



European Union



Union pour la Méditerranée
Union for the Mediterranean
الإتحاد من أجل المتوسط



The Hashemite
Kingdom of
Jordan

Union Pour la Méditerranée
DOC. DE SÉANCE N° :
EN DATE DU :
ORIGINE : UfM Co-presidency

**Joint statement
of the 11th Union for the Mediterranean (UfM) Trade Ministers Conference
(10th November 2020)**

1. The Ministers of the Union for The Mediterranean (UfM) in charge of Trade gathered at the 11th Trade Ministerial Conference (hereinafter “the Ministerial Conference”) held on the 10th of November 2020 by videoconference, under the Union for the Mediterranean Co-Presidency of H.E Mr Valdis Dombrovskis, Executive Vice-President of the European Commission, for the European Union and of H.E. Eng. Maha Ali, Minister of Industry, Trade and Supply, for the Hashemite Kingdom of Jordan, in the presence of UfM Secretary General Mr Nasser Kamel.
2. The Ministerial Conference took place when the UfM celebrated the 25 anniversary of the Barcelona Process, a key milestone in building the Euro-Mediterranean partnership, and followed the successful 10th Union for the Mediterranean Trade Ministerial Conference held in March 2018 in Brussels. Ministers noted that there have been several developments in bilateral trade relations between the UfM member states over the last two and a half years, and highlighted the importance of building on the results of the regional work carried out since then and of developing further initiatives to facilitate and increase trade and investment flows yielding increased economic integration in the Mediterranean region. Ministers emphasized the importance of reinvigorating Euro-Mediterranean trade and increasing the competitive advantage of the region to attract more trade and investments.
3. UfM member states have been severely affected by the COVID-19 pandemic, as many other countries around the globe. The unprecedented health crisis has forced UfM governments to take exceptional measures to protect people’s lives such as strict confinement measures, limiting economic and social activities, and border closures. The unavoidable declines in production, trade and investment have had serious consequences on households and businesses, on top of the human suffering caused by the disease itself. In this context, Ministers reaffirmed the central role of the United Nations to promote international cooperation to contain, mitigate and defeat the pandemic. They further supported the views of the WTO, WHO, FAO and G20 (*see statements references at the end of the Joint Statement*) calling on the need to ensure a continued flow of vital medical supplies and equipment, critical agri-food products, and other goods and services across borders. This will support the health and wellbeing of their people and the viabilities of their economies. Ministers stressed the importance of ensuring the availability and accessibility of essential medical supplies and pharmaceuticals at affordable prices, on an equitable basis, where they are most needed, and as quickly as possible, including by encouraging additional production through incentives and targeted investment, according to national circumstances. It is also important to guard against profiteering and unjustified price increases. Emergency trade measures designed to tackle COVID-19, if deemed necessary, must be targeted, proportionate, transparent and temporary, should not create unnecessary barriers to trade or disruption to global supply chains, and must be consistent with WTO rules. In this context, Ministers welcomed

the EU and its partners' strategy to tackle the impact of COVID-19, acting as 'Team Europe', as well as the EC financial support package of over €4.88 billion which provides immediate support for health systems at the bilateral and the regional levels, as well as medium to long-term assistance for the region's socio-economic recovery, especially for the most vulnerable. Ministers agreed that it is essential to cooperate closely in order to prevent further spread of the pandemic while maintaining trade flows to the extent possible.

