

Annex 5: Action Fiche for Support for FEMIP (2010)
Mediterranean region / private sector development

1. IDENTIFICATION

Title	Support for FEMIP (2010)		
Total cost	€ 32 million		
Aid method / Management mode	Project approach – centralised indirect management		
DAC-code	32130	Sector	SME Development

Preliminary Remark

This decision concerns the 2010 contribution to FEMIP which is needed to cover the pipeline of operations in 2010-11. Apart from this, nothing is new in this financing decision as compared to the 2007, 2008 and 2009 contributions.

This Action Fiche does not repeat general elements of the 2007, 2008 and 2009 decisions (€32 million each: C(2007)5134, C(2008)3637 and C(2009)3540) regarding the EU Budget support for the FEMIP, as they remain valid to date. Only updates on programme implementation are presented hereunder.

2. IDENTIFICATION

Background information

The overall objective of the Facility for Euro-Mediterranean Investment and Partnership (FEMIP) is to promote sustainable economic growth in the region through investments in infrastructure and especially in private sector development.

The "Support for FEMIP" finances both technical assistance and risk capital operations.

The objective of risk capital operations is to provide capital to the private sector of Mediterranean partner countries on terms that are not available locally. Risk capital will be invested directly or indirectly in order to (i) support the private sector, i.e. enable the creation, restructuring or growth of enterprises (ii) strengthen the role of the local financial sector by supporting the creation of new institutions or the establishment of new activities for the benefit of the private sector.

Technical assistance will be mobilised to strengthen FEMIP operations in the Mediterranean region, with a special focus on private sector development.

"Support for FEMIP"'s risk-capital portfolio includes more than 600 operations (co-investments, direct operations, investment funds). The EIB has committed €183 million under MEDA II (2000-2006) and so far €84 million under the ENPI (2007-2009) for risk capital operations.

As regards technical assistance, by end of 2009, 71 technical assistance operations amounting to €32.3 million were completed, 34 TA operations amounting to €63.4 million were ongoing and 7 TA operations amounting to €4.7 million were approved under the FEMIP Support Fund. The overall result of the FEMIP Support Fund is positive, both for project preparation and implementation activities. This has been confirmed by ongoing monitoring exercises from EIB staff and EC monitoring consultants as well as from regular feedback from project promoters.

The Commission allocates a budget of € 32 million to the EIB for the year 2010. This amount will be paid to the EIB in two tranches in 2010-11. The distribution of funds between risk capital and technical assistance will be decided jointly by the EIB and the Commission, based on needs and relevance of proposals.

3. DESCRIPTION

There are no changes regarding objectives, expected results and indicators for the 2010 commitment in reference those stated under "Support for FEMIP" decisions C(2007)5134, C(2008)3637 and C(2009)3540.

4. IMPLEMENTATION ISSUES

There are no changes regarding implementation issues for the 2010 commitment in reference those stated under "Support for FEMIP" decisions C(2007)5134, C(2008)3637 and C(2009)3540.

Annex 6: Action Fiche for ENPI South – Regional Transport Cooperation

1. IDENTIFICATION

Title/Number	EuroMed Aviation II (CRIS - 2009 / 021-941)		
Total cost	4 M € (4,4% of IP)		
Aid method / Method of implementation	Direct centralised management		
DAC-code	21050 (Air transport)	Sector	Air transport

2. RATIONALE

2.1. Sector context

All of the Mediterranean partner governments subscribed to the in 2007 adopted Regional Transport Action Plan (RTAP) which sets out 34 actions on regulatory reforms in the transport sector for the years 2007-2013. The implementation of these actions is overseen by the EuroMed Transport Forum. As regards the actions on aviation specifically, the follow-up is guaranteed by the EuroMed Transport Forum dedicated working group on Aviation. A least meeting of this working group took place in Brussels in November 2009 under the French-Egyptian co-presidency of the Union of the Mediterranean. This meeting marked a big step forward in the Euro Mediterranean Aviation cooperation, as the beneficiary countries of the EuroMed Aviation II project jointly adopted a declaration on working towards the establishment of the so-called EuroMediterranean Common Aviation Area (the EMCAA - as also defined in action of the 14 RTAP). To achieve this, the first EuroMed Aviation regional project developed a Road Map for the establishment of such a common aviation area which was also generally adopted during this last Aviation Working Group.

