EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• Reasons for and objectives of the proposal

On 30 May 2017 the Council authorised the Commission to open negotiations, on behalf of the Union, with the Arab Republic of Egypt ('Egypt') on an International Agreement between the Union and Egypt laying down the terms and conditions for the participation of Egypt in the Partnership for Research and Innovation in the Mediterranean Area ('PRIMA').

According to the terms of the Council authorising decision, negotiations could only be started upon adoption of a Decision of the European Parliament and of the Council on the participation of the Union in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA) jointly undertaken by several Member States.

The negotiations started on 26 June 2017 and were successfully completed on 27 July 2017, when the draft Agreement text was initialled by the representatives of each of the future Parties. The draft Agreement attached to this proposal is in line with the negotiating directives issued by the Council. In particular, it establishes that the terms and conditions for the participation of Egypt in PRIMA shall be those set out in Decision (EU) 2017/1324[[1]](#footnote-1), making direct reference to the Union legislative act.

In order to ensure the protection of Union financial interests, particularly the powers of the Commission, the European Anti-Fraud Office, the Court of Auditors and the PRIMA Implementation Structure (PRIMA-IS) to carry out audits and investigations in accordance with the applicable Union legislation, the Agreement makes specific reference to the relevant provisions of Decision (EU) 2017/1324 and obliges the Parties to provide all necessary assistance to ensure their implementation. In addition, the future Agreement stipulates that the Parties must agree on detailed arrangements for assistance, such arrangements being essential to their cooperation under this Agreement. Upon the request of Egypt and as agreed during the negotiations, an additional recital was inserted in the preamble of the Agreement to reflect that full cooperation and coordination between competent authorities of both future Parties is essential for implementation of the future Agreement.

• Consistency with existing policy provisions in the policy area

As also presented in the impact assessment report for PRIMA[[2]](#footnote-2) the openness of PRIMA to the participation of third countries such as Egypt is consistent with the objectives of international cooperation for research and innovation as outlined in the 2012 Commission Communication 'Enhancing and focusing EU international cooperation in research and innovation: A strategic approach'[[3]](#footnote-3) and Horizon 2020 Framework Programme, which promotes cooperation with third countries in science, technology and innovation in order to tackle global societal challenges and support Union external policies. This Agreement is also consistent with the existing 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[[4]](#footnote-4) and the Agreement for scientific and technological cooperation between the European Community and the Arab Republic of Egypt[[5]](#footnote-5) which provide for cooperation between Union and Egypt in research and technological development and encourage research and development activities in the fields of common interest.

• Consistency with other Union policies

The implementation of PRIMA in close cooperation with third countries such as Egypt, is also consistent with, and relevant for, other Union policies, such as migration policy, development policy and neighbourhood policy.

2. LEGAL elements of the proposal

The proposal for a Council decision is based on Article 186 and Article 218(6)(a) of the Treaty on the Functioning of the European Union.

In the light of the above, the Commission proposes that the Council concludes the Agreement on behalf of the European Union.

2017/0196 (NLE)

Proposal for a

COUNCIL DECISION

on the conclusion of the Agreement for scientific and technological cooperation between the European Union and the Arab Republic of Egypt setting out the terms and conditions for participation of the Arab Republic of Egypt in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 186 in conjunction with Article 218(6)(a) thereof,

Having regard to the proposal from the European Commission,

Having regard to the consent of the European Parliament,

Whereas:

(1) Decision (EU) 2017/1324 of the European Parliament and of the Council[[6]](#footnote-6) provides for the participation of the Union in the Partnership for Research and Innovation in the Mediterranean Area ('PRIMA') jointly undertaken by several Member States.

(2) The Arab Republic of Egypt ('Egypt') expressed its wish to join PRIMA as a Participating State and on an equal footing with the Member States and countries associated to Horizon 2020 participating in PRIMA.

(3) In accordance with Article 1(2) of Decision (EU) 2017/1324 Egypt is to become a Participating State in PRIMA subject to the conclusion of an international agreement for scientific and technological cooperation with the Union setting out the terms and conditions of Egypt's participation in PRIMA.

(4) In accordance with Council Decision <XXX>[[7]](#footnote-7),the Agreement for scientific and technological cooperation between the European Union and the People's Democratic Republic of Egypt setting out the terms and conditions for participation of the Arab Republic of Egypt in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA), was signed on behalf of the Union on XX, 20XX, subject to its conclusion at a later date.

(5) The Agreement should be approved on behalf of the Union.

HAS ADOPTED THIS DECISION:

Article 1

The Agreement for scientific and technological cooperation between the European Union and the Arab Republic of Egypt setting out the terms and conditions for participation of the Arab Republic of Egypt in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA) is hereby approved on behalf of the Union.

The text of the Agreement is attached to this Decision.

Article 2

The President of the Council shall designate the person empowered to make, on behalf of the Union, the notification provided for in Article 4(2) of the Agreement in order to express the consent of the Union to be bound by the Agreement.

Article 3

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

Done at Brussels,

 For the Council

 The President

1. Decision (EU) 2017/1324 of the European Parliament and of the Council of 4 July 2017 on the participation of the Union in the Partnership for Research and Innovation in the Mediterranean Area ('PRIMA') jointly undertaken by several Member States (OJ L 185, 18.07.2017, p. 1). [↑](#footnote-ref-1)
2. SWD(2016)332 final, 18.10.2016. [↑](#footnote-ref-2)
3. COM(2012) 497 final. [↑](#footnote-ref-3)
4. OJ L304, 30/09/2004, p. 39. [↑](#footnote-ref-4)
5. OJ L182, 13/07/2005, p. 12. [↑](#footnote-ref-5)
6. Decision (EU) 2017/1324 of the European Parliament and of the Council of 4 July 2017 on the participation of the Union in the Partnership for Research and Innovation in the Mediterranean Area ('PRIMA') jointly undertaken by several Member States (OJ L 185, 18.07.2017, p. 1). [↑](#footnote-ref-6)
7. [↑](#footnote-ref-7)