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## **REPORT**

on the annual report on the MEDA 2000 programme  
(COM(2001) 806 – C5-0524/2002 - 2002/2235(INI))

Committee on Industry, External Trade, Research and Energy

Rapporteur: Yves Piétrasanta



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## PROCEDURAL PAGE

By letter of 28 December 2001 the Commission forwarded to Parliament its annual report on the MEDA 2000 programme (COM(2001) 806 – C5-0524/2002), which was referred to the Committee on Industry, External Trade, Research and Energy for information.

At the sitting of 21 November 2002 the President of Parliament announced that the Committee on Industry, External Trade, Research and Energy had been authorised to draw up an own-initiative report on the subject under Rules 47(2) and 163, and that the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy and the Committee on Budgetary Control had been asked for their opinions.

At the sitting of 19 December 2002, the President of Parliament announced that he had also asked the Committee on Women's Rights and Equal Opportunities for its opinion.

The Committee on Industry, External Trade, Research and Energy had appointed Yves Piétrasanta rapporteur at its meeting of 19 March 2002.

At its meeting of 20 March 2003 it decided to include in its report the following motion for resolution:

B5-0536/2002, by Jorge Salvador Hernández Mollar, on a Euro-Arab business association, referred on 13 January 2002 to the Committee on Industry, External Trade, Research and Energy as the committee responsible.

The committee considered the draft report at its meetings of 3 December 2002, 23 January 2003, 19 February 2003, 20 February 2003 and 25 March 2003.

At the last meeting it adopted the motion for a resolution by 42 votes to 2, with 0 abstentions.

The following were present for the vote: Carlos Westendorp y Cabeza, chairman, Peter Michael Mombaur, vice-chairman, Yves Piétrasanta, vice-chairman and rapporteur, Jaime Valdivielso de Cué, vice-chairman, Sir Robert Atkins, Luis Berenguer Fuster, Guido Bodrato, Giles Bryan Chichester, Nicholas Clegg, Willy C.E.H. De Clercq, Harlem Désir, Concepció Ferrer, Norbert Glante, Michel Hansenne, Hans Karlsson, Werner Langen, Caroline Lucas, Erika Mann, Eryl Margaret McNally, Angelika Niebler, Seán Ó Neachtain, Reino Paasilinna, Paolo Pastorelli, Elly Plooi-j-van Gorsel, Imelda Mary Read, Paul Rübig, Esko Olavi Seppänen, Roseline Vachetta, W.G. van Velzen, Olga Zrihen Zaari, Per-Arne Arvidsson (for Bashir Khanbhai), María del Pilar Ayuso González (for John Purvis), Freddy Blak (for Marianne Eriksson), Dorette Corbey (for Rolf Linkohr), Marie-Hélène Descamps (for Dominique Vlasto), Francesco Fiori (for Umberto Scapagnini), Christos Folias (for Konrad K. Schwaiger), Glyn Ford (for Gary Titley), Cristina García-Orcoyen Tormo (for Alejo Vidal-Quadras Roca), Alfred Gomolka (for Christian Foldberg Rovsing), Roger Helmer (for Godelieve Quisthoudt-Rowohl), Samuli Pohjamo (for Colette Flesch), Bernhard Rapkay (for Mechtild Rothe), Laura González Álvarez (for Fausto Bertinotti pursuant to Rule 153(2)).

The opinions of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy and the Committee on Women's Rights and Equal Opportunities are attached. The Committee on Budgetary Control decided on 9 July 2003 not to deliver an opinion.

The report was tabled on 1 April 2003.

## MOTION FOR A RESOLUTION

### European Parliament resolution on the annual report on the MEDA 2000 programme COM(2001) 806 - C5-0524/2002 - (2002/2235(INI))

*The European Parliament,*

- having regard to the Commission report (COM(2001) 806 – C5-0524/2002),
  - having regard to the report by the Commission to the Council on a new Euro-Mediterranean bank (SEC(2002) 218),
  - having regard to the annual report 2001 from the Commission to the Council and the European Parliament on the EC development policy and the implementation of external assistance (COM(2002) 490),
  - having regard to the evaluation report drafted by the Eva-EU Association in May 2001 on financial assistance to the Mediterranean countries covered by the MEDA programme, in the form either of risk capital granted and managed by the EIB or of interest subsidies for loans granted by the EIB,
  - having regard to the Special Report No 1/2002 by the Court of Auditors concerning macro-financial assistance (MFA) to third countries and structural adjustment facilities (SAF) in the Mediterranean countries<sup>1</sup>,
  - having regard to the conclusions of the Göteborg European Council, concerning the emphasis placed on a strategy to integrate environmental protection and sustainable development into Community development policy,
  - having regard to Rules 47(2) and 163 of its Rules of Procedure,
  - having regard to the report of the Committee on Industry, External Trade, Research and Energy and the opinions of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy and the Committee on Women's Rights and Equal Opportunities (A5-0114/2003),
- A. in view of its resolutions of 12 July 2000 on the MEDA I programme<sup>2</sup>, and in particular the implementation of that programme during the period 1995-1999, and its proposals designed to improve management of the programme and redress the balance of its priorities,
- B. whereas during the period of application of MEDA I the payment-to-commitment ratio for the non-refundable aid segment was very low and, according to the MEDA annual report for 2000, the main reasons were the length of the negotiations, the multiannual nature of some operations, the limited administrative capacity of the MEDA countries and the complexity of the programme's procedures,

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<sup>1</sup> OJ C 136, 7.6.2002.

<sup>2</sup> OJ C 135, 7.5.2001, p. 159-170 and OJ C 135, 7.5.2001, p. 62-68.

- C. whereas the MEDA II programme was launched on 15 December 2000 after Regulation (EC) No 2698/2000<sup>1</sup> had amended the basic regulation, No 148/96<sup>2</sup>; whereas the main changes were designed, without altering the programme's objectives, to streamline decision-making procedures, increase the efficiency of the structural adjustment facilities (SAF) and tackle the reasons for the low take-up of appropriations,
- D. whereas it is pleased that a methodological guide for programming and implementing budgetary aid in third countries was published in March 2002; whereas it hopes that this guide will contribute to correcting, in MEDA II, the problems relating to bureaucracy and accessibility of funds which afflicted the implementation of the MEDA I programme,
- E. whereas, for the period 2000-2006, MEDA II has a financial reference amount of EUR 5350m, and additionally, for trans-national projects, the mandate given to the EIB to lend up to EUR 6400m and a supplementary contribution of EUR 1000m from the EIB's own resources,
- F. whereas bilateral cooperation with nine MEDA countries, based on the bilateral agreements, accounted for about 82% of the MEDA 2000 commitments (from an amount committed under budget item B7-410 of EUR 879m); whereas the same trend was evident in payments in 2001 of a total amount of EUR 403.7m, of which 84.5% of sums paid were for bilateral cooperation and the remainder (14.5%) for regional projects,
- G. whereas, in its Special Report No 1/2002 of 23 March 2002 concerning macro-financial assistance (MFA) to third countries and structural adjustment facilities (SAF) in the Mediterranean countries, the Court of Auditors found that:
- (a) with regard to SAF, 'the Commission does not document the basis for decisions on the global amount of a programme, nor the timing and amount of the instalments' (paragraph 20);
  - (b) with regard to the conditions set for the SAF, 'the Financing Agreements do not clearly indicate which conditions are shared with the BWI [Bretton Woods institutions], and which are the Commission's alone' (paragraph 25);
  - (c) 'Systematic independent evaluations of individual SAF as complete programmes have not been carried out' (paragraph 62),
- H. whereas, in its evaluation of the funds managed by the EIB (risk capital and interest subsidies), the Eva-EU association submitted recommendations which are also valid for MEDA II, including increasing the potential of those funds, the EIB's role in targeting sectors and beneficiaries, the coordination and complementarity of the funds and EU activities in the MEDA countries, and quantified project selection indicators,
- I. requesting that as a general rule a systematic assessment be conducted of the impact of cooperation projects on human rights, including in the Commission's annual report on the MEDA programmes, and that conditions similar to those contained in the

