

OF THE UNION FOR FOREIGN AFFAIRS AND SECURITY POLICY

Brussels, 15.2.2017 JOIN(2017) 7 final

ANNEX 1

# **ANNEX**

to

the joint proposal for a

# **COUNCIL DECISION**

on the position to be adopted by the Union within the Association Council set up by the Euro-Mediterranean Agreement establishing an association between the European Community and its Member States, on the one hand, and the People's Democratic Republic of Algeria, on the other, with regard to the adoption of the EU-Algeria Partnership Priorities

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#### DECISION No 01/2017 OF THE 10TH EU-ALGERIA ASSOCIATION COUNCIL OF ... 2017

## agreeing on EU-Algeria Partnership Priorities

#### THE EU-ALGERIA ASSOCIATION COUNCIL.

Having regard to the Euro-Mediterranean Agreement establishing an association between the European Community and its Member States, on the one hand, and the People's Democratic Republic of Algeria, on the other,

#### Whereas:

- (1) The Euro-Mediterranean Agreement establishing association an between the **European Community** and its Member States. the on one hand. and the People's Democratic Republic of Algeria, on the other, was signed on 22 April 2002 and entered into force on 1 September 2005.
- (2) Article 94 of the Euro-Mediterranean Agreement gives the Association Council the power to take decisions it considers appropriate for the purposes of attaining the objectives of the Agreement.
- (3) Under Article 104 of the Euro-Mediterranean Agreement, the parties are to take any general or specific measures required to fulfil their obligations under the Agreement and to ensure that the objectives set out in the Agreement are attained.
- (4) The review of the European Neighbourhood Policy in 2016 proposed a new phase of engagement with partners, allowing for a greater sense of ownership by both sides.
- (5) The EU and Algeria have agreed to consolidate their partnership by agreeing on a set of priorities for the period 2017-2020 with the aim of supporting and strengthening Algeria's resilience and stability.
- (6) The parties to the Euro-Mediterranean Agreement have agreed on the text of the EU-Algeria Partnership Priorities, which will support the implementation of the Euro-Mediterranean Agreement, focusing on cooperation in relation to a set of commonly identified shared interests to which priority will be given,

#### HAS DECIDED AS FOLLOWS:

#### Article 1

The Association Council recommends that the parties implement the EU-Algeria Partnership Priorities as set out in the Annex.

#### Article 2

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

Done at xxx, [day/February/March 2017].

For the EU-Algeria Association Council The President

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# ANNEX EU-Algeria Partnership Priorities

# Shared Partnership Priorities between the People's Democratic Republic of Algeria (Algeria) and the European Union (EU) under the revised European Neighbourhood Policy (ENP)

The general framework for cooperation between the EU and Algeria is set by the Association Agreement (AA), which was signed in 2002, entered into force in 2005 and establishes all the areas of cooperation between the parties. Without prejudice to these areas of cooperation, this document sets out the partnership priorities as defined jointly by Algeria and the European Union under the revised ENP for the period 2016-2020.

In the spirit of the guiding principles of the revised ENP and in the light of the political priorities of both parties, Algeria and the European Union undertake to revitalise their dialogue, to agree on the main strands of their relations, to specify their objectives and mutual interests and to prioritise the areas of their cooperation. The partnership priorities detailed below indicate the main areas for enhanced dialogue and for administrative and institutional cooperation that is as specific as possible between the EU and Algeria. Such dialogue and cooperation should be based on the EU's and Algeria's respective experience and expertise and honour the independence and defining characteristics of each of the parties.

Algeria's and the EU's ambition is to develop an enhanced global and multifaceted partnership in the face of common development and security challenges. The parties also express their joint desire to achieve these priorities in the main areas in which their relations are destined to be strengthened in the future. A number of these priorities will be the subject of technical and financial cooperation, which will be implemented under the 2018-2020 financial programming.

# I. Political dialogue, governance, the rule of law and the promotion of fundamental rights

The EU and Algeria agree to accord special importance to strengthening their political dialogue in all its forms.