4. Regarding the agricultural sector in particular, Ministers shared the views expressed in other international fora that measures to address the pandemic should not affect trade in agri-food and fisheries products, which would ultimately have negative impacts on the food security, nutrition and health of their populations. Adopting or maintaining trade restrictive measures by UfM members to secure their own food security could create imbalances in international markets and could lead to a food insecurity crisis due to the disruption in global and regional agricultural trade supply chains. Ministers acknowledged that it is also important to avoid food loss and waste caused by supply chain disruptions, which could exacerbate food security risks and economic loss. Supply chains for key agriculture inputs must remain open to help ensure existing production levels are maintained in a sustainable way, with a view to stabilizing the agricultural markets in the long term. Ministers agreed on the importance not to apply COVID-19 related sanitary measures to international movements of live animals and food products without a justifying risk analysis.
5. Ministers encouraged economic actors of UfM member states to take greater advantage of the possibilities that the Euro-Mediterranean trade, investment and economic partnership provides. Ministers agreed to work, jointly, to avoid the resurgence of protectionism and trade restrictions, and to refrain from adopting trade restrictive measures which could be incompatible with existing rules. In case such measures are taken, Ministers agreed to work towards their elimination, since such trade restrictive measures hamper the fluidity of our commercial links, raise the costs of international trade and investment, disrupt effective participation in regional and global value chains, limit access to valuable inputs for economic operators and increase prices and reduce choice for consumers, affecting the competitiveness of our economies. In this regard, they called for a swift removal of harmful economic barriers and the full respect of international obligations under the World Trade Organization (WTO), as well as of regional and bilateral trade agreements. They also underlined the importance of notifications and prior consultations among relevant trade partners on measures impacting trade, so as to avoid trade distortions. Ministers emphasized the importance of creating a favorable business environment and encouraged the development and implementation of measures that would help strengthening regional trade and investment, also in view of strengthening regional value chains in the context of a post Covid-19 sustainable recovery.
6. Ministers welcomed the progress made in the implementation of the eight Euro-Mediterranean Association Agreements already in place between the EU and South Mediterranean partners, including their subsequent amendments, and called for further efforts to better utilise the available opportunities in order to further increase mutual trade and regional connectivity. Ministers called for further reinforcing the institutional and legal framework of these agreements by negotiating, concluding, ratifying and making operational the protocols on dispute settlement mechanisms. Ministers welcomed the recent ratification by Lebanon of this protocol and encouraged others to follow. They also welcomed efforts by the European Commission to



evaluate the ex-post the impact of the trade agreements in the region, including through the involvement of civil society, and looked forward to the results of this evaluation.

7. Ministers recognized that the trade provisions of some of the eight existing Euro-Mediterranean Association Agreements should be modernized to enhance integration with the EU market, through mutual market access opportunities and alignment of standards, and to extend their scope by for example strengthening environment-related provisions and considering a dedicated chapter on trade and sustainable development, as well as to deepen the commitments on key rules governing trade policy. Ministers acknowledged the importance of upgrading the services sectors of Southern Mediterranean partners to take better advantage of the 21st century trade in services. Ministers also welcomed the recent dialogue undertaken between Egypt and the EU on possible ways to enhance their trade relations.
8. Ministers took stock of progress made in further trade liberalisation in the region between South Mediterranean partners. They welcomed the accession of Lebanon and Palestine to the Agadir agreement, to reap the full benefits of the Arab-Mediterranean partnership and the tariff dismantling among its countries. They also encouraged further progress on bringing closer various trade rules among the Agadir Agreement member countries, notably through their work on customs, technical regulations, trade facilitation and, in the future, trade in services.
9. Ministers highlighted the importance of improvements in the trade relations among the partners of the Western Balkans especially related to trade facilitation, liberalisation of trade in services and improvements of dispute settlement mechanisms. Ministers noted the ratification of the Agreement on Amendment of and Accession to the Central European Free Trade Agreement (CEFTA 2006) Additional Protocol 5 on Trade Facilitation by Albania, Bosnia Herzegovina and Montenegro, the adoption of CEFTA Additional Protocol 6 on trade in services by Albania and Bosnia and Herzegovina, as well as the launch of negotiations on establishing a dispute settlement mechanism. Ministers also welcomed the modernisation of existing free trade agreements between Bosnia and Herzegovina and Turkey, and Montenegro and Turkey, with the inclusion of trade in services and enhanced liberalisation of agricultural products.
10. Ministers noted the importance of fostering new trade linkages between the Euro-Mediterranean region and African countries, in order to attract more trade and investment and further develop regional value chains. Ministers welcomed the entry into force of the African Continental Free Trade Area (AfCFTA) and hoped that its implementation proceeds without obstacles. Ministers stressed the importance of supporting the negotiations and implementation by partners of existing and future trade agreements through trade related assistance, to ensure they can take full advantage of the market opening.
11. As regards integrating the Euro-Mediterranean market for industrial products, Ministers recognised the efforts made towards regulatory approximation including the modernisation of quality infrastructure and the capacity building offered. Ministers called for more intense cooperation and support to achieve this goal. They took note of the adoption of the UfM Expert's Group on Industrial Cooperation and SME development Work Programme (2018-2020) on 20 September 2018 that sets out a number of activities in this area, including the confirmation by partner countries of their objectives regarding legislative and quality infrastructure alignment with the EU, a stock-taking of the progress made, a gap analysis and subsequently the

development of a roadmap to structure and focus the process in a tailor made approach. Countries who may no longer regard an agreement on conformity assessment and acceptance (ACAAs), which is based on full alignment, as the ultimate goal, may however wish to pursue a process of domestic regulatory reforms including elements of legislative alignment between different regulatory systems in the region, and which would help further strengthen their quality infrastructure and increase their export potential.

