

**ASSOCIATION
BETWEEN
THE EUROPEAN UNION
AND THE REPUBLIC OF TUNISIA**

The Association Council

**Brussels, 21 September 2018
(OR. fr)**

UE-TU 2604/18

LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject: DECISION OF THE EU-TUNISIA ASSOCIATION COUNCIL adopting the
EU-Tunisia strategic priorities for the period 2018-2020

**DECISION No 1/2018
OF THE EU-TUNISIA ASSOCIATION COUNCIL**

of ...

**adopting the EU-Tunisia strategic priorities
for the period 2018-2020**

THE EU-TUNISIA ASSOCIATION COUNCIL,

Having regard to the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Republic of Tunisia, of the other part¹,

¹ OJ L97, 30.3.1998, p. 2.

Whereas:

- (1) The Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Republic of Tunisia, of the other part (hereinafter referred to as the 'Euro-Mediterranean Agreement') was signed on 17 July 1995 and entered into force on 1 March 1998.
- (2) Article 80 of the Euro-Mediterranean Agreement gives the Association Council the power to take decisions it considers appropriate for the purposes of attaining the objectives of the Agreement.
- (3) In accordance with Article 90 of the Euro-Mediterranean Agreement, the parties are to take any general or specific measures required to fulfil their obligations under the Euro-Mediterranean Agreement and are to see to it that the objectives set out therein are attained.
- (4) The review of the European Neighbourhood Policy in 2016 proposed a new phase of engagement with partners, allowing for a greater sense of ownership by both sides.
- (5) The European Union and the Republic of Tunisia have decided to consolidate their privileged partnership by agreeing on a set of strategic priorities for the period 2018-2020 with the aim of supporting and strengthening resilience and stability in the Republic of Tunisia.
- (6) The parties to the Euro-Mediterranean Agreement should agree on the text of the strategic priorities, which translate the EU-Tunisia privileged partnership into practice for the period 2018-2020. Those priorities should support the implementation of the Euro-Mediterranean Agreement, focusing on cooperation in relation to commonly identified shared interests,

HAS ADOPTED THIS DECISION:

Article 1

The Association Council adopts the EU-Tunisia strategic priorities for the period 2018-2020 as set out in the document: ‘Strengthening the EU-Tunisia privileged partnership: strategic priorities for the period 2018-2020’ set out in the Annex and recommends that the parties implement them.

Article 2

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

Done at ...,

*For the EU-Tunisia Association Council
The President*

ANNEX

Strengthening the EU-Tunisia privileged partnership: the strategic priorities for the period 2018-2020

1. Introduction

Tunisia made a strategic choice in anchoring itself to the European area, and the development of a prosperous and stable Tunisian democracy within the neighbourhood of the EU is of mutual strategic interest.

The EU-Tunisia privileged partnership testifies to the special and dynamic bilateral relations that have been established, and the shared ambition to advance towards increasingly close links between Tunisia and the European area. The long-term objective is to develop an ambitious framework for future relations post-2020, building on the progress achieved and making full use of the opportunities for closer links provided by the European Neighbourhood Policy in the period 2018-2020.

In the context of the privileged partnership, Tunisia is fully committed to implementing the reforms necessary for the sustainable socio-economic development of the country and to ensure long-term progress in the democratic transition. Realising the scale of the challenge and the difficulties Tunisia is going through, the European Union reiterates its commitment to supporting implementation of these reforms as soon as possible.

The strategic priorities developed in this document translate the privileged partnership into practical terms for the period 2018 to 2020. The creation of future prospects for young people will be at the core of the actions of both sides. The focus will be placed on speeding up socio-economic reforms including improvement of the business environment, and the conclusion of a deep and comprehensive free trade agreement (DCFTA). Democratic consolidation, in particular effective implementation of the 2014 Constitution and good governance will also remain essential. Both sides will reinforce cooperation in the field of security and counter-terrorism, and in relation to migration and mobility with the completion of negotiations on visa facilitation and on readmission, and the increasingly active participation of Tunisia in EU programmes. Enhancing high-level political dialogue and dialogue with civil society and also the visibility of the partnership will go hand in hand with these efforts.

