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**Ten years of the Euro-Mediterranean Partnership  
—accomplishments and prospects**

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No. 3, OCTOBER 2006



Ever since the European Economic Community came into being in the late 1950s, the member countries have always shared a belief that development of economic cooperation, especially through trade, is crucial to fostering good relations with Arab world nations.<sup>1</sup> It was, however, essential to define the kind of cooperation that was to be pursued with countries which were then French colonies and enjoyed trade privileges. The first association agreements were concluded with the three Maghreb states in 1969. As time went by the EEC hammered out a more integrated approach to the non-member countries of the Mediterranean Basin with cooperation focussed on economic and development-related matters—a policy that chimed with the expectations of all the partners. The idea of framing a long-range plan to establish a free-trade area was grounded in a belief in the necessity of enhancing mutual relations in fields that were likely to yield the biggest benefits.

The rethinking of the European Union approach to cooperation with Southern Mediterranean partners that manifested itself when it proposed the ground-breaking formula of a Mediterranean partnership was a response to the limited effects produced by the existing initiatives and the increasing dependence of the poor South on the rich North and to the changes that had occurred as a result of developments at the turn of the 1980s and 1990s. The end of the Cold War precipitated the emergence of a new international order defined to a large extent by economic policy, while an acceleration of globalization processes had the effect of strengthening region-building trends. Although regional integration is a phenomenon to be found in many parts of the world, only NAFTA and EU have achieved dominating positions. They can influence the movement and the volume of international transfers with regard both to trade and foreign direct investments. The increased competitiveness among these blocs has forced them to pursue consolidation of internal institutions and expansion of external spheres of influence through trade agreements and economic partnerships.<sup>2</sup>

The EU member states' growth of interest in Central and Eastern Europe was observed with some apprehension by the countries of the Mediterranean Basin. Having for years enjoyed a special economic relationship with the Community and been beneficiaries of its financial support they were worried that they would be squeezed out of their privileged position. On top of that the Oslo Accords<sup>3</sup> held out hopes of lasting and peaceful cooperation in the region.

The Euro-Mediterranean Partnership (EMP) was established at the Barcelona Conference of EU foreign ministers in 1995. Its ten-year record, if measured by progress made in achievement of objectives, might be thought disappointing. But that does not mean that this form of cooperation can be written off entirely; as well as conspicuous failures there have also been successes. An informed audit of the Barcelona Process cannot be made without disentangling emotions from facts and separating vague hopes from clearly stated goals. Based on analysis of the decade of cooperation and its objectives, premises, results and shortcomings three conclusions can be drawn. Firstly, a large proportion of the complaints was inspired not so much by dissatisfaction with the Barcelona Process itself as the Union's influence on resolution of the main problems and conflicts affecting the states situated in the Mediterranean Basin. These criticisms fail to take into account the goals whose implementation was envisaged under the Barcelona Process but spring, rather, from ill-defined expectations. Secondly, Mediterranean partnership has inherent constraints stemming from the nature of the cooperation agreed upon by the member states and their southern neighbours. While offering support for political and economic reforms the EU also accepts that it does not have a right to force any policies on its neighbours or take the burden of reform or modernization off their hands. The only effective influence the Union can wield lies in the targeting of the flow of financial aid and application of the "conditionality principle," that is tying delivery of aid to the recipient embarking on specified measures. The system of incentives and benefits offered the South is seen by these countries as not attractive enough (when, for example, compared with the prospect of membership held out to other countries outside the EU) to induce them to proceed with reforms which are politically, socially and financially costly. Thirdly and lastly, notwithstanding all the complaints and reservations, both the Union and the Mediterranean countries need each other and are well aware of this. The Barcelona Process is a dynamic initiative and capable of being streamlined.

<sup>1</sup> R. Miller, A. Mishrif, "The Barcelona Process and Euro-Arab Economic Relations: 1995–2005," *MERIA, The Middle East Review of International Affairs* 2005, volume 9, no. 2, article 6–June 2005, <http://meria.idc.ac.il/journal/2005/issue2/jv9no2a6.html>.

<sup>2</sup> *Ibid.*

<sup>3</sup> The Declaration of Principles, signed on 13 September 1993, provided for reciprocal recognition of the State of Israel and the Palestinian Liberation Organization. The agreement formed part of the so called "peace process" set in motion at Camp David in 1978 and continued at the Madrid Conference in October 1991 the aim of which is to restore peace across the whole of the Middle East.

## 1. Objectives and areas of cooperation

The reasons that led the EU and the countries situated on the southern shores of the Mediterranean to decide to go forward with the Barcelona Process provide a good backdrop for analysis of the accomplishments and failures of this enterprise. For the Mediterranean countries the European Union has for years been their principal trading partner. Indeed, in the case of the majority of them one can talk of dependency on the markets of the member countries, especially when the share of other trading partners amounts to no more than a few percent. The situation is illustrated by Table 1.

**Table 1**  
Trade in Mediterranean Countries (2004 figures)

	Major partners – imports		Major partners – exports		Major trade partners	
Algeria	EU	62.2%	EU	54.5%	EU	57.5%
	USA	5.2%	USA	22.6%	USA	15.7%
	China	5.2%	Canada	7.5%	Canada	5%
Egypt	EU	36.4%	EU	39.9%	EU	32.4%
	USA	12.4%	USA	10.8%	USA	11.9%
	China	5.5%	Syria	6.2%	China	4.2%
Israel	EU	41.5%	USA	32.3%	EU	35.1%
	USA	15.1%	EU	28.3%	USA	25.9%
	Switzerland	6.6%	Hong Kong	5%	Switzerland	4.4%
Jordan	EU	24%	USA	28.9%	EU	17.6%
	Saudi Arabia	20.1%	Iraq	17.6%	Saudi Arabia	15.8%
	China	8.6%	India	7.1%	USA	13.6%
Lebanon	EU	48.3%	Syria	24.9%	EU	42.5%
	Syria	9.8%	EU	14.7%	Syria	12.5%
	China	5.8%	United Arab Emirates	10.1%	USA	5.2%
Morocco	EU	54.4%	EU	72.2%	EU	60.8%
	Russia	5.7%	USA	4.1%	USA	4.4%
	Saudi Arabia	5.4%	India	3.5%	Russia	3.9%
Syria	EU	18.3%	EU	50.6%	EU	33.7%
	Turkey	9.6%	Turkey	12.9%	Turkey	11.1%
	Ukraine	8.8%	Iraq	9%	Saudi Arabia	5.7%
Tunisia	EU	70.2%		83.3%	EU	75.9%
	Libya	3.3%	Libya	3.6%	Libya	3.4%
	Russia	3.1%	USA	1.2%	USA	2.1%
Turkey	EU	47.3%	EU	54.7%	EU	50.2%
	Russia	9.4%	USA	7.7%	Russia	6.8%
	USA	4.9%	Russia	3%	USA	6%

Source: [http://ec.europa.eu/comm/trade/issues/bilateral/index\\_en.htm](http://ec.europa.eu/comm/trade/issues/bilateral/index_en.htm).

Countries like Algeria, Morocco or Tunisia are examples of economies that are heavily dependent on the EU; elasticity of response to shifting patterns of supply and demand is highest in Israel, Jordan and Egypt.

