



HIGH REPRESENTATIVE
OF THE UNION FOR
FOREIGN AFFAIRS AND
SECURITY POLICY

Brussels, 21.4.2017
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2017/0084 (NLE)

Joint Proposal for a

COUNCIL DECISION

**on the Union position within the Association Council set up by the
Euro-Mediterranean Agreement establishing an association between the
European Communities and their Member States, of the one part, and the Arab
Republic of Egypt, of the other part, with regard to the adoption of a recommendation
on the EU-Egypt Partnership Priorities**

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• Reasons for and objectives of the proposal

The revised European Neighbourhood Policy¹ provides a new framework to define bilateral relations with partners. These relations are to be captured in a political document referred to as ‘Partnership Priorities.’ This political document lays the foundation for the relationship with a country where the two parties agree on a limited set of targeted priorities for the coming years.

The concept is in line with the new Global Strategy for the European Union’s Foreign and Security Policy² presented by the High Representative of the Union for Foreign Affairs and Security Policy in June 2016. Here, the complete EU tool box is used in the most efficient manner possible to increase the impact and visibility of Union support.

The Partnership Priorities aim to address common challenges facing the EU and Egypt, to promote common interests and to guarantee long-term stability on both sides of the Mediterranean. They are guided by a shared commitment to the universal values of democracy, the rule of law and respect for human rights.

The Partnership Priorities should help to meet the aspirations of the people on both sides of the Mediterranean. In particular, they should help to ensure social justice, decent job opportunities, economic prosperity and substantially improved living conditions. In so doing, they will cement the stability of Egypt and the EU. Inclusive growth, underpinned by innovation, and effective and participatory governance, governed by the rule of law, human rights and fundamental freedoms, are key aspects of these goals. The Partnership Priorities also take into account the roles of the EU and Egypt as international players and aim to increase their bilateral cooperation and their regional and international cooperation.

The EU and Egypt took part in September 2015 in the UN Summit adopting the 2030 Agenda for sustainable development, having at its core the 17 Sustainable Development Goals. The 2030 Agenda provides a common framework and a shared vision for sustainable development and poverty eradication. Being a universal agenda, its adoption provides a sound basis for further policy convergence in the context of the Partnership and its priorities. Egypt’s “Sustainable Development Strategy – Vision 2030” is a contribution to the implementation of this universal agenda. The EU is also taking steps for the implementation of the 2030 Agenda through its internal and external policies. The EU and Egypt will cooperate towards achieving the goals identified in, *inter alia*, the 2030 Development Agenda.

The following overarching priorities will guide the renewed partnership:

- Egypt’s Sustainable Modern Economy and Social Development;
- Partners in Foreign Policy;

¹ Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions; Review of the European Neighbourhood Policy; JOIN(2015)050 final of 18 November 2015.

² ‘Shared Vision, Common Action: A Stronger Europe. A Global Strategy for the European Union’s Foreign and Security Policy’.

- Enhancing stability.
- **Consistency with existing policy provisions in the policy area**

The EU-Egypt Partnership Priorities are consistent with the priorities and terms set out in the framework agreed under the revised European Neighbourhood Policy. These priorities are political and economic stabilisation of the neighbourhood and stabilisation of its security. The Partnership Priorities are also consistent with the EU-Egypt Association Agreement, which entered into force in 2004.³

- **Consistency with other Union policies**

The proposed EU-Egypt Partnership Priorities reflect the EU's long-standing engagement towards its Mediterranean partners. However, the priorities are also fully aligned with the recently adopted Global Strategy and its call for an integrated approach in addressing crises. This encompasses the EU's humanitarian, development, migration, trade, investment, infrastructure, education, health and research policies.

The document takes into account the:

- promotion of human rights and good governance;
- external dimension of EU migration policies;
- increased focus on international cooperation to counter terrorism and violent extremism; and
- potential of trade to generate fair growth and decent employment.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

- **Legal basis**

This proposal is based on Article 218(9) of the Treaty of the Functioning of the European Union (TFEU). It is a proposal for a Decision by the Council of the European Union on a position to be taken in the EU-Egypt Association Council set up by the Euro-Mediterranean Agreement. This position is to be taken on behalf of the European Union with regard to a recommendation on the adoption of the Partnership Priorities.

The Partnership Priorities are to be adopted at a meeting of the EU-Egypt Association Council in the first half of 2017. This is to be carried out after the Council of the European Union adopts the position to be taken in the EU-Egypt Association Council on the basis of Article 218(9) of the TFEU. Once adopted, the Partnership Priorities will be setting the basis used to programme priorities for Union support under the European Neighbourhood Instrument Regulation.

- **Subsidiarity (for non-exclusive competence)**

Because the Partnership Priorities concern relations between the EU and Egypt, Member States cannot adopt them at national level.

³ Euro-Mediterranean Agreement establishing an Association between the European Community and its Member States, of the one part, and the Arab Republic of Egypt, of the other part; OJ L 304 of 30.9.2004.

- **Proportionality**

According to Article 218(9) of the TFEU, an EU Council position has to be adopted before the Partnership Priorities can be adopted by the EU-Egypt Association Council.

- **Choice of the instrument**

The Council Conclusions of 14 December 2015 on the Review of the European Neighbourhood Policy⁴ confirmed the ‘Council’s intention to start a new phase of engagement with partners in 2016 which could lead to the setting of new partnership priorities, where appropriate, focused on agreed priorities and interests’.

