# Table of Contents

## PRESENTATION
- Ricard Pérez-Casado, President of the Delegate Committee, European Institute of the Mediterranean (IEMed) ......................................................... 9
- Narcís Serra, President, Fundació CIDOB ........................................... 9

## PERSPECTIVES
- 2005 – The Year of the Mediterranean, José Manuel Durao Barroso .................. 11

## KEYS

### International Terrorism in Mediterranean Countries
- The Impact of International Terrorism on Mediterranean Countries, Jean-Luc Marret .......... 13
- Spain, 11th March and International Terrorism, Fernando Reinares .......................... 18

### Turkey and the European Union
- The Future of Turkey in Europe, Ahmet O. Evin ......................................... 22
- Ankara’s Push for Reforms and EU Membership: The Transformation of Turkey’s Democracy, Wolfango Piccoli .............................................. 26

### Iraq: Repercussions of the Conflict
- Iraq Heads Towards a Shia Turning Point, M. A. Bastenier .......................... 32
- Iraq in 2004: Between Totalitarianism and Uncertainty, Hazem Saghiel ...................... 35

### Israel, Palestine and the Post-Arafat Period
- The Post-Arafat Stage: Justified Optimism?, Ron Pundak ............................... 40
- A New Opportunity for Peace, Riad Malki ............................................... 43
- Palestine after Arafat: In which Direction is Change Heading?, Gema Martín Muñoz .... 47
- Palestinian Refugees in 2004: The Necessity of a Political Solution, Peter Hansen ....... 50

### International Strategies in North Africa
- France and Spain Bring Positions Together in the Maghreb, Andreu Claret ............... 53
- U.S. and Regional Initiatives in the Maghreb, Glyn T. Davies .............................. 57

## DOSSIER: TEN YEARS AFTER THE BARCELONA PROCESS: ASSESSMENT AND PERSPECTIVES
- Evolution Not Revolution: The Barcelona Process Ten Years On, Christian Leffler .... 63
- Barcelona II: towards a Renewed Commitment?, Hassan Abouyoub ....................... 67
- The Economic Basket of the Barcelona Process: Outcomes and Perspectives, Giacomo Luciani ................................................................. 72
<table>
<thead>
<tr>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessment of the Barcelona Process from the Mediterranean Partners' Perspective, Samir Radwan</td>
<td>79</td>
</tr>
<tr>
<td>The Euro-Mediterranean Partnership, Civil Society and Cultural Co-operation: an Uncertain Triangle, Odile Chenal.</td>
<td>86</td>
</tr>
<tr>
<td>Culture Lies at the Heart of the Mediterranean Construction, Khalida Toumi</td>
<td>90</td>
</tr>
<tr>
<td>From Barcelona Process to Neighbourhood Policy, Michael Emerson and Gergana Noutcheva</td>
<td>93</td>
</tr>
<tr>
<td>Euro-Mediterranean Partnership or Euro-Arab Partnership?, Bichara Khader</td>
<td>99</td>
</tr>
<tr>
<td><strong>PANORAMA: THE MEDITERRANEAN YEAR</strong></td>
<td></td>
</tr>
<tr>
<td>2004: the Mediterranean in View of its Project, Gemma Aubarell</td>
<td>105</td>
</tr>
<tr>
<td><strong>The Euro-Mediterranean Partnership</strong></td>
<td></td>
</tr>
<tr>
<td>The Barcelona Process from Naples to The Hague, Stephen C. Calleya</td>
<td>107</td>
</tr>
<tr>
<td>Can the Institutionalisation of a Parliamentary Dimension Breathe New Life into the Euro-Mediterranean Partnership?, Abdelwahab Biad</td>
<td>111</td>
</tr>
<tr>
<td>The First Steps of Establishing the Anna Lindh Euro-Mediterranean Foundation for the Dialogue between Cultures, Traugott Schoefthaler</td>
<td>115</td>
</tr>
<tr>
<td><strong>Mediterranean Politics</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Europe</strong></td>
<td></td>
</tr>
<tr>
<td>The European Constitution and the New Framework for European Foreign Policy, José Borrell Fontelles</td>
<td>118</td>
</tr>
<tr>
<td>The European Enlargement and its Effects on the Mediterranean, Sergio Alessandri</td>
<td>121</td>
</tr>
<tr>
<td>The Cyprus Problem after the April 2004 Referenda, Philipppos Savvides</td>
<td>124</td>
</tr>
<tr>
<td>The Elections of 14-M: 2 Days – a Reflection of a Term of Office, Joan Font</td>
<td>127</td>
</tr>
<tr>
<td><strong>Maghreb</strong></td>
<td></td>
</tr>
<tr>
<td>Political and Administrative Reforms in Morocco, Amina El Messaoudi</td>
<td>129</td>
</tr>
<tr>
<td>The Deadlock Situation in the Western Sahara, Antoni Segura</td>
<td>133</td>
</tr>
<tr>
<td>Algeria: Elections, Social Problems and Freedom of the Press, Benjamin Stora</td>
<td>136</td>
</tr>
<tr>
<td>Lifting of Sanctions and New Diplomatic Contacts with Libya, Luis Martinez</td>
<td>138</td>
</tr>
<tr>
<td><strong>Middle East</strong></td>
<td></td>
</tr>
<tr>
<td>The Arab League and the Challenge of Self-Reform, Hassan Abou Taleb</td>
<td>141</td>
</tr>
<tr>
<td>The Role of Syria in the Post-Iraq War Middle East, Raymond Hinnebusch</td>
<td>144</td>
</tr>
<tr>
<td>Change and Continuity in Egyptian Politics, Amr Hamzawy</td>
<td>146</td>
</tr>
<tr>
<td><strong>Balkans</strong></td>
<td></td>
</tr>
<tr>
<td>The Balkans: far from the Objectives of the International Community, Ricard Pérez Casado</td>
<td>150</td>
</tr>
<tr>
<td>Dangerous Electoral Marathon in Serbia, Jean-Arnault Dèrens</td>
<td>152</td>
</tr>
<tr>
<td><strong>Economy and territory</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Productive structure and labour market</strong></td>
<td></td>
</tr>
<tr>
<td>The Application of the CAP Reform and its Repercussions in the Mediterranean Region, Josep Mª Jordán Galduf</td>
<td>155</td>
</tr>
<tr>
<td>The Role of Small and Medium-Sized Enterprises (SMEs) as a Factor for Development in the Mediterranean, Chekib Nouira</td>
<td>158</td>
</tr>
<tr>
<td>The Political Economy of Reform. Mobilizing Alliances for Change, Mustapha K. Nabli</td>
<td>160</td>
</tr>
<tr>
<td>Tourism Competition in the Mediterranean Region, Josep-Francesc Valls</td>
<td>164</td>
</tr>
<tr>
<td>Fluctuations in the Price of Oil and their Asymmetric Effect in the Mediterranean, Aurèlia Mañé Estrada</td>
<td>167</td>
</tr>
</tbody>
</table>
# Commercial Relations
- Investment as Essential Factor of Mediterranean Countries' Development, *Samir Sobh* .................................................. 170
- Strengthening the Euro-Mediterranean Link through Investments,  
  *Miquel Nadal and Laia Ortega* ........................................ 173
- The Agadir Agreement, South-South Integration and the Euro-Mediterranean Partnership,  
  *Mohamed Boussetta* ...................................................... 175

# Sustainable Development
- Environment and Development in the Mediterranean: a New Analysis of the Plan Blue,  
  *Guillaume Benoit* .......................................................... 181
- Abolishing the NHP's Water Diversions. A Turning Point for Water Management 
  in Spain, *Pedro Arrojo Agudo* ........................................ 186

# Territory and Transports
- European Co-operation in the Mediterranean, *Alexandre Kamarotos* ................................. 190
- The Urban Network as a Vertebral Element of the Euroregion of the Mediterranean Arc, 
  *Pilar Riera and Antoni Durà* ........................................ 195
- The Extension of the Trans-European Transport Network to Neighbour Mediterranean 
  Countries, *Albert Compte* ............................................ 202

# Culture and Society

## Development and Co-operation
- The New Prospects for Spanish Development Co-operation in the Mediterranean 
  Region, *Carmen Coll Truyol* ........................................ 204
- Reforms in Family Law in the Maghreb, *Nadia Ait-Zai* .............................................. 206
- Repercussions of the Reform of the Family Code in Morocco,  
  *Amina Lemrini Elouahabi* ........................................... 209
- The Evaluation of Cairo+10 in the Mediterranean Region, *Enric Royo* ............................ 212
- Partnership’s Failure to Effectively Improve Press Freedom in North Africa, 
  *Said Essouami* .......................................................... 215

## Migrations
- International Migration: The Euro-Mediterranean Area in the Global Agenda,  
  *Xavier Aragall* .......................................................... 219
- Remittances and Co-development in the Mediterranean Region, *Ferruccio Pastore* .......... 222
- Migration and Border Management in the Euro-Mediterranean Area: Heading towards 
  New Forms of Interconnectedness, *Jean-Pierre Cassarino* ........................................... 227
- New Migration Trends in the Mashreq Region, *Riad al Khouri* ....................................... 232

## Cultural Dialogue
- The Mediterranean Dimension of the Universal Forum of the Cultures, *Mireia Belil* ........ 234
- The Issues of the Athens Olympic Games, *Christophe Chiclet* ..................................... 237
- University Co-operation in Mediterranean Countries, *Enric Olivé Serret* ...................... 240

# APPENDICES

## Chronologies
- General Chronology of the Mediterranean .......................................................... 245
- Chronology of Events in Israel and Palestine ...................................................... 302
- Chronology of the Barcelona Process .................................................................. 316
- Other Co-operation Initiatives in the Mediterranean ........................................... 330

## Electoral Processes in the Mediterranean .......................................................... 336
Ten years ago, the Euro-Mediterranean Partnership was born in Barcelona as an ambitious initiative to establish the basis for a new relation between the Mediterranean countries and the European Union. The objective of the Barcelona Process was to secure a common area of freedom, security and shared prosperity. Despite all of the difficulties that it has had to overcome, and without doubt, an inequitable balance, the Partnership continues to be an instrument of reference in the development of a multilateral policy in the Mediterranean region.

