

## **The effects of enlargement in the Mediterranean: Possible consequences for the Barcelona Process**

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In March 1998 a group of three countries out of the Visegrad Group (Hungary, Czech Republic and Poland), plus Cyprus, Slovenia and Estonia started negotiating their membership in to the European Union (EU). They were called the Luxembourg Group since the European Council meeting which gave the green light to the commencement of negotiations was held in Luxembourg. These six were later, after the Helsinki European Council of 1999, accompanied by another six applicants including Slovakia, Romania, Lithuania, Latvia, Malta and Bulgaria, which also commenced negotiations in February 2000. Apart from admitting more countries to the negotiations table, which is *per se* an historical decision, the Helsinki European Council endorsed the so called 'regatta principle'<sup>1</sup> (Helsinki European Council 1999) eliminating the distinction between the Luxembourg and Helsinki groups and let each country enter the EU as soon it has proven its full capacity to comply with the EU *acquis*.

Since the opening of negotiations with the Mediterranean Candidate Countries (MCC), namely Cyprus and Malta, the issue of whether we can speak of a more southern dimension arose. Furthermore, this issue is intimately linked with the fact that the two countries also belong to another process, the Euro-Mediterranean Partnership (EMP).

In this chapter we try to support, with as much as evidence as possible, two main and presumably unaccepted, consequences of this process. The first is that there is no Mediterranean or Southern dimension of the enlargement. The second is that, in the short-term, the potential belonging of Malta and Cyprus to both European Union and Barcelona process will not benefit the latter; on the contrary, it might cause a further stalemate unless certain changes take place

Finally we set out some proposals on how the Barcelona process should proceed in order to really revitalise the concepts and aims, which were envisaged at the time of its establishment.

### **The Barcelona Process**

The Barcelona Process did not come about overnight as a brainchild of an enlightened EU officer of European Commission DG 1B, but was the result of a lobbying action carried out by the EU Southern member states, Spain in particular. Barbé (1997) underlines the role played by the two Spanish EU Commissioners, Matutes and Marin and by the Prime Minister González in drawing the attention of the EU Commission towards the Mediterranean area after the granting to Germany of the PHARE coordination (*ibid.*: 4). They were using the double concept of solidarity and security approach within a balancing strategy Central and Eastern European- Mediterranean area approach.

If the Spanish action was quite considerable in trying to put the Med issue at the top of the EU agenda one should recognise that a major attempt to create a global approach to the Mediterranean area was evident in the establishment of the Conference on Security and Co-operation in the Mediterranean (CSCM) launched and drafted jointly by Italy and Spain in the CSCE – now OSCE context. The project was quite ambitious and relied strongly on the CSCE format. In fact it envisaged a distinction in three baskets, intended as area of co-operation: political and security, economic and humanitarian and cultural. The proposal was never transformed into something concrete due to different problems<sup>2</sup>, but represented an innovative format of relationship between the European Union and a geographic area

It is worth following again Barbé (1997) on how the years 1994 and 1995 were crucial in defining which policy the EU was to adopt towards the Mediterranean area and as the contrast or contraposition between Central and Eastern Europe from one side and Mediterranean area was going to affect some major decisions<sup>3</sup>.

What is the actual content of the Barcelona Process and where does it come from? Let us start from the latter point because it might be more helpful to ascertain the real power envisaged in Barcelona Process.

The main reference to describe the Euro-Mediterranean Partnership has to be the Helsinki Process, namely the process started with the Helsinki Final Act (1975) leading to the institutionalisation of an open-ended conference in a substantive regional organisation dealing with security economic and human dimension issues in an enlarged European area.

As is well known the Helsinki Process was based on three interlocking pillars, or baskets, dealing respectively with security, economic and human rights. This is not the appropriate place to judge the pros and the cons of the Helsinki Process, one just underlines the role it played as an instrument for communication between the two blocks (Ghebali, 1991). But the reference to the Helsinki Process is particularly relevant. In fact the Barcelona Process, coming out from the Declaration of Euro-Mediterranean Conference of 1995 organised itself on a Helsinki model process divided in three baskets: a political and security partnership, an economic and financial partnership and a partnership in social cultural and human affairs.

The principal aim of the first basket is to create an area for peace and security across the Mediterranean. This will be achieved mainly through the full use of the international instruments provided by the United Nations System and some other Confidence Building Measures but even admitting the possibility of the adoption of a Euro-Mediterranean Pact<sup>4</sup> to fulfil this commitment.

In the second basket, dealing with economic and financial affairs, the signatories recognised the importance of a sustainable and balanced economic and social development. This will be crucial for creating an area of shared prosperity. The main instrument will be the creation of a free trade area by 2010, abolishing progressively the tariff and non tariff barriers among the EU and the 12 Mediterranean Partners. Co-operation and concerted action in several areas such as industry, investments, environment etc, and a substantial increase in financial assistance will be accompanying and complementary measures. The free trade area

will at the established date create a web of cross liberalisations carried out by the bilateral track of EMP, namely the Euro-Mediterranean Association Agreements, a third generation agreement of the EU third countries policy.

