

# 1. Bilateral Dynamics and Multilateral Perspectives in Euro-Mediterranean Relations (1995-2010)

Erwan Lannon

## Summary

*Considering the complexity of contemporary Euro-Mediterranean relations, in this paper the author analyses the variety of unilateral, bilateral and multilateral frameworks and instruments used to structure and implement Euro-Mediterranean strategies and policies.*

*The first issue addressed in this paper is the Euro-Mediterranean Partnership, as an innovative multi-dimensional approach (1995-2007). The spirit of partnership of the Barcelona Process had clear limits, notably regarding the decision-making process. The bilateral track of the EMP consists of the Euro-Mediterranean Association Agreements. Finally, there is a unilateral track: MEDA programmes and regulations.*

*The second issue analysed concerns the European Neighbourhood Policy (ENP) uni-bilateralism combined with a new approach regarding multilateralism. Although it is too early to evaluate the implementation of the ENP, obvious first conclusions can be drawn about the pre-accession and ENP methodology, financial cooperation and the reinforcement of the ENP uni-bilateral tracks. Despite the fact that the ENP is often considered as a mainly bilateral policy, for the author, ENP instruments point towards a strong European uni-lateral approach. Nevertheless, there is another and new approach regarding multilateralism: the multilateral cooperation and assistance programmes based on interregional and cross-border cooperation.*

*Finally, the author examines the potential impact of the Union for the Mediterranean and of the Advanced Status with Morocco, regarding its increasing intergovernmentalism and differentiation tendencies. In fact, there is already an impact of Euro-Mediterranean relations: the return to a more intergovernmental approach. Moreover, another feature of the*

*UfM is the introduction of “reinforced cooperation”, notably for the 6 UfM projects. In that respect, the questions about how to proceed and the minimum number of partners to be involved in each project are still open. On the other hand, in relation to the Advanced Status with Morocco, differentiation appears as the key element in the ENP framework. According to the author, the multilateral framework of cooperation must complement bilateral relations.*

*To conclude, the author points out the increasing complexity of Euro-Mediterranean relations and the ever more differentiated relationships. He underlines the return to a more intergovernmentalist approach promoted by the UfM and the creation of an “avant-garde” generated by an ENP positive conditionality approach. At bilateral level, Mediterranean partners must decide to what extent they can go further in the process of economic integration with the EU. At multilateral level, the next step is a comprehensive understanding of what could be the future Euro-Mediterranean economic model of integration. Moreover, the author alerts us to the development of a multi-speed UfM that could lead to the division of Mediterranean partners into two subgroups: the “good” and “rewarded students” and the “bad” and “non-rewarded students”. Finally, the question of the definitive articulation between the old institutional structures of the Barcelona Process and the new ones (UfM and ENP) has still to be more precisely defined.*

## Introduction: The Complexity of the EU’s Proximity Strategies

One of the main features of contemporary Euro-Mediterranean relations is certainly their complexity. In fact, today at least eight different frameworks are structuring the relations between the EU 27, on the one hand, and the Mediterranean Partner Countries (MPCs), on the other:<sup>1</sup>

- The Euro-Mediterranean Partnership (EMP) as amended and renamed by the Union for the Mediterranean (UfM).
- The European Neighbourhood Policy (ENP).
- The Strategic Partnership with the Mediterranean and the Middle East (SPMME).<sup>2</sup>
- The Pre-Accession Strategy (PAS): Croatia and Turkey.
- The Stabilisation and Association Process in the Balkans (SAP): Albania, Bosnia and Herzegovina, Croatia and Montenegro.<sup>3</sup>
- The Black Sea Synergy Initiative: Turkey.
- The Cotonou Agreement: Mauritania.
- The Advanced Status granted to Morocco.

1. See also Erwan Lannon and Iván Martín, *Report on the Euro-Mediterranean Partnership: Status & Progress 2009*, “DocumentsIEMed”, No. 3, Barcelona, IEMed, 2009.

2. See Erwan Lannon, “The European Union’s Strategic Partnership with the Mediterranean and the Middle East: A New Geopolitical Dimension of the EU’s Proximity Strategies”, in Alan Dashwood and Marc Maresceau (eds.), *Law and Practice of EU External Relations: Salient Features of a Changing Landscape*, Cambridge, Cambridge University Press, 2008, pp. 360-375.

3. See European Commission, DG Enlargement 2010. [http://ec.europa.eu/enlargement/enlargement\\_process/accession\\_process/how\\_does\\_a\\_country\\_join\\_the\\_eu/sap/index\\_en.htm](http://ec.europa.eu/enlargement/enlargement_process/accession_process/how_does_a_country_join_the_eu/sap/index_en.htm).

All of these policies and strategies use different types of unilateral, bilateral and multilateral frameworks and/or instruments to structure and implement them.

Moreover, the multilateral frameworks are to be sub-divided into a number of categories or levels such as “regional” (the Euro-Mediterranean region), “sub-regional” (Arab Maghreb Union, Maghreb, Mashreq, Western or Eastern Mediterranean, etc.), “interregional” (technical assistance within the framework of the European Neighbourhood and Partnership Instrument [ENPI]), “trans-regional” (Agadir initiative) or “cross-border” (cooperation programmes of the ENPI).

The analysis can be either of a political or legal nature and, in this regard, the results of the analysis can differ considerably. For instance, the ENP action plan is supposed to be of a bilateral nature, politically speaking, as it is a sort of gentlemen’s agreement between two parties: the EU and the ENP. But, legally speaking, the situation is more complex.

The debate that today is focusing on “bilateral dynamics” and “multilateral perspectives” in the Euro-Mediterranean area is very much linked to another old European debate of “intergovernmentalism versus supranationalism”. In fact, it is the Union for the Mediterranean that has renewed such a debate. The advanced status of Morocco is also linked to the concept of “differentiation”, one of the pillars of the ENP.

In this paper, three main issues will be addressed:

- The Euro-Mediterranean Partnership: An Innovative Multi-Dimensional Approach (1995-2007).
- The European Neighbourhood Policy: “Uni-Bilateralism” and the New Approach Regarding Multilateralism.
- The Potential Impact of the Union for the Mediterranean and of the Advanced Status with Morocco: Increased Intergovernmentalism and Differentiation.

## The Euro-Mediterranean Partnership: An Innovative Multi-Dimensional Approach (1995-2007)

The Euro-Mediterranean Partnership was originally based on three different pillars: multilateral, bilateral and unilateral. For instance, the Barcelona Declaration mentioned clearly that the multilateral framework was the “counterpart to a strengthening of bilateral relations which it is important to safeguard.”<sup>4</sup>

That is the reason why the EMP was referred to as being a “multi-bilateral” approach. However, in fact, there was also a unilateral dimension in the EMP with the so-called “autonomous financial regulations” of the two MEDA programmes<sup>5</sup> and within the framework of the decision-making process, notably through the “comitology system”.<sup>6</sup>

### The Multilateral Track: The Spirit of the Barcelona Process

#### The Community and Euro-Mediterranean Approaches

The Barcelona Declaration stated that the Parties were resolved to establish “a multilateral and lasting framework of relations based on a spirit of partnership, with due regard for the characteristics, values and distinguishing features peculiar to each of the participants.” In fact, one should remember that the Barcelona Declaration was drafted at EU level and that the partners were consulted before attending the Barcelona Conference, although the Declaration was finally not signed but agreed by all partners.

