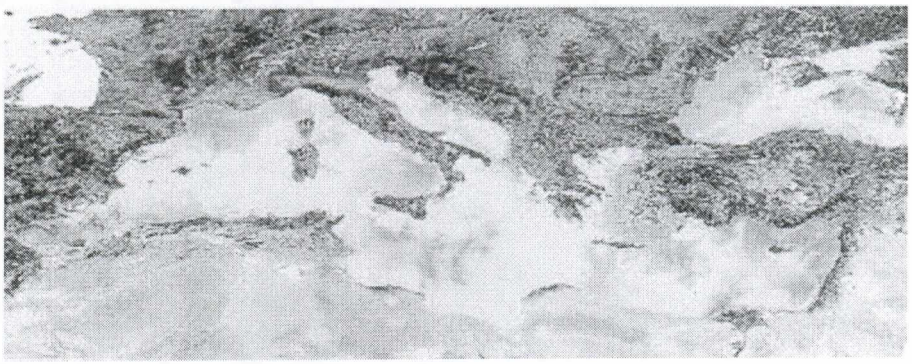
EURO-MEDITERRANEAN PARTNERSHIP

MEDA

Regional Indicative Programme
2005-2006



I. PRESENTATION

1. INTRODUCTION

Following the revision of the MEDA Regulation in 2000, a qualitative change was made in the programming and delivery of MEDA. As part of the drive to enhance the impact of MEDA, the qualitative improvement in programme implementation has been accompanied by a refocusing on its strategic objectives.

The Regional Indicative Programme 2005-2006 confirms the major strategic objectives of co-operation with the Euro-Mediterranean region based on the Regional Strategy Paper 2002-2006[1]. This Regional Indicative Programme also takes into account major recent developments and decisions of the partnership, in particular:

- The priorities endorsed by the Euro-Mediterranean Ministerial Conferences, especially the Valencia Action Plan, adopted by Euro-Mediterranean Foreign Affairs Ministers on 23 April 2002; and
- The Commission Communication of 11 March 2003 on Neighbourhood and the relevant Council Conclusions.

The introduction of the New European Neighbourhood policy, along with its principles of differentiation among partners, the future signature of the Agadir Agreement among four Euro-Mediterranean partners and establishment of closer cooperation in some sectors such as energy in the Mashrek and the Maghreb, call for a reinforcement of sub-regional cooperation which will become an increasingly important aspect of the Barcelona partnership.

The challenges faced by Mediterranean Partners have to be addressed in a medium and long term perspective with a resolute focus on economic, social and political reform. MEDA regional co-operation seeks to complement and reinforce the programmes and activities undertaken bilaterally with Mediterranean partners, and to provide added value through three axis of cooperation:

- Acting as a catalyst to reinforce the effect of bilateral cooperation and encouraging the dissemination of best practice among Mediterranean partners.
- Tackling issues that have a trans-national dimension.
- And supporting the development of "South-South" cooperation.

2. ORIENTATIONS OF THE REGIONAL STRATEGY PAPER 2002-2006 AND OF THE REGIONAL INDICATIVE PROGRAMME 2002-2004

The **Regional Strategy paper 2002-2006** aimed at supporting a series of clearly defined policy objectives for the Euro-Mediterranean Partnership. These objectives included:

[1] Adopted by the Commission on 18 December 2001 after the favourable opinion of the MED Committee of 5 December 2001.

- To work with each other in a manner compatible with the political undertakings embodied in the Barcelona Declaration.
- To use possibilities for sub-regional co-operation, while preserving the global character of the Euro-Med Partnership.
- To build a multilateral network of close contractual relationships - the free-trade Agreements - between the signatories of the Euro-Mediterranean Association Agreements.
- To link the Association Agreement signatories with the Trans-European infrastructure networks for transport, energy, and telecommunication and create such networks among themselves.
- To tackle common regional challenges affecting the sustainability of Euro-Mediterranean integration: environmental protection and sustainable development.
- To co-operate in developing understanding between peoples, in order to fight intolerance, racism and xenophobia.

With a global indicative allocation of € 93 Million, the **Regional Indicative Programme 2002-2004** identified five priority areas in line with the objectives of the Regional Strategy Paper:

- Making the Euro-Med Free Trade Zone a reality.
- Promoting Regional Infrastructure Interconnections.
- Promoting the Sustainability of the Euro-Mediterranean Integration.
- Enhancing the Rule of Law and Good Governance.
- Bringing the Partnership closer to the People.

Since January 2002, after the adoption of the Regional Strategy Paper and the Regional Indicative Programme, the Commission has approved regional programmes covering these priority areas.

Among those, the "Justice and Home Affairs" Programme, covering the field of Justice, combating against drugs, organised crime and terrorism as well as cooperation in the treatment of issues relating to the social integration of migrants, migration and movement of people (€ 6 Million), deserves a special mention. It represented a regional breakthrough in cooperation on Justice and Home Affairs with Mediterranean Partners, to be later followed by development both at regional and bilateral level.

Other programmes approved in 2002 and 2003 under the Regional Indicative Programme 2002-2004 include:

- Information and communication programme, (€ 10 Million).
- Support to the Agadir Agreement, (€ 4 Million).
- Support to the Water Information System, (€ 2 Million).
- Training of public administrations (€ 6 Million).
- EuroMed Heritage III (€ 10 Million).

In 2004, the Commission, after the favourable opinion of the MED Committee, should approve the remaining programmes of the Regional Indicative Programme 2002-2004.

In addition to the above programmes, the Commission has committed € 25 Million of Meda funds for the technical assistance support of the FEMIP and € 40 million in capital risk funds managed by the European Investment Bank.

3. MID-TERM REVIEW

The Regional Strategy Paper (CSPs) are intended as an instrument for guiding, managing and reviewing EU assistance programmes. They are essential management tools to ensure that external assistance reflects EU's policy objectives and priorities. The completion of the "first generation" of CSPs/RSP for the MED region took place in December 2001.

With a view to the continuous improvement of the quality of the RSPs, the Council in March 2003 adopted conclusions on the use of the Common Framework for CSPs/ESPs[2]. In these conclusions, the Council invites the Commission to undertake a Mid Term Review (MTR) of each paper in accordance with existing rules and lays down key orientations for the CSP/RSP review. Four parameters have been identified as basic reference points for the review process: (i) new developments in the country, (ii) new EC/EU policy objectives and commitments, (iii) results and performance, and (iv) lessons learnt and potential improvement.

As far as the MED region is concerned, the general conclusion is that there is no need for an extended review, given the rather general content of the CSP/RSP 2002-2006 and their recent adoption. Minor revisions in the CSPs/RSP relate to already identified sectors corresponding to new EU/EC new policy objectives and commitments (*see infra).* Since the MTR coincides with the 2005-2006 programming exercise, it was decided to proceed with CSPs/RSP adjustments through the national/regional indicative programmes.

As to the RSP, the screening exercise can be summarised as follows:

3.1 Recent Developments

Since the adoption of the RSP, a number of events and developments have affected the region. They include, among others, the enlargement of the EU, the war in Iraq, or the lack of progress in the Middle East Peace Process. The Euro-Med Seminar on Economic transition in spring 2002 analysed the economic consequences of the 11 September which affected mainly the tourism and transport sectors, but pointed out that most economies in the region responded in an encouraging way.

In spite of the above developments, the 5 priority areas and the broad strategic orientations of the Regional Strategy Paper (RSP) 2002-2006 remain valid for the period covered by the present Regional Indicative Programme (2005-2006). The fundamental challenges facing the region have not been altered, but rather reinforced and highlighted by the events that affected directly or indirectly the region.

The experience gained in the Euro-Mediterranean cooperation, in particular the evaluations made of the regional programmes, the analysis made by the UNDP, the World Bank and others, and recent policy orientations, in particular the Valencia Action Plan and the New Neighbourhood Policy have been fully taken into account in the Regional Indicative Programme. In this respect, it should be underlined the support to the creation of the Euro-Mediterranean Foundation for the dialogue of Cultures (agree in principle in the Valencia Action Plan in April 2002 and confirmed by the Euro-Mediterranean Conference in Naples in December 2003) and the programme foreseen on the completion of the Euro-Mediterranean Free Trade Area and the Neighbourhood policy.