Through the revision of its Constitution on 7 February 2016, Algeria is continuing with the process of consolidating freedoms and fundamental rights, the rule of law and the democratic institutions and principles governing the State's relations with citizens. This process corresponds to the bilateral dialogue maintained between the EU and Algeria over the last 15 years and signals that relations between the two parties are based on mutual respect and on recognition of, and compliance with, universal values and international commitments relating to the rule of law and respect for fundamental rights.

In this context, Algeria and the EU agree to attach special importance to the implementation of the new provisions of the Constitution. The EU intends to support Algeria in their implementation, particularly in the fields of governance, participatory democracy, promoting and championing fundamental rights, including those of workers, enhancing the role of women in society, decentralisation, strengthening the judicial system, including prison administration, and enhancing the role of civil society, including through the use of the technical assistance programmes.

Such cooperation will also include support for modernisation and better public administration, closer monitoring of public finances and the tax administration, tackling corruption and countering money laundering, capital flight and the financing of terrorism in line with the recommendations of the Financial Action Task Force (FATF).

# II. Cooperation, inclusive socio-economic development, trade and access to the European single market

In the current context of stagnation of the world economy and the drastic fall in hydrocarbon prices, Algeria and the EU have a common and pressing interest in identifying measures of economic governance in both the private and public sectors that will facilitate private initiatives, kickstart investment in the manufacturing base and, where the public sector is concerned, modernise financial management and rationalise public spending.

The Association Agreement between the two parties provides a framework for stepping up trade and investment, and the parties should make the most of this agreement to help each other overcome the current economic downturn. The EU and Algeria therefore reaffirm their desire to make optimum use of the 2005 Association Agreement, complying fully with this and seeking to balance their respective interests. Joint evaluation of the Association Agreement is part of this ongoing process.

Against the background of unstable hydrocarbon prices, the Algerian Government has made diversification of the economy a national priority. The reform measures now being taken with this in mind offer an opportunity for greater cooperation in areas that, in keeping with the Association Agreement, contribute to the diversification and competitiveness of the Algerian economy in order to develop the range of its exports (especially of products other than hydrocarbons) to the European single market.

Aware of how important the business climate is for attracting new investors, Algeria and the EU undertake, during the next programming period for their bilateral cooperation, to facilitate private economic activities, to work together on improving the business climate and enterprise policy in Algeria so as to encourage the development of small and medium-sized enterprises and industries (SMEs and SMIs), to make efforts to develop a public-private, including foreign, industrial and technology partnership, to help implement an integrated Algerian employment strategy and to strengthen Algeria's programme of bipartite and tripartite social dialogue. The parties agree on the importance of supporting the Algerian programme for strengthening the banking system and the supervision thereof and of promoting the development of capital markets in order to help all businesses, particularly SMEs and SMIs and start-ups, to obtain access to financing.

Aware that young people are the lifeblood of their respective undertakings and central to tackling their economic, social and cultural challenges, the EU and Algeria undertake to step up their efforts to support young people and channel their energies. The parties agree to use, in particular, the EU's programmes and strategies on employment, formal and lifelong education and vocational training to cooperate, in the light of the Sustainable Development Goals (SDGs), on supporting economic development and R&D in Algeria, together with education (from nursery up to and including higher education, including vocational training).

Algeria and the European Union undertake to help develop an Algerian cultural policy that will help drive economic and industrial development and promote exchanges with European cultural operators (for example, through the Creative Europe programme).

The EU and Algeria will strengthen their dialogue on trade under the Association Agreement with a view to supporting a balanced high-added-value trading relationship and to reducing and progressively eliminating restrictions on trade in goods and services.

In this connection, the parties will refrain from introducing any measure, other than those compatible with the provisions and procedures of the Association Agreement, that might prove an obstacle to trade. The parties will consolidate their dialogue on trade-defence instruments and industrial cooperation tools (within the framework of Euro-Mediterranean industrial cooperation).

The EU and Algeria also agree to use the Association Agreement to establish a dialogue on how best to attract foreign (and particularly European) investment. The EU reiterates its commitment to supporting Algeria's accession to the World Trade Organisation, in particular through the conclusion of a bilateral agreement in this framework.