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<sup>1</sup> OJ L 311, 12.12.2000, p. 1.

<sup>2</sup> OJ L 189, 30.7.1996, p. 1.

association agreements be included in the bilateral instruments for implementing MEDA financial aid; calling on the Commission, Council and partner countries to treat these matters as priorities and to put into practice their commitment to human rights in a coherent, consistent and effective manner,

- J. stressing the key role played by civil societies and reiterating its support for the Euro-Mediterranean Civil Forum, which fully encourages informal dialogue with civil society, and supporting the initiatives under way to improve the structure of the Forum's meetings,
- K. whereas a free trade area can only function and bring prosperity if the economic, productive and technological capabilities of the countries involved are at similar levels; whereas, in addition, inequalities and instabilities in the social fabric, which lead to exclusion and poverty, are the principal factors to be targeted in the MEDA programme,
- L. calling on the Commission to draw up the first regional programme for the participation of women in economic and social life and development (which was decided on under the Belgian Presidency – Brussels Regional Forum on 14 July 2001) so as to allow expressions of interest to be made and, subsequently, good practices to be disseminated as soon as possible,
- M. welcoming the reform relating to rationalisation and devolution, in particular the improvement of the payments/commitments ratio, but calling for the further development of the regional dimension of the programmes; reiterating its support for the sub-regional initiative of the Agadir Process,
- N. stressing the need to strengthen the Barcelona process so as to tackle together the many challenges facing the Euro-Mediterranean area: the fight against terrorism, organised crime and corruption; the management of migratory flows and the joint fight against illegal immigration, including the principle of shared responsibility between the EU, the Member States, and third countries of origin and transit, together with the introduction of immigration policies designed to facilitate legal migration and the movement of persons and ensure that the rights and dignity of individuals are respected, with due regard for the provisions of the resolution on migrations adopted at the Fourth Euro-Mediterranean Parliamentary Forum in Bari; respect for and compliance with human rights agreements; socio-economic disparities and the need for job creation; the safeguarding and protection of the environment and maritime safety; stressing the need to raise public awareness of the Barcelona process,
- O. whereas the Commission and the EIB, in their 'mid-term evaluation reports' required by Article 15 of Regulation No 2698/2000 must take into consideration the draft constitutional treaty put forward by the European Convention, and in particular Article 12(6), which refers to the realms of development cooperation and humanitarian aid,
- 1. Reaffirms its support for the Euro-Mediterranean partnership, and in particular its financial instrument, the MEDA programme; considers that the economic, social and democratic development of the countries of the Mediterranean Basin constitutes a key issue for the future of the European Union itself;

2. Welcomes the new provisions for MEDA II, which are designed to continue the main objectives of the MEDA I programme, namely reforming economic and social structures in the partner countries, improving living conditions for disadvantaged social groups and mitigating the social, cultural and environmental consequences of economic development and the incorporation of the MEDA countries into a free trade area;
3. Hopes for the implementation of social action programmes to protect the disabled and forms of regional cooperation concerning the protection of children;
4. Is aware of the fact that the MEDA II programme coincides with the fundamental reform in 2001 of the management of the EC's external aid, and hopes that it is designed to improve the speed, quality, impact, transparency and democratic scrutiny of Community projects and programmes;
5. Notes with interest that the creation of the EuropeAid Co-operation Office, a single organisation with overall responsibility for the management of the various phases of the projects, seems to have had a positive impact on clearing away the backlog, in particular the commitments unused since 1995;
6. Notes that the relative decrease in commitment appropriations for the MEDA programme has been accompanied by an improvement in the payment-to-commitment ratio; also notes that the first positive results have been seen from the reform of external aid implementation, notably devolution of power towards the delegations; hopes that the Commission will intensify its efforts in order to achieve greater efficiency in the use of credits as well as a significant decrease in 'sleeping' commitments (RAL);
7. Asks to be kept regularly informed of the make-up of the MEDA II management committee, the dates and agendas of its meetings and of relevant documents;
8. Requests that the officials responsible for the European Union's external aid should regularly undergo human rights training, so that this aspect of their duties becomes standard practice and they can ensure that human rights 'mainstreaming' is strictly applied;
9. Emphasises that improving the MEDA programme implies not only increasing the speed and the utilisation rate for commitment appropriations, but also targeting more precisely the real issues, with a view to establishing a true partnership by creating the right environment for environmentally and socially sustainable development, based on objectives which are close to the economic and social realities on the ground;
10. Hopes that the Commission will define more clearly and precisely, in cooperation with the beneficiary countries, the actions to be given priority in funding, in order to increase the efficiency of aid granted and to enable it to be monitored appropriately; calls on the Commission to pay particular attention to laying down the optimum size for projects in order to avoid actions being fragmented into a very large number of micro-projects which are difficult to monitor, while ensuring that the reforms have lasting results;
11. Emphasises, furthermore, that the concept of devolution, involving the transfer of responsibilities from the headquarters to the delegations, is worth looking at in more

detail and requires constant monitoring;