The Barcelona Process was then implemented quite consistently with the establishment of regular ministerial and expert conferences, the creation of a number of Euro-Mediterranean networks but also of common institutions such as the Euro-Mediterranean Assembly<sup>7</sup> or the Anna Lindh Foundation.<sup>8</sup>

This methodology was partly based on the Community approach as the European Commission was playing a very important role in trying to promote the general interest of the European

4. Barcelona Declaration adopted at the Euro-Mediterranean Conference, 27th and 28th November 1995, [http://ec.europa.eu/external\\_relations/euromed/docs/bd\\_en.pdf](http://ec.europa.eu/external_relations/euromed/docs/bd_en.pdf).

5. See for MEDA I: Council Regulation (EC) No. 1488/96, of 23rd July 1996 on financial and technical measures to accompany (MEDA) the reform of economic and social structures in the framework of the Euro-Mediterranean Partnership, OJ L 189, 30th July 1996, p. 1; and for MEDA II: Council Regulation (EC) No. 2698/2000, of 27th November 2000 amending Regulation (EC) No. 1488/96 on financial and technical measures to accompany (MEDA) the reform of economic and social structures in the framework of the Euro-Mediterranean Partnership, OJ L 311, 12th December 2000, pp. 1-8.

6. See Erwan Lannon, “Le nouveau système institutionnel du Processus de Barcelone : Union pour la Méditerranée : une co-appropriation en trompe l’œil ?”, *Défense*, No. 136, November-December 2008, pp. 34-36, as well as Dorothee Schmid, *Les institutions européennes dans le fonctionnement du PEM : de la répartition des compétences à la gestion dynamique du quotidien*, “EuroMeSCo Papers”, No. 36, October 2004, [http://www.euromesco.net/media/euromescopaper36\\_schmid.pdf](http://www.euromesco.net/media/euromescopaper36_schmid.pdf).

7. See <http://www.europarl.europa.eu/intcoop/empa/default.htm>.

8. See Anna Lindh Euro-Mediterranean Foundation for the Dialogue between Cultures, <http://www.euromedalex.org>.

Community but also, to certain extent, of the Mediterranean partners. Moreover, the ministerial and experts meetings involved all partners in order to use the new means (Partnership building measures, free trade zones...) to reach the “common objectives”: Common Area of Peace and Stability, Area of Shared Prosperity, Development of Human Resources, Promotion of Understanding between Cultures, and Exchanges between Civil Societies. The approach followed today within the framework of the ENP, as we will see, is very different and much more Eurocentric.

#### The Limits of the Barcelona Approach: The Decision-Making Process

There were, however, clear limits to the spirit of partnership of the EMP. Certainly, the decision-making process must be highlighted here. In fact, even though the “Euromed Committee”, created by the Barcelona Declaration, consisted originally of “the European Union Troika” and “one representative of each Mediterranean partner”<sup>9</sup> the problem is that, at operational level, the decision-making power remained in the hands of the European Commission and the EU Member States through the comitology system of the MEDA financial regulations (see below).

There were other limits to the Barcelona approach:

- At a political and security level, consensus remained the rule as each partner wanted to preserve its right of veto.
- The function of the secretariat was played by the European Commission without representatives of the MPCs being involved directly at decision-making level.
- There was no Presidency for the MPCs.

There were thus clear limits to the “spirit of partnership” of the Barcelona Process. Nicolas Sarkozy precisely targeted this asymmetry in the institutional framework to justify and promote the creation of the Union of the Mediterranean that became rapidly attractive for the partners for the aforementioned reasons but also because originally no mention was made of any kind of conditionality contrary to the EMP and the ENP.

### The Bilateral Track: The Euro-Mediterranean Association Agreements

The bilateral track is composed of the Euro-Mediterranean Association Agreements (EMAAs). Based on the former Article 310 of the EC Treaty (Nice Treaty version) they are, of course, legally binding and at the top of the EC (now EU) external agreements hierarchy.

#### The Legal Status of the Euro-Mediterranean Association Agreements

Even if these mixed agreements establish contractual relations between the parties, one should note that there is again an obvious asymmetry as the association agreement is concluded between the Communities and the Member States, on the one hand, and the MPC, on the other. So one single MPC is actually facing the European Union (represented by the European Commission) and 27 Member States.<sup>10</sup>

9. See the Work Programme of the Barcelona Declaration, op. cit.

10. Additional protocols to the EMAAs were concluded by the new Member States of the EU 27 to extend the Association Agreements to them because of the mixed nature of the latter.

This asymmetry is also clear within the common institutions established in each agreement (Association Council, Association Committee and Sub-Committees) where representatives of the Member States and the European Commission meet the representatives of the MPCs.

On the other hand, the agreements have been the main legally-binding instrument used to promote a new objective: the economic integration of the Mediterranean partners into the EU Market economy via the creation of Free Trade Areas (FTAs). The transposition of some important chapters of the “Community *acquis*”, the adoption of European norms and standards but also the explicit reference in Euro-Mediterranean Association Agreements of articles of the European Community (EC) and European Coal and Steel Community (ECSC) treaties as well as secondary legislation<sup>11</sup> changed the overall picture for a growing number of Mediterranean partners. In other words, the Euro-Mediterranean regional integration process is gradually becoming a reality. The ENP is therefore only reinforcing the trend launched at bilateral and multilateral levels by the Barcelona Process.

### The Unilateral Track: The MEDA Programmes and Regulations

The MEDA<sup>12</sup> programme was the main financial instrument of the EU for the implementation of the Euro-Mediterranean Partnership between 1996 and 2007. MEDA was based on an *autonomous* EC regulation adopted by the Council of Ministers and this was contrary to the former five year financial protocols, which were contractual agreements annexed to the former main bilateral agreements.<sup>13</sup> In the MEDA regulation, the decision-making power was granted to the Member States and European institutions via the establishment of specific committees. On the other hand, one should note at operational level (in the National Indicative Programmes and Country Strategy Papers) that there was a certain degree of consultation with the partners benefiting from the financial allocations as well as with other donors at least within the framework of MEDA II.

After the June 1995 Cannes European Council earmarked the global sum of 4,685 million euros as a reference amount for EC financial support to the Mediterranean region between 1995 and 1999, a first five year programme was launched: MEDA I. Its legal basis was the 1996 MEDA Regulation for the period of 1995-1999 where the programme amounted to 3.43 billion euros. The funding for the second seven year programme (MEDA II: 2000-2006) amounted to 5.35 billion euros.