The European Union wishes to take this opportunity of the Partnership’s tenth anniversary to strengthen it and to give it a new impulse, in keeping with the new situation existing in the Mediterranean and the EU’s new Neighbourhood Policy. With this in mind, a summit of the countries that make up the Barcelona Process is due to be held, under the UK Presidency of the EU and in close collaboration with the Spanish Government.

It is our pleasure to present this second edition of the Mediterranean Yearbook, through which we aim to contribute to the reflection on the common challenges, to the circulation of clear and reliable information, to the analysis of the problems existing in the region and to present possible approaches to help overcome them.

For the Fundació CIDOB and the European Institute of the Mediterranean (IEMed), this second edition represents the consolidation of a risky and innovative collaboration project, set up with the objective of making it an instrument of knowledge and debate for both institutions and the general public.

Med.2005 has the same thematic structure as its predecessor. In addition to tackling some of this year’s topics that we considered most relevant – such as international terrorism, the Israeli-Palestinian conflict, the incorporation of Turkey into the EU, the situation in Iraq and the new geostrategies in the Maghreb –, other questions in the sectoral ambit are also treated, such as Mediterranean policies, agriculture, investment, the environment, the importance of the territory, cooperation, the family law reform in Maghreb, press freedom, migration and cultural dialogue. As in the previous edition, the evolution of events of the region’s crucial issues and in its countries are also analysed using chronological annexes, graphics and statistics.

In the context of the ‘Year of the Mediterranean’, the dossier’s theme in this 2005 edition could not be any other than the ten years of the Barcelona Process. We have included a wide and varied balance of topics that highlight the essential aspects of Euro-Mediterranean relations during the past decade.

We hope that this new edition of the Mediterranean Yearbook will be useful for all experts in Mediterranean matters, as well as for those who, from a governmental or civil society sector, believe in the possibility of making the Mediterranean an area of freedom, security and shared prosperity.
Perspectives
José Manuel Durão Barroso
President of the European Commission

Overwhelmed and inspired by that great body of water that lies between Europe and its partners to the south, the English writer Thomas Hardy exclaimed of the Mediterranean “Oh epic-famed, god-haunted central sea!” The history, moods, myths and legends of the Mediterranean Sea that inspired Hardy are a testament to the ancient bonds between Europe and its neighbours to the south and east.

Recent years have seen those ancient bonds formalised. Ten years ago, twenty-seven countries from Europe and the Southern and Eastern Mediterranean met in Spain to adopt the Barcelona Declaration, marking the beginning of a new era of regional cooperation.

Reflecting for a moment on what the Euro-Mediterranean partnership has achieved. We have seen European financial cooperation increase significantly, with nearly €3 billion worth of loans and grants supporting our relationship. Through increased trade and investment, we have developed economic links between Europe and Mediterranean partners that are stronger than ever. Political relations between all countries of the partnership are solidly established and based on the principles of dialogue and long-term partnership.

These results are impressive, but much remains to be done and our attention is now focused on the future, beginning with the 10th Anniversary Summit in Barcelona in November. We must ensure that this extraordinary meeting is more than a commemoration. It must be a springboard, bringing new impetus and political energy to a partnership which is strengthening prosperity, dialogue and stability throughout our region.

It is in this forward-looking spirit that the Commission recently published a communication in preparation for the Summit in November. Our approach prioritises EU support for democracy and human rights, stronger regional economic integration (including integration between the countries of the Southern Mediterranean) and reinforced cooperation particularly in the field of education. It includes new and innovative proposals, such as the target for depollution of the Mediterranean Sea, and others that aim to add new momentum to areas where progress thus far has been slow, for example in the area of trade liberalisation.

In Barcelona this November, political leaders from now thirty-five countries, representing more than 700 million citizens from the Baltic Sea to the Red Sea will come together to look at what 10 years of the Barcelona Process have achieved and what remains to be done. The message that I will bring to the table is of the tremendous potential that I see for this Partnership to be a force for change and a force for good, and the proposals I bring will be firmly focused on realising that potential.
Keys
Just when everyone has spontaneously come to recognise the existence of terrorism, it has now become difficult to define it. There is a media utilisation of the phenomenon involving spectacular and traumatic images – the site of the attack, the victims, and so on. Politically, states sometimes exploit terrorism to justify their own security policies. In fact, the definition of terrorism itself is highly political and states are involved in a symbolic struggle to impose a terminology that suits their interests. The differences in public communication policy between the United States, Israel and Great Britain on one side and most of the European Union on the other are a demonstration of this. After 11 September 2001, Algeria actively tried to link its own terrorism with the strike against the United States, which was partly true beyond specifically local causes, and by doing so it achieved various political, security and technological advantages.

Many aspects of the threat itself are undoubtedly simplified: “al-Qaeda” ends up becoming a label covering all the international Jihad networks, local organisations like the Armed Islamic Group (GIA), the Salafist Group for Preaching and Combat (GSPC) or the Moroccan Islamic Combatant Group (GICM), and independent militants carrying on their own Jihad and spontaneously emerging here or there. In fact, this violence has multiple, deep and long-term causes:

- Reactive (the presence of American troops in Saudi Arabia or today in Iraq, the fate of the Palestinian people, the existence of a generation imbued with a romantic ideal of Islamic radicalism, the crises in Chechnya or Central Asia, separatist movements with an underlying religious factor, etc.)
- Structural (the development of Arab-Muslim societies between tradition and modernity, the difficulties of developing a local democratic political model and integrating Western democratic and liberal values).

The security-based approach and the strengthening of legislation

The 11 September 2001 has acted around the world as a generator of legal security measures. This was certainly a response to a public need, but it has also sometimes been carried out to the detriment of civil liberties or in contradiction of the legal traditions applying in each country where these laws have been adopted. Moreover, the “al-Qaeda” label has, in many states, encouraged the arrest of individuals who, far from being operational terrorists, were simple Islamist militants – some radical, some not – or opponents of existing regimes. This last point is particularly true for Arab-Muslim regimes around the Mediterranean. Concerning the European Union, there are continuing gaps in anti-terrorist measures, particularly in co-operation between countries, co-ordination and the real-time use made of the results obtained. However, there is general agreement among European leaders to strengthen Europol, the police co-operation bureau, and Eurojust, the embryonic “European Prosecution System.”

In the South, several countries have taken measures, some of which would be unthinkable according to Western criteria:

- strengthening or creating national legislation,
- intensifying the battle against money laundering or clandestine immigration,
freezing assets,
creating special police units,
the imprisonment of specific individuals,
prolonged solitary confinement of prisoners,
coercive interrogation,
censorship, etc.

The African Union Convention for the fight against terrorism forbids member States helping terrorist organisations, in particular relating to papers, passports and visas. A multilateral summit meaning in Algiers in September 2002 on preventing and combating terrorism adopted an action plan against terrorism (aspects involving the police, judiciary, border control, exchange of information, etc.). Focusing on the origins of terrorism, this conference emphasised the need for development aid to be provided by Western countries.

The member states of the Community of States of the Sahel-Sahara region (Cen-Sad) met on 14th May 2004 in Bamako for a sixth summit, where various issues, including terrorism, the possibilities for cooperation against this phenomenon and food safety were brought up. Following this, Senegal and Morocco adopted cooperation measures concerning intelligence and the police. An African centre for studies and research against terrorism, based in Algiers, was set up at the end of 2004 at the initiative of the African Union and with European, United Nations and American financial support.

**Prevention of jihadism on the northern shores of the Mediterranean**

The fact that there are networks of jihadists that have arisen in Western countries does not necessarily mean that Islamist radicals are playing a central role in European Islam. It seems in reality that the movement of re-Islamisation affects young people who feel marginalized by life in European suburbs. There are several reasons for this: a desire to reaffirm themselves, construction of individual identities based on Islam, activities by proselytizing organisations on the ground and, at the same time, a lack of action by the State and its failure to be perceived as the legitimate regulator of law and order. There is also a fashion effect: nowadays some young people enjoy declaring themselves to be “Salafists,” invoking a poorly understood concept of Jihad, probably in the same way that young people declared themselves to be “revolutionary communists” immediately following 1968.

From a social point of view, the European development of jihadism seems to be a small-scale – but dangerous – reflection of national ills: social exclusion, unemployment, acculturation of certain citizens of foreign origin, compatibility problems bet-
ween different aspects of Islam and national values, etc. Prevention therefore includes social measures, such as the fight against unemployment and the need for a cultural reassertion of national values in "difficult" districts.

In this context, in many countries, prisons are now a scene of intense proselytizing. It is practically impossible for prison staff to get a proper grip on the situation. In addition, the jihadists who sooner or later come out of prison will not have been forced to change their opinions, which raises the problem of the surveillance of dangerous people of this kind. If there is a correlation between unemployment rates and the increase in numbers of jihadists in France, falling unemployment rates would significantly reduce their numbers. However, it would not eliminate them, because activities by various organisations and proselytizing individuals would remain, along with the influence of the conflicts and structural problems in the Arab-Muslim cultural atmosphere.

In short, some of the northern Mediterranean problems can only be solved in the South.

Prevention of terrorism on the South Mediterranean: Islam and development

Active measures to prevent political violence – infra-state conflicts or terrorism – can be of two kinds:

THE ALLIANCE OF CIVILIZATIONS: A SPANISH PROPOSAL ADOPTED BY THE UNITED NATIONS

On 21st September 2004 in his first speech to the United Nations General Assembly, the President of the Spanish Government, José Luis Rodríguez Zapatero, proposed the establishment of an Alliance of Civilizations between the West and the Arab and Islamic world. Although this proposal was drawn up very briefly at first, it represented the culmination of a discourse which sustains that security and peace can only be established through the actions of the United Nations, international legality, human rights, democracy, the rule of law and gender equality. To this end, Zapatero proposed to the Secretary General the setting-up of a High Level Group which would be responsible for carrying out this initiative.

On 10th December this formula was broadened by the Minister for External Affairs and Cooperation, Miguel Ángel Moratinos, who presented the proposal as an effort intended to define a new paradigm opposed to a "clash of civilizations," which should meet strong international political consensus on a series of concrete actions and carry them out from the UN. Furthermore, two possible main spheres of intervention were pointed out. The first being politics and security, through multilateralism and international law, and the second, cultural and educational. Rodríguez Zapatero has consequently looked in greater detail at the universal nature of citizenship which he aims to give top priority through the development of this concept, beyond the idea of just belonging to a particular country.