To pursue such engagement, the attached commitments are the most appropriate instrument: a Memorandum of Understanding would not have had the necessary level of endorsement required by the ‘action plans or equivalent jointly agreed documents’ that are cited⁵ in Article 3(2) of the European Neighbourhood Instrument regulation as the key points of reference for setting the priorities for Union support.

3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

- **Ex-post evaluations/fitness checks of existing legislation**

Not applicable.

- **Stakeholder consultations**

These texts were drafted after close consultation with relevant Commission departments and with Member States’ representatives in the EU Council Working Group on Maghreb and Mashreq, as well as after discussions with the Egyptian counterparts.

Consultation with civil society stakeholders took place in Cairo and Brussels beginning in February 2016. The main input received was the need to continue promoting human rights and the role of civil society in Egypt’s political, social and economic development process. Another major point was the need to see the guarantees on human rights and fundamental freedoms laid down in the Egyptian Constitution translated into laws. These points were all taken into account in the attached text.

These consultations were held in line with the orientations framed in the revised European Neighbourhood Policy.

- **Collection and use of expertise**

The relevant thematic expertise was available internally, either in EU headquarters in Brussels or in the EU Delegation to Egypt in Cairo.

- **Impact assessment**

Not applicable.

⁴ Council Conclusions on the Review of the European Neighbourhood Policy of 14 December 2015.

⁵ Regulation EU 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument; OJ L77/27; 15.3.2014, pp. 27-43.

- **Regulatory fitness and simplification**

Not applicable.

- **Fundamental rights**

No consequence for fundamental rights in the European Union Member States.

For the fundamental rights in Egypt, the consequences are expected to be positive, considering that the Egyptian Government's commitments foreseen in the Partnership Priorities include *inter alia* the promotion of democracy, fundamental freedoms and human rights as constitutional rights of all their citizens, in line with their international obligations. Conversely, the EU has committed to providing support to Egypt for translating these commitments into law.

The EU will also support and strengthen Egypt's capacity to protect migrants' rights and to provide protection to those who qualify for it, in line with international standards, as well as Egypt's efforts to protect marginalised groups from potential negative impacts of economic reforms through social safety nets and social protection. Moreover, the EU and Egypt will continue to promote rural and urban development, as well as to improve the delivery of basic services, with an emphasis on modernising education (including technical and vocational training) and health systems. Empowering and enabling participation by youth and women in the economy and governance are among the principles of EU-Egypt cooperation.

The EU and Egypt commit to working with civil society in contributing effectively in the economic, political and social development process. Finally, the EU and Egypt will also deepen their political dialogue on democracy and human rights.

4. BUDGETARY IMPLICATIONS

No additional budgetary implications, beyond what is laid down in previous international EU engagements. Any further budgetary implications will be defined in separate proposals, such as the 2017-2020 European Neighbourhood Instrument Single Support Framework.

5. OTHER ELEMENTS

- **Implementation plans and monitoring, evaluation and reporting arrangements**

Implementation of the EU-Egypt Partnership Priorities will be subject to regular monitoring in the context of the review mechanisms and the bilateral cooperation between the EU and Egypt as provided in the existing Association Agreement.

6. REFERENCES

- (a) Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions; Review of the European Neighbourhood Policy; JOIN(2015)050 final of 18 November 2015.
- (b) Euro-Mediterranean Agreement establishing an Association between the European Communities and their Member States, of the one part, and the Arab Republic of Egypt, of the other part; OJ L 304 of 30.9.2004
- (c) Council conclusions on the Review of the European Neighbourhood Policy of 14 December 2015

- (d) Regulation EU 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument; OJ L77/27; 15.3.2014

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 217 in conjunction with Article 218(9) thereof,

Having regard to the joint proposal of the High Representative of the Union for Foreign Affairs and Security Policy and of the European Commission,

Whereas:

- (1) The Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Arab Republic of Egypt, of the other part, was signed on 25 June 2001 and entered into force on 1 June 2004.⁶
- (2) A Joint Communication by the High Representative of the Union for Foreign Affairs and Security Policy and by the European Commission of 18 November 2015 on the Review of the European Neighbourhood Policy⁷ was welcomed by the Council Conclusions of 14 December 2015, where *inter alia* the Council confirmed the intention to start a new phase of engagement with partners in 2016 which could lead to the setting of new partnership priorities, where appropriate, focused on agreed priorities and interests.
- (3) The EU and Egypt agreed to consolidate their partnership by agreeing on a set of priorities for the period 2017-2020 with the aim of addressing common challenges facing EU and Egypt, to promote joint interests and to guarantee long-term stability on both sides of the Mediterranean.
- (4) The EU-Egypt Partnership Priorities are guided by a shared commitment to the universal values of democracy, the rule of law and the respect of human rights.
- (5) The Union position to be taken in the Association Council on the adoption of the recommendation on the EU-Egypt Partnership Priorities has to be adopted by the Council of the European Union.

⁶ Euro-Mediterranean Agreement establishing an Association between the European Community and its Member States, of the one part, and the Arab Republic of Egypt, of the other part; OJ L 304 of 30.9.2004.

⁷ Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions; Review of the European Neighbourhood Policy; JOIN/2015/050 final.

HAS ADOPTED THIS DECISION:

Article 1

The Union position within the Association Council set up by the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Arab Republic of Egypt, of the other part, with regard to the adoption of EU-Egypt Partnership Priorities shall be based on the draft recommendation of the Association Council annexed to this Decision.

Article 2

This Decision shall enter into force on the date of its adoption.

Done at Brussels,

*For the Council
The President*