The Road Map sets out a scenario for achieving the EMCAA which includes the following two main milestones:

- The achievement by 2015 of:
 - bilateral Euro Mediterranean Aviation Agreements between the EU and the beneficiary Mediterranean Partners ensuring the opening-up of the air transport market access and the convergence of the regulatory systems in all domains of civil aviation as per the Road Map;
 - when appropriate, the opening-up of air transport market access between the beneficiary Mediterranean Partners on a bilateral basis;
- The conclusion of a multilateral aviation agreement between the EU and the beneficiary Mediterranean Partners based on the above bilateral agreements and ensuring their global consistency. This multilateral agreement will supersede the

previous bilateral agreements and come into force country by country through individual protocols, in accordance with international law.

Besides the above mentioned scenario, the Road Map also identifies 60 high level objectives (with some individual restrictions depending on the country) and comprises Action Plans for each of the beneficiary Mediterranean partners to obtain these 60 objectives. The proposed project should assist the partner countries in implementing these Action Plans as to guarantee that the scenario set out in Road Map for the establishment of the EMCAA can be achieved.

The multilateral approach which is proposed in the EMCAA justifies a regional project which should further enhance the cooperation between the Mediterranean partner countries in addition to existing or foreseen bilateral assistance programmes. The existing limited cooperation between the partner countries themselves appears to be a serious obstacle to a swift establishment of the free trade area in the field of aviation, despite the commitments taken at the highest political levels. Moreover, without a clear regional approach it appears clearly that the existing need to protect national carriers would push the partner countries to only privilege a bilateral approach with the EU to air transport market opening. Therefore, in the long run these existing bilateral actions (the existing agreement between the EU and Morocco and the Council mandates to the Commission to negotiate similar agreements with Algeria, Tunisia, Israel, Jordan and Lebanon) should be complemented with the ambition of further opening of the markets between all of these partners. From this perspective, and in line with the overall objective of establishing a EuroMediterranean free trade area, a regional project seems to be crucial.

The establishment of such regional market opening and free trade in aviation services can be facilitated by also further aligning the overall regulatory framework in which the aviation sector operates. Therefore the 60 high level objectives of the Road Map address besides liberalization aspects of the sector, also aviation safety and security, cooperation in the field of ATM (air traffic management) and environmental considerations related to aviation. The proposed project shall deliver technical assistance to assure for all these domains, and in line with the needs for each country as identified in the Action Plans, an enhanced implementation of the objectives.

2.2. Lessons learnt

Already in 2005 during the first EuroMed Transport Ministerial Conference the political will to establish the EMCAA was recorded. During this Ministerial meeting the Ministers also asked for the drafting of the RTAP, which now also includes a dedicated action on the development of the EMCAA and for which the first EuroMed Aviation project has laid the foundation. The proposed project is therefore a logical continuation of the work of EuroMed Aviation I and should assure the implementation of the Road Map. More specifically, the first project has clearly identified the level of the current status of the different partner countries as regards implementation of international and EU aviation legislation. The cooperation under EuroMed Aviation I has also shown the ability of some countries to comply easier with the international and EU aviation acquis than others. These regional disparities have been well identified and shall be recognized in EuroMed Aviation II.

A regional programme is deemed necessary to further assure issues such as regional interoperability and an exchange of best practices at regional level which can be lacking under the bilateral assistance of the EU. While in some partner countries bilateral assistance in the field of aviation land may exist, for others the proposed project may provide some sort of minimum assistance ensuring the approximation to the EU aviation acquis.

The external monitoring of the EuroMed Aviation I project also resulted in a number of useful lessons to be learnt which are consequently integrated in this fiche.

2.3. Complementary actions

The project is contributing to the achievement of the broader objectives of the in 2007 adopted Regional Transport Action Plan (RTAP) for the Mediterranean for 2007-2013. As such the project contributes to the overall establishment of an overall well-functioning transport system in the Mediterranean. As already stated above the project guarantees the continuation of the regional cooperation established under EuroMed Aviation I.