12. Believes that the progress made in the field of budget implementation since the introduction of MEDA II, as shown by various indicators, must be examined within the context of MEDA II's main objective, which is to tackle the five challenges of population, employment and migration, globalisation, dwindling of resources and the environmental challenge;
13. Insists on the need to promote investments designed to identify jobs and to promote socially sustainable development, which are vital factors for economic development, while making use of the MEDA programme's experience and financial assistance; considers that technical aid ought to be available from the Commission to potential investors and that the guides designed for them should be updated in collaboration with the EU Member States' chambers of commerce;
14. Thinks that the partner countries should be called on to implement policies for convergence with the euro and intra-Mediterranean legislative harmonisation policies;
15. Considers that the experience gained in developing the European single market ought to be used to construct a homogeneous legislative framework for the Euro-Mediterranean free trade areas; with particular emphasis being placed, in the free trade agreements, on rules regarding place of production which are identical;
16. Is convinced of the need to tackle the issues behind these five challenges; believes that such an approach would require a review of the structural challenges posed by the MEDA countries such as trade flows, regional disparities, disparities in income between the MEDA countries and between social classes in the partner countries, the legal and institutional framework to encourage the development of non-governmental initiatives, the underdevelopment of the financial intermediary sector, budgetary policy characterised by uncontrolled expenditure, etc.; therefore considers that there is a need for the rapid launch of the Euro-Mediterranean Foundation for dialogue between cultures and civilisations and the Observatory on Migration;
17. Calls on the Commission to pay the utmost attention to projects/actions concerning reforms in the institutional sector, in view of the fact that the Commission itself has acknowledged that the projects lack effectiveness as a result of insufficient progress in reforms in this sector; calls on the Commission to submit to it a report on the progress made in the beneficiary countries in the field of institutional reforms before Parliament's first reading of the 2004 budget;
18. Reiterates the proposals set out in its resolution of 12 July 2000<sup>1</sup>, including an increase in the funds intended for regional programmes and projects with a south-south dimension, the observance of the democratic principles and human rights cited in all the programmes and projects, the definition of the concept of 'civil participation', the participation of NGOs and civil society in projects, compliance by the partner countries with international agreements on the environment and access to funding for all on an equitable basis, regardless of creed, gender or political affiliation;

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<sup>1</sup> Resolution on the MEDA annual report: 1998

19. Proposes that the Commission, which manages and adopts the regional funding plan, should gradually re-balance the amount of funds targeted at regional projects in favour of the Regional Funds, in respect of the amounts committed and paid during the remainder of the MEDA II period;
20. Calls for the arrangements adopted in the Barcelona Declaration on democratisation and respect for human rights to be effectively implemented and for the gender dimension to be incorporated horizontally and specifically in the three pillars of partnership and, consequently, for respect for, and the promotion of, women's rights to be incorporated in the Barcelona process;
21. Regrets the minuscule share of funding allocated to the Mediterranean countries from the horizontal programmes under the European Initiative for Democracy and Human Rights (EIDHR), which has taken over from the 'MEDA democracy' programmes since the introduction of MEDA II, and calls for a broader and more diversified range of target beneficiary countries; is deeply concerned at the Commission's decision not to include among the beneficiaries of these programmes countries where civil society is active, yet still fragile; requests that in future the European Parliament be duly consulted on the selection of target countries;
22. Regrets that in the NFPs (National Financing Plans) concluded between the EU and the southern Mediterranean countries, programmes for human rights, the environment and social services are practically non-existent; calls on the EC to insist more strongly that these be included and to channel substantial funds via independent programmes with NGOs;
23. Considers the flourishing of an independent and dynamic civil society to be central to the social and political development of the MEDA countries; therefore calls on the Commission to implement a policy of active support for independent organisations, associations and trade unions;
24. Deeply regrets the failure to settle the conflict in the Middle East, which considerably hampers the progress of the draft Euro-Mediterranean Charter for Peace and Stability and the implementation of MEDA-funded programmes in the region; regrets that the project selection and planning processes are at present suspended in Israel and Palestine, a region suffering from an unprecedented escalation of violence and random terrorism, which MEDA must continue to combat, and calls for them to be relaunched as soon as possible;
25. Recalls the criticism expressed by the Court of Auditors in its Special Report No 1/2002, in particular the fact that 'all provisions for the audit of SAF-related expenditure have disappeared from the Financing Agreements' (paragraph 47), also recommending that 'a high degree of transparency, accountability and external control in the management of public resources is vital for ensuring good governance and in helping to combat fraud and corruption' (paragraph 47);
26. Calls on the Commission to take the steps which are needed to follow up the comments made by the Court of Auditors on the subject of the SAF in the Mediterranean countries; emphasises in particular the need to ensure that actions, auditing and

evaluation of actions/projects are monitored appropriately;

27. Hopes that in the basic services sector, in particular drinking water, EIB loans will merely act as a supplement to EC-funded programmes, given their non-profit nature;
28. Welcomes the progress made in negotiating or concluding nine Euro-Mediterranean Association Agreements, but points out that the key criterion for eligibility for MEDA funds, or for the suspension of those funds, is respect for human rights by MEDA countries;
29. Calls on the Commission to provide information on the implementation and actual discharge of the financial obligations assumed as part of the MEDA I and MEDA II programmes (current phase) for promoting the active participation of women in economic and social life and financing preparatory actions and pilot schemes intended to provide information and training in the field of equal opportunities;
30. Reiterates the importance of the establishment in the Mediterranean of an area of stability and of a consolidated Euro-Mediterranean partnership, from both an economic and geo-political point of view; welcomes the recent conclusion of an Association Agreement with Egypt, Algeria, and subsequently with Lebanon, and the new provisions on justice and home affairs and combating terrorism respectively which accompany those agreements, and encourages the swift ratification and implementation of those agreements, covering all aspects of our economic, political, social, cultural and humanitarian relations; stresses that association agreements should under no circumstances be confined to the gradual establishment of free trade areas; urges the parties concerned to bring the negotiations on a Syria/EU agreement to a swift conclusion so as to complete the network of Euro-Mediterranean association agreements;
31. Encourages the continuation of meetings and *ad hoc* talks on topics such as the fight against terrorism, organised crime, trafficking in drugs and human beings, human rights and justice, immigration, the social integration of migrants and the readmission of persons to their home country, with due respect in all cases for international instruments on human rights and refugees, and to that end supports the MEDA development programmes in the vulnerable regions; welcomes the establishment of workshops with a view to facilitating the implementation of the Association Agreements by the respective governments and points out that the programmes to promote democracy and human rights are inseparably linked to the implementation of these agreements;
32. Regrets that the financial component for regional cooperation is totally insufficient and emphasises the need to balance bilateral and regional cooperation; stresses that in this regard, projects concerning drinking water and irrigation, maritime safety, renewable energy, new technologies (equipment and training) and development are of paramount importance;
33. Suggests that the sixth framework programme should be used for carrying out research in the fields of the environment, of agriculture aimed at ensuring food sovereignty and in particular of water management, with a view to finding solutions appropriate to the often very fragile ecosystems in these regions, and for guaranteeing access for all to