To support the reforms progressively being implemented by Algeria (notably in connection with its banking system and administration and with the progressive harmonisation of its regulations with those of the EU), the parties declare themselves ready, when the time is right, to consider deepening their trade relations by way of additional negotiations on services or with a view to concluding an agreement on investment protection. The parties agree that this process might be accompanied by conferences and other events supported by the EU in order to mobilise potential investors in Algeria.

The EU undertakes to engage in closer dialogue on implementing the new Algerian model of economic growth based on private initiative, enterprise and entrepreneurship, public-private partnership, including with foreign countries, and the knowledge economy. It is a model designed to bring about an economy that is competitive, diversified, endogenous, inclusive and attractive to foreign investors.

In order to help bring about a diversified Algerian economy, the EU and Algeria have also identified other possible sectors for cooperation through support and the exchange of good practices, information and experience: rural and agricultural development, fishing, the maritime economy, (sustainable) tourism, public procurement, statistics, progressive harmonisation of Algerian technical regulations with those of the EU on accreditation, conformity assessment and market surveillance, and the adoption and application of the pan-Euro-Mediterranean preferential rules of origin.

The EU and Algeria wish to expedite their cooperation on harmonising Algerian standards with those of the EU in the priority sectors identified by the parties and on upgrading quality-assurance infrastructure with a view to negotiating an agreement on conformity assessment and acceptance of industrial products (ACAA). This work will be designed to better integrate the Algerian economy into regional and global value chains.

Lastly, the parties agree to explore avenues of cooperation in order to develop information and communication technology (ICT) in Algeria to support measures to promote competitiveness, the business and investment climate, more efficient administration and better governance of public-sector enterprises and public-private partnerships for developing SMEs and SMIs and innovation activities.

The two parties agree to put in place the necessary mechanisms for strengthening the capacities of Algerian customs services, particularly in relation to the Authorised Economic Operator scheme, counterfeiting and the exchange of information, inter alia on customs value.

Moreover, the parties consider that cooperation in the statistics field remains important, particularly where the progressive harmonisation of national accounting systems is concerned.

# III. Energy, environment and sustainable development partnership

The EU and Algeria undertake to develop a mutually beneficial strategic partnership in the matter of energy security. On energy issues, Algeria and the European Union are linked by mutual strategic interests. Algeria has long been one of the EU's most important and most reliable gas suppliers. As for the EU, it remains Algeria's principal customer.

In the knowledge that energy remains one of the main drivers of sustainable economic development, the EU and Algeria reaffirm their shared strategic interests and undertake to consolidate their partnership in this area within the framework of the High-Level Dialogue established between the parties on trade in energy, renewable energy promotion and energy efficiency. With this in view, the parties undertake to cooperate on exchanging information on medium- and long-term supply and demand forecasts for energy, including renewable forms of energy. The EU also remains prepared to step up its support for implementation of the 2030 Algerian Renewable Energy and Energy Efficiency Programme with a view to making full use of Algeria's considerable potential in this area.

Algeria and the EU agree to explore possible measures for increasing investment, strengthening and developing electricity connections in Europe and the Mediterranean and promoting training and the transfer of technology, innovation, expertise and knowledge from the EU to Algeria.

Aware as they are of their obligations to future generations, the EU and Algeria undertake to combine this partnership on energy with increased cooperation on mitigating, and adapting to, climate change, the aim being fully to implement the Paris Agreement and nationally determined contributions. The parties undertake to help integrate action on climate change into national policies and into the monitoring, reporting and verification of emissions.

In the area of the environment, the parties undertake to promote sustainable management of their resources (in particular, water resources), good governance, the integration of good environmental practices into all their activities, the impact assessment system and better access to information. They also undertake to strengthen their cooperation on implementing their international commitments, in particular the Barcelona Convention for the protection of the marine environment and the coastal region of the Mediterranean, and regional cooperation on depollution of the Mediterranean.

## IV. Strategy and security dialogue

The EU and Algeria agree to promote a strategy and security dialogue in the face of common security and development challenges.

For several years, Algeria has been making a major contribution to bringing peace, stability and security to the region, particularly in the Sahel, by securing its borders and engaging in active diplomacy as a neighbouring country: it has supported Libya's Government of National Accord and international mediation in Mali, which has delivered a peace and national reconciliation agreement that now has to be implemented.