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[2] Council Conclusions on the Progress Report on the Implementation of the Common Framework for Country Strategy Papers, adopted by the General Affairs and External Relations Council on 18 March 200.

3.2 New Policies and initiatives

In the course of 2002-2003, a number of policy orientations have been adopted by the Commission, which will have an impact on our relations with the Mediterranean partners in the near future. Most significantly, the communication on "*Wider Europe and the New Framework for Relations with our Eastern and Southern Neighbours*" sets out a new framework for relations over the coming decade with the Southern Mediterranean. The communication notes the growing interdependence between the EU and its neighbouring partners in terms of stability, security and sustainable development. In the suggested **New Neighbourhood Policy**, the communication proposes that, over the coming decade, the EU should aim to work in partnership with its Southern neighbours to develop a zone of prosperity and a friendly neighbourhood - a "ring of friends" - with whom the EU enjoys close, peaceful and co-operative relations. This new policy aims at building upon the framework of co-operation provided by the Association Agreement with the aim of strengthening our partnership and bringing our neighbours closer to the EU. In return for concrete progress reflecting the shared values, and effective implementation of political, economic and institutional reforms, all the neighbouring countries can be offered the prospect of a stake in the EU's internal market. The new neighbourhood policy expands and develops the content of the specific objectives included in the Association Agreement provisions and could pave the way for further integration and liberalisation to promote the free movement of persons, goods, services and capital (four freedoms).

Other relevant policy orientations include: trade-related technical assistance and the Doha round, JAI related issues, better governance, human rights and democratisation in the MED region, and environmental initiatives agreed at the Johannesburg Summit on Sustainable Development.

The launch of the new WTO Round - **the Doha Development Agenda** - comprises both further market openings and additional rule making, underpinned by commitments to strengthen assistance to build capacity in developing countries. The main objective of the new round is to assist developing countries' integration into the world trade system in a way that will help them combat poverty.

The Council conclusions of Tampere (1999), Santa Maria da Feira (2000) and Sevilla (2002) defined a common policy regarding the integration of **Justice and Home Affairs** issues in EU external policy. The Action Plan adopted in Valencia (2002), in addition to the Barcelona Declaration, gave further orientations for reinforced co-operation in the MED region in three main sectors: migration, reform of the judiciary and the fight against criminality.

Better governance, promotion of **democracy** and respect for **human rights** constitute core objectives of the EU's external policies. In line with the conclusions drawn up in the 2002 UNDP Arab Human Development Report, the Commission recently adopted a Communication on "*Reinvigorating European Actions on Human Rights and Democratisation with Mediterranean Partners*" which aims at maximising the effectiveness of the instruments at the disposal of the EU and its Mediterranean partners in the field of human rights and democracy. The communication sets out working guidelines to promote Human Rights and fundamental freedoms in co-operation with the Mediterranean partners. It proposes 10 concrete recommendations to improve the political dialogue between the EU and its Mediterranean partners, as well as EU financial co-operation on Human Rights issues. Their

implementation will be enhanced by three levels of complementarity: between the political dialogue and financial assistance, between the MEDA programme and assistance under the European Initiative for Democracy and Human Rights (EIDHR), and finally between the national and regional dimensions.

A global commitment to the cause of **sustainable development** was restated at the Johannesburg Summit, through an ambitious action-oriented programme with clear and measurable objectives, demonstrating the increasing importance of **environmental issues** in achieving the Millennium Development Goals. The key areas for EU action are water and energy. In Johannesburg, the EU launched two partnerships, one on water and sanitation and one on energy for the poor. The **EU Water initiative** ("Water for Life") will help coordinate existing financing mechanisms with a focus on three parameters: supply, sanitation and integrated resources management. At the moment, concrete follow-up is expected for the Mediterranean countries in the framework of the existing financing instrument (MEDA).

On the basis of the above considerations, it can be said that the new EU policies have been considered in the programming exercise 2005-2006 and the all the areas mentioned are covered in the Regional Strategy Paper 2002-2006.

3.3 Assessment of results

Regional cooperation in the Euro-Mediterranean Partnership has proved to be a major instrument to promote a multilateral and lasting framework to tackle the political, economic and social issues that constitute common challenges in the Mediterranean. One of the greatest achievements of regional cooperation has been the establishment and operation of collaborative relations among all partners in a wide range of specific subjects and areas, in spite of the difficulties in the region.

The bodies created by the partnership at political level (such as the Euro-Mediterranean Ministerial Conferences), or at officials level (such as the Euro-Med Committee or the Senior Officials meetings) constitute the major policy orientation and dialogue frameworks of the Barcelona Process. Moreover, the creation by the partnership of networks of cooperation such as EUROMESCO or FEMISE has been a practical and positive result which deserves continued support.

In addition to the above, other institutions and bodies are being created by other actors of the partnership that are becoming increasingly important interlocutors. Among them:

- The Euro-Mediterranean Network of Human Rights.
- The Euro-Mediterranean Commission of Euro-Cities.
- The Union Médditerranéenne des Confédérations d'Entreprises (UMCE) (created as a follow-up to a Meda programme); or recently,
- The Euro-Mediterranean Parliamentary Assembly which should hold its first meeting during the 2004 Irish Presidency (with the backing of Euro-Mediterranean Foreign Affair Ministers).

Regional cooperation, however, is complex and not always easy. Given its wide geographical coverage, the adoption of appropriate working methods, the measurement of results, and the efficiency and visibility of the activities, constitute major challenges for all partners and actors involved. Now that a number of networks of cooperation seem well established, there is

a need to raise the level of ambition and look for more operational results in terms of policy harmonisation and approximation of legislation in areas of common interest.

4. PRIORITIES 2005-2006

The Regional Indicative Programme emphasises the role of regional cooperation in three aspects of major relevance in the Barcelona process and the new European Neighbourhood policy: **the focus on reform**, **the need for enhanced dialogue**, and **the promotion of networks of cooperation**.

4.1 Focus on reform

The focus on reform is increasingly a fundamental area in the Euro-Med partnership, in particular with the implementation of the Association Agreements and the introduction of National Action Plans following the Neighbourhood policy approach. Reform in the fields covered by the Neighbourhood policy should constitute a major area of cooperation in the bilateral programmes. Regional cooperation on the implementation of Neighbourhood policy national action plans will allow Med partners, while preserving, where necessary, the principle of differentiation, to work together in a number of areas where the final objective is the approximation of their regulatory frameworks towards common EU legislation, especially as regards the internal market. Legislative and regulatory convergence with the objective of a stake in the EU internal market highlights the need for common approaches, benchmarks and indicators for those countries that adopt National Action Plans under the Neighbourhood policy. Working together in a regional or sub-regional approach will promote harmonisation and compatibility of the Mediterranean Partners' legislative and regulatory reforms in areas such as standards, investment, or circulation of goods, capital, services and people and create opportunities for greater south-south integration among the countries concerned.

Regional and sub-regional cooperation will also be important in the creation of a Euro-Mediterranean Free Trade Area. The work plan adopted during the Euro-Mediterranean Conference of Ministers of Trade in Palermo on 7 July 2003 will also require a significant degree of harmonisation and regulatory convergence that is particularly suitable for a regional programme. The objective here is to create a single Euro-Mediterranean Free Trade Area with common or compatible standards and import and export procedures. A regional or sub-regional approach is fundamental to ensure that market opening is effective with the same, similar or compatible standards, technical requirements and import and export procedures. Otherwise, the Euro-Mediterranean Free Trade Area could be hindered by regulatory fragmentation and non compatible technical barriers to trade restricting free circulation of goods and services. In the same line, the strategy for enterprise policy adopted by Directors-General for Industry in Rome in October 2003 aims at improving the conditions for doing business in the region by encouraging the harmonisation of practices.