It is interesting to refer to the conditionality clauses of the MEDA regulations. For instance, the MEDA I Regulation stated that “this Regulation is based on respect for democratic

principles and the rule of law and also for human rights and fundamental freedoms, which constitute an essential element thereof, the violation of which element will justify the adoption of appropriate measures.”<sup>14</sup> Meanwhile, the current ENPI Regulation states that “the European Union is founded on the values of liberty, democracy, respect for human rights and fundamental freedoms and the rule of law and seeks to promote commitment to these values in partner countries through dialogue and cooperation.”<sup>15</sup> This new approach certainly reinforces the unilateral character of this autonomous ENP financial regulation and even its Eurocentric nature, whereas in the communications of the European Commission devoted to the ENP there is a systematic reference to the so-called “shared values”. For example, the 2003 communication states that “in return for concrete progress demonstrating shared values and effective implementation of political, economic and institutional reforms, including in aligning legislation with the *acquis*, the EU’s neighbourhood should benefit from the prospect of closer economic integration with the EU.”<sup>16</sup>

The evaluation made at the December 2000 Marseilles Euro-Mediterranean Ministerial Conference was disappointing. The Ministers “regretted the complexity of procedures in the European Union as well as in partner countries and the slowness of disbursement of payments.” The European Commission also recognised that “although the MEDA programme has a good record on commitments, disbursements have only reached 26% of the amount committed. Although it is natural that, in the early years of a programme, disbursement should be slow there is a clear need to improve the performance of the programme, both in the EU and in the partner countries.”<sup>17</sup> This is the reason why the MEDA II Regulation improved the decision-making process (comitology system) and enhanced programming and implementation capacities.

The impact of the two MEDA programmes are difficult to evaluate<sup>18</sup> but it is worth mentioning that MEDA was for instance comparable to the PHARE programme in that it made economic transition and free trade the central issues of EU financial cooperation with the Mediterranean region.

Moreover, the MEDA programme had a double vocation: bilateral and multilateral. Originally, the plan was to provide the bilateral track with 90% of the funds and the multilateral one with 10%. Over the period 1995-1999, MEDA committed funds went to four main types of operations:

11. See, for example, Article 36 and 2 of the Agreement concluded with Tunisia: “Any practices contrary to this Article shall be assessed on the basis of criteria arising from the application of the rules of Articles 85, 86 and 92 of the Treaty establishing the European Community and, in the case of products falling within the scope of the European Coal and Steel Community, the rules of Articles 65 and 66 of the Treaty establishing that Community, and the rules relating to state aid, including secondary legislation.” Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Republic of Tunisia, of the other part, OJ L 97, 30th March 1998, pp. 2-183.

12. MEDA: “Financial and technical measures to accompany the reform of social and economic structures in the Mediterranean non-member countries.”

13. See Jean Raux and Erwan Lannon, “La coopération financière et technique bilatérale avec les Pays de la Méditerranée Sud et Est”, *Juris Classeur – Europe*, fascicule 2233, Paris, Éditions Techniques, May 1995.

14. Article 3 of the MEDA I Regulation, Council Regulation (EC) No. 1488/96, of 23rd July 1996 on financial and technical measures to accompany (MEDA) the reform of economic and social structures in the framework of the Euro-Mediterranean Partnership, OJ L 189, 30th July 1996, p. 1.

15. Article 3 of the ENPI Regulation. Regulation EC 1638/2006 laying down general provisions establishing a European Neighbourhood and Partnership Instrument, OJ L 310, 9th November 2006, p. 1.

16. *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*, COM(2003) 104 final, Brussels, 11th March 2003, p. 4.

17. *Communication from the Commission to the Council and the European Parliament: Reinvigorating the Barcelona Process*, COM(2000) 497 final, 6th September 2000, p. 8.

18. See Wilfried Euchner, Nicolas Garrigue and Nicholas Petropoulos, *Evaluation of the MEDA Regulation*, 2nd February 1999, [http://ec.europa.eu/europeaid/how/evaluation/evaluation\\_reports/reports/med/951439\\_en.pdf](http://ec.europa.eu/europeaid/how/evaluation/evaluation_reports/reports/med/951439_en.pdf), and COWI Consulting Engineers and Planners, Netherlands Economic Institute and Andante, *Evaluation of Aspects of EU Development Aid to the MED Region*, Final Synthesis Report, November 1998, [http://ec.europa.eu/europeaid/how/evaluation/evaluation\\_reports/reports/med/951405\\_en.pdf](http://ec.europa.eu/europeaid/how/evaluation/evaluation_reports/reports/med/951405_en.pdf).

- Support for structural adjustment (16%).
- Support for economic transition and private sector development (30%).
- Classical development projects (40%).
- Regional projects (14%).<sup>19</sup>

The last figures showed an increase in the disbursement flow with MEDA II. According to the EU Court of Auditors, “the Commission’s management of the MEDA programme has clearly improved since the early years and can be considered as satisfactory, as programming efforts now result in a more even allocation of resources over time, preparation periods are becoming shorter and disbursements have increased significantly. Contributing factors to these improvements are an increase in the number of projects and programmes, a larger share of budget support in the total programme and the overall positive effect of devolution on project preparation and implementation by delegations. Other improvements include more systematic monitoring and evaluation and more intensive dialogue and coordination with local counterparts and other donors.”<sup>20</sup> The following table is a clear illustration of the evolution of the situation over the years and until 2005.

Generally, one can say that the overall results of the MEDA programmes are mitigated but that during the second phase (MEDA II) the European Commission managed to increase the overall performance of the various instruments at the disposal of the Mediterranean partners and this despite the limited financial amounts earmarked.<sup>21</sup>

### Conclusions for the Barcelona Process (1995-2010)

Officially, the ENPI came into force in January 2007; however, the EMP/Barcelona Process continued to produce its effects until the progressive coming into force of all components of the ENP. Trying to evaluate in a few words the whole EMP since 1995 is a difficult exercise as there are a number of different types of action and programmes as well as political and strategic decisions to analyse.

Regarding the Political and Security Partnership one should note that, before the Union for the Mediterranean, the Barcelona Process was sometimes paralysed and contaminated by the turmoil of the Middle East conflict but the political dialogue never really stopped, contrary to the multilateral track of the Madrid Process, for instance.<sup>22</sup>

However, the partners did not reach the objectives of adopting a Charter on Peace and Stability,<sup>23</sup> or of building the verifiable Middle East Zone free of weapons of mass destruction

19. European Commission, [http://ec.europa.eu/delegations/deljor/en/eu\\_and\\_jordan/the\\_meda.htm](http://ec.europa.eu/delegations/deljor/en/eu_and_jordan/the_meda.htm).