Finally the third basket deals with the human dimension and social affairs question. It basically concerns all the possible action to strengthen dialogue and the interchange between the two shores of the Mediterranean in terms of mutual knowledge of cultures and traditions. Nonetheless the main focus is on the convergence of all envisageable action in order to counteract or contrast the demographic threat represented by the south, both as concerns the legal flow of population but above all the illegal migration flows.

As scholars pointed out the EMP “proved to be a very innovative mechanism compared to other Mediterranean co-operation schemes, because it was also a flexible arrangement” (Xenakis, 1998). Nonetheless as the EMP started growing up it showed that it would not have an easy life. At the Euro-Mediterranean Conferences of Malta (1997) and Palermo (1998) one of the main achievements of the EMP i.e. the possibility to have sitting at the same table representatives of Syria, the Palestinian Authority, Lebanon and Israel vanished. As a result, the EU’s attempt to keep the Middle East peace process not directly linked to the EMP with a big benefit for the EU *vis-a-vis* the USA action in the Mediterranean also vanished.

We have introduced the model of the Helsinki Process drawing basically some reflections from Xenakis (1998) because he was posing an interesting and still current question. The Barcelona Process seems to adopt a skeleton framework with special emphasis on the ‘process characteristic’, which allows a certain degree of dynamism, typically features of the Helsinki Process: but while the CSCE has been transformed into OSCE with a clear mandate of regional organisation, the same point can not be addressed to the EMP. What kind of model can we use for the EMP without stretching the existing model of OSCE? Should one envisage the same idea put forward in Barcelona 1995 or due to the evolution of the regional environment – i.e. Middle East peace process, the EU internal changing process, etc- should one reformulate its total approach, methodology and structures? We are going to try to

answer this question after having analysed whether there exists or not a Mediterranean dimension of enlargement.

### **Eastern and Southern (Mediterranean) dimensions of enlargement**

The current wave of enlargement started with the Presidency Conclusions of the European Council of Luxembourg (12-13 December 1997). In that occasion member states of the EU decided to undertake the major enlargement both in terms of membership and economic relevance.

The *imprimatur* to the enlargement process began operatively, with the launching of a European Conference<sup>5</sup>, starting by 30 March 1998 of bilateral accession negotiations with 6 countries of Eastern and Central Europe plus Cyprus and the adoption by the EU of an enhanced pre-accession strategy. No doubt, however, that in term of scoreboard and multilateral cross checking exercises the Regular Report issued every year by the European Commission is of primary importance. It contains an analytical examination regarding the advancements of each candidate state towards the adoption of the 31 chapters of the *acquis* and a general overview of the whole enlargement process. Mid November, when the Regular report is released, is becoming, especially in the last few years a deadline and an assessment period for the candidate countries.

Since Cyprus began negotiations with the EU in the main European and world newspapers an expression come out as defining a possible rebalance or different dimension of the enlargement itself. Mainly conceived as process to bring into EU area the former communists countries, should the enlargement have a properly defined Mediterranean dimension? We argue in the following part of the paper that the so called Mediterranean dimension is just a journalistic expression, that expression that refers to two countries i.e. Malta Cyprus- and Turkey, but without any substantial importance.

Three main reasons may be adduced to support our position. First, the voting system within the Council according to the Nice Treaty provisions. The Nice Treaty

introduced a new weighting of the voting in the Council to keep into consideration the entrance of 12 potential candidates. In fact the Nice Treaty establishes that a decision adopted by qualified majority, would be modified from 1 January 2005, and will reflect a dual system:

Afterwards, once the twelve applicant countries with which the Union has already started accession negotiations have joined, the qualified majority threshold will be set at 255 votes out of 345; a majority of member states votes in favour of a decision.

A member state may ask for verification that the qualified majority comprises at least 62% of the total population of the EU. Should this not be the case, the decision will not be adopted. In the assignment of votes the Mediterranean Countries will get respectively: Italy 29, France 29, Spain 27, Portugal 12, Greece 12, Cyprus 4 and Malta 3, which makes a total of 116.

Even admitting Greece and Portugal's Mediterranean attitude, the amount of voting of the MED dimension in the Council still represents barely the 45 % of the necessary votes to adopt a decision. At that stage, considering the Council of Minister is becoming more a global bargain market for EU decision, one may envisage an alliance with non-Mediterranean countries to get a decision, which may favour a Med dimension<sup>6</sup>. It would need to gather, excluding the big three (Germany, Great Britain and Poland) almost 12 other countries. At this stage, we have some doubts that in the arid decision making scenario of the Council of Ministers any real strengthening of the Mediterranean Dimension may be foreseen.

The second reason that pushes us to argue towards the non-existence, or more politely, non-relevance, of a Mediterranean dimension of enlargement is the procedural machinery adopted to provide Cyprus and Malta with the pre accession funding in order to comply with the *acquis*.

The CEECs countries were channelled into the accession area through the Europe Agreements and the amount of money allocated to the PHARE programme. Malta and Cyprus were both covered till 1999 by Financial Protocols. As soon as they were entitled to accession funds, the EU members faced the problem of finding

resources to allow accession to become a reality. In the decision taken at EU level whether or not to adopt a specific instrument taking into consideration the peculiarities of Malta and Cyprus, the final results was that the EU decided to consider them just a plus two to the CEEC. In fact Malta and Cyprus were both entitled to a National Programme adopted by the PHARE Committee<sup>7</sup> with PHARE methodology. This decision should not be overestimated, in fact the same MEDA programme, which deals with Mediterranean Partner Countries (MPC), has been recently reshaped<sup>8</sup> following the PHARE template of working. Nonetheless we remark that an interest towards strengthening the Med dimension within the EU should have had the three historical Med countries of the EU imposing –or at least trying to- specific instruments aimed to recognise such unique features in Malta and Cyprus.

