



Brussels, 11.8.2017
COM(2017) 430 final

2017/0196 (NLE)

Proposal for a

COUNCIL DECISION

on the conclusion of the Agreement for scientific and technological cooperation between the European Union and the Arab Republic of Egypt setting out the terms and conditions for participation of the Arab Republic of Egypt in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA)

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

- **Reasons for and objectives of the proposal**

On 30 May 2017 the Council authorised the Commission to open negotiations, on behalf of the Union, with the Arab Republic of Egypt ('Egypt') on an International Agreement between the Union and Egypt laying down the terms and conditions for the participation of Egypt in the Partnership for Research and Innovation in the Mediterranean Area ('PRIMA').

According to the terms of the Council authorising decision, negotiations could only be started upon adoption of a Decision of the European Parliament and of the Council on the participation of the Union in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA) jointly undertaken by several Member States.

The negotiations started on 26 June 2017 and were successfully completed on 27 July 2017, when the draft Agreement text was initialled by the representatives of each of the future Parties. The draft Agreement attached to this proposal is in line with the negotiating directives issued by the Council. In particular, it establishes that the terms and conditions for the participation of Egypt in PRIMA shall be those set out in Decision (EU) 2017/1324¹, making direct reference to the Union legislative act.

In order to ensure the protection of Union financial interests, particularly the powers of the Commission, the European Anti-Fraud Office, the Court of Auditors and the PRIMA Implementation Structure (PRIMA-IS) to carry out audits and investigations in accordance with the applicable Union legislation, the Agreement makes specific reference to the relevant provisions of Decision (EU) 2017/1324 and obliges the Parties to provide all necessary assistance to ensure their implementation. In addition, the future Agreement stipulates that the Parties must agree on detailed arrangements for assistance, such arrangements being essential to their cooperation under this Agreement. Upon the request of Egypt and as agreed during the negotiations, an additional recital was inserted in the preamble of the Agreement to reflect that full cooperation and coordination between competent authorities of both future Parties is essential for implementation of the future Agreement.

- **Consistency with existing policy provisions in the policy area**

As also presented in the impact assessment report for PRIMA² the openness of PRIMA to the participation of third countries such as Egypt is consistent with the objectives of international cooperation for research and innovation as outlined in the 2012 Commission Communication 'Enhancing and focusing EU international cooperation in research and innovation: A strategic approach'³ and Horizon 2020 Framework Programme, which promotes cooperation with third countries in science, technology and innovation in order to tackle global societal challenges and support Union external policies. This Agreement is also consistent with the existing Euro-Mediterranean Agreement establishing an Association between the European Communities

¹ Decision (EU) 2017/1324 of the European Parliament and of the Council of 4 July 2017 on the participation of the Union in the Partnership for Research and Innovation in the Mediterranean Area ('PRIMA') jointly undertaken by several Member States (OJ L 185, 18.07.2017, p. 1).

² SWD(2016)332 final, 18.10.2016.

³ COM(2012) 497 final.

and their Member States, of the one part, and the Arab Republic of Egypt, of the other part⁴ and the Agreement for scientific and technological cooperation between the European Community and the Arab Republic of Egypt⁵ which provide for cooperation between Union and Egypt in research and technological development and encourage research and development activities in the fields of common interest.

- **Consistency with other Union policies**

The implementation of PRIMA in close cooperation with third countries such as Egypt, is also consistent with, and relevant for, other Union policies, such as migration policy, development policy and neighbourhood policy.

2. LEGAL ELEMENTS OF THE PROPOSAL

The proposal for a Council decision is based on Article 186 and Article 218(6)(a) of the Treaty on the Functioning of the European Union.

In the light of the above, the Commission proposes that the Council concludes the Agreement on behalf of the European Union.

⁴ OJ L304, 30/09/2004, p. 39.

⁵ OJ L182, 13/07/2005, p. 12.

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 186 in conjunction with Article 218(6)(a) thereof,

Having regard to the proposal from the European Commission,

Having regard to the consent of the European Parliament,

Whereas:

- (1) Decision (EU) 2017/1324 of the European Parliament and of the Council⁶ provides for the participation of the Union in the Partnership for Research and Innovation in the Mediterranean Area ('PRIMA') jointly undertaken by several Member States.
- (2) The Arab Republic of Egypt ('Egypt') expressed its wish to join PRIMA as a Participating State and on an equal footing with the Member States and countries associated to Horizon 2020 participating in PRIMA.
- (3) In accordance with Article 1(2) of Decision (EU) 2017/1324 Egypt is to become a Participating State in PRIMA subject to the conclusion of an international agreement for scientific and technological cooperation with the Union setting out the terms and conditions of Egypt's participation in PRIMA.
- (4) In accordance with Council Decision <XXX>⁷, the Agreement for scientific and technological cooperation between the European Union and the People's Democratic Republic of Egypt setting out the terms and conditions for participation of the Arab Republic of Egypt in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA), was signed on behalf of the Union on XX, 20XX, subject to its conclusion at a later date.
- (5) The Agreement should be approved on behalf of the Union.