The project is furthermore consistent with the overall external air transport policy of the EC,⁵ and notably the ongoing initiative aiming at the establishment of the Common Aviation Area.⁶ Through promotion of regional cooperation between the countries of the region, pooling of their resources and economies of scale, the project is also consistent with the objectives of the EC in the area of technical assistance for the aviation sector and promotion of the development of regional aviation organisations.⁷

It has to be mentioned, that generally there are only very limited technical assistance projects in the region in the civil aviation sector by other donors than the EC and they concern mainly investments in airports, fleet and air traffic control equipment. In some partner countries bilateral technical assistance is carried out (Morocco, Jordan) or foreseen. Obviously the bilateral and regional EC actions need to be complementary. In addition, there are some sub-regional initiatives in which some EU Member States are involved such as AEFMP and BlueMED projects.

The project should be based on a sound business case guaranteeing its self-sustainability in the longer term without a further need for technical assistance from the donors. The project should take into account the fact that the countries in the region are at different stages of regulatory harmonisation with the EC in the area of air transport, and that their air transport industries pursue the modernisation efforts at different paces. In this sense the project is compatible with the objectives of the Paris Declaration on aid effectiveness.

Where possible this project will develop potential synergies with other donors (e.g. EIB, ICAO regional branche in Cairo, ACAC, Arab Air Carriers Organisation

⁵ Communication from the Commission "A Community aviation policy towards its neighbours", COM(2004) 74 final;

⁶ Communication from the Commission - Common aviation area with the Neighbouring Countries by 2010: progress report, COM/2008/0596 final;

⁷ Conclusions of the EC-ICAO Symposium on Regional Organizations 10 - 11 April 2008, Montreal

(AACO)), strong coordination with other donors' transport programmes and initiatives in the region will be essential. In addition also European industry organisations such as European airports and airlines shall be involved in the course of the projects. Finally, also the European Agency on Aviation Safety based in Cologne (EASA) should be integrated in the different activities of the project.

2.4. Donor coordination

The project should be based on a sound business case guaranteeing its self-sustainability in the longer term without a further need for technical assistance from the donors. The project should take into account the fact that the countries in the region are at different stages of regulatory harmonisation with the EU in the area of aviation, and that their airlines pursue the modernisation efforts at different paces. In this sense the project is compatible with the objectives of the Paris Declaration on aid effectiveness.

Where possible this project will develop potential synergies with other donors (e.g. EIB, World Bank, KfW, AfW, African & Islamic Development banks). Specific cooperation should go out to other regional initiatives which are aiming at the same goals. Therefore a close cooperation with UMA (Union Magrhebienne Arabe), GTMO 5+5 and ECSWA is specifically required.

3. DESCRIPTION

3.1. Objectives

General objective

The overall objective of the regional transport cooperation in the Mediterranean is focused on improving transport efficiency and effectiveness which would lead to economic and financial benefits for everybody. At the same time transport should become more sustainable. This does not only mean that the environmental impact needs to be reduced, it also means that transport operations in all sectors need to be safer and more secure which would concretely lead to less and less severe transport accidents and casualties as well as reduced threats of unlawful acts involving transport modes.

While the in 2007 adopted Regional Transport Action Plan (RTAP) focuses on all transport modes, this project targets only those actions related to aviation. The coordination with the overall implementation of the RTAP is assured by the EuroMed Transport Forum and more specifically by its sub-group on Aviation which will overview the implementation of this project.

More specifically the project has as objective the implementation of the commonly adopted Road Map towards the Euro-Mediterranean Common Aviation Area and its two main milestones. This will be done by supporting the beneficiary countries with the implementation of their national plans which set out the priorities (as specified in the 60 high-level objectives) for the individual countries within the different aviation sub-sectors.

Objective 1: Market Access (RTAP action 14)

The need to start establishing the EMCAA by means of a set of "global" bilateral agreements between all EuroMed partners, requires that such agreements include provisions on convergence of rules and standards applicable to the economic regulation of civil aviation so that national laws include the necessary provisions to provide for fair competition among all air carriers involved in the air transport within the Mediterranean area. This would imply that the partner countries introduce in their national order the rules that give certainty that all air carriers will be subject to an equal treatment. This will ensure that undertakings participating in the market know exactly their rights and obligations and that failure to comply leads to enforcement actions.