An additional reason that may be adduced to contribute to support our thesis refers to the role the Mediterranean countries are playing in the Convention for the Future of Europe. In that context, participation in the Board of the Convention, charged to rewrite the major axis of the European Union after the enlargement, was granted to a Slovenian representative. Again the presence of two representatives, one of behalf of CEECs block and another on behalf of a MED block or dimension would have been interpreted as a signal recognising a specific feature of the *Mediterranéité*. However it is only fair to point out the very peculiar conditions in which the accession process is taking place in the two Mediterranean candidates. Admitting the existence of such special conditions may justify the prudence adopted by the EU towards a major involvement of both society and government in the Convention.

Another fact supporting our thesis of the no existence of any Mediterranean dimension of enlargement is represented by the European features of both Malta and Cyprus.

Take the case of Cyprus. If we look at the Regular Report 2001 we discover that difficulties on the Cyprus side are few. The Copenhagen criteria are substantially met, especially the political criteria and the established functioning market economy. In the former the political constraints constituted by the division of the island doesn't

represent anymore an obstacle to Cyprus' Accession to the EU. In fact the Helsinki European Council (December 1999) affirmed that —

“...a political settlement will facilitate the accession of Cyprus to the European Union. If no settlement has been reached by the completion of the accession negotiations, the Council's decision on accession will be taken without the above being a precondition. In this the Council will take account of all relevant factors.”

Furthermore the EU is *de facto* admitting the possibility of a divided Cyprus. In fact the last two Regular Reports (2001 and 2002) still making reference to the amount of money EU has committed to the north part of the island (European Commission, *Common Financial Framework*, 2002).

Then Regular Report 2002 confirms in full the respect of political criteria by Cyprus<sup>9</sup>. As far as the economic criteria are concerned, namely the existence of a functioning market economy and the capacity to cope with competitive pressures and market forces within the Union one can quote directly the 2001 Regular Report: “Cyprus is a functioning market economy with a sufficient degree of macroeconomic stability for economic agents to make decisions in a climate of predictability. These are essential requirements for confronting the competitive pressures and market forces within the European Union” (2001 Regular Report: 32). And after “Cyprus is a functioning market economy. It should be able to cope with competitive pressure and market forces within the Union” (*ibid.*: 34).

Finally the third criterion spelled out by the Copenhagen Council was the ability to assume the obligations of membership. In the Conclusion of the 2001 Regular Report it is stated that: “Overall, the administrative capacity of Cyprus is already largely in place to implement the different aspects of the *acquis*” (*ibid.*: 95). The 2002 Regular Report adds nothing to the positive EU judgment on Cyprus's ability to cope with the second and third of the Copenhagen criteria (2002 Regular Report: 30-42).



We are going to analyse the situation for Malta. As far as the political criteria are concerned the Regular Report affirms that: “Malta continues to fulfil the Copenhagen political criteria. Further efforts have been made to prepare the administration for operation within the EU, and the authorities’ record on democratic and human rights remains generally good” (Regular Report, 2001: 16).

Insofar as the existence of a market economy is concerned the Report states that: “Malta is a functioning market economy. It should be able to cope with competitive pressure and market forces within the Union” (*ibid.*: 27)<sup>10</sup>. The 2002 Regular Report still confirms that: “Malta is a functioning market economy and it should be able to cope with competitive pressure and market forces within the Union” (Regular Report, 2002: 34)<sup>11</sup>.

Finally in the field of the capacity to assume the obligations of membership the scenario is less satisfactory than that of Cyprus, but still at the top of the candidate countries scoreboard. In fact the Report admits that: “Since the last Regular Report, Malta has continued to progress well in aligning its legislation with the *acquis* and strengthening its administrative capacity. However, progress has been uneven across the different fields” (*ibid.*, pag.79).

In fact the record of progress in the sectors of environment, agriculture as well free movement of services achieved since 2000 Report has not been significant<sup>12</sup>.

These data show something that is very difficult to argue on a very scientific basis on the European nature of both countries, but which reflect a common conviction in the two countries. This is that, most likely, both Malta and Cyprus even without admitting clearly consider themselves primarily European and then Mediterranean countries<sup>13</sup>. A further fact reinforcing this affirmation is the GDP, which is a figure closely linked with the feature described in the Regular Report. Malta had a GDP of 9900 EUR in 2000 while Cyprus of EUR14100 in the same year. The other Mediterranean Partners Countries (MPC) were all, except Israel and Turkey below EUR 2000 (Statistic I Focus, 2001). A more significant data is the grade of openness recording Malta being the most open economy of the Group of MPC.

The arguments so far brought in exploring whether a Mediterranean Dimension of the EU enlargement exists or not do not have a relevance per se but only in relation to another issue to be dealt with in this paper from now onwards. The enlargement process won't be driven somewhere else by an academic or policy oriented affirmation of such existence, but will be running more towards a communication oriented action on the benefits of enlargement in EU member states and in the candidate countries.