Seen from this angle the importance of the European Union for the whole region stands out all the more clearly.



poor South was aimed at easing migration pressures, especially the flow of illegal immigrants from the Maghreb and Mashreq countries. Since the EU believes in a connection between illegal immigration and export of both organized crime and terrorism it was hoped that engagement in efforts to improve life in the states of the South would help to avert the danger of proliferation of these adverse phenomena in the European Union.

The Barcelona Process was the first political project targeted by the European Union to the countries of the Mediterranean Basin,<sup>5</sup> the aim being to foster stability across the whole region while at the same time promoting democratic reforms in the southern neighbours. The Declaration<sup>6</sup> adopted at a conference held in Barcelona in November 1995 laid down the objectives, directions and general forms of cooperation between the EU and these countries. The parties to the agreement were all the EU member states, then fifteen in number, and Algeria, Cyprus, Egypt, Israel, Jordan, Lebanon, Malta, Morocco, Syria, Tunisia, Turkey, and the Palestinian Authority.<sup>7</sup> From the outset it was postulated that cooperation would be of a dual nature: multilateral engagement would create the general framework by means of which bilateral relations between states located on the northern and southern shores of the Mediterranean would be strengthened. The overall, albeit very complex, objective was defined as turning the Mediterranean basin into an area of dialogue, exchange and cooperation guaranteeing peace, stability and prosperity. But this requires a strengthening of democracy and respect for human rights, sustainable and balanced economic and social development, measures to combat poverty, and promotion of greater understanding between cultures. The Declaration also specified three baskets — areas of common concern that would contribute to achieving the designated objectives: establishment of partnership through strengthened political dialogue, economic and financial cooperation, and social and cultural contacts (*human dimension*).

Political and security partnership covers four sets of issues. The first comprises respect for human rights and fundamental freedoms and development of democracy; though all states pledged a commitment to dialogue, exchanges of information and measures to promote the development of democracy the addressees of this part of the Declaration were the Mediterranean countries. The second set embraces observance of international law, respect for territorial integrity of states, and peaceful settlement of disputes. The third has to do with reinforcing cooperation in preventing and fighting terrorism and organized crime and combating drugs-trafficking. The fourth concerns such matters relating to regional security as international non-proliferation and arms control agreements.

The basic objective of economic and financial partnership (second basket) is to improve living conditions and increase prosperity, and the principal vehicle for putting such partnership in place being the establishment by 2010 of a Euro-Mediterranean free trade area through bilateral agreements concluded by Mediterranean states both with the European Union and between themselves. The Declaration stipulated, however, that progressive elimination of tariff and non-tariff barriers to trade applied only to manufactured goods; liberalization in the sphere of trade in agricultural products and provision of services would depend on the results of the WTO negotiations. As another building block in establishment of a free trade area it cited action promoting regional integration of the South-South type.

Creation of an area of shared prosperity is also to be furthered by economic cooperation and here again, as in the case of the first basket, it can clearly be seen that a major portion of the provisions of the

<sup>5</sup> D. Schmid, "Le partenariat, une méthode européenne de démocratisation en Méditerranéen?," *Politique étrangère* 2005, no. 3.

<sup>6</sup> "Barcelona Declaration Adopted at the Euro-Mediterranean Conference," 27–28/11/95, [http://europa.eu.int/comm/external\\_relations/euromed/bd.htm](http://europa.eu.int/comm/external_relations/euromed/bd.htm).

<sup>7</sup> In the course of the decade since the establishment of the Euro-Mediterranean Partnership there have been a number of changes in the composition of the partners. The Union's enlargement, which took place on 1 May 2004, meant that the group of European states had expanded and now includes, as well as Cyprus and Malta, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia. In 1999 at the 3rd Euro-Mediterranean Conference the EU decided to extend observer status to Libya which had earlier not been offered participation in the Barcelona Process. Observer status meant that it could attend the Euro-Mediterranean Foreign Affairs Ministerial meetings, the high level political dialogue meetings, and meetings of the Euro-Med Committee. Admission to full member status was made dependent on two factors: lifting of the sanctions imposed by the UN Security Council in 1992 (this condition was fulfilled in September 2002) and acceptance by Libya of the whole Barcelona *acquis* (no steps in this direction have yet been undertaken by the government in Tripoli). Commitment to joining the Euro-Mediterranean Partnership has been expressed by Mauritania and at the May 2005 Euro-Mediterranean Conference the foreign ministers "took note" of the application presented by that country. In the Conference Conclusions the prospects of EU-Mauritania cooperation were formulated very guardedly: the Mauritanian government's application would be, it was stated, given "due consideration" ("Conclusions for the VIIth Euro-Mediterranean Conference of Ministers of Foreign Affairs, Luxembourg, 30–31 May 2005," [www.europa.eu.int](http://www.europa.eu.int)).

Declaration are addressed to the Mediterranean countries and amount in effect to a catalogue of principles adherence to which is central to economic development. All the partners are, therefore, expected to acknowledge that development has to be financed by both domestic savings and foreign direct investment. Other points covered by the Declaration include promotion of small and medium enterprises, protection of the environment, increasing the participation of women in social and economic life, and modernization or expansion of transport and telecommunications infrastructure. This part also refers to the EU's principal commitments to increasing financial assistance as an essential condition of creating a free trade area.

The third basket — developing human resources, promoting understanding between cultures and intensifying exchanges between civil societies — is the only one in which the objectives of the partnership are not clearly specified. The Declaration merely lists a number of broad challenges such as improving societies' perception of each other or upgrading the role played by civil society. It also indicated the necessity of developing mechanism to facilitate decentralized cooperation between universities and the research community, the media, non-governmental organizations, and private enterprises. Also addressed were matters of absolutely prime concern to the Union: illegal immigration, combating terrorism and organized crime. The first of these problems was dealt with in the most detail: Mediterranean cooperation in this area is to be targeted to reducing migratory pressures, among other things through vocational training programmes and assistance for job creation.

Attached to the Declaration was a Work Programme which contained a list of priority measures. How sweepingly the various initiative were defined varied according to the basket to which they belonged, the least precisely formulated being recommendations relating to political and security partnership.<sup>8</sup>

Despite failure to deliver on the provisions of the Work Programme, another long-term plan was adopted at a Euro-Mediterranean Conference in Valencia.<sup>9</sup> However, by then circumstances had changed: the consequences of the 9/11 terrorist attacks and the Union's increasingly imminent enlargement had to be factored into the Barcelona Process. Beyond traditional assurances about the significance and value of the Partnership or the necessity of reinvigorating the Process and raising its public profile in the countries involved,<sup>10</sup> there appeared entirely new elements. First and foremost, it was decided to expand political dialogue to include defence-related issues and place greater emphasis on human rights protection. To the partnership building measures were added two new ones: developing preventive diplomacy mechanisms and working towards a common strategic language. Acting on a proposal put forward by the European Parliament the foreign ministers decided to recommend the creation of a new consultative body, the Euro-Med Parliamentary Assembly. They also agreed on a plan to set up a foundation to promote further dialogue between cultures and civilizations. In the financial sphere demands by the Mediterranean countries which had been pressing for the creation of a Euro-Mediterranean bank were left unanswered. Instead, the EU decided to provide support for South-South regional integration and to establish within the European Investment Bank a special investment facilitation instrument.<sup>11</sup> The third chapter underwent a characteristic re-orientation. Cooperation in the field of justice, in combating drugs-trafficking, organized crime and terrorism and in issues relating to migration were moved to the top of the agenda. Next came measures aimed at promoting dialogue between cultures and civilizations, youth exchanges and education. The importance attached to the partnership aspect of cooperation was underlined by a change in the organization of meetings which since 2002 are held under the joint chairmanship of the EU presidency and one of the southern Mediterranean states.<sup>12</sup>

<sup>8</sup> Here the Work Programme listed only two provisions, requiring senior officials of the participant countries to meet periodically as from early 1996 to conduct a political dialogue to examine means and methods of implementing the Barcelona Declaration and to submit practical proposals ahead of Euro-Mediterranean meetings of foreign ministers.

