



Rethinking the Euromed Partnership: Fine-Tuning or Reinvention?

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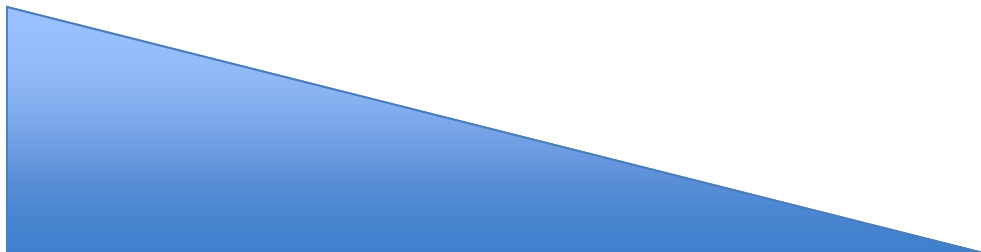
Two Decades after Barcelona: Rethinking the EU-Med Partnership

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Outline

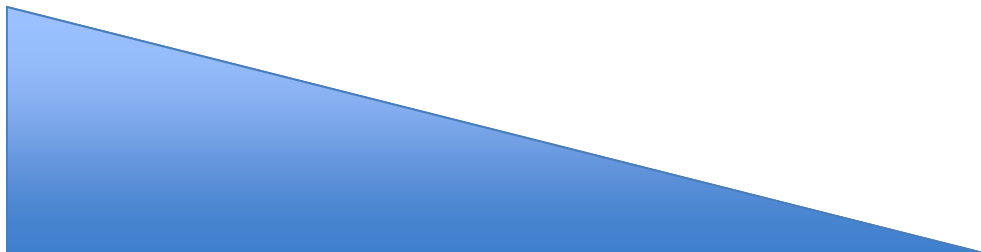
- **The European Neighbourhood Policy reviewed**
- **Realism vs. Idealism**
- **The new ENP introduces two new landscapes**
- **Weaknesses and shortcomings to be addressed**
- **Just a re-branding? Answers and new proposals**
- **Benchmarks for the thematic reports in the new ENP**



The European Neighbourhood Policy reviewed



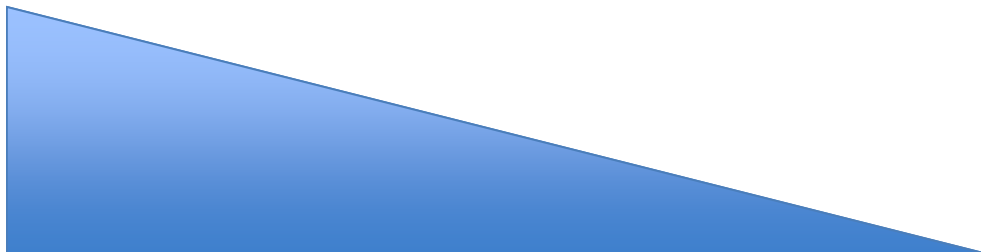
- **Multiple domestic and external crisis have changed the environment in which the EU and the 16 neighbouring partners operate and a reaction was needed, not only to demonstrate that the European institutions exist and are concerned on external stability.**
- **On the other hand these challenges are pushing to revise the terms and substance of the external policies and integration strategies**
- **The old idea of stabilization and return to normality or a “new normal” with recurring crisis [ECFR, 2015]**



Realism vs. Idealism



- In 2004 the ENP provided a **self-centered** policy framework for exporting political stability and economic prosperity beyond the EU frontiers. Putting together ideal and material goals, the original aim was to create a “ring of friends” in the East and in the South across the Mediterranean.
- With the revised ENP, presented last November 2015, the objective and the approach is presented in a more **pragmatic** and agreeable fashion:
- First, it recognises that the priorities among the Member States and the Partners revealed different, and often diverging, interests and relationships in the broad EU neighbourhood.