HAS ADOPTED THIS DECISION:

Article 1

The Agreement for scientific and technological cooperation between the European Union and the Arab Republic of Egypt setting out the terms and conditions for participation of the Arab

⁶ Decision (EU) 2017/1324 of the European Parliament and of the Council of 4 July 2017 on the participation of the Union in the Partnership for Research and Innovation in the Mediterranean Area ('PRIMA') jointly undertaken by several Member States (OJ L 185, 18.07.2017, p. 1).

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Republic of Egypt in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA) is hereby approved on behalf of the Union.

The text of the Agreement is attached to this Decision.

Article 2

The President of the Council shall designate the person empowered to make, on behalf of the Union, the notification provided for in Article 4(2) of the Agreement in order to express the consent of the Union to be bound by the Agreement.

Article 3

This Decision shall enter into force on [the date of its adoption].

Done at Brussels,

*For the Council
The President*



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ANNEX 1

ANNEX

to the

proposal for a COUNCIL DECISION

on the conclusion of the Agreement for scientific and technological cooperation between the European Union and the Arab Republic of Egypt setting out the terms and conditions for participation of the Arab Republic of Egypt in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA)

Agreement for scientific and technological cooperation between the European Union and the Arab Republic of Egypt setting out the terms and conditions for participation of the Arab Republic of Egypt in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA)

The European Union (hereinafter 'the Union'),
of the one part,
and
the Arab Republic of Egypt (hereinafter 'Egypt'),
of the other part,
(hereinafter 'the Parties')

Whereas the Euro-Mediterranean Agreement establishing an Association between the European Communities and their Member States, of the one part, and the Arab Republic of Egypt, of the other part, which entered into force on 1 June 2004, provides for the scientific and technological cooperation;

Whereas the Agreement for scientific and technological cooperation between the European Community and the Arab Republic of Egypt, which entered into force on 27 February 2008, establishes a formal framework for cooperation of the Parties in scientific and technological research;

Whereas Decision (EU) 2017/1324 of the European Parliament and of the Council on the participation of the Union in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA) jointly undertaken by several Member States regulates the terms and conditions for the participation of the EU Member States and Countries Associated to Horizon 2020 who are Participating States of the initiative, in particular their financial obligations and participation in the governing structures of the initiative;

Whereas according to the terms of Decision (EU) 2017/1324 Egypt is to become a Participating State in PRIMA subject to the conclusion of an international agreement for scientific and technological cooperation with the Union setting out the terms and conditions of Egypt's participation in PRIMA;

Whereas Egypt expressed its wish to join PRIMA as a Participating State and on an equal footing with the EU Member States and Countries Associated to Horizon 2020 participating in PRIMA;

Whereas an international agreement between the Union and Egypt is needed to regulate the rights and obligations of Egypt as PRIMA Participating State;

Whereas full cooperation and coordination between competent authorities of both Parties is essential for implementation of this Agreement;

HAVE AGREED AS FOLLOWS:

Article 1

The purpose

The purpose of this Agreement is to set out the terms and conditions for participation of Egypt in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA).

Article 2

Terms and conditions of participation of Egypt in PRIMA

The terms and conditions for the participation of Egypt in PRIMA shall be those set out in Decision (EU) 2017/1324 of the European Parliament and of the Council on the participation of the Union in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA) jointly undertaken by several Member States. The Parties shall comply with the obligations established by that Decision and take appropriate measures, in particular by providing all necessary assistance in order to ensure the application of its Articles 10(2) and 11(3) and (4). The detailed arrangements for assistance shall be agreed between the Parties, such arrangements being essential to their cooperation under this Agreement.

Article 3

Territorial application

This Agreement shall apply, on the one hand, to the territories in which the Treaty on the Functioning of the European Union and the Treaty on the European Union are applied and, on the other, to the territory of Egypt.

Article 4

Provisional application, entry into force and duration

1. This Agreement shall be approved by the Parties in accordance with their own procedures.
2. This Agreement shall enter into force on the date on which both Parties notified each other through diplomatic channels that the procedures referred to in the first paragraph have been completed. Following its signature and pending its entry into force, the Parties shall provisionally apply this Agreement as of the date on which the EU receives the notification concerning the completion by Egypt of the procedures referred to in the first paragraph.
3. This Agreement shall remain in force for as long as Decision (EU) 2017/1324 is in force, unless terminated by either Party in accordance with Article 5.

Article 5

Termination

1. Either Party may terminate this Agreement at any time by a written notice informing of the intent to terminate it.

The termination shall take effect six months after the date at which the written notice reaches its addressee.

2. Projects and activities in progress at the time of termination of this Agreement shall continue until their completion under the conditions laid down in this Agreement.

3. Parties shall settle by common consent any other consequences of termination.

Article 6 Dispute settlement

The dispute settlement procedure provided for in Article 82 of the Euro-Mediterranean Agreement establishing an Association between the European Communities and their Member States, of the one part, and the Arab Republic of Egypt, of the other part shall apply to all disputes related to the application or interpretation of this Agreement.

This Agreement shall be drawn up in duplicate in Bulgarian, Croatian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish, Swedish and Arabic languages, each text being equally authentic.