<sup>9</sup> "Vth Euro-Mediterranean Conference of Foreign Ministers, Valencia, 22–23 April 2002, Presidency Conclusions." 8254/02 (Presse 112)

<sup>10</sup> These have become a standard feature of all documents released after Euro-Mediterranean Conferences.

<sup>11</sup> Now called the Facility for Euro-Mediterranean Investment and Partnership (FEMIP)

<sup>12</sup> Previously conferences were chaired by representatives of the country holding the presidency of the EU Council of Ministers.



## 2. Implementation of Partnership

If the yardstick for evaluation of the Barcelona Process is progress in implementation of comprehensive political and economic reforms in the countries of the Mediterranean basin and improvement of the trends in these areas the verdict can only be that the ten years of EU cooperation with its Southern neighbours have proved a disappointment. The results achieved by the region's nations bespeak economic stagnation and declining competitiveness, especially when measured against the position gained by Central and Eastern European and Asian countries. Political reforms are making slow headway and new social trends—the radicalization of Islam, for one—have emerged as a source of concern for the EU.

But if putting in place a constructive political and institutional infrastructure of multi-faceted South–EU partnership with manifest achievement to its credit and a considerable potential is taken as the yardstick, the Barcelona Process emerges as an effective undertaking with good future prospects.<sup>13</sup>

An indisputable success of the past ten years has been establishment of an institutional framework for cooperation, even though this project is not yet complete. The legal basis of the Barcelona Process is formed by bilateral association agreements concluded by member states and the European Community with each Mediterranean partner individually. In the majority of cases these agreements are now in force (Morocco, Tunisia, Egypt, Jordan, Israel, Lebanon, and the Palestinian Authority); the agreement with Algeria awaits ratification and Syria's signature by the Council following the successful finalization of long-drawn-out negotiations.

The association agreements, though having the same aims, vary from country to country. Differences arise not only because the provisions of each agreement are tailored to the specific circumstances of the partner but also because the later an agreement was concluded, the larger the number of areas of cooperation it covered.<sup>14</sup> Common to most of the agreements are provisions relating to political dialogue,<sup>15</sup> respect for human rights and democracy, establishment of a free-trade area, intellectual property, services, public procurement, competition rules, state aids and monopolies, economic cooperation, and cooperation in the field of social affairs, migration, and culture.<sup>16</sup> Cooperation with Turkey continues to be governed by a 1963 association agreement, but since 1995 this country and the EU have also been linked by a customs union.

Implementation of these agreements is overseen by an Association Council (ministerial level) and an Association Committee (senior official level) composed of representatives of the EU Council of Ministers and Commission and the government of the associated state and in practical aspects by subcommittees of experts appointed by the Association Council.<sup>17</sup>

Multilateral relations are the responsibility of an ever growing number of organizational structures. Major decisions are taken at Euro-Mediterranean Conferences at which foreign ministers of the partner countries meet on the average once a year.<sup>18</sup> Much more frequent meetings—once a quarter—are held by the Euro-Mediterranean Committee for the Barcelona Process consisting of the European Union Troika and one representative of each Mediterranean partner (senior officials level). Ministers representing different departments of the economy, industry or the health sector meet at varying intervals.

In due course there also took shape other forms of multilateral contacts specific to each chapter. For instance, the Euro-Mediterranean Charter for Enterprise lays down general principles adherence to which will contribute to improvement of the business environment and enhancement of competitiveness in the EMP countries. It was approved by ministers of industry in 2004. Other forums for intra-sector cooperation are the Pan-Euro-Mediterranean Dialogue on the Future of the Textiles and Clothing Industry and the Rome Euro-Mediterranean Energy Platform. Dialogue between cultures is reinforced by the activities of the Euromed Non-Governmental Platform whose aim is to bolster civil society. An interest in the work undertaken within all three chapters is taken by the Euro-Mediterranean Parliamentary Assembly.

<sup>13</sup> M. Emerson, G. Noutcheva, "From Barcelona Process to Neighbourhood Policy," *CEPS Working Document* 2005, no. 220.

<sup>14</sup> "Euro-Med. Association Agreements, Implementation Guide, Relex F," Brussels, 30 July 2004.

<sup>15</sup> The agreement with the Palestinian Authority does not include a section on political dialogue.

<sup>16</sup> See. [www.europe.eu.int/comm/external\\_relations/euromed/med\\_ass\\_agreements.htm](http://www.europe.eu.int/comm/external_relations/euromed/med_ass_agreements.htm).

<sup>17</sup> In the case of the Palestinian Authority instead of a Council there is a Joint Committee for Trade and Cooperation.

<sup>18</sup> These meetings are not always attended by all the members and the November 2005 meeting did not set a precedent. For instance, Syria and Lebanon were not represented at the Valencia Conference.



In the institutional sphere the chief success is the intensity of contacts at various levels, even if not all of these produce tangible results.<sup>19</sup>

## 2.1 Political and security Partnership

As stated in the European Union Security Strategy approved by the European Council in December 2003<sup>20</sup> the best method of ensuring security for the member states is to pursue action promoting the development of democracy in third countries and multilateralism. The Strategy stresses that it is in the European interest that countries on the EU's borders are well governed, which holds especially true for the countries of the Mediterranean basin in view of the consequences of this process for the security of the member states. Among threats the list is headed by regional conflicts, above all Israel-Palestine, resolution of the latter being a strategic priority for Europe. Other threats<sup>21</sup> are simply an offshoot of pre-existing unresolved problems. Furthermore, the EU approach is manifestly tailored to the internal situation in third countries and their relevance to European security. Such threats as terrorism, cross-border crime and illegal immigration are rooted not only in unresolved international political conflicts but also in problems stemming from the social and economic situation of states.

In spite of the fact that the EMP has not been equipped with the tools to exert an effective influence on resolution of political conflicts or crises in the southern partner states, its basic feature is that, by itself, it is an economic instrument of European foreign policy.<sup>22</sup> The Barcelona Process never set itself the aim of resolving the Israeli-Palestinian conflict. On the contrary, from the outset it was a project pursued independently of the Middle East process though along parallel and complementary tracks. Rather, what it has sought to do was improve the political climate, to establish, maintain and deepen multilateral dialogue between the EU, Israel, the Palestinian Authority—treated as a full-fledged, sovereign partner—and Arab nations. And, despite the many times that talks have been broken off or pointed non-attendance at meetings at the highest level, regular cooperation continued regardless whether in the technical subcommittees or at a lower level.

A distinctive instrument for enhancing political dialogue are so called Partnership Building Measures the purpose of which is, on the one hand, to improve countries' perception of each other and, on the other, to prepare the ground for further cooperation.<sup>23</sup> They involve three kinds of action.