Realism vs. Idealism



- Therefore, new routes will be explored for shaping the ENP:
 1. as an instrument that gives up the idea of transforming the neighbourhood, pursuing instead the EU interest of stabilisation, build on democracy, human rights, rule of law and economic openness;
 2. as an instrument that acknowledges the limited leverage in the region;
 3. as an instrument that is consistent with national interests (Partners as well as Member States);
 4. as an opportunity to move beyond the LDC (lowest common denominator) approach implicit in a multi-country decision making process;
 5. as an opportunity to support “functional coalitions” or “coalition of the willing”, instead of “institutional multilateralism” and diplomacy that have failed;
 6. this reform process, within and outside the EU institutions, with more actors, hopefully on the ground (civil society, representative individuals, etc) may require informal modes of decision-making which reduced the transparency, but it may provide positive results for stability, inclusion and openness

Realism vs. Idealism



- The review signals the start of a more “realistic” and “pragmatic” approach to foreign policy;
- Among the 10 southern Mediterranean partners it is clear that only a few of them are willing or have the capacity to align their legislation with the *acquis communautaire*
- Two decades of economic and financial cooperation have shown that the modalities and the instruments have not helped to make more cohesive and politically stable the Mediterranean basin. From a ring of Friend to a ring of Fire [The Economist, September 2014]
- The Arab Uprisings, the rise of Daesh and the economic and financial crisis have only served to bring to the surface the problems that had remained submerged for years while preserving the status quo and the autocratic regimes. [Medpro 2013, Amaro Diaz 2014; Galal 2015]



The new ENP introduces two new landscapes



- The first is a return to the logic of differentiated bilateral relations and this is not really new, since it is aligned to the main criticism that was moved to the former ENP: that is, a step back in the EU political ambitions of the multilateral and regional cooperation perspective as that of the Euro-Mediterranean Partnership. Of course, the pragmatism can argue that the proposal is a political signal, a step forward in advancing in a new phase of the euro-mediterranean relations and injecting new resources and hope. However, re-branding may not solve the problems.
- The other novelty is that of “differentiated bilateralism” and the different treatments offered to the EU partners. The differentiation goes beyond the geographical division (East and South) and will be implemented through the positive conditionality: the more for more principle was the cornerstone of the old ENP, but it turned up to be too crude [T. Behr, 2015]. The method follows an incentive-based approach, but it works only with those who are willing to embark on political reforms and further economic integration.

Weaknesses and shortcomings to be addressed



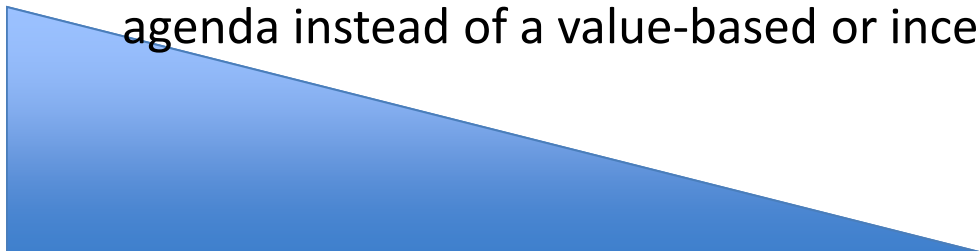
- 1. Framework:** Multiregional partnership and soft integration approach, although confirming the Union for the Mediterranean as a “priority in its regional cooperation efforts”
- 2. Priorities:** Lack of coherent policy framework in defining regional priorities (starting from the EU and Partner priorities) and in assigning the instruments to the expected “shared and agreed” goals.
- 3. Geographical dimension:** Not only the neighbours. Considering to expand the geographical list of neighbouring partners to the “neighbour of neighbour”, since the roots of conflicts, instability and violence are external to the region;
- 4. Common umbrella:** East and South policies under the same external instrument. Still debatable, but sensitive for the implementation and preserving the principle of solidarity. One ENP or several ENPs?