20. Court of Auditors, Special Report No. 5/2006 concerning the MEDA programme together with the Commission’s replies, 2006/C 200/01, <http://eca.europa.eu/portal/pls/portal/docs/1/173673.pdf>.

21. See DRN, ADE, PARTICIP, DIE, ODI, EIAS & ICEI c/o DRN, *Evaluation of the Council Regulation No. 2698/2000 (MEDA II) and Its Implementation*, Final Report, June 2009, [http://ec.europa.eu/europeaid/how/evaluation/evaluation\\_reports/reports/2009/1264\\_vol1\\_en.pdf](http://ec.europa.eu/europeaid/how/evaluation/evaluation_reports/reports/2009/1264_vol1_en.pdf)

22. See Israel Ministry of Foreign Affairs, <http://www.mfa.gov.il/MFA/Peace%20Process/Guide%20to%20the%20Peace%20Process/The%20Multilateral%20Negotiations>.

23. Originally referred to as a “Euro-Mediterranean pact” in the Barcelona Declaration. See Roberto Aliboni, *Building Blocks for the Euro-Mediterranean Charter on Peace and Stability*, “EuroMeSCo Papers”, No. 7, [http://euromesco.net/index.php?option=com\\_content&task=view&id=140&Itemid=48&lang=en](http://euromesco.net/index.php?option=com_content&task=view&id=140&Itemid=48&lang=en).

### ANNEX I. MEDA COMMITMENTS/DISBURSEMENTS 1995 TO 2005 (MILLION EUROS)

	1995 to 1999		2000 to 2005		1995 to 2005	
	Commitments	Disbursements	Commitments	Disbursements	Commitments	Disbursements
<b>Bilateral</b>						
Algeria	164	30	273	114	437	144
West Bank/Gaza	111	59	430	421	541	480
Egypt	686	157	463	493	1,150	650
Jordan	254	108	262	285	516	393
Lebanon	182	1	101	131	283	132
Marocco	660	128	812	656	1,472	783
Syria	101	0	158	64	259	64
Tunisia	428	168	447	400	875	568
<b>Total bilateral</b>	<b>2,586</b>	<b>651</b>	<b>2,946</b>	<b>2,564</b>	<b>5,533</b>	<b>3,214</b>
<b>Regional</b>	<b>471</b>	<b>223</b>	<b>884</b>	<b>606</b>	<b>1355</b>	<b>829</b>
<b>Total</b>	<b>3,057</b>	<b>874</b>	<b>3,831</b>	<b>3,169</b>	<b>6,888</b>	<b>4,043</b>

The total amount available under MEDA I + II = 3,424 + 5,350 = 8,774 million euros. From this an amount of about 852 million euros has been committed for Turkey during 1996 to 2002 (minor differences are due to rounding).

Source: Court of Auditors, Special Report No. 5/2006 concerning the MEDA programme together with the Commission’s replies, 2006/C 200/01, <http://eca.europa.eu/portal/pls/portal/docs/1/173673.pdf>.

as foreseen in the Barcelona Declaration. More problematic was the Leila/Perejil affair that demonstrated the incapacity of the partners to use the structures of the EMP to solve a conflict between a Member State and an MPC.<sup>24</sup> Thus, the objective of promoting “conditions likely to develop good-neighbourly relations” among the partners is also still to be reached. A number of Partnership Building Measures, such as the EuroMeSCo network or the Malta diplomatic seminars, were however created and implemented with success during this period.

Unfortunately, at human rights level, the global situation has not really changed apart from two cases that improved slightly or at a moderate pace (Morocco and Turkey) but for reasons not necessarily linked to the implementation of the EMP.

At economic level, one should refer to the contribution of Azzam Mahjoub in the current volume. A few major trends, witnessed between 1995 and 2009, will nevertheless be highlighted in the subsequent paragraphs.

24. See Béatrice Hibou, “Le Partenariat en réanimation bureaucratique”, *Critique internationale*, No. 18, January 2003, p. 120.

First, it is necessary to remember that the comprehensive Euromed FTA has not yet been completed as the latter is to be founded:

- on 9 bilateral FTAs with Morocco, Algeria, Tunisia, Egypt, Palestinian Territories, Israel, Jordan, Lebanon and Syria;
- on FTAs between the aforementioned countries and the EFTA/EEA countries and Turkey (in a Customs Union with the EU);
- on FTAs between southern partners themselves.

On the first point, only Tunisia completed the 12 year transition period foreseen to establish the FTA before 2010. In 1975, Israel concluded a partial FTA with the then EEC. Morocco will complete tariff dismantling by 2012 for the most sensitive products and will be followed by Egypt, Jordan, Lebanon and Algeria. Syria still needs to ratify and implement the EMEA. Tariff dismantling calendars are thus highly differentiated among the EU's Mediterranean partners.

For the second element, some agreements have been concluded between non-EU European countries and Mediterranean countries but the network is not yet comprehensive enough. Today, it is also important for countries like Ukraine, Georgia and potential candidate countries to conclude bilateral agreements with the Mediterranean partners.

At South-South level, the situation improved with the Greater Arab Free Trade Area (GAFTA) as in 2002 the Social and Economic Council decided to end the transition period by 1st January 2005 instead of 31st December 2007.<sup>25</sup> Moreover, the Agadir Process was initiated in May 2001 by Morocco, Egypt, Tunisia, and Jordan. The ratification was completed in 2006 and the agreement came into force in March 2007. During one of the last meetings, the Euro-Mediterranean Trade Ministers insisted on the fact that “the first year of implementation of the Agadir Agreement [...] has shown so far mitigated results in terms of increase of trade flows amongst the partners.”<sup>26</sup> There is obviously still a lot of work to do in this field.

Also contrary to what was expected, Foreign Direct Investment (FDI), and especially European investment, did not increase tremendously during the first years of the EMP. However, before the financial crisis, new FDI flows from the Gulf countries, and emerging countries such as China, were recorded and the overall situation was improved.<sup>27</sup> The issue of the informal economy representing sometimes more than a third of the GDP of some partners is another important obstacle for developing the competitiveness of the undertakings as well as the absence of sufficient progress in South-South trade but with some exceptions. The absence of a noticeable evolution of the structure of exports should also be underlined. The exports of the southern partners are not diversified enough; in other words, the Mediterranean partners export a limited range of products and are still generally specialised in products having limited added value (textiles, agricultural products). Moreover, countries like Morocco, Tunisia or Israel are highly dependent on the European market for their exports and there is in these

relations a strong “Hub and Spokes effect”.<sup>28</sup> Also, with the EU's last waves of enlargement, the Mediterranean partners have been more and more marginalised in EU total trade exchanges (if one excludes Turkey from the picture).

