



Council of the
European Union

066880/EU XXVI. GP
Eingelangt am 04/06/19

Brussels, 4 June 2019
(OR. en)

7554/03
DCL 1

RECH 40
ET 1

DECLASSIFICATION¹

of document: ST 7554/03 RESTREINT UE

dated: 18 March 2003

new status: Public

Subject: Recommendation for a Council decision authorising the Commission to negotiate an agreement on scientific and technological cooperation between the European Community and the Arab Republic of Egypt

Delegations will find attached the declassified version of the above document.

The text of this document is identical to the previous version.

¹ Document declassified by the European Commission on 24 May 2019.

RESTREINT UE



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 18 March 2003

7554/03

RESTREINT UE

**RECH 40
ET 1**

COVER NOTE

from : the Secretary-General of the European Commission
signed by Mr. Sylvain BISARRE, Director

date of receipt : 12 March 2003

to : Mr. Javier SOLANA, Secretary-General/High Representative

Subject : Recommendation for a Council decision authorising the Commission to negotiate
an agreement on scientific and technological cooperation between the European
Community and the Arab Republic of Egypt.

Delegations will find attached Commission document SEC(2003) 286 final.

Encl.: SEC(2003) 286 final

RESTREINT UE



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 12.03.2003
SEC(2003)286 final

RESTREINT UE

Recommendation for a

COUNCIL DECISION

authorising the Commission to negotiate an agreement on scientific and technological cooperation between the European Community and the Arab Republic of Egypt

(presented by the Commission)

DECLASSIFIED

RESTREINT UE

A. EXPLANATORY MEMORANDUM

1. The Euro-Mediterranean Agreement establishing an association (hereinafter referred to as "the association agreement") between the European Communities and their Member States, of the one part, and the Arab Republic of Egypt (hereinafter referred to as "Egypt"), of the other part, was signed in Luxembourg on 25 June 2001. Article 43 of this agreement identifies scientific and technological cooperation as an area of particular interest and potential, and provides, amongst other things, for the establishment of permanent links between the parties' scientific communities. Similarly, Article 60 mentions that regional cooperation will focus, amongst other things, on scientific and technological research.
2. The Community and Egypt have been cooperating for many years in various fields of science and technology. Several joint research projects involving Egyptian RTD bodies have thus been financed by the Commission under the Community programmes STD I, II and III (1984-1994), the AVICENNE Initiative (1992-1994), the INCO-DC programme (1995-1998), as well as under the international cooperation programme with the Mediterranean countries (INCO-MED) and the developing countries (INCO-DEV, 1998-2002). The main research sectors concerned by this cooperation are: biotechnology applied to agro-industry and health, water and marine sciences, information society and the protection and preservation of cultural heritage.
3. In the context of the implementation of an ambitious international dimension of the European Research Area (see Commission communication COM(2001)346 final of 25/06/2001, "The International Dimension of the European Research Area"), the Commission underlined the need to strengthen relations with the Mediterranean partner countries in the fields of science, technology and innovation in order to promote the socio-economic progress of the whole Euro-Mediterranean area.
4. The Egyptian national system for scientific and technological research is very diversified and may seem complex; it still suffers from a number of negative factors, including the lack of long-term funding for infrastructure, the lack of qualified technical staff and the fact that scientific careers at national level are not very attractive. Nevertheless, the Egyptian scientific community is extremely active and productive as can be seen from the abundance of its scientific publications (which has been constant for more than twenty years) which makes it the second largest producer of scientific knowledge in Africa (after South Africa).

Moreover, the fact that it has brought together the majority of its research and higher education institutions under one ministry shows the government's determination to make this sector more cohesive, give it a higher profile and make it a priority in the development strategies implemented, particularly through the abovementioned association agreement.

5. The Minister for Higher Education and Minister of State for Scientific Research of the Arab Republic of Egypt sent a letter to Commissioner Philippe Busquin on 29 May 2002 in which he expressed the satisfaction of the Egyptian authorities and

RESTREINT UE

scientific community with current scientific cooperation and asked for an agreement on scientific and technological cooperation to be negotiated with the Community in order to supplement and strengthen cooperation undertaken to date by putting the emphasis on regional cooperation.

6. This request had been preceded by an information meeting and exploratory discussions from 10 to 13 March 2002 with the Egyptian authorities responsible for scientific and technological policy and with representatives of the country's scientific community in order to assess Egypt's scientific potential and how to strengthen its participation in research of common interest with the European Community.

These exploratory contacts confirmed that increased scientific and technological cooperation with Egypt would be in the mutual interest of both parties.

7. In conclusion, it would be fully in the interest of the Community to respond positively to Egypt's request and an agreement on scientific and technological cooperation would be the appropriate instrument for supplementing current cooperation and expanding it at international and regional level.