First there are the Malta Diplomatic Seminars comprising workshops and training sessions organized for diplomats from the Barcelona Process participant countries. The aim is to provide opportunities representatives of the Mediterranean countries and the EU member states directly involved in implementation of the Barcelona *acquis* with opportunities to discuss current issues, expand their knowledge and acquire networking experience.

Second there is cooperation in the field of civil protection and response to natural disasters under a Disaster Management Programme set up in 1998. It involves study courses, training and joint exercises by civil protection agencies responsible for disaster management aimed not only at interchanges of know-how but also at developing a system of joint disaster prevention and management.

Third, a research and analysis component is provided by the Euro-Mediterranean Study Commission known for short as EuroMeSCo. It consists of a network of institutes and centres specializing in international relations, security studies and the situation in the Mediterranean region. EuroMeSCo is both a vehicle for developing cooperation among academic communities in all the Barcelona Process participant countries and a source of analytical expertise in the field of EU-Mediterranean countries relations.

<sup>19</sup> G. Bernatowicz, "The Barcelona Process as an Instrument of EU Mediterranean Policy," *The Polish Quarterly of International Affairs* 2005, no. 4.

<sup>20</sup> "A Secure Europe in a Better World: European Security Strategy," 12 December 2003, Brussels.

<sup>21</sup> E.g. international terrorism.

<sup>22</sup> J. Schäfer, F. Ibrahim, "Regional Crises and Europe: How the Middle East Conflict and Iraq War Affect the EMP," *EuroMeSCo Paper* 2005, no. 40.

<sup>23</sup> P.J. Borkowski, *op.cit.*

Another positive outcome of the past ten years is that at the time that the EMP came into being debate on the subject of democratic reform in Arab nations was virtually non-existent. Currently, the Barcelona Process is one of many projects whose aim is to promote modernization in these countries.<sup>24</sup>

For obvious reasons the Barcelona Process initially was not coordinated with the European Security and Defence Policy (ESDP, operative since 1998); though it now exerts an influence on security and defence matters it is hard to speak of an ESDP without a Mediterranean dimension.<sup>25</sup> The decision to extend the political and security dialogue to include ESDP-related issues was taken at the ministerial conference in Naples.<sup>26</sup> Questions pertaining to defence policy were to be discussed not only at the senior officials level but also in the technical or expert committees with a view to exploring the possibilities of eventually undertaking cooperation in ESDP activities on a regional, sub-regional and country basis.

The debacle of both political and security partnership are symbolized by the still unsigned Euro-Med Charter for Peace and Stability. Work on the preparation of such a document was conducted by a Group of Senior Officials, starting with the first meetings. The aim was to develop an overall approach to tackling common problems in the security domain as well as address the question of strengthening cooperation on peace and stability issues. At the third Euro-Mediterranean Conference in Stuttgart the ministers "welcomed" the guidelines submitted to them, which defined the basic elements of the Charter.<sup>27</sup> However, plans to have the document approved at the next ministerial conference came to nothing on account of the collapse of the Middle East peace process.<sup>28</sup> The Senior Officials were instructed to continue work on the Charter, its adoption being deferred indefinitely until such time as more propitious circumstances arise. The Middle East peace process is for that matter frequently used, especially by the Arab countries, as a rationalization for the impossibility of pressing ahead with democratization processes.

One possible explanation for the failure of the EMP to deliver on enhanced political and security dialogue is that the Union has been lacking in the necessary (primarily political) commitment. Given that a common foreign and security policy is earmarked by constant conflict between the requirements of acting in concert and member states' national self-interest, EU policy towards areas in its immediate neighbourhood represents the least common denominator acceptable to all the member states.<sup>29</sup> Another consequence of this state of affairs is that EU policy is very broad-brush and so incapable of responding to concrete, country-specific security problems in Mediterranean states.

Furthermore, the Union avoids open confrontations with opponents of democratization in the South. There are many reasons why this is so. The member states cannot agree on how best to promote democratization in countries on its borders and at the same time how to tackle the challenges to security. At the operational level analysis of these disagreements makes it impossible to arrive at compromise proposals for submission to the neighbouring countries since the EMP is of an intergovernmental nature. Finally, the Mediterranean states have acquired the ability to exploit the differences in the positions of the EU member states thereby curtailing their power to exert an influence.

## 2.2 Results of economic cooperation

A common characteristic of the EMP participant states is that they are geographically located in the neighbourhood of the European Union. The underlying obstacle to cooperation is the profound disparities between these states. Turkey and Egypt with populations of c. 70 million are well over ten times bigger than Jordan (5.4 million) or Lebanon (3.5 million).<sup>30</sup> Israel is the only Mediterranean state which qualifies for inclusion in the high-income group of countries (\$16, 020 gross national income per capita) whereas the

<sup>24</sup> R. Youngs, "Ten Years of the Barcelona Process: A Model for Supporting Arab Reform?," *FRIDE Working Paper*, January 2005.

<sup>25</sup> F. Heisbourg, "Introduction," in F. Tanner (ed.), *The European Union as a Security Actor in the Mediterranean: ESDP, Soft Power and Peacekeeping in Euro-Mediterranean Relations*, Zurcher Beitrage no. 61.

<sup>26</sup> "Presidency Conclusions: Euro-Mediterranean Conference of Ministers of Foreign Affairs, Naples, 2–3 December 2003," *EuroMed Report*, December 5, 2003.

<sup>27</sup> "Guidelines for Elaborating a Euro-Mediterranean Charter," [http://ec.europa.eu/comm/external\\_relations/euromed/conf/stutg/conc\\_en.htm](http://ec.europa.eu/comm/external_relations/euromed/conf/stutg/conc_en.htm)

<sup>28</sup> M. Emerson, G. Noutcheva, *op.cit.*

<sup>29</sup> G. Joffe, "European Multilateralism and Soft Power Projection in the Mediterranean," in F. Tanner (ed.), *The European Union as a Security Actor in the Mediterranean*, *op. cit.*

<sup>30</sup> Source: *World Development Indicators 2006*.

comparable indicator for the remaining countries amounts to less than \$2,000.<sup>31</sup> In respect of unemployment the inglorious first place is occupied by Algeria with 27.3% jobless, and in most of the other countries the unemployment rate hovers around 11%. In 2004 the highest growth rate was posted by Jordan with 7.5% of GDP while the worst performers were Lebanon (1% of GDP) and Morocco (1.5% of GDP). The most robust agricultural sector is boasted by Syria (farm production accounting for 23% of GDP), the puniest belongs to Jordan (barely 3%). Industrial output is most highly developed in Algeria (57% of GDP) and services in Lebanon (72%). In Algeria and Syria the staple export product is fuels which account for 96% and 68% of exports respectively.<sup>32</sup> The Mediterranean partner states also differ in how ready they are to liberalize trade and carry out market reforms. The best prepared are the ones which were the earliest to conclude association agreements with the EU (most notably, Tunisia, Morocco and Jordan). It is small wonder, therefore, that flows of trade between the EU and each of its Southern partners differ radically, as do the benefits derived from progressive liberalization in this sphere.

The central premise on which economic cooperation is based—establishment of a Euro-Mediterranean free trade area by 2010—seems unlikely to be fulfilled owing to the fact that not all of the Mediterranean countries have embarked on implementation of their association agreements. Though creation of a free trade area in the currently proposed shape, i.e. embracing trade in manufactured products, would generate GDP growth in the Mediterranean countries of the order on average of 2% this is too little if account is taken of Mediterranean countries' economic backlogs and the demands of international competitiveness. The partnership will have gained success if it can bring about a situation in which Mediterranean countries' rate of economic growth has reached a minimum of 6%.<sup>33</sup> Challenging though it is, this target can be achieved thanks to deployment of a number of instruments: liberalization of trade in agricultural products and liberalization in the field of services, foreign investment and finance.