On the contrary it might be interesting to argue how the involvement of EU countries with such a strong Mediterranean dimension will affect EU border policies or/and regions. In particular a special focus should be therefore dedicated to the Euro-Mediterranean Partnership.

We will therefore analyse first how Malta's and Cyprus' potential admission to the EU may affect the EMP process and then try to screen some of the main proposals advanced so far for the resurrection of the Euro-Mediterranean Process.

### **Malta and Cyprus in the EU: More attention to Barcelona Process?**

In Malta's political arena linking the Med dimension to the EU Dimension has been always a card to be used by all the speakers, both opposition and government. In describing that several 'nuances' must be spelled out.

As a general statement it should be said that in Malta the EU issue is a global one. In the following paragraphs we are going to explain what we mean by global.

First element to be analysed is the information campaign. Malta is the only country with a special enlargement strategy. The local EU delegation has not set up an Information Centre, while this primary function has been "delegated" to the Maltese government by the setting up of the Malta EU Information Centre<sup>14</sup>. The MIC is entitled to disseminate information to all the Maltese citizens about the functioning and the opportunities provided by the European Union. As a matter of fact the information campaign run by the MIC has been accused to be partisan in favour of accession to the EU<sup>15</sup>.

One should also note that the Maltese political system, is an almost 100% bipartite system which has created a long-standing confrontational arena in which the issue of membership of the European Union is the YES –NO approach, of government and opposition respectively. Each political action, each bill or law enacted by government is seen in the light of the accession process in order to better fulfil the *acquis*. At the same time the Labour Party, which is in opposition, affirms that the same bill or the same law adopted by Government is made to accommodate the EU even if such measures are not allowing the island to perform better.

The second point is the population's attitude towards the EU issue. According with the latest Xarabank's<sup>16</sup> survey the percentage of people favouring entrance on EU is around 52,5% while the opponents are around 44 %. But apart from the data provided by survey polls it is be recorded that every day in the four main newspapers of Malta<sup>17</sup> open the front page with news regarding different aspects related to the pros and cons of Malta's accession process to EU. In a normal situation this would be interpreted as a clear signal of an advanced democracy aiming to offer its citizens the widest information available on EU issues. Unfortunately, while having no doubt on the performance of Malta as a full democracy, the information provided on the EU issue is often incorrect and incomplete and above all, misleading to the question of the Referendum<sup>18</sup>.

Taking into consideration this very peculiar situation the question to be answered right now is whether Malta will change its Mediterranean dimension once accession to EU will be effective. In putting such a question we are shifting from an EU issue –i.e. policy towards EMP- to a national one- priority agenda items of a national state. In reality the position of Malta in the EU and in the EMP is worth noting. Malta in fact, has played a role of input and balancing in the EMP. Since the Meeting of Valletta (1997) in which the beautiful expectations raised in Barcelona 1995 seemed to receive a shocking confrontation with the reality, Malta's action has been oriented towards a duplex direction. One oriented to allow the Barcelona Process to implement the Action Plan as agreed in 1995, especially for the adoption of the Charter for Peace and Security in the Mediterranean and the strengthening of the

third basket dealing with the social and cultural dialogue between the two shores of the Mediterranean; the other to draw the EU's attention to the important role which the Barcelona process can play in the area, being the only forum in which the Middle East opponents were still sitting at the same table. In other words it is widely recognised from all 26 partners the sincere and serious commitment Malta has shown to the EMP. This fact may be changing soon. Since the 2001 Report and the adoption of the Road Map for accession, the possibility to become a full member of the EU before the Parliamentary election in 2004 is seen by the Maltese government as a paramount priority in the foreign policy agenda. This coincides with the lowest level of action undertaken by the Barcelona Process clearly expressed in the post Marseille period. The re-exploding of violence in the Palestine-Israel conflict is another factor that undermined the Barcelona Process.

What is the situation of Cyprus as far as the Euromed and European Union Process is concerned?

During his visit in Malta on 21<sup>st</sup> of February Cypriot Foreign Minister Ioannis Kasoulides offered during a public lecture and in the formal consultations with the Maltese counterparts, a clear overview on his government's position regarding the Mediterranean dimension of EU enlargement. He stated that: "[w]e see ourselves as a small country in the Mediterranean with close ties to Arab countries of the Middle East and Israel and we believe that we have a role"

He further expressed that the southern dimension of the enlargement is an essential pre-requisite for the successful growth of the Union. But Cyprus' perception of its importance in the EU is complementary, according to Kassoulides, with the path undertaken by Malta as being both brokers of stability in the Mediterranean. Notwithstanding Cyprus considers its role more focused as a bridge EU Middle East<sup>19</sup>. In his words Cyprus may be seen as having an even more powerful role than the Malta one as supporter of the Mediterranean dimension of the EU when he said:

"[t]he more states of our size in the EU, and the more member states in the southern Mediterranean, the better. If Malta doesn't

join, then we have to represent the southern dimension on our own... It would be difficult, but of course, each country has to follow its own destiny and respect the sovereign will of its people."

