

EUROPEAN PARLIAMENT

2004



2009

Committee on International Trade

2004/0266 (AVC)

2.9.2005

OPINION

of the Committee on International Trade

for the Committee on Foreign Affairs

on the conclusion of a Protocol to the Euro-Mediterranean Agreement between the European Communities and their Member States, of the one part, and the State of Israel, of the other part, to take account of the accession of the Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Hungary, the Republic of Latvia, the Republic of Lithuania, the Republic of Malta, the Republic of Poland, the Republic of Slovenia, and the Slovak Republic to the European Union
(COM(200)0754 – 2004(AVC))

Draftswoman: Cristiana Muscardini

PA_NonLeg

SHORT JUSTIFICATION

INTRODUCTION

This draft opinion deals exclusively with commercial relations with the State of Israel. Furthermore, pursuant to Rule 46 of the Rules of Procedure of the European Parliament, the Committee on International Trade only deals with matters which come under its competence.

For this reason the conclusions set out below should be understood as observations in support of the role played by trade. It may be useful to bear in mind that trade may help to establish links between individuals which, in the long term, may have positive repercussions at political level.

CONTENT OF THE AGREEMENT

Pursuant to Article 6 (2) of the Act of Accession of the new Member States to the European Union, their accession to the Euro-Mediterranean Association Agreement with the State of Israel is agreed by means of the conclusion of a protocol to the Agreement. The same article provides for a simplified procedure for the conclusion of the Protocol between the Council, which acts unanimously on behalf of the Member States, and the third country concerned.

On 10 February 2004 the Council approved a mandate instructing the Commission to negotiate the Protocol. After the conclusion of the negotiations, the text was signed by the respective authorities at the end of April 2004.

Parliament is required to give its assent to this Protocol. The most important aspects of the Protocol are the provisions regarding the accession of the new Member States to the EU-Israel Association Agreement, the adjustment of the Protocol as regards agricultural products and the inclusion of the new official languages of the European Union.

COMMENTS

The drawing up of the Protocol, fully incorporated in the Association Agreement between the European Union and Israel, is a factor that will strengthen the Euro-Mediterranean dialogue in the context of the Barcelona Process. At the same time, it demonstrates the successful progress of commercial relations between the Union and Israel. The figures confirm this: trade with the EU accounts for 36 % of Israel's total trade.

There is further evidence of this positive trend:

- the conclusion, on 9 December 2004, of the negotiations between the Commission and the Israeli government on the 'Action Plan' in the context of the new neighbourhood policy. (Israel, Morocco, Jordan and the Palestinian Authority constituted the first group of countries to have reached such agreement);
- the trade agreement between Israel, Jordan and the European Union, modelled on the one previously concluded between the two Mediterranean countries and the United States, which made a great contribution to the economic development of Jordan, should allow the three parties concerned, but especially the two Middle Eastern countries, to

- take advantage of the Paneuromed agreement on the cumulation of origin rules. This agreement should be extended to other countries in the region in order to increase the volume of trade between all the Euro-Mediterranean countries;
- finally, the agreement initialled between the Commission and the State of Israel on 13 December 2004, which largely settled the dispute regarding different interpretations of the rules of origin for products from Israel and the territories of Gaza and Jericho.

The conclusion is that bilateral trade relations with Israel can therefore be considered as fairly good and concern all sectors, from agriculture to the most advanced technologies.

Some considerations on the impact that the development of trade may have on the progress of détente between Israel and the Palestinian Authority and on the European Union's role in this area:

- it is hoped that an agreement will be concluded on the cumulation of origin of goods with the Palestinian Authority too, in view of the close inter-dependence - if only for geographical reasons - between the two countries, which may also be of great assistance in the ongoing peace process;
- Israel's withdrawal from the territories in the Gaza Strip, which should return to full Palestinian control from next August, raises the issue of the region's future economic development.