12. As regards sanitary and phytosanitary (SPS) requirements, Ministers welcomed the first meeting of the UfM Working Group on SPS that took place on 12 June 2019 and the Action Plan on regional cooperation on SPS, which allows to further exchange information and best practices between UfM members. Ministers reiterated the importance of food safety, animal and plant health standards and the role SPS measures can play in increasing trade flows of agricultural products and food in the region. The COVID-19 emergency measures must comply with the requirements of the SPS Agreement of the World Trade Organisation. They further noted that capacity building in this area is paramount in view of achieving deeper standards alignment.
13. In the context of the Action Plan on the fight against piracy and counterfeiting, agreed during the 2018 UfM Trade Ministerial, Ministers welcomed the progress made in its implementation during the three meetings of the Working Group on Intellectual Property Rights including on the fight against piracy and counterfeiting, that took place on 12 March, 11 June and 28 November 2019. Ministers supported the initiatives outlined in the Action Plan for the region, in particular those on customs/police and border measures in terms of effective implementation and awareness raising. Ministers reiterated that Intellectual Property Rights are powerful tools for trade and development and that their adequate protection is essential to encourage research and development, innovation, culture and foreign direct investment.
14. 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 EU for preparing and presenting an update of the Technical Progress Report. Ministers reiterated their call for a rapid and substantial progress in the implementation of the Package of measures. Ministers noted the efforts by the EU to help remove obstacles to Palestinian trade and its intention to promote the implementation of the 2010 Package of measures inter alia through continuing holding meetings on this issue with both the Israeli and Palestinian sides. Ministers note the intention of the EU of drafting after such meetings revised Technical reports including a regular assessment of the progress made in the implementation of the Package of Measures.
15. Ministers noted the discussion on modernized rules of origin in the context of the Regional Convention on Pan-Euro-Mediterranean Preferential Rules (PEM Convention). Those modernized rules will aim to facilitate trade among participating countries and enable their company to further integrate within regional value chains. The new rules considerably improve the possibilities for economic operators from all sectors of the economy to take advantage of new trade opportunities. Ministers called for the establishment of an ambitious roadmap of information seminars within the region, so that the new rules could be explained to both local customs administrations and economic operators. On this point, Ministers welcomed the initiative of the UfM Secretariat and the German development agency GIZ, supported by the German Federal Government, to organize trainings and technical assistance for ministries, customs authorities and



businesses on the PEM rules of origin, in order to enhance the capacities of those actors and thereby increase the benefits of the respective trade agreements.