But if Mr Kassoulides stressed, during his visit, the communalities between Cyprus and Malta, the list turned soon turned to be short. On several points there is common understanding but a different starting point. As seen above the EU is primarily in Malta an internal affairs issue, in Cyprus, on the contrary, all the eight political parties and their constituent bodies support the effort towards integration considering the option as the best solution for the island.

In Cyprus non entrance is seen as a catastrophe, in the sense that all other options available were already exploited<sup>20</sup>.

By this short overview two conclusions may be drawn. The first is the role Cyprus assigns to the EU enlargement in its foreign policy agenda. It is at the top of the Agenda. The second refers to the role Cyprus will play in an enlarged Europe. Differently from the Maltese perception, Cyprus' reflection is more towards the possibility of moulding the EU partners' sensibility towards the Mediterranean area, than moulding decisions as the Maltese convictions stand for.

From this short analysis of the Mediterranean countries engaged in the current wave of EU enlargement we have reached a clear conclusion. Both countries, supported by different internal or external factors see the EU standing at the top of their respective foreign policy agenda. Both countries have similar power in terms of diplomatic resources and therefore to be engaged in different foreign policy commitments may be a duty difficult to fulfil. In this situation a multilateral engagement is the best framework to share and to try to resolve their respective problems and to raise the attention of other partners towards their own interests.

As for the analysis of this chapter we are comparing two multilateral frameworks: the European Union and the Euro-Mediterranean Partnership.

As a matter of consequence they – Malta and Cyprus -would choose, once members of the EU system, how to better focus their foreign policy. It seems quite

predictable that both countries will choose, on a short-term period, a more dedicated action to the EU. This decision will be due to different reasons. As for Malta, membership of the EU will be coinciding with a re-election of the current Nationalist government. At the time of entrance, potentially 2004, the EU new Structural Funds Financial Framework for the period post 2006 will be the top subject at the EU level for all the countries, especially for the former candidates ones. Malta like other EU new comers will be facing one of the most difficult negotiations at the EU level. Therefore it is highly predictable that the diplomatic effort will concentrate on this issue<sup>21</sup>.

For Cyprus the main reason to focus in the short time horizon towards a major involvement in the EU framework will be the division of the island. In December 2001 face-to-face negotiations resumed between the two communities. As stated before the EU shifted its appraisal on the issue from a negative one, no accession of a divided island to a positive one, accession might be a catalyst to support, accompany and encourage a path towards a final settlement. In fact the EU Commission proposed the allocation of some financial resources to the Northern Part of the island eligible under Objective 1 funding scheme. Therefore EU accession will represent for Cyprus a window of opportunity Wallace (2001).

If this will be the case, in the short-term, Malta and Cyprus will be focusing on the EU system, to better make acquaintance with the new framework, in terms of procedure, methodology and commitments and especially as far as funding is concerned. In which way will this affect the Euromediterranean Partnership? Some scholars such as Pace (2001) argue that the fact Malta and Cyprus will see their importance and international standing increased within the EMP by virtue of their membership in the EU, that will be allowing them to sit in the MEDA Committee and participating in the formulation and execution of the EU policies.

In our judgment as stated above, Malta's and Cyprus' attention will be diverted to just the EU framework in the short time. This might have a positive influence on the Euro-Mediterranean Partnership. We would like to explain in detail this affirmation —

“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; and further the participants are stressing that this Euro-Mediterranean initiative is not intended to replace the other activities and initiatives undertaken in the interests of the peace, stability and development of the region, but that it will contribute to their success”.

Mainly it means that previous agreements established before the launching of Barcelona Process will be if compatible, duly respected.

Since the start the Barcelona Process was immediately perceived and implemented as a different speed process in the integration with the EU. Some countries, Tunisia, Morocco, and Palestinian Authority (interim agreement) were able to sign and ratify soon a Euro-Mediterranean Association Agreements (EMAA). Some other, like Egypt, and Jordan were immediately involved into negotiations and in the last years their respective EMAA were signed or entered into force. A third group of countries, namely Algeria and Lebanon just reached in 2002 a final agreement with the EU. A fourth group is represented alone by Syria for whom association agreement is still far from being concluded. A fifth group is composed by those countries which maintained, within the EMP their previous – pre Barcelona- association agreements, namely Cyprus, Turkey, Israel and Malta.

|                | <b>1<sup>st</sup> wave<br/>(1995-98)</b> | <b>2<sup>nd</sup> wave<br/>(1998-2000)</b> | <b>3<sup>rd</sup> wave<br/>(2001-2002)</b> | <b>4<sup>th</sup> wave</b> | <b>Pre-<br/>Barcelona</b>           |
|----------------|--|--|--|----------------------------|-------------------------------------|
| <b>Country</b> | Tunisia,<br>Morocco,<br>PA               | Egypt, Jordan                              | Algeria,<br>Lebanon                        | Syria                      | Cyprus,<br>Israel, Malta,<br>Turkey |

This division, made up using as pattern the period of signature, may suggest something interesting on the EMP that the same EU was lately taking into account.

The EMP presents a wide diversified membership and it is reflected in the capacity to find a common ground of understanding and consequently a common action in the three baskets, to pursue the objectives envisaged in the Barcelona process carried out in the bilateral track.