These priorities are based on the Tunisian 2016-2020 Five-Year Development Plan¹ and the Joint Communication Strengthening EU support for Tunisia².

¹ This plan advocates a new development model for sustainable and inclusive growth and is structured around five priorities: (i) good governance, public administration reform and the fight against corruption, (ii) transition from a low-cost economy to an economic hub, (iii) human development and social inclusion, (iv) realisation of regional ambitions, and (v) the green economy, which is a pillar of sustainable development.

² This Communication from the High Representative of the European Union for Foreign Affairs and Security Policy and the European Commission to the European Parliament and the Council (JOIN (2016)47 final of 29 September 2016) is based on five priorities: (i) promoting good governance and public administration reform ; (ii) reinforcing the role played by civil society; (iii) investing in the future : creating jobs and fostering sustainable economic development; (iv) reducing disparities throughout society; (v) support in tackling security challenges; (vi) joint efforts for better management of migration and mobility.

2. Strategic priorities of the EU-Tunisia privileged partnership for the period 2018-2020

Partnership for youth

The EU and Tunisia consider enhancing young people's prospects for the future to be a major objective, as shown by the EU-Tunisia partnership for youth launched by the Tunisian President and the High Representative/Vice-President on 1 December 2016. In order to respond better to the needs of young Tunisians, the various ongoing and future actions should be more consistent. On the basis of the dialogue launched for implementing this partnership, the EU and Tunisia have undertaken to consolidate measures to promote youth employment and employability, mobility, and increased participation of young people in public life and politics, in particular in local initiatives. Employability will require the reform of education and vocational training, the creation of closer links between the private sector and educational and training systems, and the promotion of and support for innovative initiatives launched by young people, particularly in the areas of new technologies and culture. Support for the development of a Tunisian national strategy for youth will be a key element of the partnership, as will be strengthening institutions and organisations dedicated to youth.

Complementing this commitment to youth, both sides will work on the following strategic priorities:

2.1 Inclusive and sustainable socio-economic development

Tunisia's political progress can only be sustained if it is accompanied by economic progress on a similar scale. In view of Tunisia's fragile socio-economic situation, with high youth unemployment (especially among the educated) and significant regional and social disparities, one of the key objectives will be to contribute to turning round the Tunisian economy, to making it more competitive and diversified and to transforming it in an inclusive and sustainable fashion, with due regard for international commitments on the environment and climate change. The EU will continue to support and encourage structural reforms.

More particularly, measures in the area of socio-economic development will be organised around the following commitments:

- improving the business climate and supporting the development of the private sector and private investment, in particular through: (i) simplification and streamlining of administrative procedures for businesses, (ii) improving access to finance, and (iii) boosting public and private investment – in particular effective implementation of the 2016 law on investment and the 2017 law recasting tax benefits, taking account of harmful arrangements as regards abolition of tax advantages;
- there will also be an emphasis on actively promoting entrepreneurship and the development of SMEs/VSEs;
- defining and implementing missing sectoral strategies, for instance for tourism;

- improving protection of the environment and the management of natural resources (including water), in particular through implementation of the national green economy strategy and implementation of Tunisia’s international commitments on climate change (determined national contribution), the blue economy and fishery resources;
- improving the competitiveness of traditional and growth sectors in industry and agriculture, in particular through support for innovation and ensuring sustainable resource management, and diversifying export markets;
- developing the energy sector, including electricity interconnections between the EU and Tunisia, and the promotion of renewable energy sources and energy efficiency;
- developing a safe, secure, sustainable and efficient transport system based on harmonised transport standards and an integrated multimodal network in order to facilitate south-south and north-south connections;
- consolidating the public finance management system through the adoption and implementation of a new organic budget law, reform of the state audit system and improving the governance of public enterprises. Implementing the reform of the tax system (simplification of the tax system, tax fairness, decentralisation, modernisation of the administration, fighting tax avoidance and implementation of relevant international commitments) represents a crucial step towards more inclusive development of the country. Support for the on-going banking reforms and the 2017-2021 national financial inclusion strategy concerning access, use and quality of services are also important;

- implementing the decentralisation process, with a view to developing public services and social infrastructure (in particular in the fields of education, culture, health, water and sanitation) to meet the needs of local communities; and accelerating the process of development of the regions in Tunisia’s interior, a commitment shared by both parties to gradually reduce socio-economic disparities.

