



## Glossary

### ➤ Association Agreement

An Association Agreement is an agreement concluded between the European Union and a Mediterranean Partner country within the framework of the Barcelona Process, in order to develop political, economic, cultural and social cooperation. Association Agreements represent the legal foundation of the Mediterranean free-trade area.

### ➤ European Neighbourhood and Partnership Instrument (ENPI)

The ENPI was launched in January 2007, within the framework of the overall reform of the EU's external policy instruments. It thus replaces the MEDA programme and partially replaces the TACIS programme. It was designed to support implementation of the objectives of the European Neighbourhood Policy (ENP), and in this respect aims to establish a prosperity zone and good relations between and with ENP member countries and Russia. It includes countries to the south and east of the EU. In terms of objectives, the ENPI encourages sustainable development and approximation to European standards and policies. It does so through supporting the priorities set out in ENP Action Plans. Generally speaking, the ENPI finances projects, offers technical assistance and administrative cooperation (sending experts), and provides sectoral budget support. The ENPI has pledged € 5.2bn in support, including € 3.4bn for the Mediterranean area.

### ➤ European Neighbourhood Policy (ENP)

The goal of the European Neighbourhood Policy (ENP) is to establish privileged relationships with the EU's immediate neighbours in Eastern Europe, the Southern Mediterranean and the Southern Caucasus.

The ENP main focus is on encouraging democracy, freedom, prosperity, security and stability, while deepening the existing relationships with each EU neighbour. Nevertheless, these privileged relationships are based on a mutual commitment to common values (democracy and human rights, rule of law, good governance, market economy principles and sustainable development).

The ENP was implemented via bilateral Action Plans, based on the needs of each neighbour and on reciprocal EU-neighbour interests. The action plans establish a three- to five-year working agenda that includes political and economic reforms, approximation of national and Community legislation, participation in certain EU programmes and development or strengthening of cooperation and dialogue.

Bilateral agreements that predated the ENP serve as the basis for its implementation. For the period 2007-2013, neighbour countries will also benefit from financial and technical assistance, mainly via the European Neighbourhood and Partnership Instrument (ENPI), which replaces the TACIS and MEDA programmes from 2000-2006).



➤ **Facility for Euro-Mediterranean Investment and Partnership (FEMIP)**

As of 2002, the activities of the European Investment Bank (EIB) in the Mediterranean area have been placed under the aegis of the Facility for Euro-Mediterranean Investment and Partnership (FEMIP). In terms of investment volume, the FEMIP is the number one international financial institution operating in the area (□ 1.4bn pledged in 2007 for 18 separate operations including □ 1bn for the private sector). Its main goal is to support the private sector in the run-up to opening of the free-trade area in 2010, in compliance with the Barcelona declaration. The FEMIP's activities take place within the framework of the European Neighbour Policy.

➤ **Pan-Euro-Mediterranean cumulation of origin protocol**

To strengthen regional integration within the Mediterranean area, the States concerned decided to implement a pan-Euro-Mediterranean cumulation of origin mechanism, which allows them to offer the EU preferential access to goods that have been produced jointly in several Mediterranean partner countries.

This cumulation is based on Association Agreement articles linking southern countries with the EU, as well as on a complex network of free-trade agreements between the southern countries. The project currently under discussion will replace these with a single regional agreement, which will be also much easier to change, if need be.