With a view on the ultimate objective of the establishment of the EMCAA as an aviation free trade area, it is necessary to continue to progressively strengthen the regulatory systems to support mutual confidence. Specific actions in the field of market access should support the capability of the economic regulator, as further establishment of the legal framework for the licensing of air carriers, for the handling of competition issues, for passenger protection, for the business environment and access to public infrastructures.

Objective 2: Safety (RTAP actions 15 and 16)

At the end of the EuroMed Aviation I project it could be concluded that there are no significant safety gaps in the regulatory system of the partner countries that would stand in the way to concluding the bilateral air services agreements which constitute the first step of establishment of the EMCAA. Nevertheless, further alignment of the national aviation rules with the EU acquis should be continued and intensified where necessary and requested.

As regards the regional aspect and the foreseen establishment of the EMCAA a mutual recognition of certificates issued by the competent authorities is necessary. This should apply to the recognition of air operator certificates, the avoid the burdensome and costly oversight of foreign operators now required by ICAO Annex VI. This would also allow for the free movement of aeronautical products and services – including product's maintenance and professional training - relieving therefore national authorities from the obligation to duplicate controls already done in a satisfactory way by their partners.

This would also require more efforts to further harmonize applicable rules and regulatory processes. More working together is also needed to develop a better understanding of each other systems and to build the necessary confidence.

Objective 3: Security (RTAP action 16)

The results of EuroMed Aviation I indicated that there is a great diversity of national situations regarding aviation security among the partner countries. This diversity applies to the following areas:

- the sharing of responsibilities for aviation security;
- the existence of a separation between the appropriate authority and the airport operator; whereas in some countries the airport operator is a private entity in others, the majority of them, the airport is operated by the state/authority;

- the status and contents of regulations and national programmes; the contents of these documents greatly vary and are not equivalent to EC regulations for the vast majority of them. EC Regulations set higher requirements than ICAO Annex 17 SARPS in a significant number of cases;
- the scope of compliance monitoring activities: their depth and frequency vary; the number and qualifications of national auditors vary, and the appropriate authorities do not always have sufficient enforcement powers to ensure proper rectification.

It should also be noted that there are differences existing between the partner countries in terms of their willingness to reach regulatory convergence with EC regulations and the degree to which intra-regional cooperation among the partner countries themselves is considered desirable.

The establishment of the EMCAA would not necessarily require full harmonisation of aviation security regulations and procedures within the EMCAA region, and the region and the EU. However, the EMCAA should aim at reaching equivalent security measures, and therefore, at signing one stop security arrangements. In the short term such a one stop security concept to the entire EMCAA cannot be envisaged. Consequently, a step-by-step and tailor made approach is desirable. This may take the form of bilateral agreements between the EU and the individual partner countries. This approach would enable those partner countries, which are interested, to implement one stop arrangements with the EU.

Objective 4: Environmental protection (RTAP actions 22 and 23)

Environment is becoming a critical constraint on air transport system-wide capacity. Although it is usually associated with airport and their vicinity (noise), environmental aspects are influencing all phases of flights, in particular its potential effect on climate change by reducing aviation emissions. According the EuroMed Aviation I project, there is a promising but inhomogeneous application or internalisation of the EU directives. The level of awareness and preparedness is, in a whole, as a patchwork. However, all the feedback point that emission trading schemes for aviation should be applied under an ICAO global consensus (multilateral) rather than an unilateral one.

It is nevertheless very important to stimulate among the actors involved with air transport, at all levels, awareness to the environmental issues associated with aviation activities. To achieve this ambitious objective some more efforts are needed to further harmonise applicable rules and regulatory processes.

Objective 5: Air Traffic Management (RTAP action 16)

The conclusion of the global bilateral air service agreements (BASAs) suggested as the first step in the implementation of the EMCAA should follow the same principles of market opening combined with regulatory convergence in line with the air transport agreement signed between Morocco and the EU. That bilateral agreement should commit the different partner countries to the highest degree of cooperation in the field of air traffic management with a view on extending the Single European Sky to the wider Mediterranean region in order to enhance current safety standards

and overall efficiency for general air traffic standards in Europe, to optimise capacities and to minimize delays.

