



CONCLUSIONS OF THE SIXTH EURO-MEDITERRANEAN CONFERENCE OF MINISTERS FOR INDUSTRY

(Rhodes, 21 and 22 September 2006)

Euromed Industry Ministers held their sixth meeting in Rhodes on 21-22 September 2006, following meetings in Brussels (1996), Klagenfurt (1998), Limassol (2000), Malaga (2002) and Caserta (2004). The Ministerial Conference in Rhodes was attended by the EU and (countries to be completed).

The Conference:

- recalling that the creation of a Euro-Mediterranean area of shared prosperity, as envisaged by the Barcelona Declaration of 28 November 1995, is one of the main goals of the Barcelona process, and that its relevance was reasserted on the 10th anniversary of the launch of the process;
- reaffirming that the establishment of a Free Trade Area by 2010 will be the main instrument for fulfilling this objective, and for helping the Euro-Mediterranean area to address the challenges of globalisation;
- recognizing that the successful integration of Euro-Mediterranean countries into the world economy can contribute to peace and stability in the region, and to the well-being of all those concerned;
- recognizing the need for a stable and attractive environment for entrepreneurship and for local and foreign private investments in the Euro Mediterranean countries;
- recalling the Barcelona Summit 5-year work programme and its objectives concerning sustainable socio-economic development, and in particular the commitment to apply the Euro-Mediterranean Charter for Enterprise and to promote investment in Mediterranean partner countries;
- reaffirming that in order to take full advantage of the Free Trade Area, it is necessary to step up and coordinate efforts, across the whole Area, in order to:
 1. enhance the competitiveness of the business sector, paying particular attention to the needs of small- and medium-sized enterprises (SMEs),
 2. promote investments,
 3. facilitate the free movement of industrial goods,
 4. promote innovation;

- underlining the merits of industrial cooperation at sectoral and horizontal level, and of learning from each other, involving business organizations and enterprises, in order to accelerate reforms and progress;
- taking account of the conclusions of the fifth Euro-Mediterranean Conference of Ministers for Industry, held in Caserta (Italy) in October 2004, and in particular the adoption of the Euro-Mediterranean Charter for Enterprise as a framework to develop industrial policies and effective cooperation in the Mediterranean area;
- taking account of the conclusions of the first Euro-Mediterranean ECOFIN Ministerial Meeting held in Rabat-Skhirat in June 2005, and their explicit reference to improving the business climate in the region as one of the four priority areas of intervention;
- taking into account the conclusions of the second Euro-Mediterranean Conference of Ministers for the Information Society held in Dundalk in April 2005, and the creation of a Working Group on the Information Society that was agreed in Dundalk;
- acknowledging the co-operation established in the framework of the EU's Regional Policy's Western Mediterranean and ARCHIMED transnational programmes;
- taking account of conclusions of the fifth Euro-Mediterranean Conference of Ministers for Trade held in Marrakech on 24 March 2006, and the opening of Euro-Mediterranean negotiations on the liberalisation of services and the right of establishment between the EU and Egypt, Israel, Jordan, Lebanon, Morocco, the Palestinian Authority and Tunisia, agreed at the Conference;
- having regard to the Association Agreements that the EU has concluded and which have entered into force with Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Tunisia as well as the Interim Agreement with the Palestinian Authority ; noting the Association Agreement initialled with Syria;
- acknowledging the emphasis put in the European Neighbourhood Policy (ENP) on co-operation towards more economic integration between the European Union and its Member States, and its partners, recalling that the ENP encourages reforms that will bring benefits in terms of economic and social development; and taking account of the ENP Action Plans that have been agreed between the EU and Israel, Jordan, Morocco, the Palestinian Authority, Tunisia, and Lebanon (political agreement, pending formal conclusion);
- having regard to the national reports on the Charter implementation produced by the Mediterranean partners, and to the working document from the Commission "Report on the implementation of the Euro-Mediterranean Charter for Enterprise";

HAS ADOPTED THE FOLLOWING CONCLUSIONS:

Implementing the Euro-Mediterranean Charter for Enterprise

- (1) The Conference welcomes the progress that has been made in the implementation of the Euro-Mediterranean Charter for Enterprise since the adoption of the Charter at the Caserta Ministerial Conference in 2004. The Conference takes note that all Mediterranean partner

countries have launched the Charter implementation process, established a network of national coordinators and a structured dialogue with stakeholders, and submitted implementation reports. Ministers from the Mediterranean partner countries appreciate the Charter's contribution to better integrating business needs into national priorities and strategies, prompting reforms and improving inter-ministerial coordination. Ministers acknowledge that a pool of good practice is available in the Mediterranean partner countries and in the European Union, which can be tapped to stimulate mutual learning.