Finally, cooperation to facilitate reforms will be the objective of a future programme concerning the areas of justice and home affairs covering the issues of justice, the fight against drugs, organised crime and terrorism as well as cooperation in the treatment of issues relating to the social integration of migrants, migration and movement of people. This programme will continue and deepen the objectives of the current programme in this area, in promoting cooperation in priority areas such as border controls, management of migratory flows, fight against terrorism, money laundering and promotion of an independent judiciary.

4.2 Enhanced dialogue

The need for enhanced dialogue between cultures is a central aspect of the Social, Cultural and Human Partnership. A Euro-Mediterranean Foundation for Dialogue of Cultures will contribute to the creation of a framework for dialogue and research available to all strata of the academic community, from school teachers to education experts and academics, to enable the furthering of the dialogue of cultures, societies and civilisations in the Euro-Mediterranean region.

Dialogue, mutual knowledge and understanding will also be the focus of a second phase of the Euro-Med Youth programme. Exchanges between young people of Euro-Mediterranean countries will enhance the chances to reinforce links at grass-roots level among the younger generations, and promote a better understanding of each other's cultures, perceptions and ways of life, on both sides of the Mediterranean.

Finally, cooperation between local authorities will promote dialogue, direct contacts and collaboration between the cities, towns and local authorities of the region in a continuation of the present pilot programme MEDACT.

4.3 Networking

Networking has been, since the beginning of the partnership, one of the main characteristics of regional cooperation in the Barcelona Process. Efficient networks in the three chapters of the Barcelona Declaration will bring the partnership closer to some of its most dynamic stakeholders in Europe and in Mediterranean partners: the institutes of foreign policy, and the economic institutes, as well as the municipalities and local authorities. Two networks (EUROMESCO for the institutes of foreign policy and FEMISE for the economic research institutes) have already been very active in the Euro-Mediterranean partnership. They have provided the partnership with very valuable contributions in their respective areas of research and have allowed for fora of dialogue and exchanges of experiences.

II. PROGRAMMES 2005-2006

1. EUROMESCO

1.1 Context and justification

The political and security chapter of the Barcelona Process has been the one where least progress has been made, due mainly to the persistence of tension and conflict in the Mediterranean region. However, the network of foreign policy institutes set up by EuroMeSCo has been one of the few successful partnership building measures. Successive Euro-Mediterranean Conferences of Foreign Affairs Ministers have called for such measures to be maintained.

1.2 Objective

Consolidate and develop the network of Euro-Mediterranean Foreign Policy Institutes.

1.3 Expected Results

The network will draw up a work plan for the next three years which would set out the results to be achieved. The work plan should take account of the comments of the Senior Officials responsible for the Euro-Mediterranean political and security dialogue. It will typically include:

- A series of themes to be followed up by working groups of the foreign policy institutes in line with the main themes of the Senior Officials' political and security dialogue, such as the fight against terrorism, the fight against proliferation of weapons of mass destruction, efforts to promote respect for human rights and democratisation, as well as cross-cutting themes such as the role of sub-regional co-operation, the relationship with other relevant forums (NATO, OSCE, Mediterranean Forum, Western Mediterranean dialogue) and complementarity between regional and bilateral actions.
- Actions to promote the visibility of the network - web-site, publications, meetings etc.
- Actions to improve the functioning of the network, including the recruitment of institutes from the Member States joining the EU on 1 May 2004 and a programme of activities.
- Organisation of annual conferences and meetings with Senior Officials.

1.4 Performance Indicators

- Drafting of a programme of activities
- Number of new Institutes from the acceding Member States incorporated in the Network
- Annual conferences held
- Number of meetings held
- Number of publications issued
- Improvement in the web-site and number of 'hits'
- Number of proposals followed up by Senior Officials

1.5 Brief Description of the programme

Established at Sesimbra in 1996, the EuroMeSCo network of Euro-Mediterranean Foreign Policy Institutes exists to foster co-operation among them and to provide output on issues related to the political and security partnership. It is independent of, but interacts with the Senior Officials meetings on the political and security dialogue. It hosts a web-site with information on its work, organises meetings and conferences according to its work programme and issues publications.

Institutes from all current members of the Euro-Mediterranean Partnership are included in EuroMeSCo. Those from the 10 EU Member States joining in May 2004 are being associated with its work and should be welcomed into membership after the enlargement.

EuroMeSCo's current work programme expires at the end of 2003. This will need to be extended into 2004 (the current contract expires in September 2004). A new work programme should then be drawn up, taking account of the views of the Senior Officials, for 2005-2007.

2. FEMISE

2.1 Context and justification

In the context of the Economic and Financial Chapter of the Barcelona Process, the FEMISE network (Forum Euro-Méditerranéen des Instituts de Science Economique) has contributed substantial research studies to the Euro-Mediterranean partnership, thus facilitating policy dialogue and improving knowledge of the economic developments of the region.

The FEMISE network now involves more than 70 members (economic research institutes), representing the 27 partners of the Barcelona Process.

Supported by the European Commission within the framework of the MEDA regional programme, the FEMISE is co-managed by the Institut de la Méditerranée (France) and the Economic Research Forum (Egypt).

2.2 Objective

Consolidate and develop the network of Euro-Mediterranean Economic Institutes, notably in incorporating economic institutes of the new EU Member States.

2.3 Expected results

- To take part in the strengthening of the dialogue on the economic and trade issues of the Partnership, in particular between FEMISE member institutes, relevant ministry officials of the Mediterranean partner countries and Commission representatives.
- To monitor the progress of the Mediterranean partner countries on their way towards economic transition and opening, in particular as regards free trade and South/South co-operation, the New Neighbourhood policy.
- To further economic research on priority subjects for the Partnership.

One of the principal activities of the network is to undertake socio-economic research on topics defined as a priority for the future of the Euro-Mediterranean region. The various results are presented to the governmental partners of the Barcelona Process. Among these broad topics, one will quote in particular:

- Economic transition and reforms.
- Agricultural liberalisation.
- Development and the poverty treatment.
- Policies as regards health and work.
- Education, training and the role of women in the company.
- Integration and cooperation between the countries of the south of the Mediterranean.
- Role of the State.

2.4 Performance indicators

- Drafting of a programme of activities.
- Number of new members recruited from the acceding Member States.
- Annual conferences held.
- Number of meetings held.
- Number of research publications and articles issued.

- Improvement in the web-site and number of "hits".
- Number of proposals follow up by Economic dialogue meetings;

2.5 Brief description of the programme

a) Financing socio-economic research

One of the main goals of the Euro-Mediterranean Forum of the Economic Institutes is to finance/co-finance research devoted to the implementation of the economic chapter of the Euro-Mediterranean Partnership carried out since November 1995. In so doing, the FEMISE seeks not only to ensure a detailed and independent follow-up of the economic partnership between Europe and the Mediterranean countries, but also to generate and intensify co-operation between research workers of the region.

b) Development of country profiles

In continuation of present activities, country profiles will be carried out within the framework of the activities of the FEMISE.
The aim of this module is to monitor the advance of the ten Mediterranean partners on their progress towards economic transition and opening, in particular concerning the Euro-Mediterranean free trade area and South-South co-operation.