This very ambitious approach will pave the way towards the ultimate objective, which is to set a free trade and the proposed approach in the ATM domain will bring early benefits to the region in terms of harmonisation of rules and procedures, improvements in safety, flight efficiency, capacity, environmental sustainability and cost-effectiveness.

Objective 6: Regional coordination (RTAP action 16)

To align the objectives of the EuroMed Aviation II project with the overall implementation of the Regional Transport Action Plan (RTAP) the project will also close cooperate with the overall EuroMed Transport project and shall guarantee an effective link with the website of this project. The project will as such also guarantee the organisation of the EuroMed Transport Forum working group on aviation. The regional coordination will also support the set-up of the Joint Aviation Authorities (JAA) for the Euro Mediterranean region.

3.2. Expected results and main activities

For all of the activities described below a distinction will be made between national training adapted to the needs of the country and in line with the national plan for the implementation of the Road Map and (sub)regional trainings and seminar. As such the project will largely have the same approach as EuroMed Aviation I which worked very well.

Activity 1: Market access (RTAP action 14 for approximately EUR 0.8 M)

Activity 1a: Reinforcement or establishment of an independent regulator

The activities related to market access would have to address the establishment or reinforcement of an independent regulator which would have the authority of over viewing the implementation of the actions related to market access. Assistance in this matter can also be provided by experts from the region or from partner countries which experienced already the setting up of such a regulator. The role of the regulator should be specifically linked to competition issues for the aviation sector.

Activity 1b: Licensing

Additional activities need to be undertaken in the field of licensing setting out the financial conditions under which air carriers shall operate. Several partners have not yet appropriate regulations in place, whereas some others have requirements which are below the EU regulations. The objective of this activity would be ensuring that the situation in each partner country compares with that in the EU so that air carriers operating in the EMCAA are subject to equivalent financing requirements.

Activity 1c: Passenger protection

Although passenger protection is very limited applied in the partner countries, there seems to be an interest to further develop this. A minimum requirement in this field is the ratification of the Montreal convention (amending the Warsaw system) which

is currently only the case for 5 countries. EU experiences in this matter can be used as a good starting point.

Activity 1d: Airport operations and ground handling

For a number of issues cooperation between EU airports as well as between airports of the different partner countries themselves can be considered as useful. One of the items for exchange of experience can be the issue of ground handling. Other domains such as airport charging should preferably be introduced into national legislation by using EU rules as a basis. Cooperation with the Airport Council International (ACI) for this specific subject can be considered as useful.

On the whole of activity 1, it should be thoroughly considered how the knowledge of some partner countries which are already in an advanced status of market access reforms, can be used in the overall implementation of the project.

Activity 2: Safety (RTAP actions 15 and 16 for approximately EUR 0.8 M)

Activity 2a: Institutional strength

It was concluded under EuroMed Aviation I that there is a considerable problem related to oversight. It is recognized that while the set of safety rules is usually complete, the procedures to enforce them (certification and continued oversight) need to be improved. Better management of such oversight tasks is therefore a priority and could be diminished by implementing a strong internal management system. The problem is that also a number of different systems of oversight currently existing. The project should therefore assist the partner countries with the further implementation of a common system with the special assistance of EU Member States, the advanced partner countries and the EASA. The activity should further focus on the further development of the JAA for the Mediterranean region.

Activity 2b: Compliance with ICAO SARPs

For the establishment of the EMCAA a full harmonisation of safety rules and procedures does not seem to be necessary if its objective is only creating a harmonized regulatory system supporting further liberalization in the region. Full compliance with the ICAO SARPs plus some additional requirements can already be considered as essential for achieving the level of safety generally wanted by the EMCAA partners. This objective would require some more assistance related to the establishment of state safety plans, the introduction of safety management systems at industry level and the establishment of a well functioning system for safety regulation of aerodromes. Further assistance may be essential in the field of conducting accident and incident investigation. This can be done with the cooperation of European accident investigation bodies.

