

# NON – PAPER

## EXPANDING ON THE PROPOSALS CONTAINED IN THE COMMUNICATION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL ON “STRENGTHENING THE ENP” – COM (2006) 726 FINAL OF 4 DECEMBER 2006

### ENP – THEMATIC DIMENSION

#### Summary

*The European Neighbourhood Policy has so far been largely **bilateral** in focus and implementation; between the EU and each ENP partner country. This is essential to take into account the differences in ENP partners’ situations. Nevertheless, there are numerous **cross-cutting themes** where the EU and its ENP partner countries, both in the South and the East, share common interests and concerns and which can usefully be addressed in a wider regional context.*

*The purpose of this non-paper is to highlight the key aspects of the **thematic dimension of the ENP**: its analysis shows that such a dimension **can build on pre-existing thematic cooperation** and common mechanisms by which the EU and ENP partners are already cooperating and where they can further intensify their relations.*

*Closer analysis indicates that while there is a **large number of existing “anchors”** to sustain the thematic dimension – regional and multilateral institutions and ongoing work in numerous sectoral fields – the potential of these existing frameworks is **not being fully utilised**.*

*Rather than espousing the common perception of regional cooperation being only “South-South” or “East-East”, the paper points out that **enhanced thematic cooperation** makes sense **between interested parties across the entire ENP neighbourhood**. In addition, the EU could achieve more in promoting thematic policies in ENP partner countries by increasing its own involvement in these existing frameworks, including in ensuring that they are effectively structured.*

*This paper also responds to the need to strike a **multilateral / bilateral balance** in the Eastern dimension of the ENP (already assured in the South through the Euro-Mediterranean Partnership) and highlights the advantages of an engagement of all ENP partner countries dedicated to reform and modernisation to share their experiences in modernising their sectoral policies and capacities.*

*More specifically, the paper shows that the depth and intensity of ENP thematic cooperation varies depending on the sectoral field. This entails some **differentiation** in the measures proposed to enhance the thematic dimension for each sector, which can be summarised as follows:*

What is already happening?

For some sectors the necessary frameworks, including numerous forward-looking steps, which underpin the thematic dimension are already in place. These include existing reference mechanisms on **human rights** issues; diversified **transport** thematic cooperation through international conventions, regional initiatives and policy dialogues as well as along major transnational axes; longstanding **energy** cooperation resulting in ongoing regional and bilateral energy initiatives; several **environment** cooperation processes and multilateral agreements; ongoing bilateral and regional **trade** negotiations; venues for cooperation in **higher education and scientific research**; and regular bilateral dialogues on **social development** priorities, as well as cooperation on **employment** and **gender equality** within the Euro-Mediterranean Partnership.

What does the thematic dimension still require?

For many sectors there is **potential for intensified cooperation** and coordination, including on **streamlining and implementing** existing commitments. Dialogue can be strengthened and complemented through gradual involvement in Community programmes and networks. Increasing peer contacts will serve to reinforce the thematic dimension. Looking at **remaining challenges to firmly establish a thematic dimension** in various fields, the following general picture emerges:

*Human rights and individual freedoms, the rule of law:*

- Stakeholders will need to contribute their share to promoting and safeguarding human rights not only through dedicated policies, but also through open-minded exchanges of views between governments, European institutions, advocacy groups and NGOs, as well as relevant international organisations.

*Cooperation on issues relating to justice, freedom and security:*

- Given the tremendous challenges in this field, implementation of ENP Action Plans and EU programmes will need to be complemented by intensified regional cooperation between ENP partners and beyond.

*Trade and economic integration and regulatory convergence:*

- Shoring up the thematic dimension depends on a dedicated pursuit of ongoing negotiations and ENP Action Plan-based activities aiming at converging the trade and economic regulatory frameworks between ENP partner countries and the EC. The longer-term aim is further economic integration through a network of “deep and comprehensive” FTAs with all willing and able ENP partners;
- It will be important to intensify transversal exchanges of information between ENP partner countries on their aims regarding trade and economic integration with the EC, making use of multiple mechanisms for dialogue and exchange of best practices.

*Transport:*

- ENP partners require advanced transport facilities and transport markets and numerous initiatives are ongoing in this regard (Euro-Mediterranean, EU-Black-

*Sea-Caspian Basin (Baku process), TRACECA, TEN corridors and their extensions). As highlighted in a recent Communication on “Guidelines for transport in Europe and neighbouring regions”, large challenges still lie ahead;*

- *These initiatives and EU/ENP cooperation should be streamlined into more coherent clusters;*
- *Policy dialogue and corridor development should be brought closer together.*

*Energy:*

- *Based on preparatory work over many years and strongly promoted by the “Energy Package”, frameworks are in place and numerous forward-looking steps have been identified. These include energy policy dialogues with ENP partners; Memoranda of Understanding being implemented with Azerbaijan and Ukraine and prepared with Algeria; regional energy initiatives (Baku covering Caspian/Black Sea, Euro-Mediterranean, new Africa-Europe energy partnership) etc.;*
- *Further opportunities have been outlined (extension of the Energy Community Treaty to Ukraine and Moldova; enhancing energy relations with Egypt and other Mashrek/Maghreb energy producer and transit countries; a feasibility study for an overall EU-ENP legal framework covering producers, consumers and transit countries; support for developing key networks of interest to energy security and to market integration; an initiative for an international energy efficiency agreement; gradual participation of ENP partner countries in the Intelligent Energy Programme);*
- *A challenge ahead is to gradually optimise cooperation between consumer, producer and transit countries with complementary interests.*

*Information Society:*

- *Intensified Information Society dialogue, including closer regional cooperation between the regulatory authorities in the ENP area and the European Regulators Group for electronic communications, is needed;*
- *Launching of a follow-up project for EUMEDCONNECT, interconnection of the GEANT network with all ENP countries and participation of the ENP research communities in the ICT part of the 7<sup>th</sup> Framework Programme will also be important in strengthening the thematic dimension in this field.*

*Environment:*

- *Strengthening environment protection in ENP partner countries represents a considerable challenge. The thematic dimension is already very comprehensive on substance as well as being characterised by a broad range of initiatives;*
- *The main challenge ahead consists of strengthening and/or streamlining the implementation of existing multilateral agreements and cooperation frameworks with clearer prioritisation of activities;*
- *Increased peer contacts across the ENP region and the inclusion of all stakeholders (governments, EU institutions, civil society) will contribute to the thematic dimension. Exchanges between partners of regional seas conventions should be encouraged.*

*Maritime policy:*

- *Based on the stakeholder consultations following the Green Paper of June 2006, the EU will still need to adopt a Community maritime policy for which the ENP is a well-suited conveyor to neighbouring ENP partner countries;*
- *Between themselves, actors in the Baltic Sea, Mediterranean and Black Sea should build and strengthen mechanisms for peer exchanges for which the EU can provide the initiative as well as support.*

*Employment, social policy and equal opportunities:*

- *Close cooperation between the EU and ENP partner countries will help facilitate the continued implementation of ENP Action Plan objectives on employment, social cohesion and equal opportunities;*
- *Strengthening the promotion of employment, decent work and gender equality within the Euro-Mediterranean Partnership is a key focus;*
- *Exchanges of experiences and best practices at the most appropriate level can contribute to more consistency of this thematic dimension.*

*Human capital, education:*

- *The EU is already focusing on intensifying its support to ENP partner countries in developing their human capital and on strengthening various instruments;*
- *The thematic dimension could gain from further facilitating policy dialogue and exchanges of experience between the Bologna Process and the education and research-related initiatives of the Euro-Mediterranean Partnership.*

*Public health:*

- *The thematic dimension in this sector has been characterised by a notable surge of inclusion of ENP partners in joint EU-ENP activities over the last year;*
- *This should be continued through strengthening the public health policy dialogue with ENP partner countries, including on the implementation of key international health instruments and gradually involving them in EU health programmes and networks. Once the European Centre for Disease Prevention and Control (ECDC) completes its current start-up phase, it will be in a position to enable a more profound participation of ENP partners.*

*Where would new legally binding agreements be appropriate?*

*As indicated above, multilateral agreements between the EU and ENP partners in a small number of key sectors should be considered, including **energy** and certain **transport** areas.*

*Will new institutions be needed?*

*While our Southern ENP partners can build on the multilateral **Euro-Mediterranean Partnership**, the recently-proposed **Black Sea Synergy** intends to activate existing bodies to take on a dual role by also serving as venues to discuss the cooperation with and between Eastern European and Southern Caucasus ENP partners. Using the potential for **horizontal peer contacts** to exchange experiences across the **whole ENP***

*spectrum (Eastern Europe, Southern Caucasus and the Mediterranean region) will complete the thematic dimension. In certain cases, and on the basis of agreement of all concerned, the Russian Federation could also be drawn closer to participating in the thematic dimension.*

*In short, rather than creating new institutions, the proposed approach is for the EU and ENP partner countries to utilise and build on existing frameworks in order to stimulate common thematic debate, action and cooperation.*

## 1. THEMATIC MATRIX OF THE ENP

The key operational tools of the European Neighbourhood Policy (ENP) are the **ENP Action Plans** individually agreed with twelve ENP partners to date, which contain mutually agreed and politically binding commitments. They set out a work plan to intensify relations. Mechanisms to promote and monitor their implementation create a new level of accountability on both sides. While the Action Plans are bilateral agreements, a number of the commitments nevertheless steer ENP partners towards reinforcing regional cooperation with their own neighbours and beyond. The Action Plans also show that our partners face similar challenges in many fields.

