



Ministerial Declaration of the Union for the Mediterranean (UfM) Trade Ministers

(19 March 2018, Brussels)

- The Ministers of the Union for The Mediterranean (UfM) in charge of Trade gathered at the 10th Trade Ministerial Conference (hereinafter "the Ministerial Conference") held in Brussels on the 19th of March 2018 under the Union for the Mediterranean Co-Presidency of H.E. Cecilia Malmström, Commissioner in charge of Trade, for the European Union and of H.E. Eng. Yarub Qudah, Minister for Trade, for the Hashemite Kingdom of Jordan, in the presence of Jorge Borrego, the UfM Acting Secretary General.
- 2. The Ministerial Conference followed on the 9th Union for the Mediterranean Trade Ministerial Conference held in November 2010. Ministers noted that there have been important developments in bilateral trade relations between the Union for the Mediterranean member states over the eight years since the 9th UfM Trade Ministerial, but there is still a great potential to be unlocked. They have highlighted the importance of building on the results of regional work carried out since then and developing further initiatives to facilitate and increase trade and investment flows as well as to enhance the mutually beneficial economic integration process in the Mediterranean region to further foster mutually beneficial relations.
- 3. Ministers stressed the importance of encouraging economic actors from both the Northern and Southern shores of the Mediterranean and indeed beyond to take greater advantage of the possibilities that the Euro-Mediterranean trade, investment and economic partnership provides. They recalled the objective to complete and reinforce the UfM free trade area. They underlined the need to ensure more effective implementation of the existing bilateral and regional agreements across the Mediterranean region and to aim to avoid the adoption of new barriers to trade and investment and to cooperate to remove existing ones. At the same time, Ministers recognized that some partners wish to modernise these agreements to extend their scope and increase the degree of reciprocal liberalisation, including agriculture and fishery products, and services and investment as well as to deepen the commitments on key rules governing trade policy in the 21st century to contribute to a sustainable development in the region. Ministers also recognised the interest of other partners in the UfM to take a gradual approach towards the implementation of deeper and more comprehensive trade relations amongst them.
- 4. Ministers welcomed the progress made in the implementation of the eight Euro-Mediterranean Association Agreements already in place between the EU and Mediterranean partners and called for further efforts to better utilise the available opportunities in order to further increase mutual trade and regional connectivity. Ministers also welcomed and encouraged the on-going negotiations with some partners to further develop the existing agreements into Deep and Comprehensive Free Trade Agreements. Ministers agreed to also consider other approaches to deepen the trade and investment relationships between UfM member states.

- 5. Ministers also encouraged further progress in **trade liberalisation** within the region including between Mediterranean partners. They welcomed the progress achieved among the members of the **Agadir Agreement** towards a closer south-south and south- north trade integration. They noted the political decision to enlarge the membership of the Agadir Agreement to achieve the desired level of economic integration and trade liberalization among Arab states and the Euro- Mediterranean region.
- 6. Ministers stressed the importance of supporting the negotiations and implementation by Mediterranean partners of future trade agreements through **trade related assistance** to ensure they can take full advantage of the market opening.
- 7. Ministers acknowledged the progress made in regulatory approximation and the substantial efforts on both sides including in capacity building and in the modernisation of quality infrastructure, while at the same time recognised the difficulties encountered to fulfil the conditions required for conclusion of agreements on **Conformity Assessment and Acceptance of Industrial Products (ACAAs)**. They stressed the importance of putting into use the experience gathered so far so as to develop jointly a roadmap and a tailor-made approach to improve the structure and results of the process in order to adequately support trade in the priority areas identified. Ministers acknowledged that for some of these sectors the long term objective of reaching an ACAA remains. At the same time, Ministers saw the need to review the ACAA process to explore intermediate and other steps in the approximation of technical requirements which facilitate mutual access to markets.
- 8. As regards the Sanitary and Phytosanitary (SPS) requirements, Ministers recognized the importance of food safety, animal and plant health standards and the role SPS issues can play in increasing trade flows in the region. Ministers called for the setting up a Regional Working Group on SPS cooperation to develop an action plan to promote regular exchange of information and consultations and sharing of best practices between UfM members in order to advance the SPS agenda to complement bilateral work and capacity building in this area.
- 9. Ministers endorsed the **Action Plan on the Fight against Piracy and Counterfeiting** developed as part of the work programme agreed at the 9th Trade Ministerial Meeting and called for cooperation in its implementation.
- Ministers also endorsed the Action Plan on Sectoral Cooperation, developed as part of the work programme that followed the 9th Trade Ministerial Conference, and reiterated the importance of sectoral cooperation in the sectors of common interest to the UfM member states, in particular in four priority sectors identified: environmental goods services and technologies (including related to climate change, renewable energy, energy efficiency); textiles and clothing; automotive; and information and communication technologies (ICT) (including digital economy and society). They acknowledged that the involvement of the private sector is crucial to ensure its fruitful implementation.