Activity 2c: Convergence with the community rules

In relation to safety this activity would mainly address mutual recognition of related certificates. This also requires further regulatory convergence, as well as the establishment of an assessment system to verify that the conditions are met, and continue to be met, for mutual recognition related to aerial services and aeronautical products.

Activity 3: Security (RTAP action 16 for approximately EUR 0.5 M)

To reach the one stop security the Road Map describes a number of intermediary actions and milestones which need to be achieved before. The project should therefore assist the partner countries with attaining these steps.

Activity 3a: Harmonization of the regulations and national programmes

In order to have one stop security arrangements, security measures need to be considered as equivalent. To reach such a satisfactory level of equivalence, national aviation security regulations of the partner countries should be harmonized with EC regulations. This harmonisation should be included in the National Civil Aviation Security Programme, the National Civil Aviation Security Quality Control Programme and Training Programme.

At the same time the appropriate authority for security shall conduct regular compliance monitoring activities (inspections, audits, surveys and tests). It should at the same time be entrusted with enforcement powers to ensure swift rectification of deficiencies with national regulations. Such compliance monitoring activities should also be separated from the entity that implements the security measures to ensure the independence of its activities. Additional training for the authorities carrying out such monitoring activities should be foreseen.

Activity 3b: Passengers and baggage screening

Further assistance to implement measures equivalent to EC requirements in this matter should be implemented as they are more detailed as the applicable ICAO Annex 17 SARP.

Activity 3c: Enhanced regional cooperation

With a view on the regional character of the project specific attention should be given to enhance cooperation with the countries concerned on quality control (audits, inspections) through a system of joint inspections and sharing of inspection/audit results. This is essential to build trust a regional level. In this matter, specific regional exchanges should be organised.

Activity 4: Environmental protection (RTAP actions 22 and 23 for approximately EUR 0.5 M)

Activity 4a: Limitation of aircraft noise

One of the fields which require further attention in relation to environmental protection relate to the compliance with ICAO standards of noise for aeroplanes operating from airports in their territory.

Activity 4b: Management of environmental noise

Further attention should be given to introducing further noise related restrictions at airports. Implementation of noise management tools, noise mapping and strategic environmental impact reports for this matter should be supported;

Activity 4c: Emission Trading System (ETS)

No activities focused on further assistance for implementation of measures in this matter are foreseen. Nevertheless, some regional workshops about the methods of introduction ETS for aviation should be integrated in the project activities.

Activity 5: Air Traffic Management (RTAP actions 16 for approximately € 0.8 M)

Activity 5a: Institutional actions

The Road Map focuses on further facilitating the convergence with the Single European Sky legislation and covers as such six domains on which the partner countries generally feel like cooperating with the EU.

At institutional level this requires enhanced focussing on the establishment of separate organisations. Therefore the partner countries have to be supported with the necessary measures to adjust their air traffic management institutional structures to the SES framework, in particular by establishing pertinent national supervisory bodies which are functionally independent of air navigation service providers.

Also for this activity, the experience of more advanced partner countries should be used in the different training activities.

Activity 5b: Service provision & certification aspects

One of the key pillars of the SES is the establishment of common requirements for the safe and efficient provision of air navigation services. This principle is generally accepted by the partner countries and therefore there is a general consensus on the further establishment of SES based certification scheme. There is some regional disparity in this matter therefore assistance activities in this matter may differ. Additional assistance should also be provided to the introduction of Quality Management Systems.

Activity 5c: Organisation and use of the airspace

To assure a further optimisation of the airspace sectorisation and the ATS Route network so as to provide a more balanced capacity, fuel cost reduction through availability of more optimised trajectories and emissions reduction through shorter flight time the countries should implement the minimum requirements associated with basic Flexible Use of Airspace (FUA) concept. Also the different ongoing regional initiatives (AEFMP, BlueMed) in this matter will be further supported through the project as to continue the establishment of functional airspace blocks (FABs). The project will specifically finance the participation of the partner countries to further meetings of these regional initiatives.

5d: Safety

A number of safety aspects on ATM systems specifically laid down in EC regulations are of high importance in the Mediterranean region. The harmonization with these safety aspects should be further supported in the Mediterranean partner countries.