- high-quality goods and services;
34. Suggests that more emphasis ought to be placed on renewable energies; deplores the lack of cooperation in this area to date and wishes receive information annually on the development of projects;
  35. Points out that the Mediterranean Basin has the greatest variety of agricultural specimens and seeds of all temperate areas, which must be preserved; calls for greater attention to be paid to agrobiodiversity through the implementation of projects for the farmers themselves, tradesmen, consumers and in political areas;
  36. Calls for more appropriate measures to be taken to develop the information society and use of the Internet and all the new electronic communication systems; calls on the partners to invest in training and education in schools;
  37. Calls on the Commission to put forward regional cooperation programmes in the field of professional training and retraining, providing incentives for the exchange of experience and staff as part of the process of reforming and modernising educational and training systems;
  38. Urges the Commission and the Member States to pursue the objectives of technological development and scientific research in the countries on the south bank of the Mediterranean Basin; with this in mind, hopes for the creation of synergies, exchanges between universities, supporting the creation of centres of excellence in these countries by means of their collaboration in European research work and participation in the sixth framework programme for research;
  39. Reiterates its support for the official establishment of a Euro-Mediterranean parliamentary assembly at the EuroMed ministerial conference in Naples (2-3 December 2003), which should become one of the institutions of the Barcelona process, laying down the principle of mutual assistance between the ministerial and parliamentary bodies of the process and giving the assembly the power to make recommendations to the ministerial bodies; calls for active participation by the Euro-Mediterranean parliaments in the forthcoming meeting of the Euro-Mediterranean Parliamentary Forum in Crete;
  40. Calls for consideration to be given to the introduction of a special visa to simplify travel for businessmen and women, academics, researchers, students, journalists and social dialogue partners taking part in the Euro-Mediterranean partnership;
  41. Suggests that the Commission create a database on the activities of European businesses established in, or trading with, countries in the southern Mediterranean, in accordance with its principles and with its policy of corporate responsibility;
  42. Calls on the Commission to include in its annual reports statistics on the breakdown of projects and amounts, by categories of operator and the degree to which they meet 'mainstreaming' gender criteria;
  43. Considers that promoting the development of the private sector, notably SMEs, and

funding the requisite infrastructure is one of the pre-conditions for the development of an intensive and functional economic network in the MEDA countries;

44. Welcomes the establishment of the High-Level Advisory Group on Dialogue between Peoples and Cultures; urges the Council and Commission swiftly to establish the Euro-Mediterranean foundation for dialogue between cultures and civilisations approved in the Valencia action plan, together with the monitoring centre for migratory flows;
45. Endorses the decision of the Barcelona European Council to set up, within the EIB, a Euro-Mediterranean investment and partnership facility designed to increase the volume of loans by the Bank in the MEDA countries to EUR 2 000 million per year, placing the emphasis on development of the private sector, and hopes that the loans will be used in compliance with sustainable development criteria; considers the conclusion of the Laeken European Council inviting the Commission to consider setting up a Euro-Mediterranean Bank to be useful and worth looking at in detail;
46. Reiterates that, once enlargement to the east is complete, the Mediterranean will be the Union's most immediate strategic frontier and therefore calls on the Euro-Mediterranean partners rapidly to implement the plan of action adopted at the Fifth Ministerial Conference in Valencia;
47. Calls on the Commission to develop projects tailored to the specific circumstances in each country and calls for this differentiated assessment to be accompanied by collateral programmes which should act as an incentive, in order to promote endogenous development designed to create a dynamic and productive social fabric, in a spirit of constructive cooperation with the partner governments; points out that enlargement and the Barcelona Process are complementary and stresses the need to remind current and future Member States of the EU's Mediterranean commitments; calls for the participation of the Balkan countries in the parliamentary dialogue and for the introduction of a CARDS/MEDA cooperation programme; reminds the Commission that the European Union's policy vis-à-vis the new neighbouring countries needs to be underpinned by a systematic and coherent policy to promote human rights;
48. Instructs its President to forward this resolution to the Council, the Commission, the Court of Auditors, the European Investment Bank, the parliaments of the Member States and the governments and parliaments of the Mediterranean partners.

## EXPLANATORY STATEMENT

The MEDA programme (from the French MEasures D'Accompagnement or flanking measures) has a long history. The European Councils of Lisbon (June 1992), Corfu (June 1994) and Essen (December 1994) stressed the need to enhance the EU's Mediterranean policy to enable the Mediterranean region to become an area of cooperation guaranteeing peace, security, stability and sustained economic development. Several Commission communications and Council conclusions analysed the challenges, priorities and guidelines for creating a Euro-Mediterranean free trade area, but with financial assistance and cooperation mechanisms.<sup>1</sup>

The Euro-Mediterranean Conference, between the 15 Ministers of Foreign Affairs of the Member States and the 12 partner countries<sup>2</sup> in November 1995, took important decisions establishing partnerships in three areas: (i) a political and security partnership; (ii) an economic and financial partnership; (iii) a partnership in the social, cultural and human spheres. Council Regulation 1488/96/EC<sup>3</sup> on MEDA I was adopted at that conference following the Barcelona Process. A Euro-Mediterranean Committee consisting of 8 officials from the EU Troika and 12 officials from each Mediterranean state was also set up to prepare for the meetings of the Foreign Affairs ministers.

MEDA I was planned for a period of 5 years (1995-1999), and allocated a budget of EUR 3 435m out of a total package of EUR 4 685m granted to the 12 Mediterranean partners. In May 2000, however, the Commission decided to reform external aid with a view to improving quality and reducing delays in implementation. The scale of this reform led to the review of the MEDA programme by the adoption of Regulation (EC) 2698/2000<sup>4</sup> amending basic regulation 1488/96/EC and establishing the second stage, MEDA II.

The rapporteur of this own-initiative report will consider the thinking behind the MEDA I programme and its performance in the light of the 2000 annual report, as provided in Article 15 of Regulation 1488/96/EC, the report of the Court of Auditors<sup>5</sup> and the evaluation report drafted by the Eva-EU Association.<sup>6</sup>

Your rapporteur will then consider MEDA II in the light of the first three years' experience (2000-2002), taking account of two important events: the enlargement of the EU from 15 to 25 members and the Treaty of Nice; and work under way in the European Convention seeking to meet the *five* challenges for the MEDA countries: (a) the demographic challenge; (b) the challenge of employment and migration; (c) globalisation; (d) diminishing natural resources; (e) the environment and human rights.

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<sup>1</sup> See European Commission, "Strengthening the Mediterranean policy of the European Union", EU Bulletin, supplement 2/95, for an analysis and history of the MEDA programme.

<sup>2</sup> Algeria, Cyprus, Egypt, Israel, Jordan, Lebanon, Malta, Morocco, Palestinian Authority, Syria, Tunisia and Turkey.

<sup>3</sup> OJ L 1989, 30.7.1996, p. 1-9.

<sup>4</sup> OJ L 311, 12.12.2000, p. 1-7.

<sup>5</sup> 'Special Report on macro-financial assistance (MFA) to third countries and structural adjustment facilities (SAF) in Mediterranean countries', No. 1/2002.

<sup>6</sup> *Evaluation of Financial Assistance for the Mediterranean Countries managed by the EIB on behalf of the EC*, Final Report, May 2001.