A document by country will be drawn up, published and proposed on-line on the FEMISE site including an overall monitoring of the situation of the Mediterranean partners by a quantitative and qualitative multi-criteria analysis using, in particular, the most reliable international statistical data.

c) Organisation of international conferences

Six international conferences appear on the work agenda of the FEMISE (2001-2005):

- Four annual conferences of the Economic Research Forum. These annual conferences bring together approximately 200 economists from North Africa and the Middle East and aim, above all, to promote development as well as a real overall vision of the region.
- Two biannual conferences of the FEMISE, organised by the Institute of the Mediterranean and focussed on the economic relations between Europe and the Mediterranean Region. These Conferences aim in particular to discuss the work started under the FEMISE and to ensure its broadest possible distribution.

d) Article production within the framework of FEMISE research and of the ERF Working Papers Series

In addition to the work carried out within the framework of the research financed or co-financed by the FEMISE, the Economic Research Forum produces, each year, 40 Working Papers, that are largely disseminated. These Working Papers complement the electronic distribution of the products of the FEMISE network.

e) FEMISE Annual reports

In view of the interest aroused by the first three FEMISE reports 1998-2001, FEMISE 2 systematises their production. Each year, according to the groundwork of the reports carried out under FEMISE II, the co-ordinators (IM and ERF) of the network will carry out a report submitting the analyses and proposals of the Euro-Mediterranean Forum of Economic Institutes.
This report will show all the research topics of the network. For each one of them, the report has to reflect:

- The principal issues of the topic and its development.
- The FEMISE analyses (from studies co-financed by FEMISE).
- The economic policy recommendations for the Euro-Mediterranean Partnership.

These reports will be available in English and French and available for download on the Internet site of the network.

f) Encourage the information and study dissemination on the economic stage of the Euro-Mediterranean Partnership

The network also ensures the co-ordination of a FEMISE Internet site which constitutes the principal information vector, allowing the distribution of data, of Working Papers and of various reports produced within the framework of the activities of the network. In operation since June 1999, the site will propose in the long term a presentation page of each member of the network, a forum for discussion and for on-line debate, as well as other services. The administration of the site is ensured by the Institut de la Méditerranée.

3. PROGRAMME ON REGULATORY APPROXIMATION IN THE FIELDS OF THE NEIGHBOURHOOD POLICY AND COMPLETION OF THE EURO-MEDITERRANEAN FREE TRADE AREA

3.1 Context and Justification

The conclusion of the grid of Association Agreements with free trade provisions, the adoption of the Valencia Action Plan and the Conclusions of the Euro-Med Conference of Foreign Affairs Ministers in Naples concerning the extension of free trade to Services and Agriculture, and finally, the Neighbourhood policy Strategy endorsed by the Council and supported by most Med partners, confirm the importance of regional or sub-regional cooperation in order to achieve:

- The gradual integration of Med partners into the EU internal market.
- The creation of a Euro-Mediterranean Free Trade Area.

These two subjects will constitute in the near future two major areas of cooperation between the EU and the Mediterranean partners.
On the one hand, the accession of the new member States strengthens the Union's interest in enhancing relations with the Mediterranean neighbours. Enlargement gives new impetus to the effort of drawing the 10 remaining Mediterranean partners closer to the EU. As stated in the Neighbourhood policy Communication "In return for concrete progress demonstrating shared values and effective implementation of political, economic and institutional reforms, including aligning legislation with the acquis, the EU's neighbourhood (in this case,

Mediterranean partners) should benefit from the prospect of closer economic integration with the EU".

On the other hand, the process of completion of the grid of Association Agreements and the gradual introduction of free trade, reinforce the need to make the Euro-Mediterranean free trade area a reality, freer of obstacles, in particular in the area of non-tariff barriers, and of remaining obstacles to integration in the South.

In the area of internal market approximation, a number of MEDA bilateral programmes will be instrumental for the implementation of the Neighbourhood policy objectives. To complement these, a regional approach is necessary in order to ensure legislative and regulatory convergence with common approaches, benchmarks and indicators for those countries that adopt National Action Plans under the Neighbourhood policy. Working together in a sub-regional approach will promote harmonisation and compatibility of the Med Partner's legislative and regulatory reforms in areas such as economic and institutional reforms, standards, investment, or circulation of goods, capital, services and people. It will also create opportunities for greater south-south integration among the countries concerned. On the contrary, working separately with partners which do not have the common horizon of accession to the EU, opens the door to conducting uncoordinated efforts at different paces and sequences and with different objectives in different countries.

In the area of the completion of Euro-Mediterranean the free trade area, a regional approach is fundamental to facilitate a true regional integration and promote a harmonised approach to trade facilitation.

3.2 Objectives

- Promote consistency, compatibility and harmonisation of measures and reforms undertaken by Med partners in their approximation efforts to the EU internal market.
- Promote the completion and smooth functioning of the Euro-Mediterranean Free Trade Area.

3.3 Expected Results

a) Internal Market Approximation

- Identification of priorities with Med partners.
- Identification of benchmarks, verifiable indicators and incentives.
- Introduction and transposition, in Med partner countries with Neighbourhood policy Action Plans (or partners with no Actions plans yet but willing to participate in the exercise later), of primary legislation on the priority areas, ensuring a high degree of harmonisation.
- Introduction, where possible, of secondary legislation, in priority areas, in order to transpose the EU internal market acquis.
- Establishment of regulatory authorities and enhancement of those already in place in order to ensure the implementation of regulations in force and monitor fair competition in markets.
- Identification and provision of technical assistance needs.

b) Completion of the Euro-Mediterranean Free Trade Area

- In accordance with the action plan adopted in Palermo in July 2003, identification of priority sectors within the areas of services and standards.
- Introduction and transposition, in Med partner countries with Association Agreements, of legislation and regulations in order to ensure the effective functioning of the Euro-Med Free Trade Area.
- Identification and provision of technical assistance needs.

3.4 Performance Indicators

The programme is result-oriented. It should aim at the attainment of tangible results in both fields: internal market approximation and completion of the Euro-Med Free Trade Area, including in the area of institutional reforms

As regards internal market approximation, performance indicators and benchmarks should be agreed in the framework of the national action plans. The regional programme should insure the necessary degree of harmonisation and consistency while respecting, where needed, differentiation in the speed and priorities between different partners.

As regards the completion of the Free Trade Area, performance indicators should be, as much as possible, common to all partners having concluded Free Trade Agreements.

The objective of the programme should not be the provision of technical assistance but the achievement of concrete and verifiable goals in terms of transposition of the EU internal market acquis, institutional reform and the completion of the Euro-Med free Trade Area. For this, a number of instruments could be necessary, including:

- Organisation of workshops and seminars in the sectors concerned.
- Resident technical assistance to accompany the process of reforms.
- Training of officials before and after the introduction of legislative and institutional reforms.
- Research and identification studies.

It is important that these instruments are used in the context of specific reforms initiated or to be initiated soon, in order to prepare, accompany and facilitate the legislative, regulatory and institutional changes. Therefore, in principle, the appropriate instruments of cooperation should not involve partners whose priorities have not been established and the specific reforms are not decided or initiated.

3.5 Brief description of the programme

The programme should be a flexible instrument of regional cooperation able to adapt to the evolving situation in the Euro-Mediterranean partnership.
As indicated in the above sections it will cover two areas:

- The gradual integration of Med partners into the EU internal market, covering partners with Neighbourhood policy national action plans (or partners with no Actions plans yet but willing to participate in the exercise later).

- The creation of a Euro-Mediterranean Free Trade Area, covering countries having concluded free trade agreements with the EU.

It should take into account the necessity of harmonisation and convergence, as well as the need for differentiation with partners willing to progress further in the path of reforms and approximation with the internal market acquis.

The programme will take into account the results and the training activities of the Euro-Med Market programme and enter into an operational phase of implementation of Neighbourhood policy National Action Plans and the Palermo Action Plan agreed by Euro-Med Trade Ministers in July 2003 and other future Euro-Med Trade conferences.

It will also take into consideration the activities of the on-going Euro-Med Transport Programme and of the conclusions of the two Euro-med Ministerial Conferences on Energy held in 2003 (Athens in May 2003, and Rome in December 2003).

In order to benefit from the experience gained with acceding countries, the programme could envisage the extension of programmes and activities such as the TAIEX and SYGMA programmes, in particular in the areas of good governance, institutional and public administration reforms.

The programme will also take into account the activities of the programme of support to Agadir and work in close coordination with it.