- 11. As regards the 2010 Package of measures to facilitate trade of Palestinian products with other Euro-Mediterranean partners, which was endorsed at the 9th Union for the Mediterranean Trade Ministerial Conference, Ministers thanked the European Union for preparing a Technical Progress Report and noted that the EU shall prepare updates of this report working for concrete actions taken to facilitate Palestinian trade, including a report to be presented at the 2019 Ministerial Conference. Taking into account the need to further enhance Palestinian Trade, Ministers called for rapid and substantial progress in the implementation of the 2010 Package of measures to facilitate trade of Palestinian products with other Euro-Mediterranean partners. Ministers noted the efforts by the European Union to help remove the obstacles to Palestinian trade and to promote the implementation of the 2010 Package of measures and its intention to hold meetings with both the Israeli and Palestinian sides.
- 12. Ministers considered that the current Regional Convention on pan-Euro-Mediterranean preferential rules of origin (PEM Convention) is an effective tool to facilitate trade in the region. At the same time they acknowledged that the current rules no longer reflect today's business patterns and practices, putting the region at a disadvantage compared to other trading blocs with more modern rules and procedures. Ministers recalled that the rules of origin will need to be adjusted in order to better respond to economic reality and reaffirmed their firm commitment towards the ongoing modernisation process taking into account the interest of all PEM members. They agreed to finalise a revised set of rules based on the proposal presented by the Secretariat of the Joint Committee of the Convention, which will improve possibilities for economic operators from all sectors of the economy to take advantage of new trade opportunities despite the fact that not all issues can be resolved at this stage on a regional basis. Ministers called for the finalisation of the PEM revision process in 2018 so that economic operators can finally start enjoying more modern, flexible and streamlined rules while further developing regional trade.
- 13. Ministers highlighted the close link between promotion of trade and enhancing investment. They recognized the progress made by UfM partners in enhancing their investment environment and expressed their intention to further improve the **business environment and investment climate** including for Small and Medium entreprises with an aim to increase the attractiveness of the region for investment, in particular into productive sectors with a view to diversify the economy and increase employment. An enhanced investment climate is instrumental to take advantage of the opportunities created by the European **External Investment Plan**. Ministers stressed the need to raise awareness amongst the UfM business community of the opportunities offered by the UfM trade partnership. Ministers encouraged new initiatives in that regard, in particular in the area of **investment facilitation and good regulatory practices**.
- 14. Ministers reiterated the importance of involving the business organisation and operators of the Union for the Mediterranean Member States, including relevant chambers of commerce and/or industry, and trade promotion organisations in the definition and implementation of the regional trade and investment reform agenda. They encouraged the organisation of business-to-governments and business-to-business meetings in the region, also in the framework of the envisaged sectorial cooperation, building on already ongoing and/or planned regional initiatives. Ministers expressed their wish to organise an UfM business forum in the future.

- 15. Ministers ceremonially launched the **Euromed Trade Helpdesk**. Ministers recalled that the establishment of the Euromed Trade Helpdesk in the framework of the **Euro-Mediterranean Trade and Investment Facilitation Mechanism (TIFM)** in partnership with the International Trade Centre was one of the key initiatives to strengthen the Euro-Mediterranean trade partnership endorsed at the 9th Trade Ministerial Conference. Today, market access information regarding nine partners is made transparent and accessible free of charge. Any business operator can consult the Euromed Trade Helpdesk in order to learn more about customs duties, standards and other mandatory requirements, trade statistics etc. and/or contact a network of technical experts with more detailed queries. Ministers encouraged the active participation of all Euro-Mediterranean partners, through the network of the TIFM National Focal Points, in each of the TIFM pillars in order to fully exploit its potential, including regular updates of data, timely and high quality responses to queries and ensuring wide visibility and awareness of the tool.
- 16. Ministers welcomed the support provided by the **Union for the Mediterranean Secretariat** in the framework of the Euro-Mediterranean Trade and Investment Facilitation Mechanism initiative (TIFM). They also stressed the role of the Secretariat in developing additional concrete initiatives to reinforce the regional economic integration and the cooperation within the UfM business community.
- 17. Ministers envisaged that the implementation of the results of this Ministerial Conference would be followed up in the UfM Trade Senior Officials Meetings, as well as in various technical working groups.
- 18. Ministers recognised the need for regular meetings among themselves and agreed to reconvene in 2019 to review progress on the development of the UfM Trade Agenda.