Against this background, this non-paper summarises existing thematic cooperation and highlights the need to strengthen such cooperation. A key question the paper addresses is how the EU and ENP partners can better utilise the potential of existing frameworks. As a host of “**anchors**” already exist to sustain the thematic dimension of the ENP, it suggests mainly **informal measures** to stimulate the exchange of best practices between ENP partners, to encourage peer partnerships, to streamline and enhance the implementation of existing commitments and to only selectively move towards more binding thematic agreements where appropriate. This paper consequently does not propose new institutions. It should be left to a potentially emerging network of successor agreements to current Partnership and Cooperation or Association Agreements to upgrade legally binding commitments on cross-cutting issues.

The ENP is supported by **Community assistance** mainly from the European Neighbourhood and Partnership Instrument (ENPI). Bilateral donors and International Financial Institutions also provide support to ENP partner countries. The Commission has recently adopted programming documents designing Community assistance to support ENP partners over the coming years<sup>1</sup>; and new assistance tools (such as TAIEX and twinning) have become available to ENPI beneficiary countries. This paper does not address such assistance in any detail, as this can be found in the programming decisions taken to date. Its focus is on the mechanisms that may allow the EU and ENP partners to **intensify their relations according to a thematic matrix.**

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<sup>1</sup> See the Commission's ENP website [http://ec.europa.eu/world/enp/documents\\_en.htm#5](http://ec.europa.eu/world/enp/documents_en.htm#5);

## 2. PEER CONTACTS AS DRIVING FORCES OF THE THEMATIC DIMENSION

What defines the thematic dimension? On the one hand, it can be understood as the **sum of sectoral issues** of interest to more than one ENP partner country; on the other, it is the **sum of opportunities** for the EU and ENP partner countries to address such issues together, beyond merely bilateral policy dialogues.

The first Progress Reports<sup>2</sup> indicate that, by implementing the ENP Action Plans, ENP partners are making reform progress on many sectoral issues. The aim of pursuing and enhancing the thematic dimension is to further help ENP partners with their Action Plan implementation.

Experience from previous transition processes shows that **opportunities for peers to exchange experiences** with Member States and/or countries engaged in the same or similar processes can be a useful driver of reform.

Moreover, experience from managing the ENP reveals that ENP partners, while attached to the notion of differentiation, frequently compare their commitments and the progress made in implementing them. **Comparisons** of ENP Action Plans' content and implementation are often made not only by official representatives but also by representatives of civil society and other interested stakeholders.

Civil society and NGOs with relevant expertise also have a role to play in promoting sectoral policies. They can engage in the domestic policy dialogue and cooperate on issues which may prove difficult to address by governments. However, many NGOs in ENP partner countries enjoy only limited access to information. There is therefore scope to consolidate **regular thematic NGO contacts** with ENP partner country administrations as well as with EC Delegations in neighbouring countries.

**Enhancing the thematic dimension** will entail fully exploiting the current initiatives. The following analysis of existing policy frameworks in numerous sectoral fields shows that there is a need for strengthened informal frameworks, full implementation of existing commitments and only selectively for more formal or legally binding arrangements, such as in the energy and transport, particularly aviation, sectors<sup>3</sup>. Consequently, there is no justification in proposing a proliferation of new meetings and structures with the risk of reducing progress to the lowest common denominator.

Regarding venues for **enhancing peer contacts**, a balance will need to be struck between the added value of high-level and ministerial meetings on the one hand and **technical expert-level meetings** on the other. Comparing approaches and lessons learned in implementing the ENP Action Plans should take precedence over conference declarations; the emphasis needs to be on operational work plans with concrete markers

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<sup>2</sup> Annexed to the Communication on "strengthening the European Neighbourhood Policy", COM (2006) 726 final, 4 December 2006;

<sup>3</sup> As already outlined in COM (2006) 726 final, 4 December 2006;

and timelines to enable ENP partners to combine forces in addressing thematic challenges. **High-level meetings** may provide political endorsement, when needed.

### 3. BUILDING ON EXISTING FRAMEWORKS

#### 3.1. At an overarching ENP level

On many technical issues across a wide range of policy areas, the **challenges facing ENP partners** are more **similar** than divergent. Although starting from different points, for example, the goal of aligning with EU standards for port reform or maritime safety inspections will be very much the same for the ports of Odessa, Beirut or Algiers. Fulfilling the commitment to adhere to internationally recognised integrity rules for customs services is similarly demanding for Georgia, Moldova or Tunisia. Many commitments by ENP partners aimed at enhancing business and investment opportunities or reducing non-trade barriers are largely identical. Thus it makes sense to intensify contacts between ENP partners from across the neighbourhood.

The **TAIEX** tool, in which ENP partner countries are showing increasing interest since it was made available to them in 2006<sup>4</sup>, is already providing opportunities for them to learn about best practices and legislation developed within the EU on a wide range of issues<sup>5</sup>. TAIEX-organised seminars bring together ENP partners from Eastern Europe, the Southern Caucasus and the Southern Mediterranean region, creating opportunities for a comparative exchange of experiences.

In March 2007 the Council endorsed a general approach to enable ENP partners to participate in **Community agencies and programmes**. Only in a few cases is this limited to European ENP partners. Actual participation will depend on the capacity of ENP partner countries to fulfil the legal and technical requirements laid down in the regulations establishing the individual Community agencies and programmes, and on their own merits, particularly their progress in implementing ENP Action Plans<sup>6</sup>. This initiative provides ENP partners with opportunities to gradually join thematic Community networks that are valuable hubs for peer contacts between EU Member States, EFTA/EEA members and transition countries.

**Peer cooperation between our eastern and southern neighbours makes sense.** Such cooperation clearly does not detract from the ability of European ENP partners to further

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<sup>4</sup> Council Decision of 23 January 2006 enabling countries covered by the ENP, as well as Russia, to benefit from the Technical Assistance and Information Exchange (TAIEX) Programme, O.J.L. 32/80, 4 February 2006;

<sup>5</sup> 50 requests from ENP partner countries were received when the programme started during the second half of 2006, with 800 participants in 14 bilateral events and a multi-country event. Furthermore, participants from ENP countries attended numerous multi-country events on other thematic issues not limited to ENP partners;

<sup>6</sup> See Commission Communication “on the general approach to enable ENP partner countries to participate in Community agencies and Community programmes”, COM (2006) 724 final, 4 December 2006; and the Council Conclusions (GAERC) of 5 March 2007;

develop their relationships with the EU in accordance with Treaty provisions. On the contrary, such peer contacts will further strengthen their capacities. This equally holds true for Mediterranean ENP partner countries. It was in this vein that the Commission, for instance, invited representatives from Eastern European and Southern Caucasus ENP partner countries, as speakers and participants, to the 10<sup>th</sup> Euro-Mediterranean Economic Transition Conference held in Brussels 6-7 June 2006 on “giving the neighbours a stake in the EU Internal Market”. Regrettably, with a view to the next such Conference in June 2007, some Euro-Mediterranean partners have urged the Commission to discontinue this all-inclusive practice. The support, ownership and cooperation of all ENP partners will be needed to allow for the thematic dimension to be comprehensively enhanced.

A recent think-tank publication on the ENP highlighted the EU’s search for **optimal bilateral-regional-multilateral balance**. Starting points for the ENP saw the East and South in quite opposite situations. In the South, the Euro-Mediterranean Partnership has been essentially multilateral and the ENP has added a bilateral dimension. Towards the East, the ENP has had no multilateral dimension<sup>7</sup>. The thematic dimension can be seen as contributing to optimising the ENP’s balance. The same publication also introduced a more creative and accurate categorisation of ENP partners according to their commitment to a reform-oriented partnership with the EU, **overcoming the common East versus South perception**. This is also a healthy approach towards understanding the potential of the thematic dimension. Synergies with the Euro-Mediterranean Partnership and contacts between all 16 ENP countries should be reinforced to ensure a truly comprehensive scope of the thematic dimension.

### **3.2 In various sectoral fields**

The following survey of existing as well as potential sectoral cooperation fora demonstrates that an **intensive network of ongoing activities already exists**, reducing the need for new initiatives largely to that of providing venues for cross-country peer exchanges.

#### ***3.2.1 Human rights and individual freedoms, the rule of law:***

Partner countries have shown themselves keen to compare their respective commitments in ENP Action Plans, as well as the institutional arrangements for the policy dialogue on these issues, even if regarded as politically sensitive. This evident transversal interest in issues that are important for the functioning of a modern democratic State may provide a good basis for peer consultations on implementing ENP partners’ commitments in this field. More importantly, however, the promotion of human rights and individual freedoms will thrive on governments not shying from an open-minded **exchange of views with advocacy groups and NGOs** monitoring human rights. The extent to which such contacts take place and become customary may be regarded as a thematic measure of progress in implementing the ENP Action Plans.

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<sup>7</sup> Centre for European Policy Studies (CEPS) paper, “European Neighbourhood Policy after two years: time indeed for an ‘ENP Plus’”, 21 March 2007;

**Reference mechanisms** already exist at the global level in the form of United Nations conventions and, for Eastern European and Southern Caucasus ENP partners, the Council of Europe and the OSCE obligations. In the human rights field, therefore, the thematic dimension is set by various non-EU bodies whose own benchmarks are reflected in ENP Action Plan commitments. Policy dialogue on human rights issues between the EU and ENP partners will remain complementary to ENP partners living up to their existing commitments to these reference bodies.