This division tends to recognise what so far was just whispered regarding the Barcelona Process. The issue is to revitalise the Barcelona Process, but it is linked to the fact that the 12 Partners of the southern shore are quite different from each other. Therefore, and here is a first statement, the shifting of Malta and Cyprus from the status of Mediterranean partners to the one of EU members can benefit the same EMP. The way in which it may benefit the process is twofold. From one side, as argued above, the two countries will be able after an “adjusting period” into the EU, reassess their foreign policy. In doing that their natural Mediterranean dimension will allow them to sensitise EU non-Mediterranean states towards the Mediterranean basin. On the other side, the composite EMP membership will become more homogenous in terms of economic potential.

### **Revitalise the Barcelona Process: face-lift or new model?**

The division we drew before leads us to a further observation. Which model of the EMP would it be advisable to follow after the current EU enlargement? In other words, considering the negative record of the Barcelona Process so far, towards which model of Partnership the Process itself should tend to?

In our opinion two are the options available. The first is the emphasis the regional dimension of the Process. The Barcelona Declaration and more concretely the Action Plan, envisaged a series of activities to be developed at the regional level. Regional level, in the EMP terminology, stands for those activities involving all the 27 participants of the Process. It encompasses the establishment of certain thematic aims to be achieved through programmes in each of the three baskets. Some of them, especially those in the second and third baskets, function in a similar way to the system of ‘call for proposal’ applied within the EU. This machinery



allows civil society to take part, by competing, for the granting of subventions. In the first basket the approach is basically top-down, focusing on the Confidence Building Security Measures, in which the civil society is not actively participating except episodically and under a precise scope of action. The regional dimension represents about the 10% of the total funding granted to Med partners by EU within the EMP. Those who support this option, the European Commission in particular, call for a major increase in funding, through MEDA, of regional activities in all the three baskets. The argument behind supporting this option is that the regional dimension represents the real, genuine value of the Partnership. The stress on this option, as suggested in February by the European Commission (European Commission *Euro-Mediterranean Foreign Ministers*, 2002) was endorsed in the Valencia Euromed Conference by adopting a Framework document. The document aims to implement a regional co-operation programme in the field of Justice, in combating drugs, organised crime and terrorism as well as co-operation in the treatment of issues relating to the social integration of migrants, migration and movements of persons. At the same time an Action Programme for the dialogue between cultures and civilisations was adopted as well together with a commitment to establish a Euro-Mediterranean Foundation to increase the visibility of the Barcelona Process<sup>22</sup>. This emphasis of the regional dimension of the EMP is quite linked with the attempts to reproduce the same EU machinery at the Partnership level. The decision adopted in Valencia in April 2002 to set up in the near future a Parliamentary Assembly for the Euro-Mediterranean area is clear evidence of it<sup>23</sup>.

This option involves as a logical consequence, the development of south-south regional integration. In the Conference of Marseille 2000<sup>24</sup> the EU took note, with particular interest, and invited the states concerned to dedicate further attention to, the first serious attempt of regional integration<sup>25</sup>. This initiative is the so-called "Agadir process". This process started with the Agadir Declaration, on 8 May 2000 endorsed by Egypt, Jordan, Tunisia and Morocco. The aims of this boost to south-south integration were to enhance the mutual Arab co-operation and to develop further the Pan-Arab Free Trade Agreement, to establish an Arab Common Market;

to create a strong economic alliance, to stand up to the challenges of global economic developments and finally to succeed in establishing a trade mechanism between Arab countries and the EU. Since Agadir, experts- mainly in economic fields- have met three times in order to adjust all the necessary actions to make compatible the aims of an Med Arab Free Trade Area (MAFTA) with the content of the Euro-Mediterranean Agreements already signed by all the participants of the Agadir Process<sup>26</sup>. The participants have agreed as well to establish a Secretariat in Jordan to enhance the visibility of the entire process. The timetable foresees a final expert meeting in June 2002 to be followed by a foreign affairs conference to launch the process. Most likely the timetable will be duly respected<sup>27</sup>. Apart from the technical issue, the political value, namely the EU desire<sup>28</sup> to a more intensive dialogue in the southern shore with a sub-regional grouping, it makes evident and confirms our position expressed before. In fact a more concrete co-operation with a certain group of states is, in another formulation, admitting that the EMP is no longer conceivable as a Partnership composed by equals. Some are “more” equal than others. This statement leads us to the second option I could foresee. The development of a more regional dimension is important, but even admitting an “external” feature of regionalism, namely the south-to-south integration, it doesn’t add anything new to the EMP model. In other words a more regional approach, internal and external, doesn’t imply a model change for the EMP process, but just an increased emphasis on one of its constituent characteristics.

The comments made so far lead us to try exploring a new model of development for the EMP.

The Barcelona Declaration (1995) contains some interesting references to a possible new model. In fact in the *consideranda* it is affirmed that participants are “resolved to establish to that end 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”; and adds regarding other existing initiatives “stressing that this EuroMediterranean initiative is not intended to replace the other activities and initiatives undertaken in the interests of the peace, stability and development of the region, but that it will contribute to their success.”

The first element we can extract is that Barcelona Process is a framework of relations. No precise and direct reference is made whether a participant should be a state, as it is articulated so far or a regional grouping or an international organisation. Excluding the latter, the former possibility should be explored.