### 2.2.1 Liberalization of trade in agricultural trade products

The share of the agricultural sector in GDP in most of the countries of the Mediterranean basin ranges from 10% to 20% and agriculture provides a livelihood for about 20% of the region's inhabitants. The rural population is poorer than the urban and the differences in living standards are tending to widen. Migration from rural to urban areas is responsible for creating more shantytowns, which is aggravating social tensions.<sup>34</sup>

Demands for liberalization of agricultural trade, which states on the Southern shores of the Mediterranean have been voicing for years, have not thus far produced the desired effect. A regular feature of Euro-Mediterranean Conferences is reiteration of appeals to reinvigorate the Barcelona Process, but on each occasion the agricultural issue has proved too sensitive, particularly for the Southern EU member states, to be taken up at high-level meetings. The Union's reluctance not only to proceed with liberalization of agricultural trade but even to enter into explicit discussion of this matter at a high level is perceived in the Mediterranean countries as a source of conflict between the rich North and the poorer South.

The determination of the Mediterranean countries has not been blunted by the fact that, as well as the expected benefits, liberalization of trade in agricultural products poses a number of risks. Abolition of tariffs will result in Mediterranean states losing a substantial source of revenues. Opening-up of markets spells new opportunities not only for exports to EU member states but also for imports from the Union. Consumers may prefer imported goods, especially if their quality is superior to domestic products. On the back of liberalization Mediterranean countries will be confronted with the necessity of taking certain measures—for example, raising productivity or improving product quality—to enable them to compete with imports.

From an economic perspective there are several arguments in favour of liberalization.

First, it will increase access for Mediterranean countries' products to the Union market, though this is a particularly unpalatable prospect for the EU member states situated in Southern Europe. Though they are the most fervent advocates of strengthening Euro-Mediterranean cooperation, and France, Spain and Italy are the countries which are most heavily committed politically to promoting economic development in the

<sup>31</sup> A. Bäcker, "The Impact of the Barcelona Process on Trade and Foreign Direct Investment, European Economy," *Occasional Papers* 2005, no. 17.

<sup>32</sup> Source: *World Development Indicators* 2006.

<sup>33</sup> S.C. Calleya, *Evaluating Euro-Mediterranean Relations*, Routledge, London 2005.

<sup>34</sup> S. Radwan, J-L Reiffers, "L'impact de la libéralisation agricole dans le contexte du partenariat euro-méditerranéen," *Rapport FEMISE*, Novembre 2003.

southern neighbours, it is their agricultural producers which will bear the brunt of the downside of liberalization of trade since it is their products which will have to compete with cheaper imports from the South. Specialization in agricultural production in the EU member states leads to glaring disparities. Based on simulations employing indicators of competitiveness Spain has been found to be twice as vulnerable as Sweden or Germany to competition from Southern Mediterranean countries.<sup>35</sup> For the nations of the Mediterranean basin agriculture is one of the mainstays of their economies whereas in the EU member states the share of this sector in GDP amounts to barely 3%.<sup>36</sup> It also performs a different role: in most EU states, especially the “old” members, agriculture has a strong cultural dimension associated with the identity and social role of rural-dwellers, protection of the environment, regional development and sustainable growth.<sup>37</sup> Viewed from this angle the Common Agricultural Policy can be seen as a set of instruments designed not only to protect specific product markets but also to preserve a certain way of life and relationship between man and the environment.

Despite the fears of agricultural producers liberalization in this sphere will have a very limited impact on the EU, especially if we consider its proportion in the total volume of trade with non-Union countries. From an economic perspective liberalization of trade in agricultural products in the Euro-Mediterranean area could yield reciprocally profitable outcomes given a best-case scenario in which the EU concentrates on exports of grains, meat and milk and imports of fruit and vegetables from the Mediterranean partners. However, social issues and the costs of the adjustments necessitated by freeing up trade are factors standing in the way of realization of this scenario.

Secondly, the objective of the economic chapter of the Barcelona Process is to work towards implementation by the southern partners of economic reforms that will boost their competitiveness in world markets. Among the means to this end are reinforcement of the private sector, expansion of export capacities and orientation of entire economies to the world market. If they are to be effective and lasting modernization processes cannot bypass a sector as crucial to the southern neighbours as agriculture.

Thirdly, trade concession are much less of a burden for the EU budget than financial assistance or military intervention.<sup>38</sup>

### 2.2.2 Liberalization of services

The aim of economic integration is to reap the benefits to be derived from competitive advantage, economies of scale, import competitiveness, a spillover effect in the field of knowledge, and inflows of direct investment. Because of the high adjustment costs that are a consequence of eliminating trade barrier liberalization can be pursued only in selected, important areas with a view to securing the maximum returns from relatively small outlays. Services could prove to be a powerhouse for the Mediterranean countries for a number of reasons. In the first place in the states on the southern shores of the Mediterranean this sector accounts on average for 57% of GDP and thus plays a crucial role in their economies. For a long time services were shielded from competition which means that deregulation could help to improve the sector's efficiency. Lastly, the potential gains from liberalization of services are usually far greater than in the case of liberalization of merchandise trade.

Furthermore, unlike the EU candidate countries during the accession process, the Mediterranean countries are not required—nor should they even try—to work towards complete harmonization of legislation. Suffice it that they focus on the areas in which Union standards are not only based on international best practice but also facilitate a country's internal modernization process. Even granting the Mediterranean countries access to the benefits of the four freedoms of the internal market, as suggested in the European Neighbourhood Policy,<sup>39</sup> does not necessarily entail acceptance of the whole Community *acquis*. Seeking an optimum model of enhanced integration with the EU the Mediterranean countries should define sectors of priority importance where liberalization would not only generate new trade flows but in general facilitate conducting economic transactions. Agreement has been reached in the field of so

<sup>35</sup> *Ibid.*

<sup>36</sup> “Council Decision of 20 February 2006 on Community Strategic Guidelines for Development of Rural Region (programming period 2007–2013),” (2006/144/EC).

<sup>37</sup> S. Radwan, J-L. Geiffers, *op.cit.*

<sup>38</sup> H. Grabbe, “How the EU Should Help Its Neighbours,” *Policy Brief*, Centre for European Reform, June 2004.

<sup>39</sup> “European Neighbourhood Policy, Strategy Paper,” Commission of the European Communities, SEC(2004) 275.



called “backbone services”<sup>40</sup> among which are included transport, telecommunications and financial services. Liberalization of these sectors would also enable Mediterranean countries to become part of international supply chains (driven by, for example, just-in-time production management), in which each link depends on efficiently functioning networks: logistics, communications, legal and financial services and the like.

In late 2005 the EU Council of Ministers agreed on a proposal to open negotiations with the countries of the Mediterranean basin on liberalization of services and investment, which is further evidence of the member states’ determination to deepen integration with this region. Liberalization of the services sector will, however, require a very serious political commitment on the part of the southern partners. As far as services are concerned the principal obstacles in trade spring not from tariff barriers but from behind-the-border restrictions such as bureaucracy, state monopolies or rules of establishment.

