



**COUNCIL OF
THE EUROPEAN UNION**



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**Declaration by the Presidency on behalf of the EU on the
launching of the International Compact with Iraq**

The European Union warmly welcomes the launching of the International Compact with Iraq in Sharm El Sheikh on 3 May 2007. It reaffirms its strong support for the democratically-elected Government of Iraq and the Iraqi people in the challenging circumstances facing the country, and for their efforts to bring peace, security, stability and prosperity to an independent, unified, democratic, federal and sovereign Iraq founded on the principles of freedom and equality. It encourages the Iraqi Government to continue its efforts to promote national reconciliation, rule of law and restoration of public order, and reiterates its support for these efforts. It notes the responsibility of the international community, and in particular the States in the region, to support and promote these efforts.

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It commends the Iraqi Government for the ambitious commitments it has made in this Compact for promoting reforms in political, security, economic and social fields and underlines its appreciation for the assistance by the UN to Iraq in the Compact process. The implementation of these commitments will be central in developing cooperation between Iraq and all its international partners. Progress towards these targets will help to further enhance the EU's engagement with Iraq. The EU reaffirms its strong support for a central role of the UN in Iraq.

The EU is ready to continue to develop a close co-operation and partnership with Iraq in accordance with the priorities indicated in the International Compact and Iraq's National Development Strategy. Our main objective is to help Iraq implement the ambitious programme set out in the Compact and ensure that all Iraqis can benefit from Iraq's resources. The EU underlines the importance it attaches to Iraqi leadership, ownership and inclusiveness of the Compact process, and to the broad involvement of the international community, including the active participation of Iraq's neighbours and partners in the region.

The EU warmly welcomes the opening of negotiations on a Trade and Cooperation Agreement between the EU and Iraq and looks forward to timely continuation of these negotiations and the establishment of a close contractual relationship.

With reference to the Compact priorities the EU intends to:

Endorse a model of democratic government that overcomes divisions by supporting initiatives to advance national reconciliation, the constitutional review, the holding of local elections and by providing capacity building support to the Council of Representatives. Specific attention will be paid to the promotion and protection of human rights.

Contribute to strengthening the rule of law and to promoting human rights inter alia through capacity building initiatives such as the Integrated Rule of Law Mission EUJUST LEX.

Establish contractual relations for the first time through the negotiation of a Trade and Cooperation Agreement.

Advance political dialogue with Iraq at all levels, in continuation of the September 2005 political dialogue Declaration between the EU and Iraq.

Deliver assistance on the basis of mutual commitments.

Continue support to the Iraqi people through assisting Iraqi authorities in improving the delivery of basic services, in alleviating their daily difficulties and in enhancing human development.

Help strengthen administrative capacities through promoting the development of an effective and transparent administrative framework at central and local levels.

Support economic integration of Iraq through the negotiation and conclusion of a Trade and Cooperation Agreement, the implementation of GSP preferences, support for Iraqi WTO accession and targeted technical assistance in areas related to economic recovery.

Support the establishment of a comprehensive approach towards the dire situation of refugees in Iraq and in the neighbouring regions, building on the outcome of the International Conference in Geneva on 17/18 April 2007.

The overall financial assistance by the European Community and EU Member States since 2003 has amounted to 14.2 billion euros (including grants, debt relief and loans). European financial assistance in 2007 is anticipated to reach 1.8 billion euros (including grants, debt relief and loans).

The EU looks forward to close cooperation with the Iraqi Government and its international partners in advancing the Government's programme based on the commitments made.