As regards

a) Internal market approximation

The following sectors, could be covered:

- Free circulation of Goods.
- Public Procurement.
- Intellectual and Industrial Property Rights.
- Enterprise Policy.
- Freedom to provide Services.
- Free movement of Persons - Social Policy issues.
- Free movement of Capital and Payments.
- Freedom of Establishment.
- Competition Policy.
- Customs.
- Taxation.
- Veterinary and phyto-sanitary issues.
- Consumer Protection.
- Transport.
- Energy.
- Electronic Communications.
- Environment.

b) The Completion of the Euro-Mediterranean Free Trade Area

The following areas could be envisaged:

- Customs procedures: origin, transparency, import and export single administrative document, simplification, harmonisation and computarisation of procedures.
- Trade facilitation: legislation and procedures, administrative cooperation, relations with economic operators.
- Standards, technical regulations and conformity assessment procedures.
- Free trade in services.
- Further free trade in agriculture.

4. PROGRAMME REGIONAL - FONDATION EUROMED

4.1 Context and justification

The Barcelona Declaration of 1995 expresses, in Chapter III, the need to establish a dialogue between the cultures and the civilisations within the framework of the societies of the Mediterranean region. The action plan adopted at the Euro-Mediterranean Foreign Ministers Conference held in Valencia on 22 and 23 April 2002 comprises a mandate for the creation of a Euro-Mediterranean Foundation for a dialogue between the cultures and civilisations. This Foundation was effectively launched at the time of the Euro-Mediterranean Foreign Ministers Conference held in Naples on 2-3 December 2003. As indicated in the conclusions of the latter Conference (Barcelona VI), the setting up of this new instrument finds its justification in the following reasons:

- It is necessary to set up a dynamic structure which should contribute to having the members of the Barcelona process feel jointly responsible for this process.
- It is important to create an instrument to encourage the knowledge of the objectives of the Barcelona process.
- It is necessary to establish a structure which is capable of promoting the definition and the realisation of a strengthened cultural cooperation.
- It is necessary to set up a structure which serves as a catalyst to the cooperation on a national or international level between the existing networks of foundations, NGOs and other organisations of the civil society, public or private, which are involved in the Euro-Mediterranean region.

4.2 Global objective

The principal objectives of the Foundation are the following:

- Define, develop and promote areas of cultural convergence between the countries and the people of the Mediterranean region.
- Maintain a close and regular dialogue between the cultural circles beyond the main cultural and diplomatic exchanges.
- Serve as a catalyst to promote the exchange(s), cooperation and the mobility of persons on all levels, aiming more particularly at young people and the activities which concern them.

4.3 Specific objectives

Within the framework of these principal objectives, the activities of the Foundation should take account of what has already been achieved within the framework of the Euro-Mediterranean partnership (areas such as cultural heritage, the audio-visual sector and information technology, vocational training, etc.), thus avoiding any duplication of efforts.

Within this framework, the Foundation would have the following specific objectives:

- To encourage the exchanges between cultural and intellectual circles in the broad sense.
- To encourage a permanent cultural debate by having recourse in particular to multimedia technologies, in cooperation with the existing important media and with the participation of persons coming from both shores of the Mediterranean, in particular of journalists and of young people.
- To sponsor important events symbolising mutual understanding, co-financed by important groups of the media and/or festivals and institutions already active in these fields.
- To promote activities of the Barcelona process, in particular with the resources of the Foundation itself (e.g., in the form a periodic publication, an internet/web site).

It is advisable to point out that the objectives and the activities of the Foundation will take account of the results of the activities of the High-Level Advisory Group ("Group of the Wise men (Groupe des Sages)") set up by the President of the Commission, Romano Prodi.

4.4 Expected results/outcomes

The Foundation will have to play a pivotal role in the mobilisation of the networks which, within the EU and its Mediterranean partners, already deal with the dialogue between the cultures and civilisations. It will assist the members of the network in accessing sources of finance, it will bring together the people and organisations, will diffuse knowledge and will exchange the best practices with the aim of encouraging the dialogue between the cultures and civilisations. Moreover it will be responsible for starting all the actions, programmes or projects which will be defined in the three-year programming.
As regards the operation, the Foundation will be created in several stages and will act in theory as a network of networks. A light independent administrative structure will be in charge of the coordination of the network of the national networks. To this end, each country will designate the institutions and appropriate organisations which will constitute the national network and will select the authority/organisation which will be the leader of this national network.

4.5 Performance indicators

Performance indicators are possible both for the activities specific to the Foundation and for the activities coordinated by the Foundation which will be implemented by the national networks. Indicators could be the following:

- Number of programmes (i.e. cultural exchange programmes), of meetings and debates, of publications, of seminars, of exhibitions, of conferences etc., organised on the Euro-

Mediterranean relations. Effective number of participants in these programmes.

- Number of the research grants on the Euro-Mediterranean relations which are allotted specially for the translation of works.
- Number of handbooks, in particular those devoted to cultural heritage and to the values of the civilizations of the region.
- Number of programmes devoted to the cultures and arts of the Mediterranean region and the level of diffusion in the television networks on both shores of the Mediterranean.
- Number of activities related to the action programme for the dialogue between the cultures and civilisations, adopted by the Foreign Ministers at the ministerial conference in Valencia, in the three areas of this programme: youth, education, and media.

4.6 Brief description of the programme

Each Euro-Mediterranean partner will be responsible for the creation of his national network by designating a leader institution and the other members among the institutions which take an active part in the dialogue between the cultures and civilisations.

The Commission, on its part, will grant a launching aid of € 5 million under the MEDA programme (provided that the members of the Euro-Mediterranean partnership supply voluntary initial contributions, financial or in kind, at least overall equivalent to the aid allocated by the Commission).

Within this framework, the Foundation will principally have to set up its operational structures before July 1, 2004: an executive board of directors (which will be responsible for the broad orientation of the work of the Foundation), the executive director and the Consultative Committee. By 30 September 2004, the executive director will submit to the executive board the concrete organisation of the launch of the Foundation and the draft working programme.

As from its initial three-year period of activity, the Foundation will have to carry out a work programme within the principal envisaged frameworks of operation, namely: actions concerning cultural convergence, the close and regular dialogue between the cultural circles and, finally, the exchanges, cooperation and mobility of people, particularly the youth.

5. EURO-MEDITERRANEAN COOPERATION PROGRAMME BETWEEN THE CITIES, LOCAL AND TERRITORIAL AUTHORITIES (MEDACT)

5.1 Context and justification

On 22 February in Barcelona, the mayors of the Euro-Mediterranean cities wished to give new momentum to the Euro-Mediterranean Partnership and to create a space for dialogue, exchange and cooperation between the cities. Their statement, which is called the "Euro-Med" PACT, was the result of a very old will of the cities eager to have a specific space within the framework of Euro-Mediterranean cooperation. This aspiration had been expressed several times during the various activities undertaken by the cities (the Conference of Mediterranean Cities in Barcelona in 1995, the Summit of Mediterranean Cities in Marseilles in 1998 and in Genoa in 2000, les assisses de la Méditerranée en 2000, the various meetings of the Mediterranean group of the World Federation of United Cities, and of the Standing

Committee for the Euro-Mediterranean Partnership of Local and Regional Authorities, the Council of European Municipalities and Regions, etc.).

The Valencia Action Plan approved by the Euro-Mediterranean Foreign Ministers on 23 April 2002 "welcomed the Declaration of the Meeting of Euro-Mediterranean cities held in Barcelona last February. It also agreed that the Euromed Pact proposal presented by Eurocities merited further study."

Following these statements and political decisions, the European Commission launched a pilot cooperation programme in 2003 between the Euro-Mediterranean cities (MEDACT) with the objective of starting a number of initial activities. The activities carried out so far show the capacity and the will of local authorities to participate actively in a Euro-Mediterranean cooperation programme.

