



EUROPEAN PARLIAMENT

2009 - 2014

Committee on International Trade

2009/2216(INI)

18.3.2010

OPINION

of the Committee on International Trade

for the Committee on Foreign Affairs

on the need for an EU Strategy for the South Caucasus
(2009/2216(INI))

Rapporteur: Metin Kazak

PA_NonLeg

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. Highlights the geopolitical situation of Armenia, Georgia and Azerbaijan in relation to the European Union, Turkey as an EU candidate country, Russia and Iran, and considers it therefore of the utmost importance that cooperation with the South Caucasus should be given high priority, especially with regard to the solution of the frozen conflicts, not least in matters relating to the economic and commercial development of the region, energy security, political stability, and the promotion of democracy and good governance;
2. Calls on the Commission to identify common areas of economic interest that can overcome divergences, facilitate dialogue and promote regional cooperation;
3. Considers that trade is one of the key components of the EU's overall policy of fostering political stability, respect for human rights, sustainable growth and prosperity in the Eastern Partnership countries in general, and in the South Caucasus region in particular;
4. Takes the view that the regional dimension of the EU Strategy for the South Caucasus calls for a regional approach to negotiations on trade agreements;
5. Welcomes the conclusion in May 2008 of the feasibility studies for Georgia and Armenia, showing that deep and comprehensive free trade agreements (DCFTAs) would bring significant economic benefits to these countries and the EU, thereby allowing the Commission to enter into a preparatory phase for future negotiations on DCFTAs; calls on Azerbaijan to accomplish its accession to the WTO as soon as possible, as WTO membership is a prerequisite before any FTA negotiations can be considered; calls on the Commission to give Azerbaijan technical assistance in order to accomplish its accession to the WTO; encourages Georgia, Armenia and Azerbaijan to improve their progress towards fulfilling their respective ENP Action Plans and the Commission's recommendations, particularly in terms of improving their administrative and institutional capacity and implementation of regulatory reforms (especially regarding the poor levels of intellectual property protection in all three countries), which is one of the necessary preconditions for the effective implementation and sustaining the effects of such ambitious FTAs;
6. Calls on the Commission to support, by means of appropriate technical assistance mechanisms, the strengthening of the financial and banking system in the South Caucasus states in order to respond to the demands of the business environment and investors;
7. Considers that the future conclusion of association agreements and the subsequent possible conclusion of DCFTAs with each of these countries would be a first step towards encouraging the establishment of a network of a similar type of FTAs between these countries, thereby establishing deep and comprehensive free trade areas among the countries involved, aimed at enhancing regional integration; calls on the Commission to support and strengthen the involvement of local and regional authorities in cross-border

cooperation in order to enhance cooperation through the establishment of an enabling legislative framework;

8. Believes that the conclusion of FTAs with Georgia, Armenia and Azerbaijan could not only lead to economic growth, but could also increase foreign investment, create new jobs and eradicate poverty;
9. Welcomes the efforts of several regional cooperation organisations, in particular the Organisation of the Black Sea Economic Cooperation (BSEC), aimed at greater integration in the South Caucasus region; calls for greater EU engagement and involvement with a view to bringing about integration in the region, given that the Community now has exclusive competence on trade policy.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	17.3.2010
Result of final vote	+: 21 -: 1 0: 1
Members present for the final vote	Laima Liucija Andrikienė, David Campbell Bannerman, Daniel Caspary, William (The Earl of) Dartmouth, Joe Higgins, Yannick Jadot, Metin Kazak, Bernd Lange, David Martin, Vital Moreira, Godelieve Quisthoudt-Rowohl, Tokia Saïfi, Helmut Scholz, Peter Šťastný, Robert Sturdy, Gianluca Susta, Iuliu Winkler, Jan Zahradil, Pablo Zalba Bidegain, Paweł Zalewski
Substitute(s) present for the final vote	Catherine Bearder, George Sabin Cutaş, Salvatore Iacolino, Libor Rouček, Michael Theurer, Jarosław Leszek Wałęsa
Substitute(s) under Rule 187(2) present for the final vote	Sylvie Guillaume