What does the thematic dimension still require?

- Stakeholders will need to contribute their share to promoting and safeguarding human rights not only through dedicated policies, but also through open-minded exchanges of views between governments, European institutions, advocacy groups and NGOs, as well as relevant international organisations.

### **3.2.2 Cooperation on issues relating to justice, freedom and security:**

Cooperation on **migration, visa issues, asylum, border management, judiciary** and other related issues feature in the Partnership and Cooperation Agreements and Association Agreements, which form the legal basis of our relationship with neighbouring countries, as well as in all of the ENP Action Plans. Some partner countries also have their own National Action Programmes on these issues. In the case of Ukraine there is a separate JLS Action Plan<sup>8</sup>, equivalent to that section of the other ENP Action Plans, as well as a scoreboard which contains benchmarks.

While some JLS issues are primarily bilateral between the EU and individual partners, there are issues which could usefully be addressed at the regional or neighbourhood level.

The Commission's forthcoming Communication on applying the Global Approach to **Migration** (already applying to most Mediterranean neighbours) *inter alia* to the rest of the neighbourhood in Eastern Europe and the Southern Caucasus addresses relevant issues, including new initiatives on better managing migration and tackling illegal migration. Important illegal migration routes run through the Black Sea region, making regional cooperation on these issues particularly relevant, and this was mentioned in the Communication on a Black Sea Synergy<sup>9</sup>. At the regional level where migration and related issues are addressed, experience could be drawn from the Söderköping and Budapest processes.

The development of systems for managing control of persons at, and surveillance of, borders which are compatible with the integrated **management of external borders** applied by the EU Member States would pave the way for improved operational cooperation between the ENP countries, EU Member States and the Community

<sup>8</sup> EU-Ukraine Action Plan on Justice and Home Affairs, 10 December 2001; the revised EU-Ukraine JLS Action Plan is awaiting its formal adoption at the next EU-Ukraine Cooperation Council in June 2007;

<sup>9</sup> COM (2007) 160 final, 11 April 2007;

(Frontex). It is important to complete the demarcation of borders of all ENP countries and Russia.

In general, improving border management and customs cooperation at the regional level would increase security and help in **fighting organised crime** such as money laundering and trafficking in human beings, drugs, firearms and high-taxed goods. Regional efforts in South-Eastern Europe and the Baltic area could serve as valuable experiences for intensified regional multidisciplinary cooperation in the Black Sea region to enhance the performance of national law enforcement, in particular in the fight against organised crime and corruption.

Better law enforcement and closer **police and judicial cooperation** remain the best way to curb criminal activities. There is still room for intensifying cooperation with relevant EU bodies (Europol, Eurojust) and improving regional cooperation, for example along the model of the JLS/MEDA regional programme.

What does the thematic dimension still require?

- Given the tremendous challenges in this field, implementation of ENP Action Plans and EU programmes will need to be complemented by intensified regional cooperation between ENP partners and beyond.

### **3.2.3 Trade and economic integration and regulatory convergence\*:**

*\*Longer-term perspectives on these issues are discussed in a separate non-paper on “ENP – a path towards further economic integration”.*

Together with various sectoral flanking policies, trade and economic integration represents a **key component** of the ENP. In particular, such integration aims at boosting trade and investment opportunities for ENP partners and increasing market access with a view to stimulating overall growth in the neighbourhood. Therefore all ENP Action Plans contain a number of priorities aiming at deeper trade integration, particularly through further regulatory approximation.

At present, the **degree of integration varies** among ENP partner countries. There is a mixture of traditional FTAs with most of our Euro-Mediterranean partners. Most ENP partners benefit from the EU Generalised System of Preferences. Negotiations on services and establishment and on agriculture with Mediterranean ENP partner countries are ongoing; negotiations on an Enhanced Agreement with Ukraine started in March 2007. This Agreement will include a deep and comprehensive FTA as a core element, to be negotiated as soon as Ukraine completes its WTO accession process. Work to grant additional Autonomous Trade Preferences to Moldova is proceeding; and a feasibility study on possible FTAs with Armenia and Georgia has been launched. All of these measures aim at increasing the trade and economic integration of ENP partners with the EU. There are also specific trade agreements among some of the Mediterranean ENP partners such as the Agadir Agreement concluded by Egypt, Jordan, Morocco and Tunisia.

Preparatory work has begun for the negotiation of Agreements on Conformity Assessment and Acceptance of Industrial Products (ACAAs) with most Mediterranean ENP partner countries as well as with Ukraine. Once concluded, these will allow free circulation of industrial products in the selected sectors between the EU and those countries without further testing and certification.

In its Communication on “strengthening the European Neighbourhood Policy”, the Commission proposed a series of **deep and comprehensive Free Trade Agreements**, having a “beyond-the-border” impact on reform measures in the ENP partner countries themselves, as the most appropriate way forward<sup>10</sup>. In addition, the Communication of the Commission on “a single market for citizens” of February 2007<sup>11</sup> evoked the ideas of extending aspects of the Internal Market policy through the ENP, of increasing benchmarking of rules against practices in non-EU countries and of promoting European standards in ENP partner countries.

The current system of Pan-Euro-Mediterranean **cumulation of origin** is applicable between 42 countries in the region<sup>12</sup>. It is based on a preferential agreement network, the origin protocols of which have to consist of identical rules, and allows for diagonal cumulation<sup>13</sup>. The possibility to cumulate origin is based on a “variable geometry” rule, which implies that countries of the zone can only cumulate originating status of the goods if the FTAs, including a Pan-Euro-Mediterranean origin protocol, are applicable between them. The “Pan-Euro-Mediterranean” protocol on rules of origin is now included in the agreements of the EU with each ENP partner country, and in some of the agreements between the partner countries, such as the agreement between Israel and Jordan.

A protocol on rules of origin will be included in the future Enhanced Agreement with Ukraine to allow for bilateral cumulation with the EU. Consideration will have to be given to the conditions for the subsequent participation of Ukraine in diagonal cumulation of origin. A similar approach will have to be followed for the conclusion of the new generation of “deep and comprehensive FTAs” with other ENP partners. In this framework and in order to boost regional integration, it would be desirable to offer our Eastern partners possibilities similar to those offered to the Mediterranean partners, including cumulation with the pan-Euro-Mediterranean and/or the Stabilisation and Association Agreements.

In the meantime, the Commission is debating the future of rules of origin in preferential trade arrangements. However, changes will not happen immediately but will be introduced over time, beginning with priority development-orientated arrangements such as the GSP.

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<sup>10</sup> COM (2006) 726 final, 4 December 2006;

<sup>11</sup> Communication on “a single market for citizens”, COM (2007) 60 final, 22 February 2007;

<sup>12</sup> The EC, Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Syria, Tunisia, the West Bank and Gaza Strip, the EEA/EFTA countries (Iceland, Norway and Switzerland including Liechtenstein), the Faroe Islands and Turkey (including coal and steel and agricultural products);

<sup>13</sup> Diagonal cumulation implies that products which have obtained originating status in one of the 42 countries may be added to products originating in any other one of the 42 without losing their originating status within the Pan-Euro-Mediterranean zone;

Overall, further economic integration will contribute substantially to **improving business climates** at the regional level and in ENP countries and will further **boost investment opportunities** for all economic players. This will be brought about step by step.

The very nature of deeper **economic integration calls for a high degree of regulatory convergence**, a message which can be promoted through intensified peer contacts and strengthened avenues to convey expertise on related norms and practices. In no other field is the case for enhancing the thematic dimension so clear. Such trade and economic integration is a key element of the ENP. To reap maximum benefits from the process of regulatory convergence would require the EU and ENP partners to commit themselves fully to going down the same path. To offer opportunities for discussion, peer contacts could be promoted through various means: transition conferences, TAIEX seminars, comprehensive updates on progress on issues such as ACAA negotiations or cumulation of origin as part of the regular policy dialogue between the EU and ENP partners.

What does the thematic dimension still require?

- Shoring up the thematic dimension depends on a dedicated pursuit of ongoing negotiations and ENP Action Plan-based activities aiming at converging the trade and economic regulatory frameworks between ENP partner countries and the EC. The longer-term aim is further economic integration through a network of “deep and comprehensive” FTAs with all willing and able ENP partners;
- It will be important to intensify transversal exchanges of information between ENP partner countries on their aims regarding trade and economic integration with the EC, making use of multiple mechanisms for dialogue and exchange of best practices.

### **3.2.4 Transport:**

Thematic cooperation with ENP partner countries in the transport sector is **already very strong and highly diversified**. The Action Plans have given additional focus to intensifying cooperation. ENP partners need high-quality transport facilities and well-functioning transport markets in which the safety, security and sustainability of transport operations are ensured. This entails not only a better integration of networks, the creation of sufficient capacity and long-term infrastructure maintenance, but also the need for efficient and competitive transport services. On the regulatory side, international transport is traditionally dominated by **international conventions** and important cooperation activities take place in relevant frameworks such as the UNECE<sup>14</sup>, ECMT<sup>15</sup>,

<sup>14</sup> The United Nations Economic Commission for Europe (UNECE) was set up in 1947 by ECOSOC and today has 56 members;

<sup>15</sup> The European Conference of Ministers of Transport (ECMT) is an intergovernmental organisation established by a Protocol signed in Brussels on 17 October 1953;

IMO<sup>16</sup> and JAA<sup>17</sup>. In addition, **regional initiatives** like BSEC have established transport working groups. Initiatives taken by the Commission have focused on regional policy dialogue on the one hand and the promotion of corridor development, on the other.