5e: Training

More attention should be paid to training materials and harmonised advisory material for competence assessment and training of the ATM staff. Standard material to enhance this can be developed by the project.

5f: Interoperability

Especially from a regional perspective the interoperability of systems is essential. It is therefore that the project will largely address this. Cooperation with SESAR and the European Commission in this matter is essential.

5g: Pan-European Functions

Cooperation with Eurocontrol for these activities will be pursued by integration of the systems of the partner countries into different Pan-European functions through supporting countries with further conclusion of the appropriate bilateral agreements with Eurocontrol.

Activity 6: Regional coordination (RTAP action 16 for approximately EUR 0.6 M)

Activity 6a: EuroMed Aviation working group and communication

The project will closely coordinate with the EuroMed main transport project as regards the implementation of the aviation actions of the RTAP for which the project is responsible under the supervision of the main contract. The project will also closely liaise as for the dissemination of information on the website of the main project. Additionally the project will be charged with the organisation of the EuroMed Aviation working group of the Transport Forum which is supposed to take place at least once a year. The website should also be used for organisational purposes such as announcing trainings and registration. The project should also assure close coordination with the EU Delegations in the partner countries and keep them informed about activities in the individual partner countries.

Activity 6b: Support for the JAA

As important element of the regional cooperation the project should also support the further establishment of the Joint Aviation Authorities for the EuroMediterranean region as one of the crucial elements of the Road Map towards the EMCAA. This will be done in close coordination with the responsible services of the Commission and specifically DG TREN. Moreover, the assistance should respect the structures which are already in place.

3.3. Risks and assumptions

Continued strong political commitment to regional cooperation and support from the partner institutions is a necessary condition for the project's effective implementation. Partner governments and authorities should be ready to take the measures required in terms of legal, technical and institutional reforms and adequate resource allocation. Long-term regional stability in the region is a prerequisite for the project's sustainability. In particular, inter-state tensions in the Middle Eastern

region, but also in the Maghreb, may create difficulties in terms of regional coordination of transport flows, cross-border cooperation and trade facilitation. It should be noted that especially for the Palestinian Occupied Territories assistance is very limited as currently there is no operating airport and the country is not recognized by ICAO.

Participating countries must to a certain extent recognise international conventions and/or Community law and/or relevant international standards in the field of aviation and should be ready to actively work towards the implementation of first of all international standards, and, if relevant, Community standards. Moreover, the implementation of the Road Map towards the establishment of the EuroMediterranean Common Aviation Area as developed during the EuroMed Aviation I project requires continued support.

These risks are minimised by the use of already functioning mechanisms for cooperation between the transport key stakeholders of the neighbouring states and with the EU.

3.4. Crosscutting Issues

In terms of good governance, the project will promote institutional restructuring, including in particular the separation of the governmental regulatory functions from the operational and commercial activities, strengthening the independence of the aviation authorities and of their administrative capacity. Safety and security issues are equally addressed as part of the development of a sustainable transport system. The promotion of the application of EU rules and standards will also have a positive side effect on the environment, mainly concerning noise and emissions. Gender policy principles will be applied in the selection procedures for the staff to be trained.

3.5. Stakeholders

As under the previous EuroMed Aviation programme the main stakeholders in the project are Civil Aviation Authorities, air carriers, Airport Authorities, Airlines and ATM service providers / controllers and the aeronautical industry. Passengers and freight operating companies are final beneficiaries. The interest of all of these stakeholders is to enhance their knowledge and capacity to implement and operate under international and EU aviation standards with a view on future integration into the EU Common Aviation Area. It is still regarded as difficult in some countries to recruit and retain adequately trained and experienced personnel. This leads to understaffing of the authorities (especially in the departments responsible for oversight and inspection) and outsourcing of certain inspection tasks to the industry, which is a common practice in many countries, but never an optimal solution given the possibility of conflict of interests.

Furthermore regional organisations active in the EuroMed region such as UMA, GTMO 5+5, ESCWA will be integrated in the implementation of the project as will the specific aviation related organisations e.g. ICAO Cairo, ACAC, AACO etc. Cooperation with EASA and Eurocontrol will be part of the project. For the overall implementation of the training activities local experts should be engaged. Also existing training facilities in the partner countries (e.g. Morocco) should be used where possible.