- (2) Ministers from the Mediterranean countries renew their commitment to implementing the Charter and endorse the conclusions of the European Commission's "Report on the implementation of the Euro-Mediterranean Charter for Enterprise", encouraging Mediterranean partners to:
- continue their efforts in the Charter implementation process,
 - make the Charter more visible in order to maintain the momentum, to rally further support across all relevant sectors at national, regional and local level, seeking in particular to involve the private sector including business organisations more closely into Charter decision making and implementation processes;
 - exchange experience and transfer know-how across the region and with the EU. In fields that are in line with the Charter objectives, the EU and Member States will invite Mediterranean partners to take part in EU expert groups and activities and to disseminate the received information widely, across all relevant sectors and down to the operational level;
 - build on the conclusions drawn up by the three expert groups that have worked on administrative simplification, access to finance and education to entrepreneurship under the 2005-2006 work programme for Euro-Mediterranean industrial cooperation, and exploit, to the fullest, conclusions from surveys on private sector development, including on new topics, such as women entrepreneurship, the informal sector, environment protection, the role of expatriates, hindrances caused by the judiciary system;
 - contribute to monitoring progress and reporting results on a 2-year basis.
- (3) The Conference takes note that the implementation of the Charter is one of the priorities under the chapter "Enterprise Policy" of the Action Plans negotiated with Mediterranean partner countries under the European Neighbourhood Policy ENP. It stresses the merits of exchanging experience at regional level and with the EU as a useful way of supplementing ENP bilateral action plans. The EU invites Mediterranean partner countries to take full advantage of the European Neighbourhood Policy which provides the framework for future cooperation in areas covered by the Charter.

Promoting investments

- (4) Ministers renew their commitment to enhance the business climate, in particular for SMEs, and to eliminate institutional, regulatory and administrative obstacles with a view to attracting increasing national and foreign investments and to creating job opportunities, consequently alleviating poverty.
- (5) Ministers recognize the positive results accomplished through the regional and bilateral projects under the MEDA programme, as well as the contribution of the European Investment Bank's Facility for Euro-Mediterranean Investment and Partnership (FEMIP), to which the EU contributes, to promote investments and access to finance in the region.
- (6) Taking advantage of the European Neighbourhood Policy, they stress the importance of carrying on activities:
 - to improve the image and market the industrial Mediterranean area abroad,
 - to target potential investors and attract foreign investments, in particular those conducive to technology transfer and sustainable local socio-economic development,
 - to consolidate a Euro-Mediterranean network of organisations involved in investment promotion,
 - to develop economic intelligence, generate projects, promote networks and transfer of know-how at regional level and with the EU,
 - to strengthen synergies with FEMIP,
 - to explore the readiness of women investors in the EU to invest in enterprises run by women in Mediterranean partner countries,
 - to explore to what extent expatriates' remittances contribute to private sector development in the home country.

Facilitating trade in industrial products

- (7) Ministers acknowledge the importance of the alignment of legislation, standards and conformity assessment procedures with the EU system, in sectors that are harmonised at EU level. Such alignment would remove regulatory and technical barriers and facilitate the free circulation of industrial products in the Mediterranean region. This will contribute to achieving the goal of establishing the Free Trade Area in the Mediterranean region by 2010.
- (8) Ministers welcome the progress achieved since the Third EuroMed Trade Ministerial Conference held in Palermo on 7 July 2003, the identification of priority sectors by Mediterranean partners and the inception of the process of alignment of legislation and adoption of harmonised European standards.