The only useful way of achieving this purpose seems to entail not only the financial, but above all the technical and diplomatic involvement of the European Union, in order to move the dialogue between the two parties forward. Direct negotiations in the presence of the Commission may be the way to reach a solution acceptable to everyone, combining the importance, and hence the positive potential, of free trade with the security needs of the countries concerned.

This opinion gives the Committee on International Trade the opportunity to emphasise its support for the establishment of a Euro-Mediterranean free-trade area, as envisaged in the Barcelona Declaration of 28 November 1995.

SUGGESTIONS

The Committee on International Trade calls on the Committee on Foreign Affairs, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Welcomes the Protocol signed between the European Union and the State of Israel, extending the current association treaty to the 10 new Member States of the Union and is convinced that the extension of the agreement may help to give a further boost to trade between the two sides;
2. Welcomes the arrangement reached between the European Commission and the State of Israel, adopted in the Customs Cooperation Committee, regarding the Israeli authorities' indication of the place of origin of goods;
3. Calls upon Israel and the EU to solve the bilateral issue of origin rules as rapidly as

possible, so as to open the way to the successful implementation of Paneuromed cumulation of origin between Israel, its neighbours and the European Community;

4. Welcomes the recent trade agreement signed between Jordan and Israel which is intended to enable the parties to apply Paneuromed cumulation of origin, with obvious advantages for the parties concerned; hopes that similar agreements can be made with other countries in the region;
5. Is therefore convinced that certain commercial initiatives, such as a possible agreement on the European Mediterranean cumulation of origin system between Israel and the Palestinian Authority, as well as with other Euromed partners of the region, and the mutual recognition of the relevant trade agreements with the European Union, may give the right impetus to the development of trade between the two sides which will have a positive impact on the current peace process;
6. Calls on the Commission to collaborate actively with the Palestinian and Israeli authorities so that, after the Gaza Strip is placed under the administration of the Palestinian Authority, it may be possible to find the most appropriate way of promoting the economic development of these areas, whilst making certain that all the conditions, including that of security, exist for both sides, enabling Israelis and Palestinians to trade easily and fairly, and to prosper harmoniously within a single 'customs envelope';
7. Stresses, with reference to the 'EU-Israel Action Plan' in the context of the new neighbourhood policy, the importance of developing social protection and employment rights, and encourages the Commission, as part of its activities in this connection, to pay greater attention to social and employment policy, as progress in this area could make an important contribution to greater stability and peace.

PROCEDURE

Title	the conclusion of a Protocol to the Euro-Mediterranean Agreement between the European Communities and their Member States, of the one part, and the State of Israel, of the other part, to take account of the accession of the Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Hungary, the Republic of Latvia, the Republic of Lithuania, the Republic of Malta, the Republic of Poland, the Republic of Slovenia, and the Slovak Republic to the European Union
References	COM(2004)754 – C6-0000/2005 –2004/266(AVC)
Committee responsible	AFET
Committee asked for its opinion Date announced in plenary	INTA
Enhanced cooperation	No
Draftsman Date appointed	Cristiana Muscardini 24.5.2005
Discussed in committee	12.7.2005
Date amendments adopted	30.8.2005
Result of final vote	pour: 25 contre: 0 abstentions: 0
Members present for the final vote	Enrique Barón Crespo, Daniel Caspary, Nigel Farage, Christofer Fjellner, Glyn Ford, Béla Glattfelder, Sajjad Karim, Caroline Lucas, Erika Mann, Helmuth Markov, David Martin, Javier Moreno Sánchez, Georgios Papastamkos, Godelieve Quisthoudt-Rowohl, Tokia Saïfi, Peter Šťastný, Johan Van Hecke, Zbigniew Zaleski
Substitutes present for the final vote	Panagiotis Beglitis, Albert Deß, Pierre Jonckheer, Zuzana Roithová, Antolín Sánchez Presedo, Ivo Strejček
Substitutes under Rule 178(2) present for the final vote	Sergio Berlato