At the level of the social, cultural and human partnership, one of the main achievements has certainly been the creation of the Anna Lindh Foundation.<sup>29</sup> However, the cartoon crisis<sup>30</sup> demonstrated the limits of the action of the EU in this field. Nevertheless, a number of Euro-Mediterranean networks, such as the Euro-Mediterranean Human Rights Network, were consolidated between 1995 and 2007. This is of importance as a Euro-Mediterranean civil society has progressively emerged. Of course, numerous problems occurred, notably at the level of the Civil Forum but one must stress that such an experience was quite unique in the external relations of the EU.

In the field of migration, the lack of political will of the EU Member States has been the main obstacle to promote the movement of people, while the contradiction of promoting a regional economic integration without at least free movement of workers persists. This is not new as, for instance, the European Community never applied the principle of free movement of workers with Turkey.

However, the 2005 *Five Year Work Programme* adopted during the 1st Euro-Mediterranean Summit contains innovative proposals.<sup>31</sup> First, the EMP was re-structured around four partnerships:

- Political and Security Partnership.
- Sustainable Socio-Economic Development and Reform.
- Education and Socio-Cultural Exchanges.
- Migration, Social Integration, Justice and Security.

Second, a number of new themes and objectives were introduced, such as to “increase the participation of women in decision-making including in political, social, cultural and economic positions” or “reinforce judicial co-operation, including on cross border issues.”

Unfortunately, and despite those innovations, this first summit was not a political success due to the absence of a number of Heads of State of the Mediterranean partners.

25. See Erwan Lannon, *Towards a Union for the Mediterranean: Progress and Challenges in Economic Relations*, European Parliament Briefing Paper, Committee on International Trade, Brussels, September 2008.

26. Chairman's Conclusions of the 7th Euromed Trade Ministerial Conference, Marseilles, 2nd July 2008, p. 2.

27. See Ahmed Galal and Jean-Louis Reiffers (coords.), *FEMISE Report on the Euro-Mediterranean Partnership 2007*, Marseilles, February 2008, p. 3 and Annex 1. See also the contribution of Azzam Mahjoub in this volume.

28. See also the contribution of Azzam Mahjoub for the most recent trends in this regard and notably for the trade deficits.

29. See <http://www.euromedalex.org>.

30. See Tim Jensen, *The Cartoon Crisis Revisited: A Danish Perspective*, Madrid, Real Instituto Elcano, 2nd June 2006, [http://www.realinstitutoelcano.org/analisis/989/989\\_Jensen\\_Danish\\_cartoon\\_crisis.pdf](http://www.realinstitutoelcano.org/analisis/989/989_Jensen_Danish_cartoon_crisis.pdf).

31. Euromed Summit, Barcelona, November 2005, *Five Year Work Programme*, [http://ec.europa.eu/external\\_relations/euromed/summit1105/index\\_en.htm](http://ec.europa.eu/external_relations/euromed/summit1105/index_en.htm).

## The European Neighbourhood Policy “Uni-Bilateralism” and the New Approach Regarding Multilateralism

It is obviously too early to evaluate properly the implementation of the ENP so far. Nevertheless, some first obvious conclusions can already be drawn. It is nevertheless very difficult to draw general conclusions. A case-by-case analysis is therefore always more appropriate.

First, with certain partners the pre-accession methodology seems to work as it is generating a kind of competition between countries like Tunisia and Morocco. Each of them closely observing the evolution of relationships established with the EU and its Member States. Second, it is obvious that the ENP methodology (positive conditionality, reinforced benchmarking, integration and implementation of the Community *acquis*, use of pre-accession instruments, etc.) was not accepted by partners like Algeria.

Regarding financial cooperation, novelties such as access to the TAIEX instrument supporting partner countries with regard to the approximation, application and enforcement of EU legislation<sup>32</sup> and the SIGMA programme<sup>33</sup> supporting ENP partners' public administration reforms are quite interesting for Mediterranean countries willing to pursue the ENP objectives. The twinning programmes seem to be even more attractive for the ENP partners, while access to the EU agencies<sup>34</sup> and programmes are apparently, at least for the time being, attractive but difficult to put in place.

What is clear is that with the launching of the ENP, the uni-bilateral track of the Euro-Mediterranean relationships has been considerably reinforced. New instruments have been introduced, such as ENP country reports, action plans, and progress reports. These new instruments were in fact already used within the framework of the pre-accession strategy for candidate countries to EU membership. However, the ENP is not a pre-accession strategy as such and the ENP incentives are therefore much weaker than in the pre-accession strategy.

### The Uni-Bilateral Tracks

The ENPI is a unilateral instrument adopted by the European Parliament and the Council. As in the MEDA regulation, the Member States and the European Commission maintain full control of the decision-making process.

The main features of the other new instruments are the following:

- The ENP country reports are adopted unilaterally by the European Commission in order to evaluate the economic and political situation of a partner country at a precise moment of time in order to progressively define the priorities of the ENP action plans.

32. TAIEX (Technical Assistance and Information Exchange instrument). See <http://ec.europa.eu/enlargement/taieex>.

33. See [http://www.sigmaxweb.org/pages/0,2987,en\\_33638100\\_33638151\\_1\\_1\\_1\\_1\\_1,00.html](http://www.sigmaxweb.org/pages/0,2987,en_33638100_33638151_1_1_1_1_1,00.html).

34. Communication, *The General Approach to Enable ENP Partner Countries to Participate in Community Agencies and Community Programmes*, Brussels, 4th December 2006, COM(2006) 724 final.

- The ENP action plans are considered as the main instruments of the ENP. They are prepared (draft action plans) by the European Commission based on the Commission's unilateral country reports. The draft is prepared by the European Commission (with, in principle, an input of the Council as far as security issues are concerned) and then adopted at the level of the EU Council as an EU common position. It is finally endorsed at the level of the Association Council via a non-legally binding recommendation. Therefore, the degree of bilateralism can vary from one action plan to another depending on the input and degree of involvement of the partner country and eventually the civil society. The importance of the action plans lies in the fact that those instruments identify the main priorities of the ENP for each partner. As it is a non-legally binding agreement between the partners it thus gives more flexibility to the ENP partners in case the objectives of the action plan are not (fully) reached.
- The ENP progress reports are prepared unilaterally by the European Commission in order to assess the progress achieved by the partner in the reform process. One of the main issues here – as in the pre-accession process – is the degree of objectivity of the analysis or more precisely to what extent this unilateral assessment is taking into account the political will or the final aspirations and objectives of the partner.<sup>35</sup>

Despite the fact that the ENP is often considered as mainly a bilateral policy, it is clear that the unilateral nature of the aforementioned instruments points towards a strong European unilateral approach.

### The New Approach Regarding Multilateralism

It is also important to recall that the ENP also innovated as far as multilateralism is concerned. The multilateral cooperation and assistance programmes are in fact based on three different layers.