- (9) Mediterranean partner countries are encouraged to step up efforts in order to accelerate reforms and regulatory convergence, and to put in place, or upgrade, the necessary quality infrastructure and legislation, with a view to concluding Agreements on Conformity assessment and Acceptance of Industrial Products (ACAAs) in sectors of common interest, for signature of the first agreements in 2008. They are invited to make full use of the European Neighbourhood Policy in order to make progress in this area.
- (10) The Conference welcomes the progress achieved with programmes such as EURO-MED Quality and EURO-MED Market that contribute to linking the Mediterranean partners economies into the wider market represented by the Euro-Mediterranean Free Trade Area and, ultimately, into the global trading system.
- (11) Ministers stress the importance of developing new programmes in the context of the European Neighbourhood Partnership Instrument to continue to support current policy objectives and changes needed to underpin the work towards Agreements on Conformity Assessment and Acceptance of Industrial Products. The European Commission will explore the possibility for increased participation of Mediterranean partner countries in European standardisation, accreditation, metrology and market surveillance activities.
- (12) In the area of EU non-harmonised legislation, the EU and Member States will cooperate with Mediterranean partners to disseminate information and set up trade facilitation mechanisms such as a dispute settlement mechanism and notification mechanisms to avoid the creation of barriers to trade of products and information society services. The EU furthermore invites Mediterranean partners to identify problems related to the movement of goods in non-harmonised sectors, in order to be able to address these.

Innovation

- (13) Recognizing the need to boost the most competitive sectors and to convert the least competitive ones, Ministers acknowledge the vital contribution that innovation including non-technological innovation, and research and technological development, make to enterprise competitiveness, job creation, and to meeting the challenges of globalisation. They recognize the importance of education and training to develop an innovation culture, more innovative firms and an innovation-friendly environment.
- (14) Ministers underline the critical role played by innovation to improve the quality of the products in traditional manufacturing sectors, but also in sectors with higher intensity of innovation. They recognize the need to ensure a high level of protection of intellectual property rights in line with international and bilateral commitments.
- (15) The Conference welcomes the recent launch of the EURO-MED Innovation and Technology programme, which aims at developing innovativeness in business firms (especially in SMEs) and at building the capacity of national administrations in the MEDA countries. Ministers underline the importance that this programme may have in stimulating exchanges in the field of innovation across the Mediterranean region and with the EU.

- (16) The EU invites Mediterranean partner countries to improve access to information, technology transfer and networks. Building on the Innovation Scoreboard and the European Trend Chart initiative, the EU offers assistance:
- to promote mechanisms for strengthening Euro-Mediterranean cooperation and networking between innovation policy-makers and practitioners;
 - to develop benchmarking tools and methodologies in policy and performance analysis with a view to having a comprehensive common knowledge base on innovation policies across European and Mediterranean countries.
- (17) The EU encourages partner countries to test together innovatory solutions to common, sector-specific or horizontal problems. The European Commission will be invited to make proposals with the objective of increasing the participation of Mediterranean partners in activities relating to innovation, including under the EU Competitiveness and Innovation Programme (CIP).
- (18) The conference also asks for maximum synergies to be developed within the 7th EU Research and Development Framework Programme and EUREKA, seeking in particular to increase the participation of the business sector, mainly SMEs.
- (19) Partner countries are invited to make full use of the European Neighbourhood Policy in order to participate to activities and programmes relating to innovation.

Dialogue on the future of the textile and clothing industry

- (20) Taking note of results achieved within the framework of the Euro-Mediterranean dialogue on textile and clothing, the Conference expresses its support to efforts made by the working groups for the benefit of the textile and clothing industry.
- (21) As regards future action, the Conference stresses the merits of working at three levels:
- a strategic level where policy makers will continue to meet and examine together how they can best address the challenges facing the textile and clothing sector;
 - a more operational level where businesses, business support organisations and further stakeholders can exchange experience on specific topics of common interest and define concrete projects, taking full advantage of the European Neighbourhood Policy;
 - the implementation, with the support of the EC, of a programme aiming at the improvement of the competitiveness of the sector while taking into account the projects identified by the Working Party on Euro-Mediterranean Industrial Co-Operation.
- (22) Ministers agreed to meet again in 2008 to assess progress in implementing the Euro-Mediterranean Charter for Enterprise and the initiatives agreed in this document, and to discuss the orientations put forward by the Working Party on Euro-Mediterranean Industrial Co-operation.

- (23) Ministers welcomed the work programme (2007-2008) of the Working Party on Euro-Mediterranean Industrial Co-operation and requested the Working Party to identify and provide an opinion on the coherence of the programmes and regional financing towards their implementation.

The Ministers also agreed directing the financing under the bi-lateral agreement towards the implementation of enterprise charter according to the priorities of the countries.