4. IMPLEMENTATION ISSUES

4.1. Method of implementation

Direct centralised management

4.2. Procurement and grant award procedures [*/programme estimates*]

All contracts implementing the action must be awarded and implemented in accordance with the procedures and standard documents laid down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question.

Participation in the award of contracts for the present action shall be open to all natural and legal persons covered by the Financing Regulation ENPI Regulation N°1638/2006.

The project will be awarded as a service contract through a call for tender.

4.3. Budget and calendar

The total budget for the proposed project is 4 million EUR for a duration of 3 years from the signature of the contracts.

The indicative budget breakdown could be as follows:

- 0,8 M € each for the market access, safety and ATM domains = 2,4 M €
- 0,5 M € each for environmental protection and security = 1 M €
- The remaining budget of 0,6 M € will be used for regional coordination activities as well as communication.

4.4. Performance monitoring

There are limited relevant "standard indicators" in the domain as the project is mainly focusing on regulatory reforms. Yet, performance can be monitored for instance in terms of increased passengers, less fatal accidents, and on a more general level the amount of new legislative proposals that are proposed.

The EC and the project coordinator will pay a particular attention at the recommendations expressed by the external experts. Of course, the bilateral country progress reports within the scope of the overall European Neighbourhood Policy play an important role as well.

4.5. Evaluation and audit

A mid-term progress/monitoring report of the complete RTAP 2007-2013 is foreseen for 2010. Within this framework also the actions relevant for Aviation will be reviewed. The proposed project is supposed to deliver input to this overall progress/monitoring exercise of the RTAP.

For the contracts expenditure incurred will have to be certified, as part of the obligations of the contracted parties in the framework of the implementation of this project. Mid term and final evaluations of the results achieved will be entrusted to independent consultants, as well as external audits (which will be carried out if necessary).

Evaluations and audits will be funded from other sources than the project budget, since no commitment will be possible once the validity of this Decision has expired ("N+1" rule will apply).

4.6. Communication and visibility

A share of the budget of the project should be dedicated to the communication, visibility and information activities in order to ensure that the results of the projects activities are further disseminated. The project should develop an adequate communication plan containing information and communication activities (towards local and/or international media, stakeholders, final beneficiaries) and ensuring visibility of the project in all material produced (website, newsletter, booklet, training material, etc.), in line with the Communication and Visibility Manual for EU external Actions. Implementation of the communication plan in the partner countries will be also carried out in collaboration with the EU Delegation, when appropriate. For the communication through the HQ channels, constant communication should be kept with EuropeAid A3 Unit and with the ENPI Info centre web portal (www.enpi-info.eu). The project will furthermore assure close cooperation with the EuroMed transport main project and coordination as regards the uploading of information on the general EuroMed transport.org website.

APPENDIX TO THE ACTION FICHE

SUPPORT TO FEMIP (2010)

**REGARDING THE VERIFICATION OF THE CONDITIONS FOR INDIRECT
CENTRALISED MANAGEMENT PROVIDED FOR IN ART. 56 OF THE EC
REGULATION 1605/2002 (FINANCIAL REGULATION)**

The Financial Regulation (FR) (Council Regulation No. 1605/2002) and its implementation rules (Commission Regulation No. 2342/2002) are applicable to the Budget line 19.080101: Financial cooperation with Mediterranean countries.

Based on note Budg/D1/BN D(2008)55239 dated 05/06/2008 and given:

- that the EIB is a body of the European Communities, and
- that it is mentioned in the legal basis (ENPI Regulation) as well as in article 54.2.b of the FR,

the EIB may be exempted from the ex-ante assessment foreseen in article 56.1 of the FR.

In addition, the EIB currently undergoes an assessment lead by DG ECFIN according to the requirements of article 56.1 of the FR.

On this basis, the Director AIDCO/A proposes that the applicable implementation method for the action "Support to FEMIP (2010)" be indirect centralised management and submits it to the Commission for decision.

Marcus CORNARO,
Director AIDCO/A

Date:


25/2/2010