In the **Mediterranean** region, a regular policy dialogue was established through the Euro-Mediterranean Transport Forum and its working groups under the umbrella of the Euro-Mediterranean Partnership. The first Euro-Mediterranean Transport Ministerial Conference, which took place in 2005, adopted a series of recommendations to boost transport sector reform and promote network development and requested the Forum to adopt a **regional transport action plan for the next five years**.

In the **East**, in addition to the Pan-European corridors, cooperation was established as a follow-up to the EU-Black Sea-Caspian Basin Transport Ministerial Conference in 2004 in Baku and it brings together the TRACECA<sup>18</sup> countries, Russia and Belarus. During 2005 three working groups on security, land transport and aviation were organised.

To integrate the concept of the ENP into the transport field and to find ways to better connect the EU and its TEN network<sup>19</sup> with its neighbours, the Commission established in 2004 the **High Level Group** on the “*Extension of the major trans-European transport axes to the neighbouring countries and regions*”. In early 2007 the Commission adopted a Communication entitled “Guidelines for transport in Europe and neighbouring regions”<sup>20</sup>, endorsing the High Level Group's recommendations. The **recommendations** addressed both corridor development issues (by identifying five major trans-national transport axes) and policy dialogue issues (by identifying so-called horizontal measures<sup>21</sup>). The Commission also announced that it will launch exploratory talks to enhance thematic cooperation with the ENP region, possibly through a strengthened coordination framework.

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<sup>16</sup> The International Maritime Organisation (IMO) is a specialised agency of the UN responsible for measures to improve the safety and security of international shipping and to prevent marine pollution from ships;

<sup>17</sup> The Joint Aviation Authorities (JAA) is an associated body of the European Civil Aviation Conference (ECAC) representing the civil aviation regulatory authorities of a number of European states who have agreed to cooperate in developing and implementing common safety regulatory standards and procedures;

<sup>18</sup> The TRACECA corridor, developed since 1993, connects the EU with Turkey and further with Armenia, Azerbaijan and Georgia in the Southern Caucasus until Central Asia. Cooperation is organised through a basic multilateral agreement signed by the countries concerned. These are: Afghanistan, Armenia, Azerbaijan, Bulgaria, Georgia, Kazakhstan, the Kyrgyz Republic, Moldova, Romania, Tajikistan, Turkey, Ukraine and Uzbekistan. Pakistan and Iran have applied for TRACECA membership;

<sup>19</sup> Under the terms of Chapter XV of the Treaty (Articles 154, 155 and 156), the EU must aim to promote the development of Trans-European networks as a key element for the creation of the Internal Market and the reinforcement of economic and social cohesion. This development includes the interconnection and interoperability of national networks as well as access to such networks;

<sup>20</sup> COM (2007) 32 final, 31 January 2007;

<sup>21</sup> “Horizontal measures” aim to remove physical and administrative bottlenecks along the main transport axes identified and to facilitate cooperation and communication between authorities in the different countries;

Finally, at the last Ministerial Conference of TRACECA which took place in Sofia in May 2006, the Ministers of TRACECA Member States adopted the long-term TRACECA strategy up to 2015.

Although the challenges for the transport sectors of the EU and third countries are similar, **ENP partner countries face additional needs**. Infrastructure investment and maintenance have not been able to keep up with constant transport growth. The transport markets are not as fully competitive and efficient as needed; interoperability remains an issue. In some sectors modern regulatory frameworks still need to be fully implemented and effectively enforced. Safety continues to be an issue of particular concern. The challenge is to streamline cooperation, bringing policy dialogue and corridor development closer together.

The above-mentioned Guidelines have launched the debate on how to enhance the thematic dimension and to streamline the various ongoing cooperation activities. The Guidelines propose, as one possible coordination framework, establishing a cost-effective institutional setting to support the implementation and monitoring of the axes. The challenge in enhancing the thematic transport dimension lies in making best use of existing structures and **focusing and grouping together the activities** outlined above, rather than in establishing new structures to the proliferation of transport cooperation activities. This could possibly lead to a merger of existing regular events and structures. The EU also counts on ideas put forward by regional organisations, most notably BSEC and GTMO<sup>22</sup>.

At present, **ministerial meetings** take place through the Euro-Mediterranean Transport Ministerial Conference and the EU-Black Sea-Caspian Basin Transport Ministerial Conference. In order to strengthen cooperation, the mandate of these conferences might need to be enhanced to effectively achieve a uniform and consistent application of relevant instruments and standards and the development of key axes. There is also a need to define the tasks of **regional Steering Groups** by integrating existing Pan-European Corridor/Area Chairs and Secretariats. For the Mediterranean corridor the establishment of a regional infrastructure steering group might be useful, a role that the Euro-Mediterranean Transport Forum might want to assume. Further coordination is needed between the activities of the **expert working groups** set up under the Baku process as well as the ones of the TRACECA Secretariat in view of implementation of the TRACECA corridor and further improvement of its functionality. The overall aim is to ensure regular feedback on the implementation of various Action Plan commitments and on infrastructure development along the major trans-national axes to the political level.

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<sup>22</sup> GTMO – the Transport Group of the Western Mediterranean – aims to promote cooperation on transport in the Western Mediterranean and to contribute to the Euro-Mediterranean Partnership. The members of GTMO are transport ministers from the seven countries in the region (Algeria, France, Italy, Morocco, Portugal, Spain and Tunisia) and the EC Directorate General for Energy and Transport. CETMO holds the position of secretariat, providing technical support;

Ongoing initiatives need to be strengthened to foster **regional cooperation** and to contribute to the improvement of transport connections where these have been interrupted or not developed due to regional conflict.

What does the thematic dimension still require?

- ENP partners require advanced transport facilities and transport markets and numerous initiatives are ongoing in this regard (Euro-Mediterranean, EU-Black-Sea-Caspian Basin (Baku process), TRACECA, TEN corridors and their extensions). As highlighted in a recent Communication on “Guidelines for transport in Europe and neighbouring regions”, large challenges still lie ahead;
- These initiatives and EU/ENP cooperation should be streamlined into more coherent clusters;
- Policy dialogue and corridor development should be brought closer together.

### 3.2.5 Energy:

The EU and ENP partners are **interdependent** in terms of energy security. ENP partners and other neighbours play a crucial role in the EU’s energy security either as suppliers<sup>23</sup> or transit countries<sup>24</sup>. All ENP Action Plans therefore include major energy cooperation objectives.

Since the 2005 Hampton Court European Council the energy sector has been in the foreground of political attention. The Commission’s “**Energy Package**”<sup>25</sup>, endorsed by the European Council<sup>26</sup>, recalled the urgent need to address energy security and climate change challenges. It confirms that an external energy policy (“speaking with a common voice”) is necessary to ensure secure and predictable energy supplies for the benefit of the economy and the wellbeing of citizens.

By its very nature this policy objective needs to be pursued through both bilateral and multilateral approaches, contributing to a thematic dimension of the ENP also in this field. Both approaches cover a broad area including network development, gradual market integration, energy efficiency, energy savings and renewable energy sources. Necessary frameworks, including **numerous forward-looking steps**, to enhance the thematic dimension on energy are **already in place**.

The Commission is therefore promoting an ever intensifying **bilateral policy dialogue** between the EU and ENP countries (as well as their neighbours), using many avenues.

<sup>23</sup> Algeria, Egypt, Libya, Azerbaijan – and Russia/Central Asia;

<sup>24</sup> Morocco, Tunisia, Southern Caucasus, Ukraine, Moldova and Belarus;

<sup>25</sup> See in particular: COM (2007) 1 final: an Energy policy for Europe; External energy relations – from principles to action; COM(2006)590 final: External energy relations-from principles to action; European Commission/SG/High Representative paper for the European Council *An external policy to serve Europe’s energy interests*, June 2006, S 160/06; COM (2006) 105 final: A European Strategy for Sustainable, Competitive and Secure Energy; Presidency conclusions European Councils of 2005, 2006 and 2007;

<sup>26</sup> 8-9 March 2007;

Energy Memoranda of Understanding with Ukraine and Azerbaijan (as well as Kazakhstan) have been agreed and are being implemented. In addition, Algeria is being offered a strategic energy partnership, while dialogue with other ENP countries (Egypt and other Mashrek/Maghreb energy producer and transit countries) is being enhanced.

Ongoing EU **regional energy initiatives** include cooperation in the Euro-Mediterranean context and the “Baku initiative” for the EU-Black Sea-Caspian Basin area. The latter, in which the Russian Federation (as observer) and Central Asian countries also participate, was launched at a Ministerial Conference in 2004 in Baku. It has been followed up by a further ministerial meeting in Astana in November 2006, which established a road map that is now being implemented and which will be subject to a review at the next ministerial meeting in 2008. The next Euro-Mediterranean Energy Ministerial, planned for this year, will endorse the 2007-2010 priorities.