In the Mediterranean Basin, apart from the Agadir process described above, the Arab League called in 2001 to establish a Pan Arab Free Trade Area in 2007<sup>29</sup>, while the Arab Maghreb Union (AMU) created in the 1989 by Algeria, Morocco Mauritania, Libya and Tunisia has tried to revitalised itself with a very similar process. The last significant regional groupings in the area are the Mediterranean Forum and the 5+5 initiative. The Mediterranean Forum gathers 11 participants, 4 Europeans (Greece, Italy, Portugal and France) and 7 Mediterranean (Algeria, Morocco, Tunisia, Turkey, Egypt and Malta). The Mediterranean Forum born in 1994 upon a joint initiative of France and Egypt has held several and regular meetings. Since the creation of the Barcelona process this forum has been transforming into a Gymnastic exercise aimed to act as a suggestion box for the EMP. Notwithstanding its informal character, the Forum<sup>30</sup> shows its relevance as a space to discuss and debate in more relaxed atmosphere issues that could eventually be transformed into political action within EMP. All the processes described above demonstrated that a 27 approach to issue of the Mediterranean is no longer possible if concrete results must be achieved. In the EMP area there are countries that:

- a) belong to different and sometimes overlapping discussion arenas or regional groupings;
- b) desire to accelerate the speed of their intra (with other med countries) and inter-integration;

These two desiderata might be satisfied at the same time exploring a model for EMP, which emphasises two features: framework agreement and enhanced co-operation.

As far as the framework is concerned the elaboration should tend to the recognition that the EMP can carry out activities on its own, such as existing regional programmes, but without attaching the same importance and dignity may support other attempts at regional integration seeking further liaisons. This is the case for instance of the Mediterranean Forum.

As for the enhanced co-operation, the topic is very typical of the EU system and acknowledges the different capacity and willingness of the participants in a process. At the EU level entire processes such as EMU are a concrete expression of enhanced co-operation. With the Nice Treaty the provisions regarding closer co-operation received a new impetus, by the abolition of the right of veto and by the extension of the field of application of the second pillar.

A similar mechanism may be envisaged for the EMP. Excluding the first basket for the time being, this closer co-operation may meet the increasing expectations of some Mediterranean countries relying on the EMP, which is on the contrary unable to fulfil them.

## **Conclusions**

In conclusion the enlargement of the EU is addressed towards a considerable number of countries of East and Central Europe. They add a specific value to the EU and most likely will influence the geographical decision making of the EU, at least in the short-medium time.

Even though in this wave of enlargement two Mediterranean Countries are involved, Malta and Cyprus, this fact won't re-balance the EU attention towards Mediterranean area in a short-term period. This is so because the two countries, due to their persuasive dimension and their foreign policy priorities will be focusing mainly to find a position within EU rather than convincing the EU member states of the utmost Mediterranean importance.

This consequence may, indirectly, bring some positive results to the EMP. First, it may boost the EMP tendency to represent, with the exception of Turkey and

Israel, a more homogenous group, in terms of economic and political patterns. Secondly it clarifies which of the Arab countries of EMP are concretely committed to deliver in terms of wide co-operation with the EU.

But the EMP will not be revitalised just relying on that. The need to readjust this model of development is at the top of the list of priorities. Therefore two options to be further explored exist. One is to increase the internal and external regional dimension of the process. The other is to emphasise the framework structure of the Barcelona Process allowing concrete and mutual integration with other sub regional processes and establish some codified mechanism of closer co-operation similar to those envisaged in the EU system. The sum of both options may provide grounds for a positive relaunching of the EMP.

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## Notes

<sup>1</sup> The author wishes to thank Prof. Josep Jordan, Universitat de Valencia, for his useful suggestions and Dr. Omar Grech from Mediterranean Academy of Diplomatic Studies for his wise support.

<sup>2</sup> One can immediately link the failure of the initiative to the domestic changes in the Italian government, in particular with the departure from the Ministry of Foreign Affairs of Gianni De Michelis, one of the strongest supporters and promoters of the CSCM

<sup>3</sup> The European Councils of Corfu (1994) Essen (1994) and Cannes (1995) recorded a success for the Mediterranean lobby. In fact, the admission of Cyprus and Malta after six months from the end of 1996 IGC, then the endorsing of the Commission proposal of a partnership with the Mediterranean region and finally the increasing allocation to funds to med area compared to the PECO one should then suggest a serious balancing of the EU towards the Mediterranean area.

<sup>4</sup> In the Barcelona Declaration (1995) there is reference to a Pact as a legal binding document. Then starting from Malta (1997) the Pact was transformed in a Charter for Peace and Stability with just political binding value.

<sup>5</sup> According to Luxembourg Conclusions, the European Conference [...] "will bring together the member states of the European Union and the European states aspiring to accede to it and sharing its values and internal and external objectives" (par. 4). It will be meeting once a year under the Chairmanship of the Presidency of the EU. In the first meeting hold in London, March 1998 the 6 CEEC applicant plus Cyprus and Turkey were convened.

<sup>6</sup> It is correct to remind that, during negotiations candidate countries may renegotiate the current allocation of votes using the figures indicated in Nice as a common position.