From Spanish proposal to United Nations project

The Alliance of Civilizations proposal was drawn up in an unusual context in Spain. It was made public during the first speech by the President of the Spanish Government to the United Nations, the main multilateral forum, six months after the terrorist attacks on Madrid (11th March 2004), to those who followed the general election and the change in government. Over the following months the new Socialist Government launched several convincing messages to show a new stance in foreign policy and the alliance proposal was part of this. The latter, however, went further than the national scope, as it proposed an active multilateral policy which at first sight could be considered as the antithesis of the "clash of civilizations" paradigm.

For many the proposal was extremely suggestive and visionary, although imprecise and perhaps with a rather unfortunate name. For its part, the conservative opposition, and especially certain areas of the press, scorned it immediately, classing it as simplistic, naive, ingenuous and unrealistic.

Since then, the Spanish Government has made the proposal a constant in its discourse on Spanish foreign policy in Latin America, in the Arab countries and the Middle East. As a result of this promotion it has received the explicit backing of numerous governments and has been publicly accepted by several international forums and conferences.

But the most significant aspect is that the Alliance of Civilizations proposal has marked a defined path, given that it has stopped being a Spanish matter and has moved on to become a United Nations initiative, in whose progress the Secretary General will play a unique role.

The contents of the proposal

Although the proposal is still made up of rather vague elements, its general aims have been defined at various times: to deepen the political and sociocultural relationships between the western world and the Arab-Muslim countries, to tackle the growing rift which exists between them, to take prominence away from extremists, to cooperate in the area of collective security through the promotion of multilateralism and international legality, and to carry out concrete activities in the fields of education and culture. Obviously, such general aims arouse almost unanimous support and a consensus as wide as this is weak. However, the added value of the proposal lies in its intention to go further and to construct a solid political consensus which is translated into action.

At this time, when it is necessary to make the proposal more concrete, it is interesting to confront some of the criticisms made of the proposal in detail, which have been progressively made over recent months.

• The terminology used to name the proposal is perhaps not the most fortunate. Although the formulation has the immediate appeal of being considered the antithesis to the controversial paradigm named "clash of civilizations" (B. Lewis, S. Huntington), it still shares with it the same cultural approach to conflicts that hides the social, political and economic dimensions of the interests which are at stake.
However, despite the name, the proposal contains elements which dissociate it from the paradigm of civilization clash. It demands understanding of the phenomena that have produced the rift. In fact, recently it has been specified that it should be an eminently political initiative and not cultural or religious, for which it will require strong political will on behalf of the governments that will be making observations, getting involved in the discussions and following the recommendations specified by the initiative.

- Reactive. This means preventing a situation degenerating into intense armed conflict without being able or wanting to put things right at the grass roots level through lack of time. The aim is to keep conflict restricted to a latent level.
- Structural prevention, on the other hand, is more substantial and ambitious. It attempts to make a contribution to getting to the deep-seated social and historical origins of potential violence.

Economic development can contribute to the creation of a middle class in communities that traditionally support terrorist organisations, and jihadists in particular. Economic and social development policies can contribute towards reducing the intensity of recruitment by reducing the socio-economic origins of terrorism (unemployment, underdevelopment, lack of infrastructures or consumer goods).

A strictly security-based approach to anti-terrorist measures – although clearly necessary – does not take care of long-term factors. The social origin of this violence is complex and it cannot be reduced to a few overall factors. Poverty is, therefore, a necessary but insufficient explanation. In Egypt, for example, Islamist radicalism draws a good proportion of its militants from the middle classes. Finally, in Algeria it developed in the cities, where young unemployed people – “trabendistes” – were influenced by Salafist militants who had returned from Afghanistan, or by Wahhabite NGO’s.

Immediately after 11th September 2001, the prevention of terrorism became a declared priority for developing countries in the Arab-Muslim Mediterranean world. But nowadays, faced with budgetary imperatives, it has sometimes become less urgent. To put it simply, while the “security community,” made up of the police, experts or politicians, has a tendency to consider only repressive aspects and to ignore the deep roots of jihadism, the “development actors community” (NGOs, specialized civil servants, international organisations), because of their training, rarely take security aspects into account. These two blind spots have very real consequences: we have often seen on the ground that the rather oracle-like “good governance” and “conflict resolution” programmes limit themselves to distributing funds and materials or to instilling negotiation techniques in an untargeted way to local partners, who are most often linked in one way or another to the existing power structures.

Between individual anti-terrorist security campaigns and techniques to help economic development in problem areas, a systematically combined approach is possible. German technical cooperation has created some development projects with the aim of preventing crisis by trying to target the youngest peo-
ple in the poorest areas of the Maghreb, those who could react in the most violent ways to structural problems. There is also aid to help Islamists and juvenile prisoners to re-find employment.

But how can the expansion of Islamist radicalism and jihadism be reduced throughout the world? There is no simple answer. On the contrary, humility should always prevail and resolving the cultural crisis of modern Islam is something that can only be achieved by Muslims themselves. “Good governance” is a Western concept which is too often promoted in a superficial way. It has certain advantages: fairness, reduced corruption, taking into account minority points of view. In this sense, it may be useful in directing development efforts. But real change must come from inside Arab-Muslim societies themselves. We can only assist it. We should at least think systematically about the consequences of our actions: “Is our policy feeding the anger of young Muslims?” And consider that the fight against terrorism requires a presence on the ground: not with satellites or hundreds of tanks, but with police officers, social workers and humanitarian aid assistants.
On 11th March 2004, terrorists inspired by a neo-Salafist conception of the Islamic faith perpetrated a slaughter in Madrid. As a result of this attack, the bloodiest yet seen in Spain and second-ranking in terms of numbers killed of all attacks in Europe, 191 people died and there were about 1500 wounded. On that day, ten bombs hidden in backpacks and plastic bags, consisting of between eight and twelve kilograms of dynamite each, exploded in the carriages of four suburban trains travelling in the early morning on the section between Alcalá de Henares and the station of Atocha. Two days later, Abu Dujhan al Afgani, as spokesperson for al-Qaeda, claimed responsibility for the attacks, in a statement which made no reference to the imminent general elections, but in which it was pointed out that two and a half years had passed, namely exactly 911 days (the preceding February had been a leap-year month) since the attacks in New York, Washington and Pennsylvania.

The reason that there were no suicide terrorists in the Madrid massacre, although this is a characteristic frequently associated with current international terrorism, is that the perpetrators did not succeed in concluding their plans. Barely three weeks later, they attempted to attack again, this time with the target of a high-speed train, but their attempt came to nothing. Seven of the terrorists involved in these events decided to kill themselves on 3rd April in the building in Leganés where they had been found and surrounded by the police. Spain became the first European country in which Islamist terrorists chose to immolate themselves, surrounded by their own explosives, while chanting litanies from the Qoran. In the same way, our country was now the first in this geopolitical scenario in which individuals and groups connected with the global neo-Salafist jihad movement had successfully completed a terrorist act without precedent, as they planned to do once again months later and in the same city, thus highlighting the existence of a real and persistent threat.

Among the numerous questions triggered by the attacks of 11th March 2004, I intend to focus on two: since when has Spain been a target for al-Qaeda and, therefore, for bodies associated or aligned with that terrorist structure? And what lessons can we learn from the events of 11th March 2004 about the way in which international terrorism is currently structured, linked to the global neo-Salafist jihad movement?

Since when has Spain been a target for al-Qaeda?

Spain has been a general target for al-Qaeda since at least 1996, a specific target since the latter part of 2001 and a declared target since October 2003. Why has it been a general target since at least 1996? In August of that year, a short while after Osama bin Laden and his men returned to Afghanistan after having consolidated their terrorist structure in Sudan, a fatwa or edict issued by the leader of al-Qaeda him-
self made it very clear what was the extent of the objectives and the range of targets of a violence taking its inspiration from the most aggressive form of Islamic fundamentalism. This document states: “the order to kill USA citizens or their allies, civilian or military, is an individual obligation for every Muslim who can do this in any country where it may be possible.” Two years later, in February 1998, the leaders of al-Qaeda launched the so-called World Front for the Holy War against Jews and Crusaders. Some time before, the ideologues of the global neo-Salafist jihad had included Al Andalus in the territories which were under Muslim rule and which had to be recovered by violent means.

In what sense has Spain been a specific target since the latter part of 2001? The attacks which took place on 11th September in that year in the United States helped to make it clear that our country had, since the middle of the 1990s and apparently without anyone noticing, become al-Qaeda’s principal base in Europe. In autumn of that year, a legal action taken by the national court following police investigations carried out by the Central Unit for External Intelligence substantially dismantled the first cell which followers of Osama bin Laden had established in Spain. The same jihadists, of whom some were already in prison for alleged involvement in the webs of international terrorism and others had evaded possible trials, harboured from that time onwards unbridled desires for revenge. It would therefore be a simplification to directly and exclusively link the slaughter committed on 11th March in Madrid with the presence of Spanish troops in Iraq.

A target since October 2003? What does that mean? Effectively, it was in that month when a message from Osama bin Laden was broadcast on a Qatari television network mentioning Spain in a list of countries threatened because of their involvement in the invasion and subsequent occupation of Iraq. In his statement, the leader of the well-known terrorist organisation said: “we reserve the right to retaliate whenever and wherever we feel it is suitable against all the countries involved, especially the United Kingdom, Spain, Australia, Poland, Japan and Italy, not forgetting the Muslim States which are involved, especially the Gulf countries, in particular Kuwait, which has transformed itself into a launching pad for crusade troops.” Shortly after, documents making references to the Holy War in Iraq and urging attacks against Spanish troops deployed there and against Spanish interests outside this area appeared on a webpage known for its jihadist sympathies and affinity with al-Qaeda’s positions.3 Prior to 11th March 2004, the leaders and the faithful of the global neo-Salafist jihad had made an unsuccessful attempt to commit some equally indiscriminate and lethal attack on other countries in our immediate European surroundings. A series of terrorist acts which would hit German, French, British or Spanish targets in southern Asia, the Middle East or North Africa brought forward what finally happened on European Union soil. On that notorious date it became obvious none the less that the networks of international terrorism would find Spain sufficiently accessible, vulnerable and opportunity-laden. Spain’s proximity to the Maghreb, its remote Hispano-Muslim past history making it a special attraction for Islamist terrorists, the antiterrorist measures, well-developed but barely adapted to combat the challenge of the neo-Salafist jihad and, finally, a situation of tense internal political debate over the alignment of the Spanish government with the United States in the military intervention in Iraq was to create a relatively propitious framework for an attack as spectacular and bloody as the Madrid attack.