**Bilaterally**, initiatives will aim at fully implementing the agreed MoUs and at enhancing and developing cooperation and partnerships with other ENP partners, including producers from the Mashreq/Maghreb region such as Algeria and Egypt, transit countries such as Moldova and Morocco, and with consumers.

At the **multi-country level**, Euro-Mediterranean (Energy) Ministerial Meetings will continue to provide an avenue for implementing existing initiatives and developing new priorities. To ensure coherence between the ENP and other EU policies relevant to the energy issue (Black Sea, Caspian, Central Asia regions, sub-Saharan Africa and the Middle East), a new Africa-Europe Energy partnership (including Mediterranean ENP partners) is *inter alia* envisaged. The Energy Community Treaty is to be selectively extended, when appropriate, to ENP partners, in particular through Ukraine and Moldova’s membership (currently observers). It will also be important to engage ENP partners in the Commission’s initiative for an international energy efficiency agreement. The EU will continue to support the development of networks of key interest to its energy security and to market integration<sup>27</sup>. It will promote the appointment of an EU Coordinator for key network projects, starting with the Nabucco gas pipeline. The progressive participation of ENP partners in the Intelligent Energy programme will also be advanced.

Increasing peer contacts in formats that simultaneously include consumer, transit and producer countries will be helpful in promoting the thematic dimension in the energy field. The aim would be to address ENP partners’ common interests in supply, transit and demand security. In this context, the Commission will examine the possibility of a legal framework between the EU and ENP region covering the interests of consumers, producers and transit countries. A feasibility study will be launched to determine whether it is necessary to develop such a framework.

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<sup>27</sup> For example, the Nabucco gas pipe from the Caspian to Hungary/Austria; the Trans-Caspian–Black Sea energy corridor; the Medgaz and Galsi project from Algeria to Spain and to Italy; the trans-Mashrek gas pipeline that will bring Egyptian, Iraqi and Middle East gas resources to Turkey, the Balkans and the EU; the Odessa-Brody–Plock oil pipeline; and Moldovan/Ukrainian accession to the continental European “UCTE” electricity network;

Cooperation on **nuclear issues**, including non-proliferation, nuclear safety and security and combating trafficking of nuclear materials, will continue, as appropriate, with partners using nuclear power (Armenia and Ukraine) and other ENP partners. Dialogue with ENP partners planning to use nuclear energy will be enhanced.

What does the thematic dimension still require?

- Based on preparatory work over many years, and strongly promoted by the “Energy Package”, frameworks are in place and numerous forward-looking steps have been identified. These include energy policy dialogues with ENP partners; Memoranda of Understanding being implemented with Azerbaijan and Ukraine and prepared with Algeria; regional energy initiatives (Baku covering Caspian/Black Sea, Euro-Mediterranean, new Africa-Europe energy partnership) etc.;
- Further opportunities have been outlined (extension of the Energy Community Treaty to Ukraine and Moldova; enhancing energy relations with Egypt and other Mashrek/Maghreb energy producer and transit countries; a feasibility study for an overall EU-ENP legal framework covering producers, consumers and transit countries; support for developing key networks of interest to energy security and to market integration; an initiative for an international energy efficiency agreement; gradual participation of ENP partner countries in the Intelligent Energy Programme);
- A challenge ahead is to gradually optimise cooperation between consumer, producer and transit countries with complementary interests.

### **3.2.6 Information Society:**

The Dundalk Ministerial Conference on the Information Society in May 2005 adopted a series of recommendations in order to promote sector reform and development of the **Euro-Mediterranean Information Society**. These recommendations have been taken up by the Senior Officials Forum on the Information Society in April 2006 which adopted a Work Programme focusing on the opening of markets, the cooperation between regulatory authorities, the extension of the EUMEDCONNECT project, etc. The next Euro-Mediterranean Ministerial Conference will be held in Cairo in early 2008. The regional MEDA project “New Approaches to Telecommunications Policy” (NATP II, 2005-2008) is successfully establishing a Euro-Mediterranean dialogue in this field and intensifying cooperation to promote regulatory reform. In the **Black Sea region**, a Memorandum of Understanding has been signed by all the actors in the Information Society sector, requesting interconnection of the research and education communities of the EU with those of the region via the GEANT network.

In view of this background, the thematic dimension should further facilitate the **Information Society dialogue**, in particular through ministerial conferences and senior officials meetings covering the elaboration of a regional strategy for the development of the Information Society (e.g. e-Learning, e-Government). Approximation of electronic

communications regulations in ENP countries with the EU framework will encourage investment in the sector. Furthermore, Information and Communication technologies (ICT) should be promoted via the extension of the EUMEDCONNECT project in the Mediterranean area beyond 2008, the provision of high speed connectivity to the research and education communities in some Eastern European ENP partner countries and by a more active participation by them in the 7<sup>th</sup> Framework Programme for research and development.

What does the thematic dimension still require?

- Intensified Information Society dialogue, including closer regional cooperation between the regulatory authorities in the ENP area and the European Regulators Group for electronic communications, is needed;
- Launching of a follow-up project for EUMEDCONNECT, interconnection of the GEANT network with all ENP countries and participation of the ENP research communities in the ICT part of the 7<sup>th</sup> Framework Programme will also be important in strengthening the thematic dimension in this field.

### 3.2.7 *Environment:*

**Environment protection** provides **benefits to society at large**, such as improved public health, preserved natural resources, increased economic efficiency, promotion of tourism and increased stability. Action is needed at national, regional and global levels. **ENP Action Plans** have been tailored with this objective in mind and have already resulted in **more focused cooperation** at bilateral and multilateral levels. This includes environmental governance, addressing specific environment problems such as water quality or waste, integration of environment considerations into other sectors and promoting the implementation of global and regional environment commitments, as well as national legislation. Strengthening environment protection in ENP partner countries, and moving towards convergence with key aspects of the Community policy and *acquis*, represent a considerable financial challenge. Yet the benefits of enhanced environment protection can in many cases outweigh the necessary investment costs in the longer term.

A broad range of **global and regional cooperation processes already exists**. Some cover several environment issues within one single process, while other processes focus on a specific issue such as water or nature protection. Environment cooperation processes are often based on **multilateral environment agreements** (MEAs) which have in most cases established their implementing structures and monitoring mechanisms to support the achievement of the agreed objectives. However, their implementation is often lagging behind.

The key multi-issue process within the Mediterranean region is the Convention for the Protection of the Marine Environment and the Coastal Region of the Mediterranean (the **Barcelona Convention**). Under the auspices of the United Nations Environment Programme (UNEP), this 30 year-old Convention aims to eliminate pollution in the Mediterranean Sea area and to protect and enhance the marine environment in that area so as to contribute towards its sustainable development. The Convention and its

protocols<sup>28</sup> are implemented through the Mediterranean Action Plan (MAP) and several thematic Regional Activities Centres. A joint work programme has been developed between the EC and the MAP. The MAP structure also includes the Mediterranean Commission on Sustainable Development, which in 2005 elaborated a Mediterranean Strategy for Sustainable Development.

In the context of **the Euro-Mediterranean Partnership**, several Ministerial Conferences<sup>29</sup> on environment and on water have been organised. In the so-called **Horizon 2020 Initiative**, all countries of the region are committed to substantially reduce pollution of the Mediterranean by 2020.

The **Environment for Europe (EfE) process**, under the aegis of the UNECE, was established in 1991 to increase environmental awareness. Since 1998 it has focused on Eastern European countries (especially Russia, Belarus, Ukraine and Moldova), the Southern Caucasus ENP partners and the Central Asian states – countries facing transition challenges typical of the post-Soviet space. Within this process five Ministerial Conferences have been held and a sixth Conference will take place in 2007<sup>30</sup>. While the EfE process made an important contribution to environment protection across Europe in the 1990s, its role has progressively decreased as other frameworks and initiatives have developed – notably enlargement and the ENP. The EfE process would benefit from being focused on a more limited number of issues where it has an added value and is the right instrument for obtaining results. This would reflect the changed political landscape of our continent, avoid duplication and optimise resource allocation.

As regards cooperation on specific issues, ENP partners are taking steps to implement the **UN Framework Convention on Climate Change and its Kyoto Protocol**. While Ukraine and Belarus have binding targets to reduce their greenhouse gas emissions, other ENP partners also participate in activities such as flexible mechanisms and information sharing. Ukraine is the biggest emitter in the ENP region, and an EU-Ukraine climate change working group has been established. Cooperation on climate change needs to continue to be enhanced with ENP partners in view of the global nature of the issues at stake.

On **environmental governance**, the Eastern ENP countries are party to most of the UNECE multilateral environment agreements on environmental assessments and access to information<sup>31</sup>. Regional Environmental Centres (RECs)<sup>32</sup> promote cooperation

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<sup>28</sup> Dumping Protocol; Emergency Protocol; Land-Based Sources protocol; Specially Protected Areas and Biodiversity Protocol; Offshore Protocol; and Hazardous Wastes Protocol;

<sup>29</sup> Environment: Helsinki (2001), Athens (2002), Cairo (2006); Water: Marseilles (1996), Turin (1999);

<sup>30</sup> Dobris Castle in Czechoslovakia (1991), Lucerne (1993), Sofia (1995), Aarhus (1998), Kiev (2003), Belgrade (2007);

<sup>31</sup> Convention on Environmental Impact Assessment in a Trans-boundary Context, Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters. These UNECE agreements address the Eastern Europe, Caucasus and Central Asia (EECCA) region;

<sup>32</sup> Regarding ENP partners, RECs are currently established in Moldova and the Southern Caucasus. Work is ongoing to re-establish a REC in Ukraine. The charter of the REC-Caucasus has just been amended to

between countries to solve regional problems and strengthen links between authorities, NGOs, business and researchers. The Network for Environmental Compliance and Enforcement in the Maghreb (NECEMA) was set up in 2006<sup>33</sup> to promote good environmental governance through the exchange of information and best practices.