## The thinking behind the MEDA programme

The MEDA programme represents the main element of financial cooperation of the Euro-Mediterranean partnership for the period 1995-1999. In 1995 and 1996 the MEDA programme gradually replaced the existing financial instruments (mainly financial protocols). In 1998 it accounted for nearly 90% of the total of financial commitments to the Mediterranean under the EU budget. The 12 beneficiary countries were: Algeria, Cyprus, Egypt, Israel, Jordan, Lebanon, Malta, Morocco, Syria, Tunisia, Turkey and the Gaza and West Bank territories.

The main objective of MEDA, adopted after its reform by Regulation 2698/200 on MEDA II, is simple: *'to reform economic and social structures and mitigate any social or environmental consequences which may result from economic development.'*<sup>1</sup>

This kind of *in-depth reform* had *three* objectives: 1. To strengthen political stability and democracy; 2. to establish a free-trade area; 3. to take account of the social and cultural dimension. To achieve these three objectives, Community funding takes three forms:

- i.) Non-refundable aid, administered by the Commission;
- ii.) Risk capital, granted and administered by the EIB;
- iii.) Interest-rate subsidies for loans granted by the EIB, with a subsidy rate threshold of 3%.

There are two categories of funding: (a) bilateral cooperation based on bilateral protocols, and (b) regional cooperation based on the Barcelona process seeking to promote cooperation between the partners.

The 2000 MEDA annual report looks at the *bilateral* cooperation of nine countries<sup>2</sup> putting the emphasis on MEDA operations in each partner country. Subsidies were granted to activities such as structural adjustment, economic cooperation, interventions in the social sector and in the field of environment and rural development.

The *regional* cooperation activities under MEDA I were in such fields as industrial cooperation, the environment, transport, the information society, energy and water. However, the level of commitments for regional measures gives a true impression of the priority given to these activities: in 2000, the figure was EUR 147.2m, a modest sum compared with total commitments.

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<sup>1</sup> See Article 1(1) of Regulation 1488/96.

<sup>2</sup> Algeria, Egypt, Jordan, Lebanon, Morocco, Syria, Tunisia, Turkey and the West Bank and Gaza Strip.

The eligibility criteria are flexible. The beneficiaries are not only the administrations of the partner countries but also the regional and local authorities, public agencies, local and cultural associations, organisations supporting SMEs, cooperatives, universities, foundations and NGOs. The projects supported by non-refundable subsidies contributed to achieving the three sections of MEDA<sup>1</sup>.

MEDA I contains one innovation by comparison with other forms of aid to third countries: the establishment of *indicative programmes* by the beneficiary countries at national and regional level in liaison with the EIB and in cooperation with the Commission.

In spite of this innovation, and other innovations relating to the sources of finance, the payment-to-commitment ratio for the non-refundable aid segment for 1995-1999 was *very low*. The take-up rate was 26%. It needs to be pointed out that the utilisation rate for commitment appropriations was approaching 100% (the reference amount was EUR 3424.5m, and as the following table shows, the total was EUR 3300.7m).

**MEDA commitments and payments per year for the period 1995-1999**  
(millions of EUR)

	1995	1996	1997	1998	1999	Total
Commitments	173	403	981	941	937	3435.00
Payments	50	155	211	231	243	890.00
Payment/ commitment ratio	28.8%	38.0%	21.4%	24.3%	27.0%	26%*

\* approximately

Source: Annual report of the MEDA 2000 programme, p.13, revised on the basis of a written Commission communication to rapporteur

The main reasons for this low take-up of commitments (according to the MEDA annual report for 2000, p. 19), are:

- (a) the implementation of MEDA I was initially slowed down by the length of the negotiations;
- (b) some operations require a longer implementation period of 4 to 6 years;
- (c) regional projects often require the establishment of a complex legal and financial framework and are multi-annual in nature (3 to 5 years);
- (d) the countries' administrative capacity for the take-up of funds is limited.

**MEDA II: is it an improvement over MEDA I?**

The new Regulation (EC) 2698/2000 entered into force on 15 December 2000<sup>2</sup>. MEDA II also seeks to make substantial technical changes with a view to streamlining decision-making procedures in order to permit more efficient implementation of projects. These changes are intended in particular to define more clearly the expected impact of operations for funding by MEDA, on the basis of strategy papers and national and regional indicative programmes, taking account of the priorities identified with the Mediterranean partners. The regulation also

<sup>1</sup> See Article 2 of Regulation 1488/96.

<sup>2</sup> Taking account of the opinion of Parliament based on the report of Mr Valdivielso de Cué (A4-0204/2000) of 12 July 2000 and the resolution of the European Parliament of 12 July 2000 based on the Piétrasanta report (A5-0205/2000).

provides for the capacities for implementing MEDA projects to be strengthened, making it possible to leave the execution of certain projects to agencies in the beneficiary countries.

The three principles on which reform of MEDA was based led to the improved efficiency of the MEDA programme. These principles are: rationalisation of procedures concerning indicative programmes; association agreements; entry into force of Council Decision No 1999/468/EC; which has required changes to commitology.

The *indicative programmes* are based on *strategy* papers and cover three years. The funding plans are also based on indicative programmes. The interest subsidies are included in the national plans. However, projects relating to risk capital are included in the regional funding plans.

As regards the *association agreements*, the 2001 annual report<sup>1</sup> shows that these were concluded by eight beneficiary countries of MEDA: Tunisia, Israel, Morocco, the PLO, Jordan, Egypt, Lebanon and Algeria. Only with Syria are negotiations still being carried on. The thinking behind these agreements is based on the principle of the gradual introduction of *free trade* between the EU and its Mediterranean partners. They also provide an institutional framework for political dialogue and for social and cultural cooperation. However, all this goes hand in hand with financial cooperation.

Regarding *commitology*, the MED committee remains a management committee, but its functions have changed. They have made it possible to adopt simplified procedures on contracts and to reduce delays. Other innovations have been made to the original text of the regulation with a view to simplifying procedures, particularly by providing for consultation of the MED committee at the stage of the strategy papers and the annual monitoring of the structural adjustment facilities. In the event of an unfavourable opinion by the MED committee, the Commission is required to refer the matter to the Council, which may oppose it within a deadline of 30 days. In the absence of a reaction from the Council by the end of that deadline for compulsory referral, the Commission is free to comply or not to comply with the MED committee's opinion.

The Commission will draw up every three years an overall assessment report of aid given to the countries in question. Before 30 June 2006 the Council will reconsider the current regulation, using for this purpose an assessment report drawn up by the Commission before 31 December 2005 containing proposals for the future of MEDA.

The financial reference amount for MEDA II is EUR 5350m for the period 2000-2006. In addition to this budget for MEDA II: a) an EIB loan of EUR 6400m; b) an additional contribution of EUR 1000 by the EIB from its own resources for trans-national projects. To sum up, the MEDA II beneficiary countries will have EUR 12.75bn over a 7-year period. This raises the question whether MEDA II will have the capacity and the flexibility to tackle the five economic and social challenges.

