

Brussels, 22nd September 2006

Reinforcing economic cooperation with Mediterranean partner countries

The 6th Conference of Industry Ministers of the EU and Mediterranean partner countries took place in Rhodes and focused on the theme “EU and Mediterranean Enterprises facing the challenges of globalization”. Industry Ministers explored how to take advantage of the European Neighbourhood Policy (ENP) to foster economic integration and tackle globalisation. They agreed on deepening economic cooperation in particular in four areas: economic integration and market access, competitiveness and SMEs, innovation and investment. Furthermore they confirmed their commitment to establish a mutually beneficial Euro-Mediterranean Free Trade Area by 2010. This was the first Ministerial Conference in the Euro-Mediterranean Partnership after the cessation of hostilities in Lebanon and in Israel.

European Commission Vice President Günter Verheugen, responsible for enterprise and industry policy said: “Today’s meeting it is a key event for the future of the Euro-Mediterranean industrial cooperation. We are sharing the same objectives: peace, stability and prosperity. To reach these, we need to work together. The new instrument of the European Neighbourhood Policy will allow us to reinforce our cooperation”.

The European Neighbourhood Policy (ENP) is in place since 2004. From 2007, the policy will be supported by a new EU financial mechanism, the European **Neighbourhood and Partnership Instrument (ENPI)**¹. With a budget which is roughly 32% higher in real terms than the previous financial support provided from 2000-2006 under MEDA, TACIS and other instruments, the EU will increase its support to Mediterranean partners to back the implementation of the jointly agreed bilateral Action plans and regional cooperation initiatives, such as support for investment promotion, regional economic integration and regulatory convergence.

Industry Ministers agreed that the challenge of globalisation requires cooperation on innovation. In this context, European Commission Vice President Günter Verheugen announced that Mediterranean partners will, in the future, be **able to join the EU’s programme on innovation and entrepreneurship (CIP)**, which will become operational in January 2007, to foster cooperation in this area. See [IP/06/716](#)

Industry Ministers confirmed their continuous commitment to the creation of an integrated **Euro-Mediterranean Free Trade Area by 2010** and welcomed the progress that has been made in opening the market for industrial goods.

¹ http://ec.europa.eu/world/enp/index_en.htm

To help Euro-Mediterranean enterprises to compete in a globalised market, Industry Ministers and private sector representatives underlined their determination to work hand in hand to **improve the business environment** using the Euro-Mediterranean Charter for Enterprise for that purpose.

http://ec.europa.eu/enterprise/enterprise_policy/ind_coop_programmes/med/index.htm.

Investment remains a priority, and delegates welcomed the increased commitment of the European Investment Bank vis-à-vis the Mediterranean region.

More information is available on:

http://ec.europa.eu/enterprise/enterprise_policy/ind_coop_programmes/med/index.htm