First, there is a regional dimension composed by the multilateral aspects of the Euro-Mediterranean Partnership and of the emerging Eastern Partnership. This is done technically at the level of the regional strategy papers (2007-2013) and regional indicative programmes (2007-2010) for the Euromed Partnership<sup>36</sup> and the Eastern dimension.<sup>37</sup>

Second, a so-called “interregional cooperation” is developed mainly through technical assistance (TAIEX and SIGMA, scholarships, promotion of cooperation between local actors in the partner countries).<sup>38</sup>

35. All aforementioned instruments can be found at [http://ec.europa.eu/world/enp/documents\\_en.htm](http://ec.europa.eu/world/enp/documents_en.htm).

36. See *European Neighbourhood and Partnership Instrument: Regional Strategy Paper (2007-2013) and Regional Indicative Programme (2007-2010) for the Euro-Mediterranean Partnership*, [http://ec.europa.eu/world/enp/pdf/country/enpi\\_euromed\\_rsp\\_en.pdf](http://ec.europa.eu/world/enp/pdf/country/enpi_euromed_rsp_en.pdf).

37. See *European Neighbourhood and Partnership Instrument: Regional East Programme Strategy Paper (2010-2013) & Indicative Programme (2010-2013)*, [http://ec.europa.eu/world/enp/pdf/country/2011\\_enpi\\_nip\\_regional\\_east\\_en.pdf](http://ec.europa.eu/world/enp/pdf/country/2011_enpi_nip_regional_east_en.pdf).

38. See *European Neighbourhood and Partnership Instrument (ENPI) Interregional Programme: Strategy Paper (2007-2013) & Indicative Programme (2007-2010)*, [http://ec.europa.eu/world/enp/pdf/country/enpi\\_interregional\\_en.pdf](http://ec.europa.eu/world/enp/pdf/country/enpi_interregional_en.pdf).

Third, a Cross-Border Cooperation (CBC) framework has been established in order to promote a decentralised approach focusing on local and regional authorities.<sup>39</sup> According to the Indicative Programme 2007-2010, CBC on the EU's external border is drawn on funds "from both the external and internal headings of the EC budget, for the pursuit of CBC activities serving both sides of the EU's external border. A number of important innovations are expressed in the ENPI Regulation itself – for example the manner in which internal and external funding is combined within the ENPI, and the provision for decentralised programming and implementation by local partners themselves." This trans-regional approach is therefore one of the most innovative aspects of the new financial approach. However, it remains to be seen if this approach will generate the expected results.

By way of conclusion, it is obvious that the ENP is a "European policy" that is using instruments that were conceived originally for the pre-accession process and therefore, legally speaking, the unilateral approach is predominant. On the other hand, there is also clearly a tendency to develop new forms of decentralised cooperation through the cross-border or interregional cooperation. The ENP also gives the opportunity to the partners to familiarise themselves with the EU policies and financial instruments. Finally, it is worth underlining that the whole ENP is centred on the political and socio-economic reforms.

## The Potential Impact of the Union for the Mediterranean and of the Advanced Status with Morocco: Increased Intergovernmentalism and Differentiation

There is already an impact of the Union for the Mediterranean on Euro-Mediterranean relations, which is the return to a more intergovernmental approach. For the advanced status granted to Morocco, the first EU-Morocco Summit held in March 2010 in Granada showed the potential but also the limits of this approach for the time being.<sup>40</sup>

### The Potential Impact of the Union for the Mediterranean

#### The Return to a More Intergovernmental and Nationalist Approach

First, one should note that originally the approach followed by the then candidate Nicolas Sarkozy for the Union of the Mediterranean was sub-regional; that is, the initial idea was to limit the Union to the riparian States of the Mediterranean thus excluding the majority of Member States of the EU 27. Moreover, there was a clear national agenda behind this first proposal. It was firstly a way to reinforce the leadership of France in the European Union and in the Mediterranean and this is one of the reasons why the reaction of Angela Merkel was so

39. See *European Neighbourhood & Partnership Instrument: Cross-Border Cooperation Strategy Paper (2007-2013) & Indicative Programme (2007-2010)*, [http://ec.europa.eu/world/enp/pdf/country/enpi\\_cross-border\\_cooperation\\_strategy\\_paper\\_en.pdf](http://ec.europa.eu/world/enp/pdf/country/enpi_cross-border_cooperation_strategy_paper_en.pdf).

40. See *First EU-Morocco Summit in Granada on 7th March 2010*, IP/10/242, Brussels, 5th March 2010, <http://europa.eu/rapid/pressReleasesAction.do?reference=IP/10/242&format=HTML&aged=0&language=EN&guiLanguage=en>.

strong. Second, there was also the idea of finding an alternative to the accession of Turkey and this is why Turkey made its attendance at the Paris Conference conditional on the Union for the Mediterranean not being considered as an alternative to accession. Finally, it was clear at the time of the first proposals that the future French President planned to revise the French Arab and African policies.

After numerous debates and a crisis between France and Germany, the European Council of 13th March 2008 adopted a statement entitled "Barcelona Process: Union for the Mediterranean", according to which: "The European Council approved the principle of a Union for the Mediterranean which will include the Member States of the EU and the non-EU Mediterranean coastal States."<sup>41</sup> This therefore put an end to the initial French ambitions and preserved to a certain extent the original EMP framework, even if new partners such as Monaco and the Balkan countries were invited to join the traditional Euro-Mediterranean partners.

The French EU Presidency then organised in Paris the second Euro-Mediterranean Summit of the Heads of State or Government on 13th July 2008. A Joint Declaration of the Paris Summit for the Mediterranean<sup>42</sup> was issued by the participants with a view to "enhance multilateral relations," "increase co-ownership," and "set governance on the basis of equal footing and translate it into concrete projects, more visible to citizens."

In fact, the Joint Declaration of the Paris Summit for the Mediterranean states that the Union for the Mediterranean is a "multilateral partnership with a view to increasing the potential for regional integration and cohesion" and that it will be "complementary to EU bilateral relations with these countries."<sup>43</sup>

The Union for the Mediterranean is, however, based on a strong intergovernmental approach to the point that one can refer to a kind of "de-communitisation" process. This "de-communitisation" process means that the Heads of States or Governments of the members of the UfM are supposed to play an increasing role compared to the former EMP framework. The return to intergovernmentalism can be seen in the creation of a number of new intergovernmental institutions, such as the Co-Presidency, the Secretariat and the Joint Permanent Committee.<sup>44</sup> This institutionalisation of bodies, quite similar to those already existing at EU level – and reinforced and complemented with the coming into force of the Lisbon Treaty –, therefore implies, as a mechanical consequence, the use of unanimity within the framework of the decision- and policy-making processes as well as the reference to the "lowest common denominator". Moreover, one should not forget that these rules must apply to the now 43 members of the Union for the Mediterranean!

41. European Council of 13th and 14th March 2008, *Presidency Conclusions*, Annex I: Statement on "Barcelona Process: Union for the Mediterranean", Brussels, 20th May 2008, 7652/1/08 REV, <http://register.consilium.europa.eu/pdf/en/08/st07/st07652-re01.en08.pdf>.