16. Ministers welcomed the UfM Business Forum that took place in Cairo on 18 June 2019. The forum provided a platform for exchanges among public and private stakeholders in the region on questions such as how to fully implement and operationalise the existing bilateral and regional trade agreements, what are the non-tariff barriers that continue to prevent operators from taking advantage of the potential of opportunities in the region and what could be the areas for further integration, such as services, e-commerce, digital trade, regulatory transparency and cooperation within the UfM region. Ministers regarded the recommendations as a useful input for their future work enhancing trade and investment among UfM partners, and looked forward to productive discussions during the UfM Trade and Investment Forum to be held on 12 November 2020.
17. Ministers further reiterated the importance of involving the business organisation and operators, of UfM Member States, including relevant chambers of commerce and industry, clusters and trade promotion organisations in the definition and implementation of the regional trade and investment reform agenda. They encouraged the organisation of additional business-to-governments and business-to-business meetings in the region with more sectorial focus and covering areas such as those listed in the agreed Action Plan for enhanced sectorial cooperation, the Action Plan on Fight against Piracy and Counterfeiting and the Action Plan on Sanitary and Phytosanitary matters as well as on other priority areas. They also commended on the work of the Agadir Business Council.
18. Ministers welcomed the commitment of the EU to boost investments in the Mediterranean partner countries through the External Investment Plan (EIP), a comprehensive initiative which helps mobilise public and private funds for investments, technical assistance and support to improvements of the investment climate. In this context, Ministers supported the development of a favourable investment climate and business environment by focusing on priority reforms through a strengthened dialogue with the private sector. This will also enable further advancements of economic integration through greater access to finance and the mobilisation of capital flows for sustainable development and decent job creation. They emphasized the strong, complex and crucial links between social, trade, financial, economic and environmental policies.
19. Ministers ceremonially launched three trade and investment initiatives supported by the EU, which aim at inclusive economic development and job creation in the Neighborhood South region. These include the second phase of the Euro-Mediterranean Trade and Investment Facilitation Mechanism (TIFM) in partnership with the International Trade Centre. The Mechanism, which also covers services and investment aspects, contributes to increasing regional trade integration by ensuring transparent market information. Ministers also welcomed two additional initiatives, respectively in partnership with the International Labour Organisation (ILO) and the Organisation for Economic Co-operation and Development (OECD), which support governments and the private sector to strengthen trade and investment policy reforms, in particular their links with decent job-creation for all. Ministers recognised the active participation of all Euro-Mediterranean partners in these programmes, notably through the network of TIFM National Focal Points, and emphasized the importance of timely and high-quality updates of data, as well of as regular exchange of best practices at the regional level, especially in the context of the post-COVID-19 pandemic recovery.

20. Ministers also called for enhanced collaboration in the context of the WTO and its reform including on updating the rules to ensure a level playing field and to address current global trade challenges, as well as on finding a solution to the current impasse of the Appellate Body. This will serve to uphold the continued functioning of the rules-based multilateral system in order to safeguard the trade interests of all WTO Members. Ministers also reiterated the importance of abiding with WTO notification obligations to enhance transparency. They recalled the importance of the implementation of the Agreement on Trade Facilitation and urged all UfM members to complete their notification and ratification processes. In this respect, they noted the recent progress in terms of notification by Tunisia and ratification by Morocco and encouraged further notifications and ratifications from other partners. They recalled the assistance available for implementing trade facilitation measures. Ministers also welcomed the work on the new initiatives (e.g. on e-commerce, services domestic regulation and investment facilitation, fisheries subsidies).
21. Ministers recalled the UN 2030 Agenda for Sustainable Development, adopted by the UN General Assembly Resolution 70/1 on 25 September 2015 and its 17 Sustainable Development Goals. They support economic development that goes hand in hand with decent job creation, social inclusion and justice, respect for labour rights and environmental protection. Ministers reaffirmed their commitment to promote mutually supportive relationship between trade and investment and sustainable development, and raised the importance of relevant multilateral initiatives towards sustainable development. Ministers stressed the need of taking urgent action, including at regional level, to combat climate change and its impact, and of the effective implementation of international climate agreements such as the Paris Agreement, including through the creation of new economic opportunities that would foster green growth and the use of green technologies. Ministers welcomed the launch of a joint reflection on trade policy in view of new environmental and climate challenges.
22. Ministers envisaged that the implementation of the results of this Ministerial Conference are followed up in the UfM Trade Senior Officials Meetings, as well as in various technical working groups.
23. Ministers agreed to reconvene, in principle within two years, to review progress on the development of the UfM Trade Agenda.

- -

Statements references referred in paragraph 3:

- Call to mitigate the impact of COVID-19 on agriculture trade and food security made on 31 March by the Director Generals of the WTO, FAO, and WHO <http://www.fao.org/news/story/en/item/1268719/icode/>
- Joint statement from several WTO Members adopted on 22 April on the need to respond to the COVID-19 pandemic with an open and predictable trade in agriculture and food products) https://trade.ec.europa.eu/doclib/docs/2020/april/tradoc_158718.pdf
- G20 Trade Ministerial statement adopted on 30 of March https://g20.org/en/media/Documents/G20_Trade%20&%20Investment_Ministerial_Statement_EN.pdf
- G20 Agriculture Ministerial declaration adopted on 22 of April https://g20.org/en/media/Documents/G20_Agriculture%20Ministers%20Meeting_Statement_EN.pdf