There is long-standing cooperation involving ENP partners on **water quality and the marine environment**. The EU Water Initiative (EUWI) involves all ENP countries. However, a review of the Initiative is currently being carried out, as it has so far not produced the expected results. The UNECE Water Convention<sup>34</sup> aims to strengthen protection and management of trans-boundary surface waters and ground waters. The International Commission for the Protection of the Danube River (ICDPR) and the Black Sea Commission implement the Convention on Cooperation and Sustainable Use of the Danube River and the Convention on the Protection of the Black Sea against pollution respectively. The Danube Black Sea (DABLAS) Task Force provides a platform for stakeholders to foster a strategic focus to financing. Under the Caspian Environment Programme a Convention for the Protection of the Caspian Sea has been developed. In the framework of the Euro-Mediterranean Partnership a regional water programme for local water management has been established, as well as the Euro-Mediterranean Information System on Know-How in the Water sector (EMWIS). At the sub-regional level, the Executive Action Team (EXACT) promotes data collection and communication among the scientific community in Israel, Jordan and the Palestinian Authority.

Regarding **air pollution**, the UNECE Convention on Long-Range Trans-boundary Air Pollution provides a cooperation framework for Eastern ENP partners and aims to promote scientific collaboration and the development of appropriate policies.

In the field of **waste**, most ENP partners are parties to the Convention on the Control of Trans-boundary Movements of Hazardous Wastes and their Disposal (the Basel Convention), aiming to reduce the generation and movement of hazardous waste.

Cooperation on **nature protection** takes place under several multilateral agreements<sup>35</sup>. All of the countries in the Eastern ENP region participate in the Forest Law Enforcement and Governance (FLEG) process, which aims to promote protection and sustainability of forests. Most ENP partners are party to the United Nations Convention to combat desertification and its regional implementation annexes. For the Mediterranean region, a Protocol concerning Specially Protected Areas and Biological Diversity has been established under the Barcelona Convention.

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make the REC more operational. RECs have also been established in Russia, Central Asia and Central Europe;

<sup>33</sup> Set up between Algeria, Libya, Mauritania, Morocco and Tunisia;

<sup>34</sup> Convention on the Protection and Use of Trans-boundary Watercourses and International Lakes;

<sup>35</sup> Including the Bern Convention on the Conservation of European Wildlife and Natural Habitats signed by six ENP partners, the CITES Convention on International Trade in Endangered Species of Wild Fauna and Flora signed by most ENP partners, the Bonn Convention on the Conservation of Migratory Species signed by most ENP partners; the Rio de Janeiro Convention on Biological Diversity, signed by all ENP partners except the Palestinian Authority, and the Ramsar Convention on protecting wetlands, ratified by all ENP partners except the Palestinian Authority;

The UNECE Convention on the Trans-boundary Impact of Industrial Accidents provides a cooperation structure for Eastern ENP partners in the field of **industrial pollution and hazards**.

In the Mediterranean region, **pollution prevention** is addressed more broadly under the Dumping Protocol<sup>36</sup>, the Land Based Sources Protocol<sup>37</sup> and the Prevention and Emergency Protocol<sup>38</sup>, established under the Barcelona Convention.

There are several initiatives for cooperation on **chemicals**, including the UNEP Strategic Approach to International Chemicals Management (SAICM) and the Global Harmonised System (GHS) concerning the classification and labelling of chemicals. Most ENP partners are party to the Convention on Persistent Organic Pollutants (POPs) which aims to eliminate or reduce the release of POPs into the environment, and the Rotterdam Convention on Prior Informed Consent (PIC) provides for cooperation on reducing the risks connected with the trade in dangerous chemicals.

Regarding **civil protection**, the Euro-Mediterranean Bridge Programme addresses prevention and preparedness with a view to contributing to political and security confidence-building in the area. The programme covers training and simulation exercises, exchanges of experts and networking. The Euro-Mediterranean partners are also receiving the MIC Daily (Community Civil Protection Mechanism), the Commission's alerting tool on natural disasters. On **response**, in the event of natural and human-made disasters any third country (including all 16 ENP partners) can request the EU civil protection assistance from the MIC.

The **European Environment Agency (EEA)** works with ENP partners in the framework of regional cooperation processes (such as the Environment for Europe and Barcelona Convention/MAP activities, including its Programme for the Assessment and Control of Pollution in the Mediterranean Region (MEDPOL)) on issues such as environment indicators, reports on the state of the environment and training of scientists.

Within this broad range of environment **cooperation processes** with and between ENP partner countries, **many** continue to provide **valuable** fora for addressing environment concerns, while some would benefit from **streamlining** or more **focus**, and others may be becoming **obsolete**. In a number of cases there is also shortage of support from partner countries and/or EU Member States. Some smaller initiatives have been and continue to be launched without sufficient consideration of their long-term viability. Implementation of existing MEA commitments needs to be enhanced in most cases and requires particular attention within the ENP region. While the EU has generally transposed the

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<sup>36</sup> Protocol for the Prevention and Elimination of Pollution of the Mediterranean Sea by Dumping from Ships and Aircraft or Incineration at Sea;

<sup>37</sup> Protocol for the Protection of the Mediterranean Sea against Pollution from Land-based Sources and Activities;

<sup>38</sup> Protocol Concerning Co-operation in Preventing Pollution from Ships and, in cases of Emergency, Combating Pollution of the Mediterranean Sea;

requirements of the ratified MEAs into the *acquis*, this is not systematically the case in all ENP partner countries. Furthermore, transposition is often not followed by effective application.

The **objective of the thematic dimension** in this field should therefore be to **strengthen** or **streamline** the **implementation** of existing multilateral agreements and initiatives, ensuring that they reflect present needs. This will enhance the partner countries' legal and policy frameworks, including better administrative capacities to ensure implementation. Civil society will be strengthened, and the public will have access to information and participate in environmental decision-making. Measurably reduced pollution levels will be attained. This objective can be achieved through various steps:

- ENP partners in the **Mediterranean region** need to ensure, in line with the recent Commission Communication on an Environment Strategy for the Mediterranean<sup>39</sup>, that all relevant initiatives join forces to support the **Horizon 2020 initiative**, so that efforts are better coordinated and to build on work and experiences gained so far (including with regard to the EUWI, the Barcelona Convention, the Mediterranean Action Plan, DABLAS, and IFIs). Scientific cooperation under the forthcoming 7<sup>th</sup> Research Framework Programme should be used to support the initiative.
- Regarding cooperation networks with **Eastern Europe and Southern Caucasus** ENP partner countries, the Commission is **reflecting on** its future involvement in the **EfE process** and other cooperation networks. These reflections aim to contribute to calibrating a duly prioritised and comprehensive approach to be carried forward over the coming years.
- **Information exchanges** between partners of the conventions dealing with the **Baltic Sea**, the **Black Sea**, and the **Mediterranean** could create useful synergies. Under the Thematic Strategy on the Protection and Conservation of the Marine Environment (and the draft Directive for its implementation), Member States will be required to cooperate with third countries to develop regional **marine strategies** as a means of achieving good environmental status of the EU's marine waters by 2021.
- The approach of the **DABLAS Task Force** to cooperate on improving water investments could be replicated or serve as guidance in other regions and for other regional environment issues such as nature protection, waste management, industrial or air pollution, insofar as a regional approach would bring true benefits.
- Peer contacts and information exchanges between ENP partners in the form of **seminars and workshops** should be encouraged, as experiences gained in one

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<sup>39</sup> COM (2006) 475 final, 5 September 2006; the strategy aims to reduce pollution levels, promote sustainable use of the land and sea, encourage neighbouring countries to cooperate on environment issues, assist partners in developing institutions and policies, and involve civil society in environment decisions. These aims will be achieved through financial assistance, strengthened dialogue with the region's stakeholders, improved coordination with other donors and initiatives and sharing of experiences;

country can be useful for other partners. This could apply, for example, to issues such as environmental impact assessments, reporting, access to information, public participation and the EU framework directives. Representatives of the environment administrations, as well as other government bodies, regional and local authorities, industry and NGOs need to be involved.

- Support for improving the functioning of existing **Regional Environment Centres**, in line with their agreed mandates, should continue as a means of fostering cooperation between stakeholders in different countries.
- Initial steps to develop regional cooperation with the **European Environment Agency** also need to be strengthened and safeguarded.

What does the thematic dimension still require?

- Strengthening environment protection in ENP partner countries represents a considerable challenge. The thematic dimension is already very comprehensive on substance as well as being characterised by a broad range of initiatives;
- The main challenge ahead consists of strengthening and/or streamlining the implementation of existing multilateral agreements and cooperation frameworks with clearer prioritisation of activities;
- Increased peer contacts across the ENP region and the inclusion of all stakeholders (governments, EU institutions, civil society) will contribute to the thematic dimension. Exchanges between partners of regional seas conventions should be encouraged.