The cities confirmed that the Euro-Mediterranean dialogue is a fundamental asset for the local authorities and showed their firm willingness to support and to promote it. Moreover:

- The cities host on their territory the vast majority of the populations in the North, as well as, increasingly, in the South of the Mediterranean.
- They are places of encounter, creation, and exchanges. It is in the large metropoles where the main part of wealth is created today, where scientific research is concentrated and where the technology and the products of tomorrow are invented.
- The Euro-Mediterranean cities are confronted with the same technical (urbanization, management of public transport systems, improvement of the environment, safety), but also political challenges (security, local democracy, participation of the citizens, relations with associations). There are many fields in which much can be learned from cooperation and the sharing of experiences, both for the elected representatives as well as for the officials.
- The majority of European cities, including those of the North, have relations with the Mediterranean world, be it only because they shelter people coming from these countries whom they must integrate and whom they must, consequently, better know and better understand.

5.2 Objectives

Developping the cooperation, the exchanges and the dialogue between the cities, the local and regional Euro-Mediterranean authorities.

5.3 Expected results

- Identifying the common interests of the cities and local authorities of the European Union and of the cities and local authorities of the Mediterranean partners, promoting their cooperation, facilitating the contacts and the sharing of experiences.
- Letting other municipalities benefit from the expertise of the cities in the area of the management of urban problems.
- Developing the capacities of the local authorities by human resource-building.
- Promoting the good practices of development, democracy, and the good local governance in the respect of the specific characters.

5.4 Performance indicators

- Implementation of concrete, operational cooperation projects and with a real impact on the citizens of Euro-Mediterranean cities, particularly those of the cities and local authorities of the Mediterranean partners.
- Creation of sustainable cooperation networks between the Euro-Mediterranean cities and local authorities.
- Verifiable transfer of expertise and know-how in the fields of the local governance and the management of municipal and regional bodies.

5.5 Short description of the programme

This programme is addressed to the cities of the countries of the Euro-Mediterranean partnership and to their networks; it aims to develop a direct and sustainable partnership between the local actors. It will be able to collaborate with other entities which, although not being cities, work in relation with the urban sector.

The programme has to take account of the lessons of the past and not to reproduce the structures and the insufficiencies of implementation which became manifest in the decentralised cooperation programme MED URBS. To this end, a limited number of actions should be aimed at in fields which give a true added value on the level of the cities in relation to the other types of cooperation. The programme of cooperation has to result in concrete projects with a verifiable and operational impact.

The programme could envisage choosing between 8 strands of action which would constitute frameworks of cooperation, the objective of which is the development of a sustainable partnership and of exchanges of experiences which will give rise to a limited number of joint projects:

- Strengthening of local governance.
- Urban mobility.
- Sustainable management of the urban environment.
- Cities, culture and cultural inheritance.
- Strategy of urban and regional development.
- Information and communication technology as a local development tool.
- Social cohesion of the cities.
- Urban planning and housing.

Various cooperation methods could be proposed:

- Exchanges of personnel, with a training aim.
- Seminars for training and for exchanges of experiences.
- Development and realisation of training programmes intended for the personnel of local communities.
- Identification and diffusion of good practices.

6. PROGRAMME REGIONAL MEDA JHA II

6.1 Context and justification

The "framework document" adopted on the Valencia conference in April 2002 marked a decisive step. Henceforth, the legal questions of fight against organised crime and terrorism and the questions of migration, of trafficking of human beings and of the movement of people are no longer considered purely internal. They are one of the full elements of the euro Mediterranean relations both at the bilateral and regional level.

From the "framework document", founding text of the JHA partnership, the programme Meda JHA II, going beyond the work done so far, has to open with flexibility the following phase in order to implement the "New Neighborhood Policy". The first regional Euromed programme concerning this new field of cooperation concentrated on the questions of training (justice, police) and of the pooling of data (migration). From the previously initiated interaction between national practices and training within a regional framework, it is advisable to approach the institutional and operational dimension of the exchange of experiences at a regional level. In addition, the most relevant experiences, projects and national interests have to find in the regional programme sufficient support, dissemination and coordination which will encourage cooperation between partners. This concerns justice, police but also migratory questions. Vis-a-vis the major challenges of the internationalisation of criminal networks, of terrorism and of modern management of migratory flows, answers can be only transnational through a permanent dialogue, and a strengthened cooperation in police and legal matters. These answers will be sustainable only if they incorporate the values of respect of law and of the human person.

6.2 Overall objective

Encourage the operational repercussions of the partnership approach concerning the questions of justice, police and migration, both in their North-South as well as their intra-regional dimension, while taking care of the consistency of the programme with respect to the implementation of a strengthening of the rule of law based on common values (respect for human rights, democracy, independence of justice, transparency, good governance). This phase II of the JHA programme will apply firstly to the following fields:

- **Migration management and border control.**
- **Fight against organised crime and terrorism** (mainly by the fight against its financing and money laundering).
- Assistance to **judicial and legal reform** touching upon the fundamentals of justice, particularly in its effects on legal cooperation in civil and penal matters including in the field of family and commercial law and criminal judicial cooperation.

6.3 Specific objectives

In each field concerned with the JHA questions, it is advisable to exploit and intensify the networks initiated by the first generation of regional actions. The process of extension have to kept open. These "Euromed" networks of professionals in the fields of justice, police and migration policy are indeed intended to become the tools of a partnership approach towards the challenges mentioned above, the crucible of exchanges of good practices, of the elaboration of common doctrines and platforms.

In this spirit **the three sections A, B and C[3] (justice, police, migration) of the programme Meda JHA I, should be followed and lead to the definition of appropriate structures or common authorities/bodies. The programme Meda JHA II has thus to proceed to the identification, the verification of political and technical relevance, the study of the feasibility of these common authorities/bodies with respect to the extension of existing networks whilst taking care to put in common what already exists** (of the type Centre Euromed des Hautes Etudes Judiciaires concerning the fundamentals of justice including their effect on the legal cooperation in civil and penal matters, Centre Interregional Euromed de Cooperation Policière for the development of technical cooperation between police forces, Centre Euromed d'Etudes des Migrations for bringing up to date and pooling of multidisciplinary data required for the question of migration). Inside these authorities/bodies, just like previously in the Meda JHA I networks, several partner countries can gather themselves to take part in common actions on one or another topic, **define good practices which concern strengthened cooperation, and to work out common platforms aiming at the development of a Mediterranean space of justice and security.** As examples could be listed the measures likely to strengthen legal and police cooperation, the measures encouraging the best legal and judicial mechanism to accompany the economic transition in the Meda countries, the elements of consensus regarding the most beneficial management of migratory flows.

In addition, from the point of view of the "New Neighborhood Policy", an important share of the funds of Meda JHA II will have to be reserved, according to the initiatives for two or several partner countries, for alignment actions with the neighbors which are best prepared in the priority fields: border control and management of migratory flows, fight against the financing of terrorism and money laundering, judiciary and legal reform related to fundamental aspects of justice (access to an impartial and independent justice) particularly in its effects on legal cooperation in civil and penal matters including in the field of family and commercial law and criminal judicial cooperation.

Examples could include:

- The conclusion of a MOU (memorandum of understanding) between a FIU (financial intelligence unit) or specialised offices of the police of several countries in order to organise the exchange of information on money laundering.
- "Twinnings or Taiex" of regional size (sending of European experts to the services or administrations concerned with several Meda countries).
- Twinnings of several (between 2 and 5) courts/tribunals including supreme courts.
- Memoranda of understanding between the Ministries of Justice and Attorney Generals of neighbouring countries on technical improvements of their cooperation (hearing of witnesses or victims by videoconference, document transmission or procedural documents, exchanges of statistics on criminality, etc.).
- Design and definition of a Euro-Mediterranean centre for the resolution of transnational family conflicts (memorandum of understanding, review of the existing experiences, joint commissions, exercise of the rights of access of parent residing abroad, etc.).
- Twinnings (2 to 5 countries) of specialised services (Departments of Migration,

[3] The sections A and B of the regional programme I cover the training (indirect training, teacher training) of magistrates and police officers in specific topics. Section C sets up a permanent and multidisciplinary collection of data in migratory matters.

international services or departments of the Ministries of Justice and of the Interior, etc.) of the administrations concerned.