What does 11th March tell us about al-Qaeda?

One year after 11th March, what we know about the massacre enables us to understand a little better the set-up and strategy now being adopted by international terrorism. An analysis of the people and processes involved which culminated in the linked series of explosions that took place on that fateful day in Madrid shapes an image which is more than approximate of the violent Islamist network whose basic core and reference structure is al-Qaeda. Now, the reach and the dimensions of this phenomenon have gone much further than the outlines of this terrorist structure established during the latter part of the 1980s and consolidated during the first half of the 1990s. Thus, the complex scheme of international terrorism today denotes three basic components with differing compositions and stages of activity, in pursuit of a common final objective. This objective con-

sists, according to the ideologues of this jihadist violent movement, in installing a caliphate geared to the rigorous neo-Salafist concept of the Muslim faith, a kind of Islamic political empire extending from the extreme west of the Mediterranean to the borders of south-east Asia.

The first of these components is none other than al-Qaeda itself. Once the sanctuary that it had enjoyed in cohabitation with the Taliban regime had been seized from it, as a result of the U.S. military intervention implemented after the attacks of 11th September, the organisation fragmented, decentralised and even fell into an operational decline. A large part of its leaders have been captured over the last three and a half years. However, it is possible that it retains a degree of coordination in leadership and planning, as well as having funds available, and more than is often imagined.4 The second component of international terrorism is made up by the various Islamic fundamentalist armed organisations operating nationally or regionally which are associated with al-Qaeda. Some of these have been formally affiliated with it since February 1998 and others joined later, having been set up more recently. These entities are, in one way or another, responsible for the vast majority of incidents attributed every year to international terrorism, since the cadres of al-Qaeda usually limit themselves to preparing and executing just a few attacks, including some that have been particularly spectacular.

Many small groups or local cells that have set themselves up and are relatively autonomous in their operation, but which tend to be connected with each other across borders within a contiguous geographical space form, taken all together, represent the third of the components seen in the current network of international terrorism. These small-sized groups govern their activities by the line set by the exponents of the neo-Salafist jihad doctrine through the Internet or other communication media. It is in this way that international terrorism has become an increasingly complex and widespread phenomenon, less predictable and more dangerous. To a large extent, it is based on a considerable list of entities with a varying degree of internal structure which align themselves with a common leadership, whose loss of consistency scarcely seems to have affected its symbolic relevance. It is as inaccurate to reduce the phenomenon of global terrorism to al-Qaeda as it is to state that al-Qaeda has transformed itself into an organisation on the move. In reality, from the outset it was created as a basis for the development of a widespread multi-organisational sector of neo-Salafist jihadism in various countries in the Arab and Islamic world.5 That it is gradually being subsumed by the results of its dynamics is another matter.

So, in the case of 11th March there are, in my opinion, sufficient data and signs to argue with justification that the perpetrators of the slaughter and the way in which they put their plans into practice reflect this tripartite structure of pan-Islamic international terrorism. Many of those allegedly involved in the Madrid massacre are individuals of Maghreb origin, enlisted into the neo-Salafist jihad inside local circles connected through links of friendship, neighbourhood or family. There were also cases it seems, of terrorists belonging to organisations expressly connected with al-Qaeda, like the Moroccan Islamic Combatant Group. Finally, relations between certain individuals suspected of having been involved in last year’s killings and others previously charged with alleged membership of the first al-Qaeda cell established in Spain, some of them connected with the central core of this terrorist structure, suggest the possible existence of connections with the decision-making circles of the body led by Osama bin Laden.

A strategy of the offensive jihad?

Nonetheless, 11th March also alludes to the dual strategy designed by the leaders of Al Qaeda, particularly by Ayman al Zawahiri, once the neo-Salafist concept of the jihad had been reworked, approximately a decade ago, to be both defensive and offensive.6 This strategy basically consists of practising violence in the manner of a Holy War, as much against the perceived enemy nearby as the one far-off. That is to say, on the one hand against the governments categorised as unbelievers and tyrants because they

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govern countries with an overwhelmingly Muslim majority but do not adhere to a fundamentalist reading of the precepts of the Qur’an and, on the other hand, against Western societies which the belligerent neo-Salafists consider to be infidels, more specifically, Jews and Crusaders. These parties’ interests and populations are considered legitimate targets for this jihadist violence, inside and outside the Muslim world. This last hypothesis explains the particular recourse to highly lethal, indiscriminate attacks, as was the case in Madrid. This fact, due to its slender probability but growing possibility, forces us to consider the predisposition of international terrorism to use chemical, bacteriological, radiological or nuclear weapons in order to increase the massive repercussions of the fear induced through the increase in the intended number of victims.

Moreover, what happened in the death trains tells us much about the obvious skill which those instigating and carrying out international terrorism have for taking advantage of our obvious vulnerability and perhaps also of situational factors, such as cracks in the defence and security systems which allow them to detect good targets, as well as of political contexts they regard as favourable for the possible exploitation of the effects of a major attack. The events on 11th March remind us that, with regard to international terrorism, the major threat to European societies comes principally, but not exclusively, from North Africa and involves processes of radicalization which frequently occur in source regions and sometimes within immigrant communities. Likewise, it also reminds us that this phenomenon is, unusually, linked both to organized crime and to ordinary criminality, and is far from slackening off. Before 11th March 2004 some similar but unsuccessful attempt had been made in other countries of our immediate vicinity and nothing had caused us to believe that the attacks had ended, whatever claims the jihadists may have made since. In other words, international terrorism rooted from belligerent neo-Salafism continues to pose a serious problem for Spain and the rest of the European Union, as well as for the countries of the Mediterranean basin and other regional areas with geostrategic importance.
The Future of Turkey in Europe

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The Brussels European Council decision of 17th December 2004 to begin accession negotiations with Turkey marks a watershed in the course of Turkey’s relations with the EU. An associate member since 1964, Turkey’s path to formal candidacy has been uneven, marred by frustrations and reversals. Its 1987 bid for membership was rebuffed two years later, when the Commission indefinitely postponed an assessment of the application; the Luxembourg European Council declined in 1997 to grant Turkey candidate status, although it had concluded a customs union with the EU the year before. The Brussels decision came in the wake of the 1999 Helsinki Council, which recognized Turkey “as a candidate state destined to join the Union on the basis of the same criteria as applied to other candidate States,” and of the 2002 Copenhagen Council which decided to open negotiations with Turkey “without delay,” if Turkey was found to have fulfilled the Copenhagen criteria by December 2004. As a result of the far-reaching reforms (including constitutional amendments) made since 2001, the Brussels Council decided, “Turkey sufficiently fulfills the Copenhagen political criteria to open accession negotiations.”

Turkey’s membership, though not foreseen before the adoption of the Financial Framework from 2014, will represent a major enlargement by itself, with a significant Mediterranean dimension comparable to the Community’s southern enlargement in the 1980s. With its 4,768 km Aegean and Mediterranean coastline and 911 km border with Syria, Turkey stands to become the largest Mediterranean country in the EU, in addition to being the largest member state; its accession will extend the EU territory into the eastern Mediterranean and the Middle East as well as the Black Sea region. After Turkey’s entry, along with the anticipated future accession of Croatia and Albania, the entirety of the northern Mediterranean shore will have become continuous EU territory, with the insignificant exception of Monaco, leaving, with the notable exception of Israel, only the Arab-Muslim countries of the MENA region outside the EU.

Turkey’s path to candidacy and negotiations has also been closely linked to its relations with its Mediterranean neighbors. The Helsinki decision was taken after Greece lifted its objections to Turkey’s EU candidacy, as a result of the 1999 rapprochement between the two countries. When the 2002 Copenhagen Council decided to admit Cyprus in May 2004, despite lack of progress in the talks concerning the unification of the island, it took the risk of bringing into the EU an unsettled border dispute between an accession and a candidate country, in addition to the close involvement, in the same dispute, of a Member State. Throughout 2003, the Turkish government continued “its efforts to find a comprehensive settlement for all the Cyprus problem,” but

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1 Presidency Conclusions: Helsinki European Council, 10 and 11 December 1999, see http://ue.eu.int/ueDocs/cms_Data/docs/pressData/en/ec/ACFA4C.htm
the talks remained in deadlock, giving rise to concerns that Turkey could face “a serious obstacle” in the way of beginning formal negotiations. At the end of March 2004, Turkey’s prime minister, along with his Greek counterpart, participated in the Bürgenstock negotiations between the two Cypriot communities, organized under the auspices of the U.N. Secretary-General. Concomitantly, Ankara stepped up to its campaign to promote Turkish Cypriot support for the revised Annan plan for the unification of Cyprus. Although the Bürgenstock talks ended without an endorsement by the Greek Cypriots of the U.N. plan, referenda on the plan were nevertheless held in both parts of the island on 24th April 2004. While the majority of the Turkish Cypriot community voted for the plan, the Greek Cypriot community overwhelmingly rejected it. On 1st May 2004 the Republic of Cyprus, comprising the Greek Cypriot part of the divided island, joined the EU. Recognizing Turkey’s vigorous support of the reunification plan, in June 2004, Brussels Council welcomed “the positive contribution of the Turkish government” towards achieving a comprehensive settlement of the Cyprus problem; at the same time it urged Turkey to proceed with the “adaptation of the Ankara Agreement to take account of the accession of the new Member States.”

The Cyprus issue arose as one of the challenging questions during the December 2004, Brussels summit. Although in 2002 EU-15 had not explicitly put forth the resolution of the island’s division as a precondition for beginning accession talks with Turkey (the only precondition being the fulfillment of the Copenhagen criteria), and although Turkey stood “on a high ground because of the constructive role it played” in promoting the Annan plan, it now had to reckon with the Republic of Cyprus as a Member State. Turkey’s dilemma was how to avoid recognizing the Nicosia government as the sole representative of the whole island while extending the customs union to the ten new Member States. An interim solution was found by having Turkey declare its intent to sign “the Protocol on the adoption of the Ankara Agreement prior to the start of the accession negotiations.”