The number of beneficiary countries is still in principle 12, but will in practice now be 9. The Republic of Cyprus and Malta will accede to the EU on 1 May 2004. Turkey is not excluded

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<sup>1</sup> On "The EC's development policy and the implementation of external aid".

from MEDA bilateral cooperation (on the contrary, it is the country that receives the highest contribution). But although they are financed on the MEDA budget line, the funds allocated to bilateral cooperation with Turkey are managed by a different Commission Directorate-General, ( DG Enlargement). That different situation is explained by the fact that Turkey is an enlargement applicant country, and therefore benefits from specific bilateral cooperation with the EU. Israel does not benefit from Community funds granted under bilateral cooperation by reason of its high level of economic development (GNP). Israel nevertheless takes part in some MEDA regional programmes.

### Management of external aid

The EuropeAid Co-operation Office was set up to deal with the management of the external aid programmes, including MEDA II. The reform had a second, more important dimension, centred on three points:

- i) Clearing away the backlog;
- ii) Dismantling the Technical Assistance Offices;
- iii) Implementing devolution policy.

On the *backlog*, in particular the commitments unused since 1995, the reform has permitted a systematic review to take place which has reduced substantial commitments. The result of these efforts has been satisfactory. The budgetary situation of the MEDA II programme has evolved, even improved, as the following table shows.

	2000	2001	2002	Total
Commitments	879.1	757.4	632.6	2269.1
Payments	330.5	403.7	588.7	1322.9
Ratio	37.4%	53.0%	92.9%	59%*

\*Approximately

Source: Commission written communication to rapporteur

The figures of course do not show the content of programmes, nor how well they comply with the principles advocated in the EP resolution of 12 July 2000.

On the *dismantling* of the Technical Assistance Offices (TAOs), in Brussels and in the Delegations, there were two prongs to the reform. The administration took place in Brussels with the Commission (DG EuropeAid) and implementation, for the MEDA countries, was carried out by the eight MEDA-zone delegations, viz. Algeria, Tunisia Morocco, Egypt, Jordan, Syria, Lebanon and West Bank and Gaza (representation only).

The concept of *devolution* is worth looking at in more detail. If all the Delegations in the Mediterranean region were to manage their own external aid programmes, effective devolution would depend on three factors: (a) administration by EuropeAid and cooperation by the Commission departments involved in the assessment of indicative programmes proposed by MEDA countries; (b) availability of funding and mobilisation of human resources; (c) MEDA to face up to the *five economic and social challenges*.

## What are the facts?

One fact needs to be recalled concerning *trade flows*. The EU dominates the trade of the MEDA II countries, accounting for 52% of total trade, rising to 70% in the Maghreb countries. As regards trade flows *between the MEDA countries*, these are very low, less than 5% of total trade. However, regional disparities within the Mediterranean region are many. For example the countries of the Northern Mediterranean (France, Italy, Spain, Greece and Portugal):

- (a) account for 85% of industrial production and 85% of the production of meat and cereals;
- (b) hold also 85% of the region's water resources and consume 86% of its energy;
- (c) account for 64% of imports and almost 90% of exports of the Mediterranean region.

Facing up to the five challenges is extremely important in order to solve the problem of disparities of income (the income per inhabitant in Syria was EUR 990 in 2001 as opposed to EUR 5000 in Lebanon) and the problem of lack of homogeneity. And according to the 2001 annual report, '70% of the population of the Middle East and North Africa, living below the poverty line, inhabit rural areas where living conditions are generally more insecure than in urban centres' (p. 117). The legal and institutional framework to encourage the development of non-governmental initiatives is lacking. The intermediate financial sector is underdeveloped. Budgetary policy is characterised by uncontrolled expenditure, which aggravates the imbalance in public finances.

In this context, support for structural adjustment is granted in the form of financial aid designated as Structural Adjustment Facilities (SAFs), and is directly allocated to recipient country budgets. But management, transparency and democratic control are becoming more and more difficult because of the provision that disbursements to the budget of the beneficiary state are to be *direct*. SAFs are, moreover, subject to eligibility criteria monitored by the IMF, and these are stringent criteria, since they refer only to economic conditions and never to the social situation. The Commission has assumed responsibility for SAF management. No guarantees have been received hitherto that the monitoring mechanism will be transparent and effective.

Small projects in the field of local development, civil society, the environment etc., constitute the *social capital*, which has an important role to play in underdeveloped countries. Social capital is normally geared towards problems of unemployment and poverty, the creation of small non-profit-making enterprises and towards direct local initiatives seeking to encourage the dialogue between actors and to integrate civil society into the decision-making process. However, here again, prioritising small 'social capital' projects calls for a rebalancing of priorities and support funds.

The strategy documents by beneficiary country raise questions about their planning, the participation of civil society and groups concerned, their own implementation and monitoring mechanisms. According to the 2001 annual report, "the projects were subjected to examination by the interdepartmental quality support group ... This group considered each project in terms of its general coherence, coordination and complementarity of measures planned" (p.126). Given that the process of drafting and approval by the Commission of the strategy and reform documents is a recent development, your rapporteur wishes to raise three

questions relating to the participation of the people concerned, the protection of the (physical and social) environment and the issue of "who benefits".

On priorities, it is not easy to face up to the five economic and social challenges (demographics, employment and migration, globalisation, dwindling of resources and the environmental and social challenge). To that end it is necessary to develop a well structured strategy built around an economically strong and sustainable regional axis<sup>1</sup>. To that end, your rapporteur has made specific proposals in his resolution.

The impact of enlargement from 15 to 25 Member States should be of interest to us because it is likely to involve new factors which could divert trade and investment.<sup>2</sup> The former MEDA countries Cyprus and Malta will bring an EU influence to bear on the economic area in terms of the exploitation of the Mediterranean's marine resources. The commercial dependence of the MEDA countries on the EU of 25 states will be increased. The dependence of the 25-state EU on the MEDA countries will be reduced. The 25-state EU will become a region which is more attractive to investors than the MEDA countries. The 25-state EU will have more internal problems to resolve, and risks having less willingness and patience to accommodate the problems of the MEDA countries.

The new interinstitutional balance deriving from the Treaty of Nice is also linked to the question of enlargement (one Commissioner per Member State, the new weighting of members of the Council and representation of the Mediterranean countries in the European Parliament). It will therefore call for a new debate on the future of the MEDA programme. With a deeper and more Community-based external policy, the EU will have the challenge of readjusting its priorities and its funds. Will the MEDA programme be the first victim?

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<sup>1</sup> See Driss Guerraoui, *Les Grands Défis Economiques de la Méditerranée* (The major economic challenges of the Mediterranean Area), EDISUD-France, 2001, for an in-depth analysis and an alternative strategy.