- Exchanges of good practices and training of liaison officers "fight against illegal immigration".
- Periodic holding of a seminar of the senior officials responsible for the migration policies in the Mediterranean.
- Definition of a connection function for judicial and police cooperation in the Mediterranean and setting in place of magistrates and liaison police officers.

This type of action, for which the initiative can be taken or requested based on the existing dialogue bodies within the Association agreements, could be extended and realized, according to methods adapted to each group of countries concerned, within this regional or intra-regional framework. Consequently, **the multiplication of actions in a specific format could give rise to intra-regional bodies in the JHA field**.

6.4 Expected results

Beyond the institutionalisation of a detailed technical dialogue on the questions of justice, police force and migrations, the regional programme Meda JHA II will bring a real added value:

- Permanent updating of the professional Euro-Med networks in the fields of justice, police and migration.
- Training and exchange of experiences concerning the joint definition of good practices.
- Definition and setting up of resource and liaison persons, contact points, in order to ensure its the transition to an operational stage.
- Setting in place mechanisms of cooperation in the civil realm facilitating in particular the resolution of the transnational family conflicts.
- Creation of a reference corpus for a strengthened judicial and police cooperation.
- Transfer of the academic research network on migration into a political debate during the meetings of senior officials responsible for migration policy within the Euro-Med framework.
- Development of cooperation in the areas of judicial affairs and police taking into account the European legal instruments and structures (Schengen acquis, European warrant of arrest, European Evidence Warrant for obtaining evidences, Europol, Cepol, Eurojust, etc.).
- Indirect effects on the current judicial and legal reforms in several Med countries.
- Quantitative and qualitative up-grading of legal and police cooperation.
- **Multiplier effect in the sub-regional South-south dimension**: including in the agenda the same topics by the partners during the meetings within other frameworks (the Maghreb, Conference of the Arab Ministers for Justice, 5 + 5, Mediterranean Forum, bilateral conventions and cooperation, etc.) ; **promotion of a intra-regional JHA initiatives.**

6.5 Performance indicators

The impact of the actions implemented under this programme could be measured according to the following indicators:

- Participation of the MEDA countries in the training activities and exchanges of information.
- Increase in international legal acts and documents issued by the legal authorities of the countries concerned (international letters of request, international surveys, exchanges of information, etc.).
- Number of meetings of high level professionals in these fields of action (justice, police, migrations).
- Number of referrals in civil matters in particular within the framework of the transnational family conflict resolution.
- Development of the sources of information and of exchange between professionals of the countries concerned.
- Drafting of reference texts ("charter ", guide of good practices, conclusions of seminars, etc.) enriching both cooperation and the distribution of the democratic values in these crucial fields for the rule of law.
- Data collection on the work of the institutions of each country in the legal and police fields.
- Constitution of an informal network of decision-makers as regards migration policy.
- Distribution of the studies and debate results from the scientific community to the administrative and political responsible on migratory matters.
- Preparation of meetings for the constitution of permanent structures adapted to the general objectives of the programme, of the type "Euro-med Centre for Legal Studies", "Euro-med Interregional Centre for Police Training", "Euro-med Centre for Migration Studies ".
- Involvement of the European cooperation bodies: Europol, Cepol, Eurojust.
- Number of meetings for exchange and debates in which the persons responsible for these policies meet and debate their points of view.

6.6 Brief description of the programme

Under the Meda regional programme JHA I, sections A and B concentrated on the training by means of the constitution of workshops bringing together experts and trainers in order to produce teaching material, to design training courses on the subjects of current concern on the international dimension of procedures, money laundering, the fight against terrorism, drugs, organised crime and traffic of the human beings. These joint teams coming from various European and Mediterranean countries would become contact points in their countries in order to encourage the promotion of Euro-Med legal and police cooperation. Moreover, as regards migrations, the multi-field data collection through an academic network of specialists in the migratory questions will have to be extended to decision-makers and high level officials responsible for the implementation of policies.

The programme Meda JHA II, on the basis of these previous experiments, has **to improve the use of the legal and police professional network by putting it at the service of both the technical and legal procedures of an international nature, and of the increase in the number of these.** It will be implemented firstly in the following fields:

- Management of migrations and control of the borders.
- Fight against the organised crime and terrorism (mainly by the fight against the financing of it and money laundering).
- Assistance to the legal and legal reform regarding to Justice, and its effects on legal cooperation in civil and criminal matters.

Such a development is inseparable from the current legal reforms in several Mediterranean countries in the field of Justice. The definition of the good practices within a Euromed regional framework can only strengthen the reforms, combining respect of human rights, the modernisation of Justice and of the police forces, and the respect of democratic principles. More specifically in the field of the family law, this should result in the joint search for a better resolution of the transnational family conflicts and in the exercise of the parental authority and of the rights of the child.

To this end, the programme will seek the sustainability and durability of the structures contributing towards an enhancement of cooperation while supporting modernization. The programme will also prepare the basis for the creation of a Euro-Mediterranean Centre of the High Legal Studies, of a Euro-Med Interregional Centre of Police Cooperation, of a Euromed Centre of Studies of migrations, **while putting in common the existing resources**. The "new neighborhood policy" will also be taken into consideration for specific actions in partnership with the interested countries in order to continue the implementation of the work defined in Valencia Action Plan agreed in April 2002.

7. PROGRAMME REGIONAL EUROMED YOUTH III

7.1 Context and justification

The programme Euro-Med Youth launched in 1999 in the context of the Barcelona partnership in the social, cultural and human fields, aims to involve the young people of the 27 Euro-Mediterranean partners in a permanent intercultural dialogue in a climate of tolerance and of peace.

In the context of the European Neighbourhood policy which underlined the importance of the dialogue between civilisations and human links between the people of the enlarged Europe and of its neighbours, the programme Euro-Med Youth acquires an increased significance. Direct "people to people" cooperation can contribute considerably to political stability, to economic development and to social cohesion in the regions.

The Council of Ministers stressed several times the importance of aiming at the young generations which will be the citizens and the political decision-makers of tomorrow. In the 12 Mediterranean partner countries, in the year 2000, the young people of less than 20 years accounted for 40% of the population. That gives an idea of the potential impact of the programme Euro-Med Youth.

The 2nd phase of the programme (2002-2004) was characterised by the consolidation of the method in order to: increase in the number of projects, improve their quality, target on specifically Mediterranean priorities, and consolidate the structures of the programme (national Coordinators in the Mediterranean countries, cooperation and twinning with the national Agencies Youth, development of the resource centre and Euro-Med called training "CSalto"). Visibility was also strengthened, in particular by the launching of the

Euromediterranean Platform of the organisations of youth in Malta, in September 2003.
The programme Euro-Med Youth, therefore, succeeded in creating solid bases in terms of management, of structures and of promotion and it is henceforth completely operational. In order to collect the results of investments and of the efforts made, it is proposed the adoption of a third phase (2005-2006) which could ensure the continuity of the implementation and maximise the impact of the programme.

7.2 Overall objectives

The programme Euro-Med Youth aims to stimulate:

- The development of a dialogue, of knowledge and of mutual understanding between the young people of both sides of the Mediterranean.
- The active citizenship and the young people's integration (in particular of women) into the social, professional and political life of the local communities.
- Democratisation and the participation of the civil society.

7.3 Specific objectives

More specifically the programme Euro-Med Youth aims at:

- Allow the largest number of young people to take part in non formal and multilateral educational experiments, based on the intercultural dialogue.
- Promote experience sharing and good practices, the acquisition of new qualifications ("capacity building") and the diffusion of new approaches of the young people.
- Provide training to enable the socio-educational co-ordinators to develop new capacities for the management of projects at the international level.
- Encourage the development of independent youth NGOs and the active participation of young people in the social, economic and political life of the Mediterranean partner countries.
- Encourage the participation of the youth NGOs of the partner countries in the transnational networks to intensify the Euromediterranean dialogue.
- Strengthen cooperation between persons responsible for the local governments in the field of the youth policy.