42. *Joint Declaration of the "Paris Summit for the Mediterranean"*, Paris, 13th July 2008, [http://www.ue2008.fr/webdav/site/PFUE/shared/import/0713\\_declaration\\_de\\_paris/Joint\\_declaration\\_of\\_the\\_Paris\\_summit\\_for\\_the\\_Mediterranean-EN.pdf](http://www.ue2008.fr/webdav/site/PFUE/shared/import/0713_declaration_de_paris/Joint_declaration_of_the_Paris_summit_for_the_Mediterranean-EN.pdf).

43. Euromed Summit, Paris, 13th July 2008, *Joint Declaration of the "Paris Summit for the Mediterranean"*, p. 8.

44. *Ibid.*, p. 15.



Today it is still difficult to see if the influence of the European Commission in the decision- and policy-making processes is going to diminish or not within the framework of the new Union for the Mediterranean as we still have to see what will be the final arrangements between the old and new Euro-Mediterranean institutional structures. On paper, it seems that intergovernmental structures will take the lead but, on the other hand, one should not forget the crucial role of the European Commission and the European Investment Bank at operational level.

There is another ambiguity here in the Union for the Mediterranean as numerous references were made to the approach used by the founding fathers of the European integration process during the preparations of the Paris Summit. In the Joint Declaration, references are made, for instance, to the creation of “regional concrete projects, more visible to citizens,” to the “common aspiration to achieve peace” and to the “strengthening of regional economic integration.”<sup>45</sup>

However, the functional approach developed in the 1950s cannot be disconnected from supranationalism as for example the role of the High Authority (the predecessor of the European Commission) was crucial in the framework of the European Coal and Steel Community and as the Member States clearly agreed to surrender some elements of their sovereignty. In contrast, intergovernmentalists focus on State actors and on the concepts of “national sovereignty”. In other words, in such a framework, States maintain full control and do not surrender their sovereignty to an independent authority in charge of preserving the “general interest”. Thus, there is here another contradiction between the long-term vision of an “economic community” promoted by the European Commission within the framework of the ENP and the institutions and procedures of the Union for the Mediterranean.

Paradoxically, the Union for the Mediterranean, which is supposed to be a “multilateral framework”, tends to reinforce bilateral relationships as it is clearly based on an intergovernmental approach. This is reinforced by the fact that the methodology is partly based on the concept of “reinforced cooperation”.

### The “Reinforced Cooperation” Approach

The “reinforced cooperation” or “variable geometry” approach is promoted notably for the six projects identified at the Paris Summit:

- De-Pollution of the Mediterranean.
- Maritime and Land Highways.
- Civil Protection.
- Alternative Energies: Mediterranean Solar Plan.
- Higher Education and Research, Euro-Mediterranean University.
- The Mediterranean Business Development Initiative.<sup>46</sup>

Apart from the fact that most of these initiatives were already launched before the Paris Summit,<sup>47</sup> it is important to stress that the Paris Declaration states that the “Heads of State

45. Ibid., points 5 and 11.

46. Ibid., Annex, pp. 19-20.

47. For instance, the idea of a “Permanent Euro-Med University” was already mentioned in Cairo on 18th June 2007 in the Joint Declaration *Towards the Creation of a Euro-Med Higher Education and Research Area*, adopted by the Euro-Mediterranean Ministers of Higher Education and Scientific Research, [http://www.bmbf.de/pub/euro\\_med\\_higher\\_education-en.pdf](http://www.bmbf.de/pub/euro_med_higher_education-en.pdf); the EIB was also working on de-pollution of the Mediterranean and on a number of projects related to infrastructures or SMEs.

and Government underscore the potential offered by the reinforced cooperation through the principle of variable geometry projects in line with the scope and main aims of the initiative. Such an approach will enable member countries with affinities, shared objectives and complementarities to give momentum to the process and reach the goals of the Barcelona Declaration.”<sup>48</sup> One of the dangers is that the promotion of sub-regional and variable geometry approaches can lead to reinforcing the traditional Member States’ zones of influences and fragment the overall ENP strategy.

Moreover, there are no rules or procedures as far as external reinforced cooperation is concerned. What about the minimum number of partners to be involved in each project? What about the respect for the “Barcelona *acquis*”? How to proceed in case of external financing (from Gulf Countries, for example)?

There is indeed a need to organise those procedures properly. This should be, in principle, the role of the Secretariat, which is not yet operational. The experience of “closer” and then “enhanced” cooperation institutionalised within the EC and EU treaties have clearly demonstrated the limits of institutionalised reinforced cooperation. This will be even more difficult in the external field so that one can expect the development of ad hoc reinforced cooperation at Euro-Mediterranean level that will reinforce differentiation and intergovernmentalism.

### The Potential Impact of the Advanced Status with Morocco

The advanced status for Morocco<sup>49</sup> finds its roots in the methodology applied by the EU within the ENP framework. Differentiation is a key element here. The advanced status adopted in October 2008 during the 7th Association Council and formalised within the framework of a joint document<sup>50</sup> is essentially a political commitment designed to reinforce bilateral relations between the EU and Morocco.

The original idea, promoted by the Moroccan King, was “more than association and less than accession.” In fact, in the joint document most of the ideas proposed were already put forward in the various ENP communications of the European Commission. The main objective is, therefore, on the EU side, to use this reinforced partnership as a pull factor for the other partners in the logic of rewarding the good students and, on the Moroccan side, it is expected that this new label will ease the access to EU funds and participation to EU programmes, policies and agencies. It is, in other words, a strategic political choice made by Morocco in a difficult regional context.<sup>51</sup>

However, and as stressed by Larbi Jaidi and Iván Martín, “the Advanced Statute is a framework for bilateral relations between the EU and Morocco, but it is unlikely to succeed if it is not

48. Euromed Summit, op. cit., p. 16.

49. For an exhaustive analysis see: Larbi Jaidi and Iván Martín, *Comment faire avancer le Statut avancé UE-Maroc ?*, “Documents IEMed”, No. 5, Barcelona, IEMed, 2010, [http://www.iemed.org/publicacions/papers5\\_ma.pdf](http://www.iemed.org/publicacions/papers5_ma.pdf).

50. *Document conjoint UE-Maroc sur le renforcement des relations bilatérales/Statut avancé*, [http://ec.europa.eu/external\\_relations/morocco/docs/document\\_conjoint\\_fr.pdf](http://ec.europa.eu/external_relations/morocco/docs/document_conjoint_fr.pdf).