<sup>2</sup> See A. Tovias, 'On the External Relations of the EU', *European Foreign Affairs Review*, 2001.

20 March 2003

## **OPINION OF THE COMMITTEE ON FOREIGN AFFAIRS, HUMAN RIGHTS, COMMON SECURITY AND DEFENCE POLICY**

for the Committee on Industry, External Trade, Research and Energy

on the annual report of the Meda programme 2000  
(COM(2001) 806 – C5-0524/2002 – 2002/2235(INI))

Draftsperson: Véronique De Keyser

### **PROCEDURE**

The Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy appointed Véronique De Keyser draftsperson at its meeting of 22 April 2002.

It considered the draft opinion at its meetings of 18-19 February and 17-19 March 2003.

At the last meeting it adopted the following conclusions by 45 votes to 1, with 1 abstention.

The following were present for the vote: Elmar Brok (chairman); Christos Zacharakis (vice-chairman); Véronique De Keyser (draftsperson); Ole Andreasen, Per-Arne Arvidsson, Alexandros Baltas, André Brie, Rosa M. Díez González, Hélène Flautre (for Joost Lagendijk), Glyn Ford, Pernille Frahm (for Pedro Marset Campos), Michael Gahler, Per Gahrton, Gerardo Galeote Quecedo, Jas Gawronski, Vitaliano Gemelli (for John Walls Cushnahan), Alfred Gomolka, Vasco Graça Moura (for Alain Lamassoure), Ulpu Iivari (for Catherine Lalumière), Georg Jarzembowski (for Franco Marini), Efstratios Korakas, Armin Laschet, Cecilia Malmström, Hugues Martin, Linda McAvan, Emilio Menéndez del Valle, Philippe Morillon, Pasqualina Napoletano, Raimon Obiols i Germà, Arie M. Oostlander, Reino Paasilinna (for Hannes Swoboda), Doris Pack (for Jürgen Schröder), Jacques F. Poos, Lennart Sacrédeus (for Karl von Wogau), Jannis Sakellariou, José Ignacio Salafranca Sánchez-Neyra, Jacques Santer, Elisabeth Schroedter, Ioannis Souladakis, Ursula Stenzel, Ilkka Suominen, Charles Tannock, Gary Titley (for Jan Marinus Wiersma), Joan Vallvé, Bob van den Bos, Demetrio Volcic and Matti Wuori.

## CONCLUSIONS

The Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy calls on the Committee on Industry, External Trade, Research and Energy, as the committee responsible, to incorporate the following points in its motion for a resolution:

1. Reiterates the importance of the establishment in the Mediterranean of an area of stability and of a consolidated Euro-Mediterranean partnership, from both an economic and geo-political point of view; welcomes the recent conclusion of an Association Agreement with Egypt, Algeria, and subsequently with Lebanon, and the new provisions on justice and home affairs and combating terrorism respectively which accompany those agreements, and encourages the swift ratification and implementation of those agreements, covering all aspects of our economic, political, social, cultural and humanitarian relations; stresses that association agreements should under no circumstances be confined to the gradual establishment of free trade areas; urges the parties concerned to bring the negotiations on a Syria/EU agreement to a swift conclusion so as to complete the network of Euro-Mediterranean association agreements;
2. Encourages the continuation of meetings and *ad hoc* talks on topics such as the fight against terrorism, organised crime, trafficking in drugs and human beings, human rights and justice, immigration, the social integration of migrants, and the readmission of persons to their home country, with due respect in all cases for international instruments on human rights and refugees, and to that end supports the MEDA development programmes in the vulnerable regions; welcomes the establishment of workshops with a view to facilitating the implementation of the Association Agreements by the respective governments and points out that the programmes to promote democracy and human rights are inseparably linked to the implementation of these agreements;
3. Reiterates that, once enlargement to the east is complete, the Mediterranean will be the Union's most immediate strategic frontier and therefore calls on the Euro-Mediterranean partners rapidly to implement the plan of action adopted at the Fifth Ministerial Conference in Valencia;
4. Welcomes the reform relating to rationalisation and devolution, in particular the improvement of the payments/commitments ratio, but calls for the further development of the regional dimension of the programmes; reiterates its support for the sub-regional initiative of the Agadir Process;
5. Stresses the need to strengthen the Barcelona process so as to tackle together the many challenges facing the Euro-Mediterranean area: the fight against terrorism, organised crime and corruption; the management of migratory flows and the joint fight against illegal immigration, including the principle of shared responsibility between the EU, the Member States, and third countries of origin and transit, together with the introduction of immigration policies designed to facilitate legal migration and the movement of persons and ensure that the rights and dignity of individuals are respected, with due regard for the provisions of the resolution on migrations adopted at the Fourth Euro-Mediterranean Parliamentary Forum in Bari; respect for and compliance with human rights agreements; socio-economic disparities and the need for job creation; the

safeguarding and protection of the environment and maritime safety; stresses the need to raise public awareness of the Barcelona process;

6. Deeply regrets the failure to settle the conflict in the Middle East, which considerably hampers the progress of the draft Euro-Mediterranean Charter for Peace and Stability and the implementation of MEDA-funded programmes in the region; regrets that the project selection and planning processes are at present suspended in Israel and Palestine, a region suffering from an unprecedented escalation of violence and random terrorism, which MEDA must continue to combat, and calls for them to be relaunched as soon as possible;
7. Calls on the Commission to develop projects tailored to the specific circumstances in each country and calls for this differentiated assessment to be accompanied by collateral programmes which should act as an incentive, in order to promote endogenous development designed to create a dynamic and productive social fabric, in a spirit of constructive cooperation with the partner governments; points out that enlargement and the Barcelona Process are complementary and stresses the need to remind current and future Member States of the EU's Mediterranean commitments; calls for the participation of the Balkan countries in the parliamentary dialogue and for the introduction of a CARDS/MEDA cooperation programme; reminds the Commission that the European Union's policy vis-à-vis the new neighbouring countries needs to be underpinned by a systematic and coherent policy to promote human rights;
8. While welcoming the Commission's proposals in response to the European Parliament's specific questions, calls for greater rigour and a clearly-defined timetable for consulting and informing the European Parliament on the planning and implementation of MEDA programmes and the assessment of results, in particular by the decentralised delegations;
9. Requests that the officials responsible for the European Union's external aid should regularly undergo human rights training, so that this aspect of their duties becomes standard practice and they can ensure that human rights 'mainstreaming' is strictly applied;
10. Urges that a regular, transparent mechanism for evaluating implementation of the Association Agreements come into effect – a mechanism which would involve the European Parliament and with which NGOs would be associated through a regular dialogue, particularly with regard to compliance with the human rights clause, on the basis of annual country reports to be submitted by the Commission; requests that as a general rule a systematic assessment be conducted of the impact of cooperation projects on human rights, including in the Commission's annual report on the MEDA programmes, and that conditions similar to those contained in the association agreements be included in the bilateral instruments for implementing MEDA financial aid; calls on the Commission, Council and partner countries to treat these matters as priorities and to put into practice their commitment to human rights in a coherent, consistent and effective manner;
11. Regrets the minuscule share of funding allocated to the Mediterranean countries from the horizontal programmes under the European Initiative for Democracy and Human