In view of the regional role they play, Algeria and the EU agree to strengthen their dialogue in order to develop the partnership for peace and security, including within international and regional forums such as the United Nations and the African Union or within the framework of existing dialogues between the EU and forums such as the League of Arab States, Europe-Africa, 5+5 Dialogue, the Union for the Mediterranean, the Anna Lindh Foundation and the Global Counter-Terrorism Forum. They also undertake to exploit opportunities for triangular cooperation enabling them to devise joint actions to

develop and enhance the ability to resist and counter the threats of terrorism and tackle its connections with organised cross-border crime, in particular drug trafficking.

The EU and Algeria agree to consult closely on regional and international issues of common interest with a view to contributing to the political resolution of crises and to peace and security in the region.

In their joint and sustained efforts to prevent and combat terrorism, radicalisation in all its forms, organised crime, drug trafficking and human trafficking, the parties undertake to develop their dialogue and to step up their cooperation on combating terrorism, particularly within the Global Counterterrorism Forum, and organised cross-border crime. This cooperation will also cover the management of chemical, biological, radiological and nuclear (CBRN) risks, the monitoring of conventional arms transfers and the fight against illicit trafficking in arms, including small arms.

The parties agree to promote the exchange of experience and expertise, particularly in the area of cybercrime, to enhance the capacities of the African Union Mechanism for Police Cooperation (AFRIPOL), to link the latter with Europol and the European Union Agency for Law Enforcement Training (CEPOL) and to support the African Centre for the Research and Study on Terrorism (ACSRT).

The EU and Algeria agree to implement in full the administrative arrangement they have recently signed to prevent, prepare for and respond to disasters, both natural and of human origin, and to respond to technological and ecological risks, particularly by maintaining and strengthening their early warning, surveillance, prevention, preparation and management capabilities by means of cooperation between the bodies in charge of civil protection.

The parties agree to begin cooperating on strengthening the capacities of the Algerian customs services and border force.

#### V. Human dimension, migration and mobility

The EU and Algeria undertake to accord all the required importance to strengthening the human dimension in their bilateral relations and agree that migration and mobility are at the centre of this dimension. They agree to cooperate in promoting a cultural and inter-religious dialogue that is respectful of what is distinctive and different about each party and to combat the rise of extremism.

Aware as they are that migratory flows between the EU and Algeria represent not only a wealth of opportunity for human, cultural, economic, social and scientific development but also a challenge when they are not properly controlled, particularly in the current regional context, the EU and Algeria agree, on the basis of the global, balanced and concerted approach approved at the Valletta summit on migration, to hold regular dialogues at the most appropriate levels covering all of the themes linked to mobility, migration and the right to asylum.

In this context, the EU and Algeria undertake to examine what measures they might take in order progressively to improve their citizens' conditions of movement and to readmit, with due regard for their human rights, those whose residential status is irregular under the procedures in force.

The EU and Algeria also propose to begin cooperating on managing migration and, in accordance with the international standards in force, the rights of migrant workers, and on developing measures, especially for vulnerable people, to prevent illegal migration by addressing the root causes of this phenomenon in regions with high migratory pressure.

The EU will support Algeria's efforts to manage migratory flows. The two parties also undertake to work together with a view to better managing legal migration and the mobility of individuals by enhancing their dialogue and cooperation on consular matters, on facilitating procedures for issuing visas, on border control, on combating document fraud and migrant smuggling and on pursuing a policy of returning and sustainably reintegrating illegal migrants, and with a view to improving the system of international protection and asylum.

The two parties agree to conduct exchanges of views at an appropriate level on readmission and on facilitating the issue of visas with due regard for the existence of bilateral agreements with certain EU Member States in these matters.

The EU will continue fully to protect the rights of Algerian nationals established in the EU and will examine measures to enhance further their role and their contribution to the development of Algeria.

The two parties agree further to enhance their cooperation – in the framework of the Africa-EU Dialogue, including on a triangular basis – on the full range of issues linked to migration and mobility that the EU and Algeria undertake to take further.

In the context of the Valletta summit on migration, the creation of an Emergency Trust Fund for Africa, which includes a specifically North African dimension, and of other initiatives such as the European External Investment Plan will contribute to the implementation of the migration and mobility projects agreed by both parties.

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