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<sup>7</sup> The PHARE Committee, as the others Committees concerned with third countries (TACIS, MEDA, ALA, EDF) is one of the political committee composed of representatives of EU member states. It is the first stage of the pipeline in the EU machinery to adopt a strategy as well a project towards the CEEC area. It gathers every month in Brussels.

<sup>8</sup> Regulation of the Council No.2698/2000 of 27th November 2000

<sup>9</sup> "...The Commission has repeatedly concluded that Cyprus fulfils the political criteria. This was the conclusion of previous Regular Reports, and has been confirmed over the past year. Cyprus continues to fulfill the Copenhagen political criteria" (Regular Report, 2002: 23)

<sup>10</sup> Nonetheless, the Report admits few problems in Malta economy especially linked with the capacity of the Government to keep fiscal deficit under control avoiding current account deficit increasing year by year.

<sup>11</sup> As in 2001 Report is said "Further improvements can be made to macroeconomic management by reducing the general government deficit and reforming public expenditure to ensure mid-term fiscal sustainability. More progress can be made on restructuring large loss-making public enterprises and public utilities. Attention should be paid to the supervision of non-performing loans in the banking sector"

<sup>12</sup> Regular Report, 2002: 37 affirms that "... In the area of agriculture, progress has been limited. Malta still has to adopt most of the extensive agriculture *acquis* and to prepare its agriculture for the Common Agricultural Policy. As regards the environment, the adoption of the Environment Protection Act together with subsidiary legislation represents a significant progress but Malta is still far from full alignment and the capacity to enforce the legislation remains very weak. An overall strategy for the adoption and implementation of the environmental *acquis* must also be developed."

<sup>13</sup> in Calleya (2002), his pamphlet-book in which a position more than favourable to EU Accession is unveiled, he stated several times that Malta is an European Country with a strong Mediterranean dimension, implicitly admitting a preference towards an European feature in the case Malta may be constrained to choose between Europe and Mediterranean.

<sup>14</sup> Informal interviews with EU officials.

<sup>15</sup> See on this point the daily critics of the Labour Party leaders on the main Maltese newspapers.

<sup>16</sup> Xarabank polls are considered enough reliable as realised by the scientific sample method.

<sup>17</sup> *The Times of Malta, The Malta Independent, Il Torva, Il Nazzjon*

<sup>18</sup> At the time of taking power in 1998, the current government that used EU perspective as the milestone of the political campaign, committed himself to hold a referendum on the EU once the formal negotiations would have been terminated. So far no precise date has been arranged, but March 2002 seems to be the most predictable one.

<sup>19</sup> On that compare the different behaviour held by Cyprus and Malta regarding the recent crisis in the Nativity Church in Bethlem

<sup>20</sup> "Not in our case, because in our case the alternative has already taken place: the association agreement with the European Community signed in 1972 and the customs union in 1987. We see full membership as a form of stability, especially because of our problem with Turkey".

<sup>21</sup> This may be particularly true for Malta, in fact as for the Regional Policy, despite of the provisional closing of the negotiations, the 2002 Reports admits that there is a need to speed programming capacity, envisage a real involvement of a broad partnership and accelerate the technical preparation of the projects eligible for the Structural Funds and the Cohesion Funds.

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<sup>22</sup> EU way of processing is sometimes bizarre. From private conversation with some EU officers and Mediterranean states representatives I realised that no money was so far earmarked, for the Foundation!!!

<sup>23</sup> We strongly disagree with this decision, taking in to consideration that seven different organisations have a parliamentary dimension related to the Mediterranean area (NATO, Interparliamentary Union, OSCE, Women Parliamentarian Forum, Meeting of the Speakers of Mediterranean Countries, European Parliament, Euromed Parliamentary Forum). A prior rationalisation of these would be more beneficial. For an analysis of two EMP Parliamentary Forum so far held see Stavridis (2002)

<sup>24</sup> Presidency's formal conclusions, Fourth Euro-Mediterranean Conference of Foreign Ministers, 15-15 December 2000, paragraph 16 and 17.

<sup>25</sup> The Agadir process is not the unique attempt of regional integration in the Mediterranean Basin, It is worth to mention the Italian-Spanish proposal in 1990 to launch a Conference for Security and Co-operation of the Mediterranean (CSCM) or the proposal for a Council in the Mediterranean, both of them never saw the light. Different results were achieved by the 5+5 initiative gathering five European countries and five Mediterranean – from the Maghreb- and the Mediterranean Forum.

<sup>26</sup> So far very few have been written on this subject. For a first attempt to describe the technicalities of the Process see Hamoudeh (2002)

<sup>27</sup> Judgment deduced by a private conversation with Mr. Majed Hamoudeh, Director, Foreign trade Policy Department, Ministry of Industry and Trade, Jordan

<sup>28</sup> See on this Valencia Presidency's Conclusions

<sup>29</sup> In the Barcelona Process the free trade area is to be achieved by 2010. Considering the delay in the negotiations, signature and ratification of Euromediterranean Association Agreements, which are the backbone of the FTA, it is assumed that FTA won't be a reality at least before 2015.

<sup>30</sup> See for instance the positive outcome of the last meeting in Greece, May 2002.

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