### 3.2.8 *Maritime policy:*

Since its inception, the ENP addresses issues relevant to maritime policy. In their various ENP Action Plans partner countries have committed themselves to objectives and actions in the fields of transport, environment, labour law or regional development that correspond with key goals of a maritime policy. In this sense the recent initiative to establish a Community Maritime Policy<sup>40</sup> does not require additional action beyond existing agreements, but underlines that the ENP is a well-suited operational tool to carry a policy forward that summarises **sectoral priorities from a sea-focused perspective**. In terms of peer contacts, however, dialogue between actors in the three maritime regions – the Baltic Sea (acting within the Nordic Dimension), Mediterranean (such as the Euro-Mediterranean Transport Ministers) and Black Sea (such as BSEC) – may be worthwhile.

What does the thematic dimension still require?

- Based on the stakeholder consultations following the Green Paper of June 2006, the EU will still need to adopt a Community maritime policy for

<sup>40</sup> Launched by the Commission's Green Paper "towards a future Maritime Policy for the Union: A European Vision for the oceans and seas" ("How inappropriate to call this planet Earth when it is quite clearly Ocean"), COM (2006) 275 final, 7 June 2006;

which the ENP is a well-suited conveyor to neighbouring ENP partner countries;

- Between themselves, actors in the Baltic Sea, Mediterranean and Black Sea should build and strengthen mechanisms for peer exchanges for which the EU can provide the initiative as well as support.

### *3.2.9 Employment, social policy and equal opportunities:*

Policies on social development aim to **ensure that economic and social progress go hand in hand**. The objective is also to strive for sustainable development based on social inclusion and active labour market policies to create decent job opportunities. Specific attention is to be paid to the promotion of equal opportunities, and particularly the situation of women.

Addressing effectively employment, social and equal opportunities challenges will be **key to meeting the ENP's overall objectives**. Unemployment, a vast informal economy, lack of decent work and poverty are widespread concerns in most partner countries. In the Mediterranean region in particular, participation of women in the labour market (and particularly in quality jobs) is extremely low, which is a major obstacle to gender equality. In several countries the protection and socio-economic conditions of ethnic minorities are an issue of concern. Demographic constraints (with populations decreasing in the Eastern and expanding in the Southern neighbourhood) are adding to these problems. Addressing all these challenges will be essential not only for sustainable development, but also for stability in the EU's neighbourhood.

The ENP refers to shared values, including fundamental social rights. A number of objectives and actions agreed in ENP Action Plans seek to promote employment, social cohesion and equal opportunities. However, it is overwhelmingly in the hands of the domestic policies of ENP partners and their affordability to ensure the difficult tasks of **entrenching sustainable economic growth and prosperity** and the overall improvement of living conditions. ENP partners have committed themselves to adhere to and effectively implement **core labour standards** and relevant international instruments, such as the International Labour Organisation's Conventions and relevant UN Conventions on **women's and children's rights**.

In addition, the ENP Action Plans negotiated to date call for comprehensive dialogue and cooperation in fields such as poverty alleviation, social cohesion and support to job creation or market-driven strategies for addressing the problem of unemployment. Cooperation priorities highlight the importance of holistic strategies on employment and social affairs based on ownership and social dialogue. Some ENP partners have also agreed to a degree of **approximation with EU standards** (labour law, social dialogue, health and safety at work, gender equality, employment policy, social protection, including social security issues and social inclusion) **and practices** in the area of employment and social policy. Special attention should also be paid to increasing women's participation in political, social and economic life. Some ENP Action Plans refer to **gender equality** and the fight against all forms of discrimination.

These priorities have enabled regular and open dialogues with partner countries, helping to identify potential challenges and measures and to **share experiences and best practices**.

Complementary to bilateral relations, the **Euro-Mediterranean Partnership** has allowed the EU and its Mediterranean ENP partners to establish cooperation **in the social field at the regional level**. The Five-Year Work Programme agreed at the 2005 Barcelona Summit set clear priorities in the area of sustainable socio-economic development and reform. One focus of current activities is on employment and decent work: further to a social dialogue conference organised by the current German EU Presidency, a series of key events (e.g. an employment workshop in December 2007) will lead up to the first Euro-Mediterranean Ministerial Conference on Employment in 2008. Another focus is on promoting the increased participation of women in decision-making in political, social, cultural and economic positions. The Euro-Mediterranean Ministerial Conference on “Strengthening the Role of Women in Society” of November 2006 agreed on an action plan with follow-up structures. In order to develop regional cooperation on employment and social affairs also with Eastern ENP partners, this subject features as one of the “main cooperation areas” under the “Black Sea Synergy” initiative, which aims to develop cooperation within the Black Sea region and also between the region as a whole and the EU<sup>41</sup>.

Coincidentally, the EU has engaged in the promotion of **decent work** in its internal and external policies. Decent work covers more than core labour standards; it includes more and better jobs with social protection, equal opportunities and social dialogue. These priorities are clearly reflected in the ENP Action Plans.

The ENP provides **unprecedented opportunities** to promote reforms on employment, decent work, social cohesion and equal opportunities. Activities open to all ENP countries, such as TAIEX seminars, can be useful – if they add value by focusing on challenges that are actually similar across the Eastern and Southern partner countries and where an exchange of practices could therefore be most appropriate at that level, or where the aim is to disseminate information on EU practices to all partners.

What does the thematic dimension still require?

- Close cooperation between the EU and ENP partner countries will help facilitate the continued implementation of ENP Action Plan objectives on employment, social cohesion and equal opportunities;
- Strengthening the promotion of employment, decent work and gender equality in the Euro-Mediterranean Partnership is a key focus;
- Exchanges of experiences and best practices at the most appropriate level can contribute to more consistency of this thematic dimension.

<sup>41</sup> COM (2007) 160, 11 April 2007: The Black Sea region includes Greece, Bulgaria, Romania and Moldova in the West, Ukraine and Russia in the North, Georgia, Armenia and Azerbaijan in the East and Turkey in the South. Though Armenia, Azerbaijan, Moldova and Greece are not littoral states, history, proximity and close ties make them natural regional actors;

### **3.2.10 Human capital, education\*:**

*\*These issues are also addressed in a separate non-paper on “ENP – strengthening the human dimension”.*

Thematic cooperation between EU Member States and ENP partners is already strong in higher education and scientific research. The **Bologna Process** is an intergovernmental initiative that aims to create a European Higher Education Area by 2010 and to promote the European system of higher education worldwide. It now has 45 signatory countries (including all European ENP partner countries except Belarus). Its objectives are to remove obstacles to student mobility across Europe; to enhance the attractiveness of European higher education worldwide; to establish a common structure of higher education systems across Europe; and for this common structure to be based on two main cycles, undergraduate and graduate. There is also a need to better integrate ENP partners into the **European Research Area**. The launch of the 7<sup>th</sup> EU RTD Framework Programme (FP7), 2007-2013, places new emphasis on international research cooperation and should lead to an increase in ENP partner participation in Community research activities.

The Southern Mediterranean ENP partners also pay increasing attention to the need for cooperation and harmonisation in this field. A **Euro-Mediterranean Ministerial Meeting** of Ministers of Education and Scientific Research will be held in Cairo in June 2007. In 2006, the third Catania Conference adopted a declaration on developing a Euro-Mediterranean area of education, advanced training and research by 2010. In the internal reforms of higher education being pushed strongly by several partner countries, in particular in the Maghreb, the principles of the Bologna Process serve as guidelines.

The **TEMPUS** programme contributes actively to the implementation of the Bologna objectives. With its extension to the Southern Mediterranean ENP countries in 2003, TEMPUS reaches all ENP partners. The revised TEMPUS programme for 2007-2010 will put increased emphasis on regional cooperation as well as activities that contribute to structural reform of higher education, along the lines of the Bologna Process.

Dialogue with and between ENP partners in vocational education and training is supported by the **European Training Foundation** (ETF). Consideration is being given to widen the mandate of the ETF to human resource development more broadly with a focus on life-long learning. In support of the ENP, the ETF would emphasise further the transfer of European knowledge and experience as a contribution to partner countries' reform. It will also aim to promote policy learning between the partner countries. Within the EU there is a wide spectrum of **networks and programmes** for education at all levels involving, in particular, exchanges of students and teachers. The EC's new comprehensive Lifelong Learning programme provides for third countries' participation in partnership, project and network activities under the programme. These opportunities are currently being explored.

Against this background, the thematic dimension should **further facilitate policy dialogue and exchanges of experience** between the Bologna Process and the education

and research-related initiatives of the Euro-Mediterranean Partnership. This would also support the bilateral policy dialogue on education with each ENP partner, a key tool to complement the growing Community assistance to education and research reform at all levels.

What does the thematic dimension still require?

- The EU is already focusing on intensifying its support to ENP partner countries in developing their human capital and on strengthening various instruments;
- The thematic dimension could gain from further facilitating policy dialogue and exchanges of experience between the Bologna Process and the education and research-related initiatives of the Euro-Mediterranean Partnership.

### **3.2.11 Public health:**

Good health improves and extends the lives of citizens, reduces poverty and contributes to socio-economic development. **Communicable diseases** (for example HIV/AIDS, pandemic influenza) represent potential cross-border risks to the EU and its neighbourhood. Non-communicable diseases (cardio-vascular; cancer etc) remain the major health threat in the EU and the ENP region. ENP countries are reforming their health sectors. This should lead to **healthier lifestyles** and better access to more **affordable health care services** for all.

