

European Union Policy towards Its Southern Neighbourhood

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Changes in the Arab world represent a historical milestone in the countries of the Southern Mediterranean. While the call for dignity, democracy, respect for human rights and more inclusive growth has permeated the entire region, each partner has undergone a different process of transition in the last three years.

Since 2011, progress was witnessed towards free and fair electoral processes in some countries of the region, often resulting in a change of government. The development of political parties and of civil society signals the emergence of a democratic culture, and in a few countries public debates have been initiated, in some cases around constitutional reform, on key societal issues such as the role of religion in the new democratic set up and the protection of human rights. However, the risk of crisis or set back is real in a context of polarisation of political forces and in the absence of an agreement among political actors on a joint vision for the political transformation process. In recent months, the unstable political situation and growing social unrest have strongly affected the performance of the Southern Mediterranean governments in implementing reforms. The continuing change revealed even greater differences between the transition trajectories of individual countries in the region.

Embedding deep democracy in the future will rely upon democratic institutions, in particular an independent, fair, accessible and efficient justice system and an accountable and democratic security sector. This will take time, while the respect for the rule of law and human rights, in particular gender equality,

freedom of expression (including freedom of the media), of association, religion and belief will remain key challenges in the years ahead for Mediterranean partners and their successful cooperation with the EU. A thriving civil society supported by media that are both independent and professional, able to contribute to public debate and accountability will be essential to ensure the full participation of citizens in shaping their collective future, and authorities should favour its development rather than attempt to restrict it, as it is often the case. Similarly, accountable local authorities are key to providing services that respond to local needs.

Ensuring peace and stability in the region remains an objective that can only be addressed through renewed efforts at the peaceful resolution of protracted conflicts and crises. Events over the last twelve months have not been encouraging.

The Syrian conflict triggered a profound crisis causing further political, social and religious divisions as well as a worsening humanitarian catastrophe in the region. The political track pursued through the Geneva peace process has not moved forward. The opposition to Bashar al-Assad remains divided and internal fights have intensified. The civil war in Syria led millions of people to flee their homes. The Syrian refugee crisis is a humanitarian catastrophe on an unprecedented scale - with 6.5 million 'internally displaced persons' inside Syria and nearly 3 million refugees in neighbouring countries. By summer 2014, it was estimated that the death toll of the conflict had reached 170,000 people. The EU and its Member States are the major donors of assistance to Syria with €2.8 billion pledged so far.

In Libya, despite parliamentary elections held in June 2014, not only is the democratic transition under question, but conflicting interests among various armed groups over power-sharing, the role of religion

and oil revenues have driven the country towards the brink of collapse and have prevented the emergence of functioning state institutions. In addition, the lack of any control over vast areas of the Sahara has allowed illegal trafficking to flourish and much easier movement of criminal and terrorist groups.

EU Reaction

As a reaction to the developments of 2011, the EU decided to support a comprehensive reform and transformation agenda, as provided for in the two joint Communications on “Partnership for Democracy and Shared Prosperity with the Southern Mediterranean” of March 2011 and “A New Response to a Changing Neighbourhood” of May 2011.

The EU has aimed to play an important and positive role in supporting the transformation process in the region as a whole. Since 2011 this policy had to adapt to changing circumstances in the region. It has remained sufficiently flexible to adapt to the increasing differentiation and fragmentation evident in the region. It has pursued a policy of renewed engagement, bilaterally and at regional level, while recognising that ownership of the transition lies with its partners. While the overall cooperation with the region in 2013 was heavily influenced by its political developments, in some sectors joint work continued in the best possible way.

In the **political area**, the EU has remained actively involved in all international fora dealing with the situation in the region, notably the Geneva Process peace talks on the Syria crisis, the Friends of Libya group, the international talks on Iran and the Middle East Peace Process.

For the future, cooperation and support for further constitutional and institutional reform, transitional justice, strengthened role of civil society and securing human rights, as well as security reform will remain fundamental to the sustainable development of the southern neighbourhood countries. In this area, the EU intends to continue providing support to partners, including through facilitating the cooperation with such bodies as the Council of Europe.

The EU is the **leading donor** in the region, providing considerable financial resources (loans and grants) to support the process of transformation and reform in southern partner countries. In 2011-2013, the EU

has provided nearly €5 billion in support to the region: this includes the response to the Syrian crisis, the resources provided under the country programmes and the special SPRING programme as well as the Civil Society Facility. In addition, through the EU's Neighbourhood Investment Facility (NIF), the EU combined €200 million in grant funds with €2.2 billion in loans from international financial institutions.