To foster social progress, both parties undertake to continue to promote:

- employment, in particular through further reforms to ensure fair access to high quality education and vocational training in line with the needs of the labour market; in the framework of an active policy to improve opportunities for entering the labour market;
- an integrated and efficient Tunisian policy on social inclusion and effective social protection, in particular through strengthening the capacities of the relevant public bodies, supporting the reforms undertaken by Tunisia in the field of social cohesion, and implementing Article 67 of the EU-Tunisia Association Agreement on the coordination of social security schemes and guaranteed application of principles of fair treatment in social legislation; and
- inclusive social dialogue to enhance capacity to mitigate socio-economic imbalances, reduce social tensions and promote real social peace – and thus also to improve the attractiveness of the country to foreign investors.

Both sides remain fully committed to the process of negotiations towards a Deep and Comprehensive Free Trade Agreement (DCFTA) and have agreed on a concrete action plan for 2018 to enable progress to be made with a view to accelerating the negotiations with a view to concluding them as soon as possible. The EU and Tunisia will continue to promote the modernisation of the Tunisian economy for the benefit of all, including the most disadvantaged regions and communities, and to boost job creation, particularly for young people. Both sides undertake to increase Tunisia's economic integration in the European market as well as in the Maghreb region.

In order to strengthen the role of innovation and research in economic, social and regional development, the EU and Tunisia will work on integrating Tunisia in the European Research Area, in particular by promoting higher education, strengthening governance, mechanisms for promoting public research and technology transfers between academia and industry.

2.2 Democracy, good governance and human rights

The EU and Tunisia will continue to attach particular importance to the process of democratic reform and the promotion of good governance and the rule of law, to respect for human rights and fundamental freedoms and to the reinforcement of the role and participation of civil society. Both parties will continue to promote the process of political reforms through the effective implementation of the Constitution and of international commitments entered into by Tunisia.

Priority aspects in the areas of good governance and respect for the rule of law will include in particular:

- reinforcement of the institution of parliament and the creation and effective establishment of independent bodies;
- establishment of the Constitutional Court
- consolidation of a democratic, transparent and independent electoral process;
- the fight against corruption and fraud, inter alia through support for the national authority for combating corruption;
- reform of the judicial system, including approximation to international standards including those of the Council of Europe;
- implementation of a strategy to reform and modernise public administration, comprising improvement of services at central and local level, the introduction of evidence-based decision-making, the simplification of administrative procedures and the development of digital administration;
- support for the process of decentralisation, including capacity-building and increasing the budgets of local administrations, in particular in the context of the municipal elections in May 2018; strengthening of civil society organisations, their role and their contribution to the decision-making process, and intensification of the participation of citizens, particularly of young people, in political life and the decision-making process.

Priority commitments relating to respect for and promotion of human rights will include:

- finalisation of the legislative harmonisation process in line with the Constitution and international standards, Tunisia’s cooperation in multilateral fora and the implementation of the commitments made under the universal periodic review mechanism;
- support for efforts to combat all forms of discrimination, to combat torture (including the implementation of commitments made in the framework of the UN Committee Against Torture) and to protect people in vulnerable situations and to promote the rights of women, children and migrants;
- support for Tunisia’s pioneering action to combat violence against women, to guarantee complete equality between men and women and to promote the role of women in all areas, especially in the economic and political spheres;
- the protection of freedom of expression and freedom of association ;
- the right to the protection of personal data; and
- respect for human rights in the area of security.

2.3 Bringing peoples closer together, mobility and migration

Bringing Tunisian and European societies closer together by stepping up exchanges between peoples, societies and cultures is a key pillar of the privileged partnership. This mobility dimension is particularly important in the implementation of the partnership for youth. Effective implementation of Tunisia's association with Horizon 2020 and its participation in Creative Europe and Erasmus+ will be the cornerstones of these efforts.