### 2.2.3 Foreign investment

The Barcelona Declaration stressed the necessity of attracting investors to the Mediterranean countries by creating an environment conducive to commitment of foreign capital. Investors, in most cases private business entities, make decisions based on cost-benefit analysis in which account is taken of the level of risk associated with a particular country. Inflows of foreign direct investment may also be used as a measure of the progress made in economic reforms by a particular country since investors consider such factors as costs of production, fiscal policy and administrative costs. As far as returns are concerned the greatest weight is given to the size of a market and its level of competition. Labour costs depend on the supply of both labour in local markets and essential components and the functioning of the services, transport and communications sector. Impetus to attracting inward investment could be given by regional free-trade agreements since these lead to the emergence of bigger integrated markets. For this reason the EU supports projects of this kind.

The countries of the Mediterranean basin are also beneficiaries of the financial and technical assistance offered by the European Union for measures to improve the climate for investment. However, thus far these endeavours have not produced the expected pay-off. Foreign direct investment into the Southern Mediterranean countries averages barely 0.5% of GDP; even businesspeople in the member states see little to attract them to the region—only 2% of investment capital is directed to the South.<sup>41</sup> Any stocktaking of the Barcelona Process will be incomplete if we ignore its dynamic. In 1995 the flow of foreign investment from EU member states to the South came to 0.7 billion ECU; by 2003 it was five times as large (3.6 billion Euro).

### 2.2.4 Finance

financial support for political and economic reforms has been provided by the EU since 1996 when the Council of Ministers adopted Council Regulation no EC/1488/96 (MEDA I). A MEDA II Programme has been in operation since 2000, amendments having been made to the earlier Regulation. The acronym comes from the French designation of the programme, *Mesures d’accompagnement financier et technique à la réforme des structures économiques et sociales dans le cadre du partenariat euro-méditerranéen* (“Financial and technical measures to accompany the reform of economic and social structures in the framework of the Euro-Mediterranean Partnership”).<sup>42</sup>

An additional source of funding is the European Investment Bank (EIB). Union resources help to finance both projects in individual southern partners and regional schemes involving more than one state. Supporting projects in individual countries aims at facilitating economic transition through development of free trade and the private sector and alleviating the social costs of reforms.

The priority concerns in regional cooperation are reinforcing the effects of bilateral cooperation, intensifying integration of the South-South type, and funding projects with a transnational dimension (e.g. infrastructure interconnection or harmonization of standards).

<sup>40</sup> D. Miller-Jentsch, “Deeper Integration and Trade in Services in the Euro-Mediterranean Region: Southern Dimension of the European Neighbourhood Policy,” *World Bank/European Commission Programme on Private Participation in Mediterranean Infrastructure*, 2005, no. 32530.

<sup>41</sup> D. Miller-Jentsch, *op.cit.*

<sup>42</sup> “Mid-term Evaluation of the MEDA II Programme: Final Report,” Rotterdam 2005.

Among the areas in which Euro-Mediterranean regional programmes are under way are environmental protection, management of water resources, energy, transport and telecommunications. Other beneficiaries of EU funding include a large group of entities in Barcelona Process participant countries which are eligible for support under sectoral cooperation platforms, for instance joint ventures by small and medium enterprises, Euro-Mediterranean economic networks, the UNIMED Business Network or the FEMISE network of economic research institutes.

Detailed guidelines for the specific initiatives implemented in each area are set out in multi-annual Strategy Papers drawn up at national and regional level. They are supplemented by three-year National Indicative Programmes.

Aside from reaping the benefits to be derived from implementation of the various programmes southern Mediterranean countries are improving their capacity to utilize the funds available; the effectiveness of the measures taken by them is also growing. These tendencies become apparent if we compare the outturns of MEDA I and MEDA II: the ratio of commitments to payments, which for MEDA I was 25%, has risen under MEDA II to 52%.<sup>43</sup>

### 2.3 Dialogue between cultures and civilizations

The third objective of the Partnership is to promote cultural rapprochement between countries situated on the southern and northern shores of the Mediterranean and foster mutual and better understanding of one another, the method employed to further these ends being cooperation between civil societies. Deepening of knowledge of cultures and civilizations is to be advanced not only by people-to-people contacts but also joint action in the field of protection of the cultural heritage, art projects, film and theatre co-productions, media cooperation, etc. EU-funded undertakings of this type include the following programmes: Euromed Heritage, Euromed Audiovisual, Euromed Youth and the Euro-Mediterranean Civil Forum.

Dialogue between cultures and civilizations has acquired a new significance thanks to the approval at a mid-term Euro-Mediterranean Conference in Crete of guidelines for dialogue between cultures and civilizations and agreement to establish a Euro-Mediterranean Foundation on Dialogue of Cultures.<sup>44</sup> The dialogue, as for that matter indicated in an Action Programme adopted in Valencia, should be governed by the following principles: respect for pluralism, diversity and cultural specificities; equality and mutual respect; avoidance and reduction of prejudices and stereotypes; exploration of solutions for persistent problems; and education in how to live peacefully with "the other." Among the activities to be conducted by the Foundation are promoting the Barcelona Process and disseminating its ideas among the widest possible public, ensuring the coherence and coordination of the various projects in the field of dialogue of cultures, and gathering information on projects in progress. The Foundation was designed to function as "a network of networks" with each participant country required to select the institution that would act as head of the national network. The Foundation's activities are financed by all the Barcelona Process participant countries and the European Commission.

## 3. Directions of future development of the Partnership

Evaluation of the accomplishments of the Barcelona Process have been made by the large group of entities involved in its implementation: The Euro-Mediterranean Committee, the Parliamentary Assembly, the Arab states, the European Commission, FEMISE, and the Euromed Non-Governmental Platform. The findings of these analysis make up a balance-sheet in which successes mingle with failures while achievement of the objectives of the Barcelona Process still lies far down the road.<sup>45</sup>

It is, however, worth remembering that criticisms of the Barcelona Process, whether of its organization and course or its record, have a history almost as long as the project itself.

<sup>43</sup> *Ibid.*

<sup>44</sup> "The Euro-Mediterranean Mid-term Meeting of Foreign Minister, Crete, 26–27 May 2003, "Presidency Conclusions, Annex 1: Guiding Principles for the Dialogue between Cultures and Civilizations, Annex 2: Euro-Mediterranean Foundation on a Dialogue of Cultures."

<sup>45</sup> "Conclusions of the VIIth Euro-Mediterranean Conference of Minister of Foreign Affairs, (Luxemburg, 30–31 May 2005)," [www.ec.europa.eu/comm/external\\_relations/euromed/conf/lux/euromed.pdf](http://www.ec.europa.eu/comm/external_relations/euromed/conf/lux/euromed.pdf).

A few years ago, trying to account for the modest accomplishments of the Partnership the then Commissioner for External Relations, Chris Patten, put forward two reasons.<sup>46</sup> First of all, the Barcelona Process consists of a large number of long-term measures and it will take time for these to bear fruit. Secondly, the EMP was established at an extraordinary juncture in history: in the aftermath of the Oslo agreements. The optimism of that moment has passed but the necessity of arriving at a settlement of the Middle East conflict remains.