51. The joint statement adopted on the occasion of the first EU Morocco Summit clearly notes that: “Morocco has made its rapprochement with the EU a fundamental political choice”, *Joint Statement European Union-Morocco*, Granada, 7th March 2010, Brussels, 7220/10, [http://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/en/er/113247.pdf](http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/er/113247.pdf).

accompanied by a simultaneous integration of Morocco with its own neighbours, notably the Maghreb countries. Key elements of the Advanced Statute project include Euro-Mediterranean regional programmes, projects of the Union for the Mediterranean, sectoral strategies and action plans defined within the framework of the Euro-Mediterranean Partnership but, above all, freeing of economic relations with Algeria, even if this is only possible through the opening of the common border, which has been closed since 1994.”<sup>52</sup>

This conclusion is also true for most of the Mediterranean partners of the EU. As the 1995 Barcelona Declaration stressed from the very beginning: the multilateral framework of cooperation must complement bilateral relationships.

The first EU-Morocco Summit, held in March 2010, was considered by some observers as being essentially a marketing initiative.<sup>53</sup> It is true that the joint statement<sup>54</sup> reiterates the main objectives developed within the ENP framework such as the “deeper free trade area”. In fact, it is more the organisation of the Summit as such that was of importance than the contents of the Declaration itself as it clearly emphasised that the EU-Moroccan relations were entering a new phase characterised by a reinforced political dialogue<sup>55</sup> but also emphasised the “strategic” nature of this new partnership as mentioned in the Declaration.

However, there is an interesting new trend. The partners, for instance, noted with satisfaction “the promising prospects for cooperation opened up between Morocco and the Council of Europe, particularly as a result of Morocco’s accession to the Council of Europe’s North-South Centre.”<sup>56</sup> This is something new for a Mediterranean partner of the EU and should not be underestimated.

52. Own translation. Larbi Jaidi and Iván Martín, *Comment faire avancer le Statut avancé EU-Maroc ?*, op. cit., p. 8.

53. See Aziz Ben Marzouk, “Sommet de Grenade. Le Maroc demande un « partenariat privilégié »”, *L’Économiste*, <http://www.leconomiste.com/article.html?a=99037>.

54. *Joint Statement European Union-Morocco*, Granada, 7th March 2010, Brussels, 7220/10, [http://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/en/er/113247.pdf](http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/er/113247.pdf).

55. It is interesting to note that the EU was represented by Herman van Rompuy, President of the European Council, and José Manuel Durão Barroso, President of the European Commission, whereas Morocco was represented by its Prime Minister M. Abbas el Fassi. See *Joint Statement European Union-Morocco*, op. cit., p. 1.

56. See *Joint Statement European Union-Morocco*, op. cit., p. 7.

## General Conclusion

The overall framework of Euro-Mediterranean relations has become extremely complex. Nowadays, we have a number of different layers, instruments, strategies and unilateral, bilateral and multilateral instruments framing more and more differentiated relationships. Amongst the most important developments one should underline the return to more intergovernmentalism as promoted by the Union for the Mediterranean and the possible creation of a Euromed “hard core” or “avant-garde” generated by the ENP positive conditionality approach through the creation of new “advanced statuses”.

A number of Mediterranean partners will now enter a second phase with the negotiation of “deep and comprehensive FTAs” (DCFTAs) including “‘behind the border’ elements and liberalisation of trade flows among partner countries, with a certain level of asymmetry if appropriate.”<sup>57</sup> This is certainly a crucial issue for Morocco. At bilateral level, the real question is now for the Mediterranean partners to decide to what extent they can go further in the process of economic integration with the EU. At multilateral level, the next step is therefore a comprehensive understanding of what could be the future Euro-Mediterranean Economic Model of Integration.

Several ideas are already on the table. Originally, Romano Prodi proposed to refer to the EEA model. In 2007, the European Commission then proposed the “longer-term vision of an economic community emerging between the EU and its ENP partners,” emphasising that “working towards a broader Neighbourhood economic community would include such points as the application of shared regulatory frameworks and improved market access for goods and services among ENP partners, and some appropriate institutional arrangement such as dispute settlement mechanisms.”<sup>58</sup> The Union for the Mediterranean points logically towards the idea of building a Union in the long run, but this seems for the time being unrealistic given the persistence of major conflicts in the Middle East but also in the Western Sahara. In other words, peace is a precondition for developing, in the (very) long term, a Euro-Mediterranean Union.

A Euro-Mediterranean Community of interests based on the functional approach used to create the European Coal and Steel Community seems to be a more credible option for the medium term. Energy and environmental issues (water, desertification, de-forestation), tourism or SMEs can, among other areas of cooperation, be used in a first “sectoral approach” step. This Euro-Mediterranean Economic Community should necessarily be based on common institutions and policies. A common Euro-Mediterranean commercial policy could be envisaged, for example. However, without peace in the region the challenge will be huge.

At another level, there is a danger of developing a “multi-speed neighbourhood policy”<sup>59</sup> or “a multi-speed Union for the Mediterranean” that could lead to de-coupling the Mediterranean

57. *Communication from the Commission to the Council and the European Parliament on Strengthening the European Neighbourhood Policy*, Brussels, 4th December 2006, COM(2006)726 final, [http://ec.europa.eu/world/enp/pdf/com06\\_726\\_en.pdf](http://ec.europa.eu/world/enp/pdf/com06_726_en.pdf), p. 5.

58. *Communication from the Commission to the Council and the European Parliament on Strengthening the European Neighbourhood Policy*, op. cit., p. 5.

59. See Erwan Lannon, “The Proliferation of EU’s Proximity Strategies: Towards a Multi-Speed Neighbourhood Policy?”, *BEPA Monthly Brief*, No. 23, European Commission, Brussels, February 2009, pp. 2-4.

partners into two sub-groupings: the “good” and the “bad” students. After Morocco and Israel, Jordan and Tunisia have also asked the EU to develop special relationships whilst countries like Algeria and Syria are increasingly more marginalised in Euro-Mediterranean relations. One of the major problems of this positive conditionality approach is that the good students are rewarded – notably through supplementary financial means – , whereas it is the “bad” student that needs more support.

On the other hand, the new architecture of the Union for the Mediterranean could, in the longer run, reinforce the sense of ownership required to fully involve the Mediterranean partners in the management of the different actions and projects, something that was really missing in the EMP and ENP frameworks.

However, today, the Co-Presidency system is disturbing the management of the late Barcelona Process, but the definitive articulation between the old institutional structures and the new ones has still to be precisely defined. Despite the tensions it raised in the EU, the Union of the Mediterranean originally generated quite positive reactions among the Mediterranean partners as it promises the possibility of developing a kind of common policy.

Let us hope that this trend will finally prevail. Let us hope that a real “Euro-Mediterranean Community” of interests but also of values will progressively emerge for the benefit of the “Euro-Mediterranean general interest” and that the still underestimated “Barcelona *acquis*” will be preserved for the good of all partners.<sup>60</sup>

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60. See Roberto Aliboni, George Joffe, Erwan Lannon et al., *Union pour la Méditerranée. Le potentiel de l'acquis de Barcelone*, “ISS Report”, No. 3, Paris, EUISS, November 2008.