Just a re-branding? Answers and new proposals



1. Reinforce bilateral cooperation (a la carte, tailor-made, etc.), plus a deeper integration approach on a contractual/transactional basis [GMFus 2015]
2. Differentiate the Partners and the frame of intervention. More responsive to the needs of each individual partner. Offer to those partners (all except Morocco and Tunisia) that were unable or unwilling to accept the previous “normative conditionality” implicit in the Association Agreements and the more recent DCFTA.
3. Local ownership. The needs and the wants defined by the civil society, NGOs or those representing the individuals; more participatory processes, projects meeting the demands of local partners. Those actors are more familiar with the situation “on the ground” and new forms of cooperation and participation should forge closer relationships with the EU institutions.
4. Reducing the gap of intentions (accession is out), while increasing the contractual benefits of economic internal democracy and external openness. Interest-based agenda instead of a value-based or incentive-based agenda.



Just a re-branding? Answers and new proposals

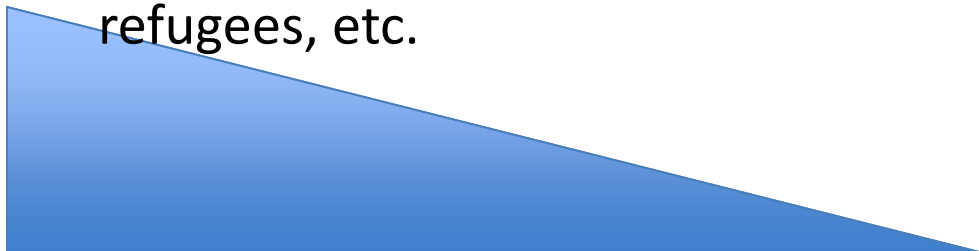


5. Discrepancies between formal government laws and rules and their implementation should be avoided;
6. Reducing the discrepancies between the formal economy and the informal economy. It is not hard to find evidence of the deepening of the informal economy and informality in employment;
7. Reducing the number of objectives and priorities, stabilisation first during this mandate [Joint Communication 2015] and supporting the development and growth of the poorest areas, thereby addressing the root causes of illegal migration. Only priorities regarded by both sides are the basis of the transactional partnership.
8. A stronger role of the Member States and Partner countries both in the design and in implementation of the ENP
9. Expand the geographical list of neighbouring partners (the neighbour of neighbour) in “addressing regional challenges”.
10. Splitting the East and the South: pro and cons (East South solidarity, avoid further division in the EU...). No change yet
11. The role of neglected actors like Turkey, Russia, Iran ...

Benchmarks for the thematic reports in the new ENP



- The EU established benchmarks that measure the progress in reforms aimed at approximating the EU model: 15 of them relates to democracy indicators, 9 to macroeconomic indicators, 7 relate to trade and 2 to research proposals and university cooperation.
- These benchmarks have not yet been consistently applied as a conditional tool. In addition the progress of the economic integration, its direction and intensity, as well as its potential, are poorly defined and specified. More trade and investments are not the only benefits of integration; rather than measure the aggregate effects of more openness, additional benchmarks should be considered to assess the impact on sectors, households, the progress of inclusion of social groups (young, women), social condition, income and wealth distribution, the progress the vitality of the entrepreneurship, the start-ups, SMEs, informal sector, migrants and refugees, etc.



Benchmarks for the thematic reports in the new ENP



- In order to regain more credibility with the EU citizens and those in the region, who aspire to democracy, respect of human rights and a life in dignity, the new ENP should be more effective in focusing greater efforts to support inclusive economic and social development, with the creation of job opportunities for youth among the key objectives of “economic stabilisation” as envisaged in the joint communication.
- Avoid distorted cost-benefit analysis based on faulty assumptions (often based on similarities/differences among ENP partners)
- Avoid short-termism and increase flexibility in particular in the funding mechanism.