The offer extended by the EU to its southern neighbours accommodates their expectations to only a limited degree.<sup>47</sup> One of the fundamental complaints levelled at the European Union by the countries on the southern shore of the Mediterranean has been the purely token nature of the core principle of Euro-Mediterranean partnership, which is co-ownership. The EU's stated approach to partnership as a dialogue of equals has been perceived as a rhetorical device rather than a basic principle of cooperation. It has to be admitted acknowledged that the Union has not, thus far, come up with answers to the South's charges that would put an end to this line of criticism though among the EU's latest proposals one can point to at least three which are evidence of efforts to give the Mediterranean countries a greater voice in mutual dialogue. These are: the European Neighbourhood Policy, promotion of regional integration and modification of the approach to the Partnership.

### 3.1 European Neighbourhood Policy

Thanks to the idea of a "Wider Europe" presented by the European Commission<sup>48</sup> there appeared new opportunities to deepen cooperation between the Euro-Mediterranean partners. The limited ambitions of the Barcelona Process in the economic domain (establishment of a free-trade area for manufactured products, foot-dragging preparations for liberalization of services and agricultural trade) were expanded to include the prospect of a full stake in the EU's Internal Market and the benefits of its four freedoms. Beyond that "Wider Europe" included proposals to give the Mediterranean countries access to Community programmes in areas lying outside the scope of the Internal Market: research and development, education, culture and the media.<sup>49</sup> Out of the Wider Europe concept there eventually evolved the European Neighbourhood Policy (ENP),<sup>50</sup> an instrument enabling the EU to regularize relations with neighbour states and upgrade the existing forms of cooperation.<sup>51</sup>

Implementation of ENP is pursued through so-called Action Plans which, in accordance with a definition adopted by the Council,<sup>52</sup> consist of sets of objectives and measures of a priority character separately negotiated with each partner country and implementation of which will pave the way to deeper integration with the EU. In conception these plans aim at offering a meaningful system of incentives to carry out reforms and contribute to regional cooperation. Their framing was preceded by reports on the situation in each neighbour country and rounds of exploratory talks conducted by the Commission in close coordination with member states, successive presidencies, the Council Secretariat and the High Representative for the Common Foreign and Security Policy.

The first Action Plans, for Israel, Jordan, Morocco, Tunisia and the Palestinian Authority, were unveiled in December 2004. Simultaneously, a Communication from the European Commission on the proposals therein was released.<sup>53</sup>

A comparison of the provisions of the association agreements and the actions plans (as exemplified by Jordan<sup>54</sup>) pinpoints most clearly the differences between these two forms of cooperation. First of all, the

<sup>46</sup> Speech by Chris Patten in European Parliament plenary debate, 30 March 2004, [http://europa.eu.int/comm/external\\_relations/news/patten/sp04\\_165.htm](http://europa.eu.int/comm/external_relations/news/patten/sp04_165.htm).

<sup>47</sup> H. Grabbe, *op.cit.*

<sup>48</sup> "Communication from the Commission to the Council and the European Parliament, Wider Europe – Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours," Brussels, COM(2003) 104 final.

<sup>49</sup> *EuroMed Special Feature*, 2003, no. 37.

<sup>50</sup> "European Neighbourhood Policy, Strategy Paper," Commission of the European Communities, SEC(2004) 275.

<sup>51</sup> A. Kotakowska, "Europejska Polityka Sąsiedztwa – państwa basenu Morza Śródziemnego," *Biuletyn (PISM)*, no. 50 (238), 10 November 2004.

<sup>52</sup> "Conclusions of the Council for General Affairs and External Relations, 14 June 2004."

<sup>53</sup> "Communication from the Commission to the Council on the Commission Proposals for Action Plans under the European Neighbourhood Policy (ENP)," COM(2004) 795 final, 9.12.2004.

<sup>54</sup> M. Emmerson, G. Noutcheva, *op.cit.*



scope of action in the field of democratization and human rights protection has been greatly expanded. A completely new departure is cooperation in foreign and security policy and conflict prevention and resolution efforts. While movement towards a free-trade area has not been notably strengthened considerable attention is devoted to economic reforms and approximation to Internal Market standards. Initiatives in the field of transport and energy are treated in much greater detail. Jordan's Action Plan also expands the scope of cooperation, barely adumbrated in the Association Agreement, in the field of justice and home affairs. Thus it realizes the basic idea of ENP under which the neighbourhood policy is to complement and reinforce, but not replace, the Euro-Mediterranean Partnership.

Reinforcement of EU cooperation with the countries of the Mediterranean basin, as provided for by the Action Plans, is also the aim of a change in the funding arrangements. In 2006 the MEDA programme comes to an end and is to be replaced by a European Neighbourhood Policy Instrument (ENPI). The principles on which EU assistance will be made available have been defined in Communications from the European Commission to the European Parliament<sup>55</sup> and the Council.<sup>56</sup>

### 3.2 South-South integration

The southern shore of the Mediterranean does not constitute an economically cohesive market capable of withstanding international competition. Unless this situation changes—that is, if the southern countries remain individual “satellites” of the European Union—the outcome may be a revival of a dualism familiar from history: economic sectors which modernize will expand cooperation with the EU in the form of transnational regional initiatives while traditional and internal market-oriented sectors will decline economically and thereby contribute to the spread of poverty belts.<sup>57</sup> To prevent such a scenario materializing economic integration of the southern countries is essential. The resulting market would be an attractive destination for investment and at the same time capable of generating internal growth.<sup>58</sup>

Arab states have entertained ambitions to develop regional integration since as early as the 1980s and one of the first effects was conclusion of bilateral free-trade agreements by, among others, Morocco, Tunisia, Egypt and Jordan. The benefits yielded by them were, however, limited owing to the smallness of the economies involved. Consequently, in 1999 consideration began to be given to the possibility of extending these bilateral agreements to third countries. A year later, at the Marseilles Euro-Mediterranean Conference, the four aforesaid countries expressed a wish to establish a common (Arab) free-trade area. Negotiations at both political and technical experts level lasted several years but eventually resulted in the conclusion of an agreement.<sup>59</sup> The Agadir Agreement is a notable achievement as a regional initiative by Arab states aimed not only at attaining a specific economic objective but also deepening integration among Arab states in general. However, realization of these plans will require expansion of both transport and telecommunications infrastructure. The EU is bound to press for the accession to the Agreement of other Mediterranean partners, several of which have in fact already expressed an interest in this project.<sup>60</sup>

### 3.3 Modification of approach

The European Union also has another way of leveraging improvement in the functioning of the Barcelona Process and achievement of measurable effect within its framework. It consists in recasting ways of thinking about the Euro-Mediterranean area, in other words jettisoning such conventional, but dubious, wisdoms as “the common destiny of the 27 partners” or “indivisibility of Euro-Mediterranean security.” However, the EMP experience does not corroborate the truth of such clichés. Acknowledgement and acceptance of the differences between partner countries could have a positive influence on the course of future cooperation. Instead of seeking an illusory Euro-Mediterranean unity the southern states will then be

<sup>55</sup> 2004/0219 COD.

<sup>56</sup> COM(2204)795.

<sup>57</sup> G. Joffe, *op.cit.*

<sup>58</sup> S. Wimpel, *The Agadir Agreement and Open Regionalism*, *EuroMeSCo Papers* 2005, no. 45.

<sup>59</sup> A. Kolakowska, “Porozumienie z Agadiru. Unia Europejska jako promotor współpracy regionalnej,” *Biuletyn (PISM)*, no. 4 (249), 18 January 2005.