ENP Action Plans include provisions on **health cooperation** and health dialogue with ENP countries is increasing. Community assistance is being provided to various ENP partner countries. For example, the EU is among the major donors in this sector in Egypt and also supports measures against HIV/AIDS and tuberculosis in the Ukraine, primary health care reform in Moldova and health insurance reform in Tunisia and Morocco. The Commission is increasingly inviting ENP countries to EU health events such as the Commission-managed HIV/AIDS Think Tank and the **network of competent authorities on health information and knowledge**. Moldova participates, alongside Balkan countries, in the South-Eastern Europe Health network. In March 2007 the EU Presidency hosted a major **HIV/AIDS conference** in Bremen involving some ENP partner countries. The Tampere Euro-Mediterranean Foreign Ministers' Conference has suggested holding a workshop in 2007 on surveillance and control of communicable diseases, which could serve as a preparatory step towards a **Euro-Mediterranean Ministerial Conference on Health**.

There is potential to enhance the ENP's health thematic dimension. Health policy dialogue can be further strengthened both bilaterally and multilaterally including through an envisaged TAIEX seminar on "Health in all policies" (Summer 2007). ENP partners should gradually participate in the Health programme 2007-2013. As appropriate, more **cooperation and coordination with international actors** such as the WHO should be sought. Attention will need to be paid to including ENP considerations in the upcoming new EU health strategy which will address, *inter alia*, global health issues. The

Commission will continue to invite ENP countries to selected EU health meetings. The EU can also encourage ENP partners to participate increasingly in the EU **communicable disease networks**. Once the European Centre for Disease Prevention and Control (ECDC) – which now collaborates informally with ENP partners on selective issues such as avian influenza – completes its current start-up phase, it will be in a position to enable a more profound participation of ENP partners. Furthermore, ENP partners should be encouraged to implement key **international health instruments** (Framework Convention on Tobacco Control, International Health Regulation).

What does the thematic dimension still require?

- The thematic dimension in this sector has been characterised by a notable surge of inclusion of ENP partners in joint EU-ENP activities over the last year;
- This should be continued through strengthening the public health policy dialogue with ENP partner countries, including on the implementation of key international health instruments and gradually involving them in EU health programmes and networks. Once the European Centre for Disease Prevention and Control (ECDC) completes its current start-up phase, it will be in a position to enable a more profound participation of ENP partners.

#### 4. FURTHER “ANCHORS” OF THE THEMATIC DIMENSION

Apart from these various sector-specific bodies that can serve as “anchors” for thematic collaboration between peers and relevant stakeholders, other institutional bodies are instrumental in promoting the thematic dimension, including overarching Community structures and other multilateral structures (the following examples are not exhaustive).

##### 4.1 Community-led structures:

Since 1995, EU Member States and Mediterranean ENP partners cooperate through the **Euro-Mediterranean Partnership** framework that seeks to promote governance and sectoral reform in partner countries within a multilateral format. It also provides a venue for those Mediterranean ENP partners without diplomatic relations between themselves to address issues of common concern. The 2005 Barcelona Summit of the Euro-Mediterranean Partnership agreed on a new Five-Year Work Plan<sup>42</sup>. As part of this partnership, the EU has agreed a series of Association Agreements that also provide the legal basis for the ENP in relation to those partners.

Many aspects described in this non-paper are also mentioned in the recent Communication proposing a **Black Sea Synergy**<sup>43</sup>. In fact, the projection of EU policies towards the Black Sea region – through the ENP, the Road Maps for the Common Spaces established with the Russian Federation, and the EU pre-accession negotiations with Turkey – is partly synonymous with the thematic dimension of the ENP with regard to

<sup>42</sup> Available at: [http://ec.europa.eu/comm/external\\_relations/euromed/summit1105/five\\_years.pdf](http://ec.europa.eu/comm/external_relations/euromed/summit1105/five_years.pdf);

<sup>43</sup> COM (2007) 160 final, 11 April 2007;

Eastern European and Southern Caucasus ENP partners. The Synergy provides a further “anchor” for peer contacts to drive the thematic dimension.

## **4.2 Non-Community structures:**

The major aim of the **UN European Commission for Europe (UNECE)** is to promote pan-European economic integration. The UNECE brings together 56 countries located in Europe (including EU Member States and ENP partner countries) and North America. Under its aegis, these countries conduct dialogue and cooperate on economic and sectoral issues. To this end, it provides analysis, policy advice and assistance to governments; and gives focus to the United Nations global mandates in the economic field. The UNECE also sets out norms, standards and conventions to facilitate international cooperation within and outside the region. The UNECE’s area of expertise covers such sectors as economic cooperation and integration, energy, environment, population, statistics, trade and transport.

The **WTO** is the forum to discuss and decide on the overall multilateral liberalisation of international trade and, in particular, further approaches regarding trade rules and regulatory issues (non-tariff barriers to trade). WTO membership is a pre-condition for opening FTA negotiations with ENP partner countries. The EU supports the WTO accession of all ENP partner countries that are not yet members, on commercially viable terms and in full compliance with WTO rules. Continued assistance to ENP partners in this respect will be important.

Almost all Eastern European and Southern Caucasus ENP partners are members of the **Council of Europe (CoE)**. As a consequence, they are bound by CoE standards in such fields as human rights, which are important benchmarks in implementing those parts of the ENP Action Plans. The CoE’s various thematic working groups allow ENP partners to exchange and develop best practices. While the EU and the CoE have had interactions on the ENP since its inception, they are committed to increasing and coordinating these efforts with regard to their common aim of promoting democratic stability in Europe. This provides another anchor to enhance the thematic dimension.

While the ENP covers numerous civilian aspects of **Security Sector Reform**, the involvement of **NATO** in transforming the military of ENP partner countries to models of democratic governance and civilian oversight, as well as in introducing modern management methods into the armed forces, represents an important activity that is complementary to the ENP. NATO conducts a policy dialogue in this field on the basis of Individual Partnership Action Plans established with most Eastern European and Southern Caucasus ENP partners within the framework of NATO’s Partnership-for-Peace, and entertains a Mediterranean Dialogue with a group of countries identical to those that have agreed ENP Action Plans.

The **Central European Initiative**, an inter-governmental forum for political, economic and cultural cooperation among its members<sup>44</sup>, also provides a number of peer contacts relevant for some Eastern ENP countries. A main aim of the CEI is to help transition countries in Central and Eastern Europe come closer to the EU.

The recently established **Organisation for Democracy and Economic Development (ODED-GUAM)**<sup>45</sup> is particularly active in promoting energy, transport and trade cooperation.

Promoting the decent work agenda in the ENP partner countries should develop synergies with the ongoing work of the **International Labour Organisation (ILO)** in this area.

ENP partners also participate in numerous **other multilateral structures**, but these are often more of a political than a thematic character (OSCE, the Community of Democratic Choice, the Arab League, etc.), or not involving EU-ENP relations (CIS etc.).

## 5. ENGAGING THE RUSSIAN FEDERATION

While the EU pursues its relations with most of its immediate neighbours in the context of the ENP, the Russian Federation has chosen not to participate in the policy. EU-Russia relations are based on a Strategic Partnership and pursued through implementing **Road Maps for the Four Common Spaces** of cooperation established hereunder.

There are several thematic issues – from environment to public health, from combating organised crime to energy supply, from statistical cooperation to the social consequences of ageing populations – where the Road Maps and the ENP **thematic policy dialogue** cover similar ground. Synergies with the Russian Federation on these issues might usefully be created. The above-mentioned **informal formats** of the EU's policy dialogue with ENP neighbours could include the Russian Federation, as warranted by the issues at stake. However, given its decision not to participate in the ENP, political objections to Russia's involvement in these informal formats may be raised, and Russia itself may also not be amenable. Accordingly, any such involvement would need to be carefully considered; only occurring where there are clear and common EU/ENP interests and no objections from the parties concerned.

The renewed Northern Dimension provides opportunities for useful cooperation with North-West Russia in priority fields like environment, the cleaning up of nuclear waste, transport and even energy. The Black Sea Synergy will also allow more structured sectoral dialogue involving the Russian Federation.

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<sup>44</sup> Apart from nine EU Member States (Austria, Bulgaria, the Czech Republic, Hungary, Italy, Poland, Romania, Slovakia and Slovenia) the 18-member CEI comprises three ENP partner countries: Belarus, Moldova and Ukraine;

<sup>45</sup> ODED-GUAM members are Georgia, Ukraine, Azerbaijan and Moldova;

## 6. AVOIDING THE “PAPER TIGER TRAP”

In proposing the pursuit and enhancement of a thematic dimension to the ENP, the Commission’s Communication on “strengthening the European Neighbourhood Policy”<sup>46</sup> aimed to serve the common interests of the EU and ENP partner countries in a wide range of areas that we need to tackle together. The thrust of this non-paper is that **enhanced thematic cooperation must be operational** and focused on improving the situation on the ground. However, strengthening a thematic dimension inherently risks creating new venues and bodies of uncertain efficacy and addressing known challenges in yet more new fora, but failing to resolve them in practice. It is therefore of key importance to scrutinise any new initiative with a view to enabling ENP partner governments to implement reform and adding EU clout in those areas in which thematic cooperation (also with partners beyond the ENP area, as appropriate) can be instrumental.

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<sup>46</sup> COM (2006) 726 final, 4 December 2006.