The second set of challenges stemmed from the opposition, particularly strong in some EU member states, to Turkey’s full membership. Upon Turkey’s insistence, the Council declared, “The stated objective of the negotiations is accession,” but also stated in the next sentence, “These negotiations are an open ended process, the outcome of which cannot be guaranteed beforehand.” The summit Conclusions also referred to “long transition periods, derogations, specific arrangements or permanent safeguard measures.” Even as Turkey has moved closer to membership, doubts about its ‘Europeanness’ do not seem to have correspondingly diminished. Although Turkey’s eligibility for membership has never been officially questioned by the Commission, an obsession with Turkey’s lack of adequate European credentials has continued unabated in [Western] European public opinion as well as in some politically influential circles within the EU. As a result, European debates on Turkey’s membership have focused more on the EU’s ability to absorb a country as large and different as Turkey than Turkey’s ability to fully adapt to European norms.

What will be the potential impact of Turkey’s membership on the EU? First, with Turkey in, the EU’s borders would reach Georgia, Armenia, and Azerbaijan as well as Iran, Iraq and Syria, straddling two geographically important regions: the Middle East beyond the eastern Mediterranean and the southern Caucasus bordering on the Caspian basin. At the same time, the Union will also have incorporated an effective regional power: with its historical experience and familiarity with the neighborhood, Turkey would stand to provide greater weight and strategic depth to the EU’s engagement in these two regions. Far from representing a geographical overextension, the EU’s involvement, as a global actor, in both the Middle East and the Black Sea-Caspian region is in keeping with its own European Neighborhood Policy (ENP, which includes Georgia, Armenia, and Azerbaijan) and with its Euro-Mediter-
nean Partnership (EMP, alias the Barcelona Process), which includes Syria. Even if Iran and Iraq are not listed among the EMP countries, the EU has already engaged with the former in a significant way (tying its initiative to abort Iran’s nuclear ambitions to its new policy of transatlantic cooperation) and is likely to have no choice but to engage eventually in the rehabilitation of the latter. In addition to Turkey’s potential future role as an active promoter of both ENP and EMP in the neighborhood, its membership can also be expected to result in a broader zone of stability around the Balkans as well as the Black Sea region as a whole. Turkey’s membership, according to several EU political leaders, would also provide an effective deterrent against the spread of fundamentalist Islam in Europe. Bringing this secular republic with an overwhelmingly Muslim population into the EU, they argue, would not only anchor a geostrategically significant partner into the European structures but would also send a convincing message to the Muslim world as a whole of the EU’s rejection of the “clash of civilizations” thesis.

The second is the potential impact Turkey’s entry would have on EU institutions, decision-making, and budget as well as on regional disparities and migration, given its size, population, and economy. It is true that if Turkey were to join EU-27 today (assuming membership of Bulgaria and Romania), it would add 18 per cent to the EU-27 surface area, and 15 per cent to the population, but only 2.2 per cent to the GDP. But assuming that Turkey vigorously adheres to its reform program, ensuring continued macroeconomic and fiscal stability, it will enjoy a much higher growth rate (around 6-7 per cent per annum) than EU-25; it will be able to attract significantly increased foreign direct investment, resulting in even faster development in industrial growth poles such as the greater Istanbul area. Steady convergence with the EU over the next decade will not only reduce the disparity between the economy of EU-27 and that of Turkey (although it will take several decades for the Turkish economy to catch up with that of the enlarged EU), but redirect the migration from Turkey’s rural areas to its domestic growth poles, thus reducing the outflow to Europe of unskilled or semi skilled labor. High-growth scenarios leading to Turkey’s accession in 2015 consistently yield significantly lower migration flows to the EU-15 than lower-growth scenarios without a membership perspective, even when free movement of labor is calculated into the high-growth scenarios. It appears unlikely that Turkey, as an EU member a decade from now, would export unskilled workforce to the EU-15; on the contrary, it is more likely that skilled persons and professionals, attracted by higher salaries, would be filling vacancies in the EU-15 which, by then, will be hard pressed to address economic challenges due to its aging population. The economies of EU member states would stand to benefit, although only slightly, from Turkey’s accession that would open up a range of market opportunities as well as provide required labor supply; the Turkish economy, however, would significantly benefit from membership except for the slight negative impact of the anticipated ‘brain drain’ as a result of qualified labor migration to the EU-15. Despite very large disparities Turkey would bring into the EU (both domestically within Turkey and as a poor Member State to the whole of the EU), and despite the large share of agriculture in its economy (second only to Romania), the cost of Turkey’s membership to the EU is likely to be less than that of the 2004 enlargement (€37 bn vs. €41 bn in 1999 prices), if Turkey were given a financial package similar to that earmarked for Bulgaria and Romania. While Turkey’s impact on economic decision-making will be low given the relative size of its economy, its membership will “add to the relative weight in EU decision-making of the larger countries.” However, Turkey’s voting weight will not be more than be 14.4 per cent (compared to Germany’s 14.5), if it becomes a part of EU-28; under

12 Ibid.
16 Ibid.
the provisions of the constitutional treaty, it will be assigned the maximum number of 84 seats, representing 11.2 per cent of the seats in the EP, the same as Germany.

Turkey's membership in a decade or so will arguably depend on two conditions: political will and engagement in Turkey to pursue European criteria and practice in political, economic, and civic life on one hand, and political will and a sense of purpose among EU leadership, on the other, to communicate effectively to the public the contribution Turkey stands to make to the EU as member. Since its candidacy in 1999 Turkey's foreign policy has shifted towards an alignment with that of the EU, particularly in terms of adopting a multilateral approach towards the Balkans and the Caucasus. Further convergence is likely to make Turkey an effective producer of security (hard and soft) in the neighborhood. Support for the EU as well as Turkey's membership has been particularly strong in Turkish public opinion and, unlike most Eastern accession countries, it is expected to remain strong during accession negotiations, provided that the EU does not discriminate, or be perceived to be discriminating, against Turkey. Though Turkey is expected to relate to the EU institutions and processes decidedly on an intergovernmental basis (rather than assuming a federalist approach), its preference ought not to be interpreted as a sign of its potential centrifugal effect that would distract the EU from achieving deeper political integration and stronger European identity. Multi-speed Europe (or an EU with a variable geometry) is now a fact of life, with some member countries remaining out of the Scene agreement and others out of the Euro zone. The recent enlargement as well as the anticipated ones is likely to reinforce this flexibility and take advantage of it, so as not to impose on new members obligations that they might not be able to meet. In the final analysis, it will have to be a far more cosmopolitan and Europeanized Turkey that will become a member of a larger and culturally much more differentiated EU which, by virtue of having embraced Turkey, will have resolved the Eastern Question that was created by its ancestors.
As promised at the 2002 Copenhagen summit, in December 2004 the European Council unanimously decided to open – subject to certain conditions – accession negotiations with Turkey on 3rd October 2005.¹ This decision followed the October 2004 Progress Report prepared by the European Commission that concluded that Turkey had sufficiently met the Copenhagen political criteria and recommended that negotiations could be opened “without delay” as soon as some remaining reforms were completed.² Some 41 years after the country first applied to join and five years after it became an official candidate, Turkey is now finally set to begin the real process of becoming a member of the European Union (EU).

Turkey’s Bumpy Road to EU Membership

It has been a very long and troubled journey for Turkey. Ankara had originally embarked on its march to join the then European Economic Community (EEC) with the signing of an Association Agreement in 1963, whose provisions envisaged the gradual establishment of a customs union and a cautiously worded prospect of eventual Turkish membership in the EEC. However, it was more that three decades later and only after overcoming considerable resistance from the European Parliament and human rights organisations, that Turkey and the EU finalised a customs union agreement that came into force in January 1996.

In between, Ankara’s 1987 application for full membership had been turned down by the Commission in the light of Turkey’s economic and political situation, including the negative consequences of the dispute with Greece and the situation in Cyprus. Turkey’s quest for membership suffered a further setback in December 1997, when it was not included in the list of the candidate countries for the next round of enlargement by the Luxembourg European Council summit.

A major breakthrough in Turkey-EU relations took place at the Helsinki European Council of December 1999, which concluded that “Turkey is a candidate state destined to join the Union on the basis of the same criteria as applied to other candidate states.”³ However, in contrast to the initial expectations for an ‘Ankara spring’, the coalition government headed by Prime Minister Bülent Ecevit largely failed to adopt the EU-required reforms. It was the outcome of the November 2002 elections that put an end to this phase of stalemate by bringing in a parliament and a government with a strong will to meet the Copenhagen criteria.⁴ With its landslide electoral victory, a party rooted in Turkey’s Islamist movement, the Justice and Development Party (AKP) became the first party in over a decade to hold enough seats in parliament to exercise a clear majority and enjoy a one-party government.

Since the coming into power of the AKP the pace of reforms has been so radical and at the same time so unexpected that it has shocked both the anti-EU forces in Turkey and the anti-Turkey factions in Europe.

⁴ The AKP won 363 of the 550 seats in the parliament receiving an unprecedented 34.2 percent of the popular vote.
It can be argued that thanks to the “silent revolution” undertaken by the AKP, Turkey has achieved more reform in just over two years than since the days of Mustafa Kemal Atatürk back in the 1920/30s. A similar pattern could be seen in Turkish policy on Cyprus. The AKP government, led by the charismatic Prime Minister Recep Tayyip Erdogan, abandoned the entrenched policy of maintaining the status-quo and showed a determination to settle the Cyprus conflict by supporting the adoption of the peace plan brokered by the United Nations Secretary General Kofi Annan. Moreover, Erdogan’s government played an active role in persuading the Turkish Cypriots to vote ‘yes’ (65 per cent) to the plan in the 2004 referendum on the island’s future; this time it was the Greek Cypriots who overwhelmingly (76 per cent) said ‘no’. As a result, it is no longer possible to blame Turkey or the Turkish Cypriots for the division of the island and Ankara now enjoys the high-moral ground over this thorny issue. Yet, the pace of political reform is not simply a success of the AKP government, but is also a major success for the EU itself. Indeed, there is no doubt that prospective EU membership has been the strongest catalyst of democratic reform in Turkey in recent years.