<sup>60</sup> The Agadir Agreement is open to all members of the Arab League and the Greater Arab Free Trade Area which have signed association or free trade agreements with the European Union. The first country to express a wish to sign up to the Agreement is Lebanon, but there has also been speculation about Syria's possible interest.

able to focus on tackling common precisely defined problems. At the same time the culture of cooperation ingrained by institutional learning mechanisms could, at least in part, substitute for cultural traditions or identity divides.<sup>61</sup>

Scholars dealing with the international integration of regions can be roughly divided into two camps.<sup>62</sup> The first stresses that cultural and institutional similarities constitute an indispensable condition of deepening inter-state cooperation while differences are a source of instability and conflict and make lasting cooperation impossible. It also believes that any cultural changes that the integration process might engender among its participants are no more than minor.

Adherents of the second camp underline that, particularly in recent years, there can be seen numerous examples of regional cooperation based not on similarities of norms and traditions but on a shared assessment of problems. For, whatever the institutional and cultural differences between, countries find themselves confronted with the same global phenomena, for example degradation of the natural environment as a result of its pollution or migrations driven by changes in societies' demographics. Geographical proximity augments the interdependence of neighbouring nations: if one embarks on or discontinues a policy it has effects that also impact the others. By the same token cooperation between adjoining rejoins becomes essential if the societies inhabiting them are to be guaranteed stability and security, both political and economic.

The starting point for the Barcelona Declaration was a tacit acceptance of the fact that Euro-Mediterranean cooperation had to be based on reciprocal recognition of the same values and principles. This commonality of beliefs went unquestioned, at any rate in official statements.

Meanwhile, there are many way in which cooperation between the European Union and Euro-Mediterranean countries can be deepened by turning partners' differentiation to its advantage. One such possibility is expansion of EU-Maghreb and EU-Mashreq relations,<sup>63</sup> already be seen to be happening,<sup>64</sup> another is the aforementioned neighbourhood policy. Finally there is evolution of the Barcelona Process itself which has after all already been initiated. A major change proposed at the Luxembourg Conference<sup>65</sup> was selection of a number of priority areas of action—abandonment, in effect, of the holistic approach to partnership—in which the adopted measures were to be more result-oriented. In particular, instead of the traditional subdivision of the Partnership into three chapters it recommended a narrower and more sharply defined focus on specific issues such as peace, security, stability, good governance and democracy; sustainable economic development and reform; education and socio-cultural exchanges, and justice, security, migration and social integration.

The same direction was taken by proposals set out in the five-year Work Programme approved at the Euro-Med anniversary conference in Barcelona in November 2005.

Interest in the countries of the Mediterranean basin will also grow as immigration becomes a problem of increasing concern for the EU member states. As formulated by the European Council meeting in Brussels in December 2005<sup>66</sup> the EU approach will focus on two issues: one, combating the inflow of illegal immigrants and, two, long-term engagement in support for reforms in immigrant's countries of origin. Implementation of the latter will be possible thanks to a harnessing of instruments familiar from, for example, the Barcelona Process: opening of markets and cooperation in promoting economic growth, good governance and protection of human rights. The Mediterranean countries were, predictably enough, among the areas accorded priority significance by the EU.

<sup>61</sup> B. Chourou, "The (Ir)relevance of Security Issues in Euro-Mediterranean Relations," in F. Tanner, *The European Union as a Security Actor in the Mediterranean: ESDP, Soft Power and Peacemaking in Euro-Mediterranean Relations*, ETH Zürich, 2001.

<sup>62</sup> F. Atina, *The Building of Regional Security Partnership and the Security Culture Divide in the Mediterranean Region*, Institute of European Studies (University of California), Berkeley 2004.

<sup>63</sup> M. Emmerson, *The Wider Europe Matrix*, Centre for European Policy Studies, Brussels 2004.

<sup>64</sup> M. Emerson, S. Aydın, G. Noutcheva, N. Tocci, M. Vahl, R. Youngs, "The Reluctant Debutante. The European Union as Promoter of Democracy in its Neighbourhood," CEPS Working Document" 2005, no. 223.

<sup>65</sup> "Conclusions for the VIIIth Euro-Mediterranean Conference of Ministers of Foreign Affairs" (Luxembourg, 30–31 May 2005).

<sup>66</sup> "Brussels European Council, 15–16 December 2005, Presidency Conclusions," *Euromed Report* 2005, no. 93.

## 4. Conclusions

The Euro-Mediterranean summit marking the tenth anniversary of the signing of the Barcelona Declaration, which took place in late November 2005, was preceded by preparations lasting over a year. The impressive roll-call of leaders of member states in attendance included: Tony Blair, José Zapatero, Jacques Chirac, Wolfgang Schäussel, Bertie Ahern, Silvio Berlusconi, and Tarja Halonen. Union institutions were represented by José Manuel Barroso, Josep Borrell and Javier Solana. The conference approved two documents signposting the areas of EU cooperation with its southern neighbours: a Five Year Work Programme and a Euro-Mediterranean Code of Conduct on Countering Terrorism.<sup>67</sup> However, among the attendees from Mediterranean countries there were only three representatives of the highest levels of government: the president of the Palestinian Authority and the prime ministers of Turkey and Lebanon.<sup>68</sup> Does the conspicuous absence of Mediterranean partners mean that the Barcelona Process, i.e. the complex of forms and methods of cooperation by countries on the opposite shores of the Mediterranean, has been discredited? This would be a conclusion too far. The Barcelona Process warrants criticism as do the actors involved in it. Its flaws are the combined effect of weak political will on the part of the EU member states and the suspiciousness of the southern Mediterranean countries, which see it as a neo-colonial instrument. Before very long Union commitment, which had been thrust upon it by pressures from three member states, deteriorated into bureaucratisation, the initial enthusiasm passed and with each succeeding presidency there appeared new priorities which pushed the problems of the Mediterranean basin to the sidelines. At the same time the EU's southern neighbours centred their interest around the financial dimension of the Partnership and negotiations on the size of monetary transfers. In addition they perceived the Barcelona Process as a new instrument for facilitating Union control of the future of the neighbour states. A failure in which all the participants share has been their inability to interest governments and publics in the course of the process.

But this does not mean that the Barcelona Process has had no positive effects. It has succeeded in putting in place a functioning institutional machinery for a multilateral process and is very close to completing the formalization of the framework of bilateral cooperation. In each of the partnership chapters a number of projects have been carried out which advance, albeit in varying degrees, the prospect of achievement of the planned objectives. As long as the Barcelona Process exists it will have a socialization effect<sup>69</sup> on the EU member states and the countries on the southern shore of the Mediterranean. A wide variety of forums for dialogue at the technical level operate within the EMP and as well as meetings, seminars, workshops and conferences during which participants hailing from constitutionally and politically disparate countries engage in debate. In the course of such discussion issues of reform and modernization are addressed more or less explicitly.

Lastly, there are many possibilities for further development of EU cooperation with its southern neighbours: certain initiatives are already operational, for example the aforementioned neighbourhood policy or South-South integration. Other will soon take on more concrete shape, for example thanks to the negotiations on liberalization of trade in services or EU immigration policy.

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<sup>67</sup> *Euromed Report* 2005, no. 92.

<sup>68</sup> *Euromed Synopsis* 2005, no. 337.

<sup>69</sup> R. Gillespie, *A Political Agenda for Region-building? The EMP and Democracy Promotion in North Africa*, Institute of European Studies, University of California, Berkeley 2004.