Rights (EIDHR), which has taken over from the 'MEDA democracy' programmes since the introduction of MEDA II, and calls for a broader and more diversified range of target beneficiary countries; is deeply concerned at the Commission's decision not to include among the beneficiaries of these programmes countries where civil society is active, yet still fragile; requests that in future the European Parliament be duly consulted on the selection of target countries;

12. Reiterates its support for the official establishment of a Euro-Mediterranean parliamentary assembly at the EuroMed ministerial conference in Naples (2-3 December 2003), which should become one of the institutions of the Barcelona process, laying down the principle of mutual assistance between the ministerial and parliamentary bodies of the process and giving the assembly the power to make recommendations to the ministerial bodies; calls for active participation by the Euro-Mediterranean parliaments in the forthcoming meeting of the Euro-Mediterranean Parliamentary Forum in Crete;
13. Reaffirms its support for the setting-up of a Euro-Mediterranean investment bank to promote and encourage the genuine development of Mediterranean third countries;
14. Calls for the members of civil society in the partner countries, particularly the social partners, to be closely involved in the drawing up, implementation and assessment of projects and for MEDA programmes to take a greater account of the sometimes limited financial capacity of non-governmental organisations, particularly local ones, when it comes to co-financing operations, and wishes to encourage the development of micro-projects; calls on the Commission to support the development of local NGOs and the partner states to respect the independence of these NGOs, to encourage them to be open to women and young people and to foster genuine transnational cooperation amongst them, together with greater flexibility by the Member States with regard to visa policy;
15. Calls for consideration to be given to the introduction of a special visa to simplify travel for businessmen and women, academics, researchers, students, journalists and social dialogue partners taking part in the Euro-Mediterranean partnership;
16. Stresses the key role played by civil societies and reiterates its support for the Euro-Mediterranean Civil Forum, which fully encourages informal dialogue with civil society, and supports the initiatives under way to improve the structure of the Forum's meetings;
17. Welcomes the establishment of the High-Level Advisory Group on Dialogue between Peoples and Cultures; urges the Council and Commission swiftly to establish the Euro-Mediterranean foundation for dialogue between cultures and civilisations approved in the Valencia action plan, together with the monitoring centre for migratory flows;

20 March 2003

## **OPINION OF THE COMMITTEE ON WOMEN'S RIGHTS AND EQUAL OPPORTUNITIES**

for the Committee on Industry, External Trade, Research and Energy

on the annual report of the Meda programme 2000

(COM(2001) 806 – C5-0524/2002 – 2002/2235(INI))

Draftsperson: Rodi Kratsa-Tsagaropoulou

### **PROCEDURE**

The Committee on Women's Rights and Equal Opportunities appointed Rodi Kratsa-Tsagaropoulou draftsperson at its meeting of 26 November 2002.

It considered the draft opinion at its meetings of 19 February and 18 March 2003.

At the latter meeting it adopted the following conclusions unanimously.

The following were present for the vote Anna Karamanou (chairperson), Marianne Eriksson (vice-chairperson), Jillian Evans (vice-chairperson), Rodi Kratsa-Tsagaropoulou (draftsperson), María Antonia Avilés Perea, Regina Bastos, Ilda Figueiredo (for Armonia Bordes), Geneviève Fraisse, Fiorella Ghilardotti, Marie-Hélène Gillig (for Elena Ornella Paciotti), Karin Jöns (for Lissy Gröner), Hans Karlsson, Hedwig Keppelhoff-Wiechert (for Emilia Franziska Müller pursuant to Rule 153(2)), Christa Klaß, Astrid Lulling, Maria Martens, Christa Prets, Olle Schmidt (for Lone Dybkjær), Miet Smet, Joke Swiebel and Sabine Zissener.

## CONCLUSIONS

The Committee on Women's Rights and Equal Opportunities calls on the Committee on Industry, External Trade, Research and Energy, as the committee responsible, to incorporate the following points in its motion for a resolution:

1. Calls for the arrangements adopted in the Barcelona Declaration on democratisation and respect for human rights to be effectively implemented and for the gender dimension to be incorporated horizontally and specifically in the three pillars of partnership and, consequently, for respect for, and the promotion of, women's rights to be incorporated in the Barcelona process;
2. Calls on the Commission to ensure that provision is made for a policy to monitor the democratic clause concerning respect for fundamental rights and the gender dimension in the Association Agreements and considers that this clause and the monitoring mechanism must not only play a repressive role but also, and more importantly, constitute a means for adopting positive measures to ensure respect for women's rights;
3. Calls on the Commission to provide information on the implementation and actual discharge of the financial obligations assumed as part of the MEDA I and MEDA II programmes (current phase) for promoting the active participation of women in economic and social life and financing preparatory actions and pilot schemes intended to provide information and training in the field of equal opportunities;
4. Calls on the Commission to draw up the first regional programme for the participation of women in economic and social life and development (which was decided on under the Belgian Presidency – Brussels Regional Forum on 14 July 2001) so as to allow expressions of interest to be made and, subsequently, good practices to be disseminated as soon as possible;
5. Calls on the Commission to draw up and publish detailed statistics on the qualitative and quantitative contribution made by EU Member States to the MEDA regional programmes (by sector and type of enterprise), bearing in mind that the periodic assessments made so far refer exclusively to the participation of the partner countries;
6. Calls on the European Investment Bank to undertake a qualitative and quantitative assessment of loans made to enterprises of EU Member States as part of Euro-Mediterranean cooperation, since here too all assessments concern only the partner countries.

## MOTION FOR A RESOLUTION B5-0536/2002

### Motion for a European Parliament resolution on a Euro-Arab business association

*The European Parliament,*

- A. whereas it is important to encourage ways of developing cooperation between businesspeople in the countries of the European Union and those of the Arab world,
- B. whereas this cooperation would facilitate the creation of joint-venture companies by the above-mentioned business groups, thereby opening up markets to both sides,
- C. whereas the joint ventures undertaken by the business groups do not currently fully exploit all the possibilities that would exist if there were easier and more accessible ways of cooperating,
- D. whereas a Euro-Arab business association covering the entire European Union would help to develop ties between businesspeople from both areas, thus strengthening economic relations between the European Union and the Arab world,
  - 1. Calls for the European Union to promote the creation of a Euro-Arab business association covering the whole of the European Union;
  - 2. Requests that the association should allow Community and Arab businesspeople to work together by founding joint-venture companies;
  - 3. Recommends that the association serve to strengthen European-Arab economic relations in order to encourage cooperation and friendship between these two important regions.