B. RECOMMENDATION

In the light of the above, the Commission recommends:

- that the Council authorise the Commission to negotiate an agreement on scientific and technological cooperation with the Arab Republic of Egypt covering the activities of the European Community's framework programmes for research, technological development and demonstration activities;
- that, since in accordance with Article 300 of the EC Treaty the Commission will conduct these negotiations on behalf of the European Community, the Council appoint a special committee to assist it in this task; and
- that the Council adopt the negotiating directives in the Annex.

RESTREINT UE

ANNEX

NEGOTIATING DIRECTIVES

for an agreement on scientific and technological cooperation between the European Community and the Arab Republic of Egypt

1. Subject

The aim of the negotiations is to conclude an agreement on scientific and technological cooperation, in accordance with Article 170 in conjunction with the first sentence of Article 300(2) and the first indent of Article 300(3) of the Treaty establishing the European Community. The purpose of this agreement is to establish cooperation under the framework programmes of the European Community for research, technological development and demonstration activities, hereinafter referred to as "the framework programme". This cooperation should be to the benefit of both parties.

2. Information for the Council

The Commission shall inform the Council about the outcome of the negotiations and, where appropriate, about any problem that may arise during the negotiations.

3. Guiding principles

Cooperation under this agreement shall ensure reciprocal access for research bodies from the two parties to their activities in similar fields of research and development and appropriate protection of industrial and intellectual property, with the objective of acting to the mutual benefit of both parties.

4. Scope of the cooperation

The cooperation established by this agreement shall cover the activities of the framework programme subject to the conditions and limitations laid down in the Regulation of the European Parliament and of the Council concerning the rules for the participation of undertakings, research centres and universities and for the dissemination of research results for the implementation of the framework programme of the European Community.

5. Forms and methods of cooperation

Cooperation shall take the following forms:

- full participation, under the agreement, of Egyptian research and development bodies in indirect research action under the framework programme of the European Community and reciprocal participation by research bodies from the European

RESTREINT UE

Community in Egyptian research projects in similar sectors. Participation by Egyptian bodies in indirect Community research action shall be subject to the rules for the participation of undertakings, research centres and universities and for the dissemination of research results for the implementation of the framework programme;

- visits and exchanges of scientists, organisation of scientific and technical events;
- studies and evaluations aiming to strengthen and structure cooperation between the two parties;
- promotion of any other activity aimed at facilitating the implementation of this agreement, particularly the exchange of scientific and technical information and coordination activities.

6. Duration

The agreement shall be concluded for an unlimited period. It may be terminated at any time by either party upon six months' written notice.

7. Dissemination and utilisation of information

Participation of Egyptian bodies in indirect Community RTD action and the dissemination and exploitation of results, including intellectual property rights, shall be subject to the rules adopted by the European Parliament and the Council for the Community's research programmes under Article 167 of the Treaty and, where appropriate, to the guiding principles on the allocation of intellectual property rights applicable to scientific and technological cooperation agreements with third countries, as laid down in the Joint Declaration of the Council and the Commission of 26 June 1992.

Mutatis mutandis, bodies from the Community participating in Egyptian research activities under this agreement shall have the same rights and obligations as Egyptian bodies.

8. Financing

As far as the participation of Egyptian research bodies in indirect Community research action in the framework programme is concerned, the provisions adopted by the European Parliament and the Council under Article 167 of the EC Treaty applicable to bodies from third countries shall apply.

9. Management of the agreement

RESTREINT UE

A Joint Scientific and Technological Cooperation Committee shall be set up to promote, monitor and assess the various activities under the agreement. It shall consist of representatives of the Commission on the one part and representatives of the Arab Republic of Egypt on the other. The tasks envisaged by the Joint Committee shall be carried out by the Subcommittee on Innovation and Research once the latter has been set up under the association agreement. The Committee shall normally meet once a year. Extraordinary meetings may be held at the request of either of the parties. Its conclusions will be sent for information to the Association Committee of the Euro-Mediterranean Agreement between the European Union and the country concerned.

DECLASSIFIED

RESTREINT UE

LEGISLATIVE FINANCIAL STATEMENT

Policy area(s): RTD

Activity: International S&T cooperation

TITLE OF ACTION: RECOMMENDATION FOR A COUNCIL DECISION AUTHORISING THE COMMISSION TO NEGOTIATE AN AGREEMENT ON SCIENTIFIC AND TECHNOLOGICAL COOPERATION BETWEEN THE EUROPEAN COMMUNITY AND THE ARAB REPUBLIC OF EGYPT

1. BUDGET HEADING(S) + TITLE(S)

1.1 Relevant budget heading(s)

The costs associated with the activities of monitoring and implementing the agreement will be charged to the specific budget headings of the programmes under the Community RTD framework programme (chapters B6-6013).

