EC/Former Yugoslav Republic of Macedonia FYROM agreement: cooperation agreement

1996/0259(AVC) - 27/11/1997 - Final act

OBJECTIVE: to conclude a general cooperation agreement between the European Community and the former Yugoslav Republic of Macedonia (FYROM) with the aim of contributing to the latter's economic development, bolstering the market economy and promoting the development of mutual relations between the Union and FYROM. COMMUNITY MEASURE: Council Decision 97/831/EC concerning the conclusion of a Cooperation Agreement between the European Community and the former Yugoslav Republic of Macedonia. SUBSTANCE: The purpose of the agreement is to promote general cooperation between the parties. .Besides respect for the principles of democracy and human rights, the Agreement includes an additional clause on respect for the principles of the market economy. It also comprises an important regional element, as the Community's assistance and cooperation are intended to contribute to the establishment of good-neighbourly relations between FYROM and its neighbours in South-Eastern Europe and the development of cooperation in the region. The Agreement stipulates that the readiness to enter into such relations with the countries in the region constitutes an important factor in the development of relations between the Community and FYROM. .In the field of trade, the Agreement reaffirms the preferential arrangements applicable to imports into the Community of industrial products originating in FYROM. In general, access is free, except for certain sensitive goods such as iron and steel products. The Agreement also provides for concessions to be granted for certain agricultural products originating in FYROM. Community exports to FYROM enjoy most-favoured nation status. .In the economic field, the Agreement lays down provisions on technical and financial cooperation and refers to the financial protocol annexed to it. It promotes cooperation in the fields of industry, SMEs, investment, science and technology, transport, tourism, environment and intellectual property. This cooperation may make use of the Phare programme, for which FYROM now becomes formally eligible. .The protocol on financial cooperation is an integral part of the Cooperation Agreement, providing for the financing of projects of mutual interest to the parties (particularly in the field of transport infrastructure). The implementation of the financial cooperation protocol (and of the Agreement as a whole) is subject to full compliance with FYROM's financial obligations vis-à-vis the EIB and the Community. In particular, the protocol provides for ECU 20 m in budget funds to be allocated to financing infrastructure projects, and EIB loans from its own resources totalling ECU 150 m. These amounts are for the period 1996-2000. .The Agreement also comprises an evolutive clause, which provides for the possibility of strengthening the parties' contractual relations in due course when the conditions are right for a possible associated status. .In the institutional field, the Agreements provides for the setting-up of a Cooperation Council to ensure its satisfactory implementation. ENTRY INTO FORCE: the agreement enters into force on 01.01.1998. It is concluded for an unlimited period.