Turkey’s Silent Revolution

In the period between May 2003 and December 2004, the government has used its thumping parliamentary majority to push through five major political reform packages and a new penal code, overhauling for the first time the 78-year-old criminal laws. The two packages approved in July and August 2003 touched probably the most controversial issues. The former (known as the sixth package) included major reforms such as abolishing the infamous Article 8 of the Anti-Terror Law and extending freedom of broadcasting in languages other than Turkish, most notably Kurdish. The legislation also eased the rules and procedures for construction and planning with regard to places of worship for other faiths than Islam. A few weeks later, the government passed a new legislative package (the seventh package) that was crucial for curbing the influence of the military in Turkish politics. Stressing the advisory status and role of the National Security Council (MGK), new measures enabled the appointment of a civilian head to the MGK’s secretariat and allowed greater civilian scrutiny over military expenses. The same package also contained significant changes in the context of the expansion of the freedom of expression, freedom of association, safeguard provisions on the rights of prisoners, religious freedom, rights of the child, and cultural rights.

As part of the Constitutional amendments adopted by the Turkish parliament in May 2004, the State Security Courts (DGM) – a source of systematic violation of human rights – were abolished altogether. At the same time, Article 90 of the Constitution was revised, enshrining the principle of supremacy over domestic legislation of the international and European treaties ratified by Turkey and any remaining references to the death penalty were removed from Turkish legislation. Determined to ensure the implementation of the new laws and “not to leave any excuse to the EU,” the government established in September 2003 the Reform Monitoring Group (chaired by the Deputy Prime Minister) to monitor and tackle implementation problems. While implementation deficiencies remain a major challenge for Turkey’s democratization, many of the taboos that only a few years ago no one would have dared to address have already been broken. In June 2004, the Turkish state radio and television (TRT) started broadcasting in Bosnian, Circassian, Arabic and two common Kurdish dialects. The same month, in a long awaited verdict, Turkey’s Court of Appeals ordered the release of four former Democratic Party (DEP) members of Parliament who had been imprisoned since 1994. In August 2004, a civilian was for the first time appointed Secretary of the MGK. Moreover, the

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6 Former Turkish Prime Minister Ecevit well summarised Ankara’s pro-status quo policy in May 1999 as “no solution is actually the solution.” The Annan plan (available at: http://www.cyprus-un-plan.org) envisaged the reunification of Cyprus with a highly decentralised federal system following a referendum on both sides of the island.
8 A good overview of the reforms implemented by Turkey since 2001 is available in the document titled Political Reforms in Turkey (http://www.abig.org.tr) issued in February 2004 by the Turkish Secretariat General for EU Affairs.
9 As put by Turkish Foreign Minister Abdullah Gül, see Turkish Daily News, 26th May 2004.
new regulations introduced in the field of education paved the way for the opening of private courses in Kurdish throughout the whole country. In 2004, education spending was, for the first time, higher than defence spending – a significant indicator of the changed climate in Turkey.

Tangible macroeconomic progress has run in tandem with sweeping political reforms. In 2004, Turkey’s GDP grew by a healthy 8 per cent and inflation was down to a single digit figure (just over 9 per cent) for the first time in thirty years. Annual exports and foreign trade volume hit all-time records of about 21 per cent and 44 per cent of GNP, respectively. Financial markets performed well too. Having had significantly increased capital adequacy ratios and profits, the banking sector recovered itself from the 2000-2001 financial crisis. The Istanbul Stock Exchange (IMKB) compound index increased by almost 48 per cent in US$ terms in 2004 and IMKB became the seventh best-performing market among those of the 25 emerging-market countries. Finally, on 1st January 2005 Turkey seamlessly introduced a new Lira (YTL), dropping six zeros from the old one. In spite of these positive developments, there are rocks ahead: the current account deficit remains large and Turkey’s huge debt needs constant refinancing.

The achievements of the AKP government are even more remarkable considering that it succeeded in passing the EU-required reforms despite rigorous opposition by an unholy alliance of hardcore nationalists, reactionary military officers and bureaucratic elites. They represent an old guard that either has vested interests in the existing order or fear that the pace and scope of the reforms might jeopardise Turkey’s territorial integrity and secular regime. Thus, they advocated a longer process of adaptation to EU norms and standards that should be implemented taking into consideration “the unique features, complexities and sensitivities of Turkey.” Ideally, they would have liked Turkey “to become a member of the EU on their own terms, meaning the absence of any major change in the status quo in the domestic sphere.”

In the tussle that saw the pro-EU reformist camp gaining the upper hand over the old guard, Erdogan and the AKP enjoyed the support of the more liberally inclined economic and societal elites, pro-EU bureaucratic circles and the pro-European elements in the armed forces. Rather than being simply committed to the notion of EU membership, the reformists were also prepared to push through the kinds of reforms needed to satisfy the conditions indicated by the EU. Aware of the post-modern character of the EU, they considered the pooling of sovereignty in favour of the EU as an acceptable cost of membership. Similarly, they also embraced the notions of pluralist democracy, multi-cultural identity and multi-tiered governance that characterise most, if not all, EU member states. In short, building upon the achievements of Atatürk’s revolution, the pro-EU coalition favoured the development of a new and inclusive socio-political synthesis able to discern the difference between unity and uniformity and as such, able to include within its boundaries differentiation – whether expressed through Islamism or Kurdish identity. While the Kemalist credentials of the AKP leaders remain still questionable (especially in relation to their commitment to secularism), it is important to note that their discourses about the EU are heavily underlaid by the Kemalist civilizational drive. They not only salute the achievements of the European project but also reiterate that Turkey’s membership in the EU is the most important element in the country’s modernization. As put by Erdogan, “the EU represents a source of attraction, which embraces the highest standards characterizing modern civilization.”

The European Divide

In 1993, Samuel Huntington labelled Turkey as “the most obvious and prototypical torn country” between East and West, a country neither in Europe nor in the Middle East, with a fault line running within rather than at the border. Yet, as Turkey became increa-

12 The political uproar in May 2004 when the government passed a law allowing university access for students from Islamic imam hatip schools, subsequently vetoed by the President, clearly demonstrates the extent to which the secular/Islamic debate still divides Turkey.
13 Recep Tayyip Erdogan’s address at the Centre for Strategic and International Studies (CSIS), Washington DC, 9th December 2002. Available at: http://www.csis.org/events/erdogan.pdf
singly united behind the project of European integration, Europe itself emerged, in the run up to the EU summit of December 2004, deeply ‘torn’ over Turkey’s eligibility for membership and its ‘Europeanness’. Curiously, both the pro-Turkey and anti-Turkey circles used the country’s characteristics to support their theses. For example, those supporting Turkey’s quest for EU membership argued that its geopolitical location would add new dimension to the EU’s foreign policy efforts in important regions such as the Middle East, Central Asia and the South Caucasus, whereas anti-Turkey circles stressed the dangers entailed in sharing border with countries like Iran, Iraq and Syria. Similarly, Turkey’s large and young population has been described as a welcome counterweight to the EU’s ageing and shrinking workforce. Yet, it has also been portrayed by the opposing camp in terms of an ‘invasion’ of Turks in search of work, once the visa restrictions are lifted.

However, much of the debate centred on Turkey’s religion and culture. On the one side those supporting a racially, religiously and culturally derived definition of Europe drawn from the medieval conception of Christendom argued that Turkey entry would be ‘the end of Europe’. Finding more difficult – as a result of Turkey’s path-breaking reforms – to justify their opposition to Turkey’s candidacy on the grounds of the country’s democratic shortcomings and human rights violations, these circles increasingly resorted to a culturally exclusivist notion of European identity. Consequently, ghosts of the European past (such as the ‘terrible Turk’ of Suleymanic age) were invoked along with references to the exclusive notion of EU identity. On the opposing side, adherents of Enlightenment notions of universal human rights who understand the EU’s nature as an inclusive and tolerant society that draws strength from its diversity and is bound together by common values of liberty, democracy and the rule of law, pointed out that Turkey’s admission to the EU would provide undeniable proof that Europe is not a closed ‘Christian club’.

Much to the disappointment of the anti-Turkish circles, in the post-September 11th era the need to prove the fallacy of the ‘clash of civilizations’ provided Turkey’s European aspiration with an invaluable trump. At a juncture, when the ‘war on terror’ carried the danger of creating a rift between the Christian and Islamic worlds, Turkey’s role in Europe’s destiny acquired unprecedented relevance. As suggested by the British Foreign Secretary, Jack Straw, Turkey’s candidacy was “the acid test of whether Europe could defeat terrorist attempts to sow division between Islam and the West.” Additionally, several observers of Turkey-EU relations described the membership issue as the litmus test of the EU’s commitment to a pluralist and inclusive stance to Islam.

**Conclusion**

In December 2004, the EU took one of its most difficult decisions: whether to open final status negotiations with Turkey on full membership in the EU. Indeed, the decision was as much about Turkey’s future as about the union’s future. By opening negotiations on membership with Turkey, the EU has shown itself dynamic, purposeful and self-confident. At the same time, it has proved that the EU is sustained by shared values, principles and interests, and not by cultural and religious exclusivist notions of European identity. Turkey, on its part, had succeeded in completing the first set of demanding tasks set by the EU. Only a few years ago, it was unimaginable to imagine that Ankara would permit education and broadcasting in Kurdish, abolish the death penalty and appoint a civilian in charge of national security. Under the leadership of AKP, the Turkish political system has proved itself capable of radical and positive change.

Despite these far-reaching reforms and the EU’s decision to open negotiations, no one should overlook the multitude of challenges, if not obstacles, that remain in Turkey’s path to full membership. Some of these challenges stem from the conditions that have been built into the 2004 European Council’s actual decision to open accession talks. In the immediate future, the perennial issue of Cyprus has the potential to

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15 In September 2004 Frits Bolkestein, the Dutch internal market commissioner, commented that Turkish membership would mean that “the liberation of Vienna in 1683 would have been in vain.” As quoted in The Spectator, “Open the Gates at Vienna,” 8 September 2004, p.7.
16 For example, this point is stressed in the aforementioned report of the Independent Commission on Turkey, p.16.
18 For a brief analysis of the challenges that lie ahead for the EU and Turkey once accession negotiations begin, see K. Hughes, When Negotiations Begin: The Next Phase in Turkey-EU Relations, Centre for European Reform, November 2004. Available at: http://www.cer.org.uk/pdf/essay_turkey_hg_nov04.pdf
stalemate the opening of the negotiations.19 As part of the compromise arrangement reached in December 2004, Turkey agreed to sign – before negotiations start – a protocol that extended the existing customs union with the EU to the ten new countries that joined the union in May 2004, including Cyprus. From the Turkish point of view, this would amount to a tacit recognition of Cyprus – a step that, in the absence of a settlement of the division of the island, “would leave the Turkish government in an impossible situation vis-à-vis the Turkish public opinion and the Turkish Cypriots.”20 In the long run, an equally problematic issue, as negotiations unfold, may prove to be the attachment of conditions on future movement of labour. Ankara, while having few objections to some kind of phased lifting of travel restrictions, is strongly opposed to any kind of permanent block, seeing this as discriminatory.21 Nevertheless, these challenges should not detract one from the fact that the decision to open negotiations for membership is an historic one. Turkey’s accession to the EU is an unprecedented chance both for the country to fulfil Atatürk’s goal of achieving the standards of ‘contemporary civilization’ and for the EU and the West as a whole, to strengthen a precious ally in the fight against terrorism, deepen its commitment to diversity and foster democratization in the Islamic world.