2. OVERALL FIGURES

2.1. Method of calculating the total cost of the operation (estimate)

- a. **Preparatory activities and review of cooperation activities:** meetings of the steering committee on S&T cooperation, exchanges of information, coordination activities, visits to Egypt by officials and experts: 40 000 €
- b. **Scientific and technical workshops/meetings:** 60 000 €
- Total: €100 000 /year

3. BUDGET CHARACTERISTICS

Type of expenditure		New	EFTA contribution	Contribution from candidate countries	Heading in financial perspectives
Non-comp	Diff	NO	YES	YES	No. 3

4. LEGAL BASIS

- Articles 170 and 300 of the EC Treaty

RESTREINT UE

4.1 Titles and reference

- Treaty establishing the European Community, in particular Article 170, in conjunction with Article 300.
- Decision No 1513/2002/EC of the European Parliament and of the Council of 27 June 2002 concerning the sixth framework programme of the European Community for research, technological development and demonstration activities, contributing to the creation of the European Research Area and to innovation (2002 to 2006).

5. DESCRIPTION AND GROUNDS

5.1. Need for Community intervention

Community funding is indispensable as this cooperation agreement contributes to the implementation of the framework programme, including the budget heading covering administrative expenditure borne by the Community (missions by experts and EU officials), organisation of workshops, seminars and meetings in the European Community and Egypt.

5.1.1 Objectives pursued

The main objective is to stimulate cooperation between the European Community and Egypt in the areas covered by the RTD framework programmes:

- the agreement is designed to enable the Community and Egypt to profit, on the basis of the principle of mutual benefit, from the scientific and technical progress achieved under their respective research programmes, by means of participation by the Egyptian scientific community and Egyptian industry in Community research projects and independent participation, without funding, by bodies established in the Community in Egyptian projects;
- beneficiaries in the EC and Egypt will be the scientific communities, industry and the general public, thanks to the direct and indirect effects of cooperation.

5.1.2 Duration

The agreement shall be concluded for an unlimited period. It may be terminated at any time by either party upon six months' written notice.

5.2. Actions envisaged and budget intervention arrangements

5.2.1 Type of expenditure

100% financing (missions to Egypt by Commission officials; organisation of workshops, seminars and meetings in Europe and Egypt).

RESTREINT UE

6. FINANCIAL IMPACT

6.1. Total financial impact on Part B (over the entire programming period)

6.1.1 Expenditure on management of the Decision (estimate)

Indicative schedule of appropriations (amounts expressed in millions of euros)

	2003	2004	2005	2006	2007
Commitments	0.10	0.10	0.10	0.10	0.10
Payments	0.10	0.10	0.10	0.10	0.10

7. FOLLOW-UP AND EVALUATION

7.1 Follow-up arrangements

The cooperation agreement will be regularly assessed by the relevant Commission departments.

The assessment will cover the following:

- a. Compilation of available information: based on the data from the specific programmes of the framework programmes.
- b. General assessment of the operation: an evaluation of all the cooperation activities under this agreement will be made by the Commission's departments.

8. ANTI-FRAUD MEASURES

When the implementation of the framework programme calls for the use of external contractors or implies granting financial contributions to third parties, the Commission will carry out, where appropriate, financial audits, in particular if it has reason to doubt the realistic nature of work performed or described in the activity reports.

The Community's financial audits will be carried out either by its own staff or by accounting experts approved according to the law of the audited party. The Community will chose the latter freely, while avoiding any risks of conflicts of interest which might be indicated to it by the party subject to the audit.

In addition, in carrying out the research activities, the Commission will ensure that the financial interests of the European Communities are protected by effective checks and, where irregularities are detected, by proportionate and dissuasive measures and penalties.

In order to achieve this aim, rules on checks, measures and penalties, with references to Regulations No 2988/95, 2185/96, 1073/99 and 1074/99 will be set out in all contracts used in the implementation of the framework programme.

RESTREINT UE

In particular, the following points will have to be provided for in the contracts:

- the introduction of specific contractual clauses to protect the financial interests of the EC in carrying out checks and controls in relation to the work performed;
- the carrying out of administrative checks as part of anti-fraud measures, in accordance with Regulations No 2185/96, No 1073/1999 and No 1074/1999;
- the application of administrative penalties for all intentional or negligent irregularities in the implementation of the contracts, in accordance with the framework Regulation No 2988/95, including a blacklisting mechanism;
- the fact that possible recovery orders in case of irregularities and fraud be enforceable according to Article 164 of the EAEC Treaty.

In addition and as routine measures, an internal audit and control programme in respect of scientific and budgetary aspects will be carried out by the DG Research staff responsible; an internal audit will be carried out by the Internal audit Unit of DG Research; and local inspections will be undertaken by this Unit and the Court of Auditors of the European Union.

DECLASSIFIED