



MEMORANDUM OF UNDERSTANDING

Between

**The Arab League the European Community and
the Spanish Government**

Concerning

Continuing Support for the Development

Of

Euro- Arab Management School (EAMS)

1. During last year, EAMS has been under review with a view to determining its future structure and focus as reported in the "Rehabilitation Study November 1999-January 2000"

(commissioned by the EC and the Spanish Government) and the "Report on the Rehabilitation Strategy of October 2000 (commissioned by the EC). Further to this a meeting was held in Brussels on 17 November 2000 between the three sponsors of EAMS: the Arab League, the European Community and the Government of Spain. In April 2001 an expert designated by the Arab League made a further study of EAMS situation and plans.

As a result of this evaluation, process, it is the understanding of the sponsors that they will continue support of EAMS in a framework set out below.

2. Core Activities of EAMS

The management training offered by EAMS shall focus on the following four programmes:



- * Masters in Business Administration (MBA) or Masters in International Business Administration (MIBA), both with a Euro-Arab management orientation, in association with reputable institutions offering MBAs in Europe and the Arab States.
- * The management of EAMS would start immediately contacting such institution for joint degrees or for the EAMS MBA sponsored by one of those schools.
- * Masters in Management Development Programme (MMDP) - twelve months training of trainers programme.
- * International Management Diploma (IMD) — six months training programme of managers with a focus on Euro-Arab business "within an international context, delivered mainly on-line with tutorial support from local partners.
- * Executive Training Programme - six months training scheme split into 2 months induction in Granada (or in another location) and 4 months in-company placement training,

In order to meet Internationally accepted educational standards, and Arab business needs, the curricula of those core activities will be further developed and modified by mutual agreement between experts of both the Arab League and EAMS, with possible participation of the European Commission and the Spanish Government. These efforts should start immediately.

Efforts will be exerted to open EAMS representative offices in central locations in various Arab countries to conduct some of the EAMS programmes for convenience and cost savings. These representatives will be selected in co-operation with the Arab League.



3. Governance Structure of EAMS

The policy and decision making body of EAMS will be its Board of Directors which would meet at least twice a year and be composed of the following members:

- Three delegates representing each of the sponsors: the European Community, the Arab League and the Spanish Government
- Two representatives of Arab, corporate and business education networks, to be designated by the Arab League.

Two representatives of EU corporate and business education networks.

One representative of the "Foundation Eurp-Arabe de Altos Estudios (the entity that provides legal status to EAMS)

EAMS Director General,

The Board of Directors shall elect for periods of two years a chairman and a vice chairman, both representing the Arab or European business and management - educational world, but alternatively representing the two regions,

The new governance.-structure may have legal implications for EAMS registration and operation under Spanish law. The Spanish Government will seek legal advice in this respect,

A careful review of EAMS existing partner institutions should be undertaken in order (o maintain only the highest-quality institutions and to possibly add some new ones.



The Board of Directors may delegate responsibilities and assign certain activities to various individuals, committees and councils when needs arise.

4. Financial Implications:

An action plan for the next four years (2001-2004) should be presented to the Board of Directors at its first meeting:

Contributions from sponsors are expected to decline over time with the increase in operational income. This would require the commitment of the three sponsors to recruit participants in income-generating activities. The number of European participants should be balanced against the number of Arab participants.

The sponsors have taken note of the financial requirements indicated below over a 4-year period (2001-2004) and are willing to make contributions on the times indicated. The transfer of funds will, however, be subject to submission by EAMS of annual activity programs and budgets, and regular reports on the utilisation of funds.

All figures are expressed in millions of Euros:

	<u>2001</u>	<u>20</u> <u>02</u>	<u>20</u> <u>03</u>	<u>2004</u>	<u>Total</u>
EAMS	0	0.5	0.8	1.2	2.5
Spanish Gov	0.3	0.3	0.3	0.3	1.2
Arab League	0.8	1.5	1.5	1.2	5.0
	0.5	0.4	0.2	0.2	1.3
<hr/> Total	1.6	2.7	2.8	2.9	10.0



It should be noted that the above requirements are based on training and educating a minimum number of 150 participants per year from Europe and the Arab States.

Additional comments relating to the contribution of the various sponsors are as follows:

- a) The Spanish Government is providing the building-housing EAMS free of charge and intends to finance management courses at the tune of at least 300,000 Euros per year.
- b) The EC financing will be provided by the transfer of the Endowment Fund (6 million Euros) to normal grant financing,
- c) The Arab League — through its agents - would undertake to recruit suitable candidates, for EAMS programs in "such a manner to recover the above contributions, thereby enhancing the managerial capabilities of the Arab economies.

The Memorandum of Understanding has been concluded on the background that all parties have expressed the full support in continuing the activities of EAMS, since it is seen as an important contribution to management training and education in the Euro-Arab context .

Signed

Signed

Date

Date

For the League of Arab States

For the European Community

Signed

Date

For the Government of Spain