TURKEY’S ACCESSION TO THE EU: MAJOR DOCUMENTS

Regular report on Turkey’s progress towards accession, SEC(2003) 1212, 5-11-03
The Commission points out that Turkey must continue to make progress in order to fulfil the criteria for accession. With regard to the political criteria there is still a gap between legislation and practice. As far as the economic criteria are concerned, there are still macro-economic imbalances. With regard to the incorporation of the Community acquis, the independence of the judiciary needs to be strengthened and its functioning improved, the general framework for the exercise of basic civil liberties needs to be promoted, relations between the civil and military authorities need to come closer to the European model, while the situation in the southeast and the cultural rights situation needs to be improved.

The Commission states that, despite the determination of its government, Turkey still does not fulfil the Copenhagen political criteria. According to the Commission, the country does not yet have a full and clear framework guaranteeing political, civil, economic, social and cultural rights, and the country must continue to work to improve the consistency between legal provisions and practical application.


European Parliament resolution on the 2003 regular report of the Commission on Turkey’s progress towards accession, P5_TA(2004)0274, 1-4-04
The Parliament adopts the approach taken by the Commission’s regular report and considers that although significant reforms have been carried out, it is still necessary to take many measures. These must relate above all to the Copenhagen political criteria and Turkey’s external relations (Cyprus conflict; relations with Armenia; bilateral relations with Greece; defence of the Armenian and Syrian Christian cultural heritage and the situation in Iraq).

Regular report on Turkey’s progress towards accession, SEC(2004) 1201, 6-10-04
The 2004 report states that Turkey has made substantial advances in its political reform process but once again underlines the need to consolidate and extend those reforms. The Commission considers in its report that Turkey sufficiently satisfies the political criteria and recommends opening accession negotiations.

19 See for example, International Herald Tribune, “EU Warns that talks hinge on quick recognition of Cyprus,” 1 March 2005.
21 The concerns on the part of the Turks are raised by a paragraph contained in the 2004 Presidency conclusions noting that “Long transition periods, derogations, specific arrangements or permanent safeguards…may be considered […] for areas such as freedom of movement, structural policies or agriculture.”

The Commission considers that Turkey sufficiently fulfils the Copenhagen political criteria and recommends that accession negotiations be opened. However, it sets a series of conditions and establishes a negotiation strategy based on three pillars. The first concerns cooperation to reinforce and support the reform process in Turkey and pursuit of this will be completed within the framework of a revised Accession Partnership. A general review of progress of the political reforms will take place on a yearly basis starting from the end of 2005. The second pillar concerns the specific procedure for approaching accession negotiations within the framework of an Intergovernmental Conference which includes all the Member States and where decisions require unanimity. The third pillar emphasises the strengthening of political and cultural dialogue between the civil societies of both parties.


Impact study on the issues arising from Turkey's membership perspective, SEC(2004) 1202, Brussels, 6-10-04

In parallel with the drafting of the 2004 regular report and the recommendation requested by the European Council, and taking into account the suggestion by the European Parliament, the Commission services conducted an assessment of the effects of Turkey’s possible accession on the Union and its policies. The report makes it clear that the preparations necessary for accession will continue over the next decade. During this period, the Community acquis will develop and respond to the needs of an EU of 27 or more, possibly anticipating the challenges and needs of Turkey’s accession.


The European Parliament backs the commencement of negotiations. The resolution highlights the advances made with regard to compliance with the political criteria. Nonetheless, it notes that there are still problems in relation to the rights of minorities, freedom of religion, trade union rights, the rights of women, the role of the army, Cyprus and relations with Armenia. On the other hand, it points out that the opening of negotiations does not automatically lead to Turkey’s accession and that there should be appropriate mechanisms in the event that the accession negotiations break down.


Brussels European Council, Presidency Conclusions, 16/17-12-04

With regard to Turkey, the European Council decided that, in view of the progress made by Turkey and the Commission’s report and recommendation, the country sufficiently satisfied the Copenhagen political criteria for accession negotiations to be opened. Thus, the Brussels European Council decided to set 3rd October 2005 as the date for the start of accession negotiations and agreed on a framework of negotiations, based on the strategy put forward by the Commission in its recommendation of 6th October. To this end, the European Council called on the Commission to present a proposal for a framework for negotiations with Turkey and at the same time requested the Council to agree on that framework with a view to opening negotiations on the date set.

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The legislative elections which took place on 30th January in Iraq, the first to deserve that name in the history of this country founded by British mandate in 1922, appear to mark a before and after in the Middle East, even if they still have not delivered the awakening of democracy foretold by the United States, whose troops have occupied the country since March 2003. However, it is also plausible that President Bush likes the after much less than the before. For the moment, the elections have served their purpose for the emergence of a robot portrait of Iraq, about which much had been said, but never publicly in Baghdad, during the previous 80 years during which authoritarian regimes had imposed their own particular vision of the land of the Tigris and Euphrates. At the end of January Iraq had chosen a constituent assembly of 275 members, with the entire country considered as a single electoral district and under an electoral system of proportional representation; in other words, that every one of the lists received the number of seats corresponding to the percentage obtained of the total votes counted. Iraq has some 27-28 million inhabitants, of which it is calculated that around 21-22 million would be potential voters, but the proconsul of the occupying power up to 30th January, Paul Bremer, established that it was obligatory to register in order to vote, as in the United States. Only 18 million Iraqis did so – all estimates about participation in the exercise of suffrage have been based on this last figure, with the intention of making them look as inflated as possible. In this way, the percentage of turnout at the vote used by the world press has been 58%, 8.5 million voters, when, not having any reason to forget those who did not bother to register on the electoral roll, the actual figure should be reduced to less than 40%. The fact that this percentage is still more than considerable, taking into account the situation of terror and ambush warfare against the occupier being suffered by the citizens, should not prevent the real arithmetic from being done instead of the virtual calculations preferred by Washington. The 275 elected representatives have to pass a constitution, already written-up by a group of experts agreeable to the United States, but which the constituent members could reject or amend in depth. A referendum will be held in November in order to proceed to new legislative elections before the end of the year, with the constitutional text as the fundamental policy document.

Iraq is the Arab country in which the conflict between the two main tenets of Islam is most strongly established. Shiism only achieves majority status in Iran (‘Aryan country’, as the name suggests) and Sunnism encompasses 90% of the 1.3 billion Muslims on the planet, with a similar percentage within the Arab world with more than 250 million adherents. Although the figures are by necessity the fruit of a certain accounting wishful thinking given that there have never been reliable censuses, it is thought that between 60 and 65% of Iraqis are Shias and almost all the rest are Sunnis, with a very small Christian minority, generally of oriental rites, as well as other religious factions. Furthermore, of those 35% Sunnis, only half are Arabs and the rest correspond to the Kurdish people, who inhabit the north of the country and have been at guerrilla warfare since the 1920s to gain independence or a more or less opportunistic negotiation with the Arab majority for the constitution of their own political entity, which would mean a Kurdish province or region within a federal state. And all the regimes that have dominated the country, since Hashemite rule (1922–1958) until successive military dictatorships under the shelter of the Ba’ath party, in whose name ruled the toppled Saddam Hussein (1968–2003), have shared the common theme that...
power would be monopolised by the Sunni Arab minority, to the detriment of the Shias and Kurds. The formation of electoral lists highly representative of a real Iraq has also been deduced from the exceptionally strong division of this explosive ethnic-religious affiliation binomial, with the certainty that the Sunni Arab minority has boycotted the elections almost down to the last voter, after which their leaders repeatedly branded the vote as illegal and degraded by the foreign occupation. A large Shia list, the United Iraqi Alliance, made up of 11 parties and of these of the two largely majority parties, Dawa (Dawn) and the Supreme Council of Islamic Revolution in Iraq (SCIRI), has obtained the absolute majority on taking 140 seats with 48% of the vote; in the same manner, the fact that the Sunni vote was virtually non-existent has given second place to the Kurdish minority, whose only list gained more than 70 seats and 25% of the vote; and in third place came a list of the secular Shia majority supported by the United States, directed by the then prime minister, Ayad Alui, with less than 14% of the vote and only 27 seats. This support from the voters registered was equivalent to no more than 7-8% of Arab Iraqis; more or less than before the invasion.

The first democratic Government in the history of Iraq will therefore be made up of the Dawa and SCIRI list whose true (although not official) leader, followed by the 11 parties of the coalition, is Ayatollah Ali al-Sistani. Born in Iran, he has only lived in Iraq since 1951 when he was a recently 'qualified' young cleric. But it is clear that the Alliance list will have to find support from other formations in order to govern, as, in order to protect the minorities of Kurds and Sunnis, it has been established that the immediate election of the president and two vice presidents as well as the eventual approval of the constituent text will require a majority of two-thirds of the chamber. On this basis it is speculated that the Kurdish list could be given the presidency, which is a more decorative than functional role, in exchange for admitting the Shias to the leadership of the Government – possibly the secular moderate, Ibrahim Jaafari – and one of the two vice presidencies. The second of these would be held for a Sunni, although this would have to wait until the followers of this branch of Islam, who are now feeding the insurrection against the occupiers and their collaborators in Baghdad, end up joining the constituent process through negotiations.