The coordinated management of migration is a political priority for both Tunisia and the EU. Both sides will seek to improve dialogue and cooperation, in particular with the implementation of the Partnership for Mobility, consolidating the fight against root causes of irregular migration, and European willingness to support the implementation of a Tunisian asylum system. This cooperation, which will also reflect the regional dimension of these issues, will include:

- implementation of the Tunisian national strategy on migration; also covering asylum and international protection, and including implementation of an appropriate legislative framework;
- the completion of negotiations on readmission agreements and on visa facilitation;
- the good governance of legal migration through better coordination with EU Member States, while also respecting their national competences, including implementation of pilot mobility schemes and better integration of migrants in the host countries;

- supporting the mobilisation of Tunisians living abroad to invest in innovative sectors in Tunisia;
- support for the prevention of irregular migration by taking better account of migration issues in development strategies; this also entails enhanced border management and awareness campaigns on the risks of irregular migration;
- support for activities to prevent and combat migrant smuggling and trafficking in human beings, inter alia through the detection and prosecution of criminal networks; and
- strengthening cooperation on returns and readmission, including through support for sustainable reintegration of Tunisian returnees.

2.4 Security and counter-terrorism

The EU and Tunisia face common security challenges that require both sides to take coordinated action, and they must proceed in line with the shared values of democracy and human rights.

Tunisia intends to implement its global and multisectoral strategy for combating terrorism and violent extremism. Priority areas for cooperation will include:

- implementing the national counter-terrorism strategy, in particular by reinforcing and modernising legislation and security and judicial institutions in line with the democratic values enshrined in the Constitution;

- speeding up the implementation of the programme to support the reform and modernisation of the security sector, including the accountability of security forces, and the deepening of this cooperation building on the progress already made;
- combating money laundering and the financing of organised crime and terrorism, including effectively implementing the action plan agreed with the Financial Action Task Force;
- developing a global policy for preventing radicalisation;
- the return of foreign fighters;
- the development of a policy of assistance and protection for victims of terrorism;
- the fight against organised crime, in particular against firearms trafficking and drugs;
- supporting implementation of the national strategy for the security of borders;
- strengthening cooperation with the relevant agencies of the European Union; and
- cooperation in the field of disaster risk management and prevention.

The European Union will also continue to participate fully in the G7 + 6 group that ensures coordination between Tunisia's main partners.

In addition, other areas of the partnership relating to security/defence could be further developed.

3. The way forward for strengthening the privileged partnership between the EU and Tunisia

The importance attached by both sides to their relationship will continue to be reflected in the intensity of political contacts and regular visits, as part of a broader political dialogue on all topics of mutual interest, including regional and global issues. The regional dimension of these discussions should be consolidated. Both sides are aware, in this respect, of the importance of their cooperation in the context of the Union for the Mediterranean. In addition to the existing dialogues, both sides will work together with a view to the organisation of high-level EU-Tunisia meetings and the participation of Tunisian ministers in informal meetings with members of the Council of the European Union on certain subjects. Both sides encourage parliamentary cooperation between the European Parliament and the Assembly of the Representatives of the People (*Assemblée des Représentants du Peuple*).

The bodies of the Association Agreement (Association Council, Association Committee and the technical sub-committees) will continue to be the preferred fora for effective implementation of the Partnership. The EU and Tunisia will seek to enhance the effectiveness and added value of their work and, as far as possible, to group this work according to the major priority themes in line with the strategic priorities.

To make the priorities listed above more tangible, a roadmap is to be proposed by Tunisia and approved by the EU. This public document will set out the most urgent measures (legislative, strategic and operational) necessary for the socio-economic recovery of the country. This roadmap will be a flexible and operational mechanism for monitoring on a twice-yearly basis.

Under the Joint Communication, the EU undertook to significantly strengthen its financial support to Tunisia through the European Neighbourhood Instrument. The EU and Tunisia will seek to make maximum use of existing financial opportunities, including new instruments such as the EU External Investment Plan, making the most of complementarity and leverage effects between EU subsidies and loans provided by financial institutions. Both sides will seek to improve the synergy between political and sectoral dialogues, and the implementation of financial cooperation. They will also work towards strengthening mechanisms for coordination and dialogue with financial partners and international donors under the responsibility of the Tunisian side both as regards setting of priorities and their implementation.

Lastly, both sides undertake to give more visibility to the strategic relationship between the EU and Tunisia, and to promote the benefits of their cooperation among citizens on both sides of the Mediterranean.