For the 2014-2020 period, the adopted budget for the European Neighbourhood Instrument (ENI) stands at €15.433 billion, comparable with the total funding allocated in years 2007-13. In addition to grants from the ENI, the EU will also mobilise its Macro-Financial Assistance (a €300 million operation has recently been decided for Tunisia after the €180 million operation for Jordan in 2013).

Regarding the **trade agenda**, the main EU medium to long-term objective with southern partners is to upgrade and strengthen trade and investment relations and pursue their economic integration with the EU internal market, in particular through the establishment of DCFTAs. Negotiations with Morocco were launched in March 2013. With Jordan, Tunisia and Egypt, the Commission continues preparatory work. In this context, the EU will have to further pursue its work of explaining the concrete benefits of its initiatives on trade and trade-related matters, notably for improving the business and investment climate. It will also need to give the matter the necessary attention and resources to ensure that the negotiations are conducted swiftly and that the agreements can enter into force as soon as is feasible.

Partners continue to have strong expectations of **easier mobility** to the EU and many of them have taken steps to establish national asylum systems as well as improved systems to prevent and combat trafficking in human beings and protect its victims. In recent months, cooperation on home affairs matters has been significantly strengthened: indeed, mobility partnerships have been signed with Morocco (June 2013) and Tunisia (March 2014); while negotiations are being finalised with Jordan. These agreements will serve the simplification of free movement of people. The EU is now considering launching dialogues on migration, mobility and security with more Southern Mediterranean countries, depending on their willingness and capacity to collaborate closer with the EU, as well as their legal and administrative frameworks.

The transformation of the political landscape that followed 2011 developments has been accompanied by a major upsurge in the number of civil society organisations in the region. At the same time, the EU policy put a strong focus on engaging with regional civil society. Support for civil society has increased and been made more systematic and coherent, with three main objectives: 1. Promotion of a conducive environment for civil society; 2. Better participation of civil society actors in policy processes and assistance programmes; and 3. Strengthening of civil society organisations' capacities.

The EU will pursue its engagement with the region on **all regional, sub-regional and bilateral tracks**. In this context, the need for more effective regional mechanisms and institutions able to prevent, manage and solve crises and foster regional integration has been highlighted by recent events.

The Union for the Mediterranean (UfM) was given a strong impetus in 2012 when the EU took over the function of the Northern Co-Presidency (Jordan is the 'Southern Presidency'). As Co-Presidency of the Union for the Mediterranean (UfM), the EU actively supports the effective functioning of this forum. In the second half of 2013 the UfM Ministerial Meetings were successfully re-launched and since then already five of them have taken place – addressing topics such as: women, transport, energy, industry and environment. More Ministerial meetings (digital economy and trade) are envisaged for September 2014.

The UfM has modernised itself and adapted its priorities, serving now as an important, unique forum grouping together all Mediterranean partner countries including Mauritania, Israel and Palestine, as well as EU Member States. The organisation became essential in debating political and economic problems of the region (through the regular Senior

Officials meetings), supporting dialogue with civil society (including through the activities of the Anna Lindh Foundation) and local authorities as well as a catalyst for new regional projects. The EU intends to further support the UfM, both politically as well as financially under the next programming period (2014-2020).

There has also been an intensification of actions by the League of Arab States or under the '5+5 Dialogue.' The third meeting of the EU and the League of Arab States (LAS) Foreign Affairs Ministers took place on 10-11 June 2014 in Athens. The Joint Declaration signed by all participants established an unprecedented strategic dialogue between both organisations. In 2012 both organisations had adopted a joint work programme with concrete fields of cooperation (human rights, electoral observation, energy, business, etc.). The EU has also enhanced cooperation with the Organisation of Islamic Cooperation (OIC). A number of high level meetings between the EU and the OIC are envisaged for autumn 2014.

With its 2012 Communication on regional cooperation and integration in the Maghreb, the EU made suggestions for cooperative approaches in different fields. The EU remains determined to facilitate and catalyse efforts from the countries of the region assuming ownership in the spirit of partnership.

The events in the Southern Neighbourhood over recent years have dramatically altered the strategic landscape in the Southern Mediterranean, challenging the EU interests directly. They require the EU to rise to the challenge. In this context, our policy should not be rigid and should adapt to an evolving context. We are always ready to be more creative in order to fulfil the aspirations of a stronger and mutually-beneficial partnership between the two shores of the Mediterranean Sea.