7.4 Expected results

- **Increase the impact of the programme**: involving a larger number of young people and of socio-educational co-ordinators (2003: 5,000 participants; 200 projects) in the activities of contact, exchanges of experiences and of good practices, voluntary service and training.
- **Make use of the consolidated structure of the programme** (North-South dimension and South-south): permanent networking of all the actors of the programme for a more effective implementation of the programme.
- **Improve the visibility of the programme:** more targeted distribution of the results (videos/CDs, emissions in the media, exposures, presentations, projects on headlight of greater dimension) at the national level in the partner countries (collaboration between national Coordinators and EU Delegations) and at European level.
- **Possibility of launching of cooperation with the networks of the Euro-Med cities**

to create multilateral pilot projects. (For example: to develop participation projects anchored in local life and which are the subject of a networking).

7.5 Performance indicators

- Number of projects carried out and of participants.
- Level of the participants' satisfaction.
- Impact of the programme on the public targets (modification of the attitudes and of the young people's behavior in relation to the other generations, multiplier effect, durability of the networks, level of the recipients' information, etc.).
- Visibility (broadcasted events, advertising carried out, etc).

7.6 Brief description of the programme

The Programme EURO-MED YOUTH 2005-2006 focuses on three main actions:

- Multilateral exchanges of young people and of socio-educational co-ordinators, covering specific priorities common to the Mediterranean region.
- Voluntary service with short or long term, individual; non formal educational experiences, training on arrival, linguistic training, intermediate and final evaluation.
- Support measures: planning/preparation, meeting visits on the programme, multilateral study visits, contact seminars, training courses at the national or international level for socio-educational young people and co-ordinators.

Development of **pilot projects** for a greater long-term visibility in the framework of the Euro-Med Platform and with the support of the resource SALTO Euro-Med Centre and of the Convention with the Council of Europe. These projects could be built from twinnings between NGOs. They could include a first phase of exchanges and a second multilateral meeting phase.

It could also be envisaged to carry out multilateral pilot projects of a larger scope and longer duration in cooperation with the network of the Euro-Med cities. That would make possible better visibility to the young people's initiatives by using the media resources of the cities (broadcasted events, advertising campaigns, etc). Some activities could include:

- Exchanges between young officials of the municipal administrations of some large Euro-Med cities on topics like the governance process, the youth policies, etc.
- Twinnings between youth centres of some Euro-Med cities (training, exchanges of young people + socio-educational co-ordinators).
- Fora of discussion and exchanges on the problems of the Euro-Med cities experienced by young people (topics: environment, leisure, unemployment, drug-addiction, criminality, social inclusion, the young people's information, etc.).
- Training course consisting of an "empowerment course" (seminars, study visits, transfer of experiment, training periods, etc.) for young women to various institutions, companies and municipal administrations of the Euro-Med cities to facilitate their insertion in the professional and economic life.

8. TECHNICAL ASSISTANCE AND RISK CAPITAL SUPPORT TO FEMIP

8.1 Background and justification

In March 2002 the Council decided to establish a Euro-Mediterranean Facility to support investments in the Mediterranean partner economies (FEMIP). FEMIP became operational in October 2002 and is expected to increase the volume of EIB commitments in the region to around 2 billion € per year by 2006. In November 2003 the Council endorsed a strategy to reinforce FEMIP, including through a special envelope for private sector risk sharing operations and the establishment of a donors Trust Fund to complement EC budget support.

FEMIP's main objective is to promote private sector development in the region. This requires a combination of a supply of appropriate financial instruments and reforms in the recipient economies to facilitate private sector development. Pending a reform of its statutes, the EIB is not yet in a position to take equity stakes in Mediterranean private enterprises. Risk capital financed from the MEDA budget helps it to circumvent this constraint. At the same time, the MEDA technical assistance facility contributes to up-stream project design as well as to down-stream project implementation, often within the context of a sectoral reform strategy.

8.2 Overall objectives

The overall objective of FEMIP is to promote economic growth in the region through investments in infrastructure and especially in private sector development.

8.3 Specific objectives

The specific objectives of FEMIP are to enhance the supply of foreign and domestic financing for public and mainly for private investments in the region. First of all through direct supply of financial resources (notably through the development of risk sharing operations with the private sector, through global loans and risk capital operations). Second, by promoting improvements in the domestic institutional environment that facilitate endogenous private sector development and financing.

8.4 Expected outcomes

The expected outcome of the risk capital facility is a series of investments, either directly in privately owned companies in the Mediterranean partner economies, or indirectly through privately-owned investment funds. The EIB will strive to channel risk capital as much as possible through private sector operators. Investment funds with a public sector participation may also be eligible provided their management board offers sufficient guarantees of independence and for an adequate private sector development orientation. The final beneficiaries of risk capital will be fully privately owned companies. This risk capital facility may be reviewed when a proposed revision of the EIB's statutes, that will permit it do equity operations on its own resources, is approved.

The expected outcomes of the technical assistance facility are knowledge products that contribute to project design and project implementation, preferably within a sectoral strategy. At least half of the funds allocated to technical assistance will be used for projects that directly benefit the private sector. Functional and economic criteria will be established to

decide on the eligibility of technical assistance projects for financing, including the extent to which projects generate public benefits that can not be captured in commercial terms.

8.5 Performance indicators

The EIB will regularly report to the Commission on implementation of projects (use of funds) and on outputs produced and results obtained through these projects. Performance indicators will include, amongst others, the share of private sector beneficiaries, the performance of enterprises financed through risk capital operations and the rate of return on these, and the technical and economic benefits produced by technical assistance projects.

8.6 Summary description of the programme

The programme provides the EIB with (a) a technical assistance facility to accompany the design and implementation of projects as well as reform programmes to improve the private sector environment and (b) a risk capital fund to take equity stakes in private enterprises.

7. Beneficiary institutions and indicative amounts

The amounts allocated to FEMIP for technical assistance and risk capital will be managed and implemented by the European Investment Bank (EIB) in accordance with the relevant Articles of the MEDA Regulation. The EIB may seek financial cooperation and coordination for these operations with other IFI's operating in the region.

Regional support envelope - financial breakdown by priority (€ million)

Chapter I	Objectives	Indicative Amount
EUROMESCO (Euro-Mediterranean Study Commission)	To consolidate and develop the network of foreign policy institutes as a partnership building measure contributing to the political and security partnership	5,000,000
Chapter II		
FEMISE (Forum Euro-Méditerranéen d'instituts de sciences économiques)	The programme expires in 2004. A continuation of the programme should be envisaged with the objective to ensure a long-term contribution to the Partnership by the FEMISE.	5,000,000
Regulatory approximation and Completion of the Euro-Med Free Trade Area.	In the fields covered by the Neighbourhood policy to contribute to national action plans and facilitate that Med partners work together in a number of areas where the final objective is the approximation of Med partner regulatory frameworks toward common EU legislation, especially as regards the internal market. The Euro-Med Trade Ministerial established an action plan in six phases for regulatory approximation in the field of free circulation of goods. The objective will be to achieve the goals identified in the work plan and create a single Euro-Mediterranean free trade Area with common or compatible standards and import and export procedures.	20,000,000
Chapter III		
Foundation	To promote dialogue, exchanges and understanding between Euro-Mediterranean cultures and academic communities.	5,000,000
Cooperation between towns and local administrations	To implement direct contacts and collaboration in specific projects between the cities, towns and local authorities of the region in a continuation of the present pilot programme MEDACT.	5,000,000
Justice and Home Affairs II	To cooperate in priority areas such as border controls, management of migratory flows, fight against terrorism, money laundering and promotion of and independent judiciary.	15,000,000
Youth	To promote contacts, exchanges and mutual understanding and knowledge between Euro-Mediterranean younger generation	5,000,000
TOTAL		60,000,000

Support to the FEMIP

Support to the FEMIP (Euro-Mediterranean Investment Facility)	Technical Assistance and capital risk facility	155,000,000

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