

EC/Syria agreement: Euro-Mediterranean Association Agreement

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PURPOSE: to conclude a Euro-Mediterranean Association Agreement between the European Community and its Member States of the one part, and the Syrian Arab Republic, of the other part.

PROPOSED ACT: Council Decision.

BACKGROUND: Syria's relations with the European Community are presently covered by the Co-operation Agreement signed on 18 July 1977 (entered into force on 1 January 1978), as modified by subsequent protocols. The Council adopted its negotiating directives on 18 December 1997 and the Commission formally launched the negotiations for an Association Agreement in May 1998. Progress was very slow in the first four years. The Agreement was submitted to the Council on 17 December 2004 however the Council still has not reached an agreement on its signature due to political considerations.

In the light of recent positive developments in Syria's regional policy, notably regarding relations with Lebanon and Israel, there is now a **consensus within the EU** that the draft Agreement should be updated with a view to its early conclusion. The Commission and Syria have accordingly agreed on the technical adaptations needed to update the [2004 draft Association Agreement](#) and a revised Agreement was initialled on 14 December 2008. The adaptations made are of purely technical nature, they reflect developments since 2004 with an impact on the implementation of the Agreement, notably the latest EU enlargement; the reform of the Syrian custom tariff schedule; changes in the Harmonised System and in the EC Combined Nomenclature.

CONTENT: the proposed revised Association Agreement between the EU and Syria will establish a new, closer relationship within the context of the Euro-Mediterranean partnership launched by the 1995 Barcelona Declaration. It will contribute to peace and security in the region and will stimulate trade and economic relations between Syria and the EU, and Syria and its Mediterranean partners. The proposed agreement would be the last missing piece in building the **Euro-Mediterranean Free Trade Area** in 2010 as set up in the Barcelona Declaration. The Barcelona Declaration underlines the EU's priority to strengthen its security, economic and social relations with the partners of the southern Mediterranean Basin. Agreements with Tunisia, Morocco, Algeria, Egypt, Israel, the Palestinian Territories (PLO), Jordan and Lebanon have already been signed; only Syria remains.

Main provisions of the agreement: the EU-Syria Association Agreement will have an **unlimited duration** and will open the way to deepen relations in a wide number of fields, based on reciprocity and partnership.

Respect for the principles of democracy and human rights will constitute an essential element of the Agreement.

In line with the Council Decision of 17 November 2003 on the fight against the proliferation of weapons of mass destruction, the Agreement also contains as an essential element a commitment to fulfilling existing obligations under **disarmament** and **non-proliferation instruments**.

The EU-Syria Association Agreement is similar in pattern to other Euro-Mediterranean Association Agreements, but contains more far-reaching and substantial provisions in a number of areas: non-proliferation, counter-terrorism, comprehensive tariff dismantlement on agricultural products, technical

barriers to trade, sanitary and phyto-sanitary measures, trade facilitation, right of establishment and services, government procurement, intellectual property rights and trade dispute settlement mechanisms.

The Agreement focuses on the **following main elements**:

- regular political dialogue, including co-operation on non-proliferation;
- economic, social, and cultural dialogue and co-operation in a wide range of fields;
- the **progressive establishment of a free-trade area between the European Community and Syria over a maximum period of twelve years**. Both Parties recognise the importance of free trade, as guaranteed by the General Agreement on Tariffs and Trade of 1994 (GATT) and by the other multilateral agreements annexed to the Treaty establishing the WTO;
- for industrial products, free access granted to Syrian exports to the Community under the 1978 Co-operation Agreement is reconfirmed. Reciprocally, Syria will liberalise its imports regime for Community products so that all tariffs are reduced to zero by the end of the twelve year transition period after entry into force of the Agreement.

It also provides for:

- specific reciprocal concessions for processed agricultural products;
- the liberalisation of agricultural products from Syria to the Community conforming to Barcelona Process objectives (gradual liberalisation with review clause). For a list of sensitive products tariff quotas shall be applied. Tariffs on products from the Community exported to Syria will be dismantled in a linear manner so as to reach zero by the end of the twelve year transition period after entry into force of the Agreement;
- the liberalisation of trade in fish and fishery products imported from Syria into the Community, with the exception of a limited number of products, over a two-year period. For those products where liberalisation is not foreseen, tariff quotas will be provided under the Agreement. Tariffs on fish and fishery products exported from the Community to Syria will be dismantled in a linear manner over a maximum period of 12 years after the entry into force of the Agreement;
- the right of establishment and services granting European investors MFN or national treatment (whichever is better) for establishment in Syria and opening almost all sectors for investment, with the exception of some reserved currently for state monopolies. The area of telecommunications will be opened at the latest six years after entry into force;
- dispute settlement provisions to resolve trade disputes in line with the WTO Dispute Settlement Mechanism;
- provisions on the movement of persons;
- payments and capital movements, competition, government procurement, intellectual, industrial and commercial property rights, and on standards, technical regulation and conformity assessment procedures;
- commitments and co-operation in the areas of migration (including re-admission), rule of law, combating drugs and organised crime, money-laundering, and counter-terrorism;
- institutional provisions for the management of the Agreement, which will include the establishment of an Association Council to meet at ministerial level to supervise the implementation of the Agreement, and of an Association Committee;
- institutional measures to manage the Agreement. The Association Council shall take all appropriate measures to facilitate co-operation and contacts between the European Parliament and the Syrian People's Assembly. It is aimed at supporting economic and political reform in Syria, preparing Syria for integration into the world economy and promoting regional integration. Through a regular political dialogue, it will also enable the EU to engage into discussions with Syria on all topics of mutual concern, in particular human rights and democratic principles, terrorism and non-proliferation.

It should be noted the provisional application of trade and trade related provisions is also foreseen.