In order to attempt to map out the course of future Iraqi politics, however, it is essential to review the nature of the two main components of the Shia list. Dawa, founded doubly in Iraqi exile and in Lebanon at the end of the 1950s with the support of Tehran, proposes the creation of an Islamic republic, not dominated by the religious apparatus, but instead a high secular bureaucracy. The similarity with any of the forces that appeared at first after Khomeini's Islamic Revolution in 1979 can be deceptive even in the most obvious ways. The candidate with most support to become leader of the Government, Jaafari, calls to mind Mehdi Bazargan, the engineer educated in France who secured leadership of the Iranian Government and was devoured by the radicalisation that marked the occupation of the U.S. embassy in November of the same year. Bazargan died in Tehran in 1995, where he lived in obscurity after his overthrow by a reactionary tide. And if Jaafari is the leader of the moderate faction – those who would never assault a western legation – a hard line is also not lacking, led by Abdul Karim Unzi. The Supreme Council (SCIRI), for its part, was founded in Tehran in 1982 as a general organisation that would shelter all Shias living overseas, opposed to the governing of the Sunni Saddam Hussein. It has been generally considered as a personal creation of the Great Ayatollah, Ruhollah Khomeini. This Iranian form of the 'PLO' created its own military force, Badr (lightning), which trained with the elite Revolutionary Guard volunteer corps and carried out a number of modest terrorist acts in Iraq during the years of exile. If judgement is to be made based on the facts, since British forces installed elements of Badr as local authorities last summer in the Basra area in the south, their militants have imposed the strict observance of the use of the veil, the closure of off-licences and in general, the personal code of conduct particular to Sharia (Islamic law). Washington has guaranteed to its followers in Iraq, as well as the rest of the Middle Eastern Arab world, that it will never allow the formation of an independent Kurdistan, something that Turkey and Iran will also look out for, given the significant Kurdish minorities found within their borders. However, an 'Iranian' derivative of the new Baghdad regime could oblige the United States to use its secure Kurdish ally to moderate the Shia leaders. In exchange for not pushing in favour of independence, which, however, 95% of the Kurdish population supports according to the most reliable polls, these neo-autonomists could demand the constitution of a unique Kurdish province in an eventual political re-demarcation of the country.
the Kurds are clearly in the majority, whilst maintaining substantial minorities in another three. Therefore, they would request the amalgamation of the former three with some areas of the latter, but always in such a way that Kirkuk, the centre of oil installations in the North, was to remain in the Kurdish territory. The problem is that in Kirkuk the majority are Arab and Turkmeni, in no way prepared to tolerate a Kurdish government. The best guarantee that Iraq will remain united, however, and much more convincing than the vague federalist plans that the western powers entertain and that the Arab world, strongly unitarian, has never shared, is the evidence that oil will run out in the North far before it does so in the South, concentrated as it is around the strongly Shia position of Rumallah close to Kuwait. Without this wealth Iraq would become a second-league Arab country. An international survey carried out days before the vote established that almost 70% of the Shias and 82% of the Sunnis wanted the United States to leave Iraq, either immediately or after a temporary halt to last only as long as the constituting period. The possibility of an Iraq free of occupiers in one or two year’s time must be considered. It does not seem like exaggeration, therefore, to now say that Washington has failed in its long-term objectives: the establishment of a friendly government in Baghdad, but we could not expect that democratisation of the country – a process which is at best only just beginning – were like a kind of tsunami that sweeps away dictatorships on its way through the Middle East. However, at least in the short-term it has salvaged the situation with the tacit agreement reached with the Shia majority that the Americans would organise the elections and they would win them, although at the moment they cannot present their true colours. And those colours could be around the corner within a few years – an Islamic regime, civil rather than clerical, with a certain degree of pluralism and excellent relations with Tehran, without giving in to them; and, finally, that which perhaps concerns most the neo-conservatives who are deafening President Bush with advice, as much of an enemy of Israel as Saddam Hussein himself. Hardly good business for Washington.
Iraq in 2004: Between Totalitarianism and Uncertainty

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The year 2004 was an important juncture for Iraq, forming a mid-way point between the fall of Saddam Hussein’s regime on 9th April 2003, when American troops entered Baghdad, and the new phase which began with the Iraqi general elections on 31st January 2005. Many commentators described the polls in glowing terms, pointing out that millions of Iraqis had defied the threat of terrorism to vote in what was their first chance to do so for 50 years. Yet the elections, which were boycotted by most Sunnis, were above all an assertion of the new-found sectarian dominance of the Shia and the Kurds. For precisely this reason, some other observers have seen the polls as another step towards civil war in Iraq. The year 2004, it could thus be argued, marked the country’s transition from a totalitarian past to an uncertain future. This uncertainty manifests itself in general trends, of which the most important is the struggle between stability and terrorism in Iraq. There are many related causes for the country’s present situation, including the war itself and the idiotic American policies which followed it. Particular damage was inflicted by the disbanding of the Iraqi Army, the policy of de-Baathification, the lack of sufficient Coalition troops and the absence of a coherent American plan for post-Saddam Iraq. Early on, Washington relied too heavily on its untrustworthy Iraqi allies. The fact that it received no support from other countries in the Middle East until relatively late in the day made matters even more difficult. International powers which had initially opposed the war were also slow to offer assistance.

In addition, the United States set itself some unfeasible goals. Its decision to combine the tasks of nation-building and establishing an American-style democracy in Iraq meant merging two objectives which would prove overwhelmingly difficult in a country like Iraq. However, excessive ambition alone cannot explain everything. We must not forget the historical repression of Iraq’s religious and ethnic groups, which the long period of Baathist rule from 1968-2003 greatly exacerbated.

After Saddam fled Baghdad, the American Forces set about arresting leading members of his regime. On 22nd July 2003 they managed to kill his sons Uday and Qusay in an attack on a house north of Mosul, to the delight of most Iraqis. On 13th December of the same year the Americans detained Saddam himself, whom they found hiding in a hole in the ground. This humiliating discovery dealt a painful blow to the widespread nationalist ideology of manhood and virility. Despite its differences with the United States over the war, the United Nations showed itself to be flexible. The UN lifted its economic sanctions on Iraq and the whole world recognised the country’s new status quo. On 13th July the Iraqi Governing Council (IGC) met for the first time: all 25 of its members had been selected by the Coalition. Nonetheless, and despite the fact that the Director of the Coalition Provisional Authority (CPA), P. Bremer, remained the leading figure of authority with the power of veto, the Iraqis now had a governing body which would help draft a new constitution for their country. International support was gradually forthcoming and on 16th October 2003 the UN Security Council unanimously approved an amended American text outlining the political future of Iraq. This resolution reserved a dominant role for the American Forces in the country, but it also called on them to hand over sovereignty to the Iraqis ‘as soon as practicable’. On 23rd October some 80 donor countries offered total funds of $13 billion for Iraq, with the United States adding a further $20 billion: the UN and the World Bank had calculated that the country would need $56
billion over the next four years. Things continued to move in this generally positive direction. On 15th November 2003 a timetable was drawn up for the handover of power to the Iraqis. The IGC announced that the Coalition, under American leadership, would transfer sovereignty to an interim Iraqi government in June 2004. For Iraq, the year 2004 thus began with a mixture of promise and anxiety. In March the IGC agreed an interim constitution, comprising a bill of rights which named Islam as a source of legislation (though not the only one). The Kurds were also granted a degree of autonomy. However, the approval of the draft constitution, which was known as the Transitional Administrative Law, was held up by Shiite objections. These indicated the complexity of the relations between Iraq's different communities and the lack of consensus among them about what the concepts of nation and patriotism really meant. Moreover, at the start of 2004 the spectre of terrorism was also looming. On 16th July 2003, only three days after the formation of the IGC, the American military authorities admitted that the attacks against their forces bore 'the hallmarks of a classic guerrilla-type campaign'. Yet Pentagon officials had until then been describing the attacks as uncoordinated violence by remnants of the Baathist regime. In May 2003 the catastrophic decision had been taken to begin de-Baathification and dissolve the army and the civil service. These measures had the effect of driving thousands of people out of their jobs and into the arms of the terrorists. The latter's activity increased enormously on every level, especially as the authorities failed to overcome problems affecting the water and electricity supplies and other aspects of Iraq's infrastructure.

The first major terrorist blow came on 19th August 2003, when suicide bombers destroyed the United Nations headquarters in Baghdad. The attack killed 20 people, including the head of mission Sergio Vieira de Mello. More than 100 others were wounded in the incident, which prompted several international agencies to pull their staff out of the city. The assault also bore witness to the nature of what became known as the Iraqi resistance: a kind of nihilism with no relation to any political consciousness or ideological programme. Indeed, at the same time as the most rational opponents of America's venture in Iraq were demanding wider powers for the United Nations instead of Washington, the terrorists directed their hatred at the UN itself.

That the 'resistance' was a sectarian and not a nationalistic movement became clearer still with its next major operation ten days later. A car bomb in the Shiite city of Najaf killed Ayatollah Muhammad Baqir Al-Hakim and 90 other people near the Imam 'Ali Shrine, one of the Shia's holiest sites. Some people accused the Baathists of responsibility, while others pointed the finger at Islamist fanatics. Yet whichever of these two groups was to blame, they both comprised radical Sunnis unhappy at the ease with which power was being transferred to the Shiite majority. Moreover, they were putting up sectarian resistance not only to the Shia, but also to the 'Crusaders', even if the latter meant people working for humanitarian organisations. On 27th October 2003 suicide bombers killed 35 people and wounded hundreds of others at the headquarters of the Red Cross and elsewhere. The date of the killings (which took place on the first day of the Muslim holy month of Ramadan) gave them a powerful symbolism. Five police stations were also targeted: evidence that the terrorists were fighting the state's ability to organise its own security apparatus, knowing full well that this more than anything else would prolong the presence of American Forces in Iraq.

The resistance was soon demonstrating its ability to strike anywhere. On 2nd November 2003, in the greatest single loss of American lives in Iraq since the height of the war, 15 US soldiers were killed and 21 others wounded when the helicopter in which they were travelling was shot down. That same day, a suicide attack against the Italian army headquarters in the city of Nasiriya killed 16 members of the Italian military corps, two Italian civilians and eight Iraqis. What was remarkable about this operation was the fact that it took place in the Shiite south of Iraq. However, in the New Year terrorism was soon to deal a blow in the Kurdish north of the country as well. On 1st February 2004 twin suicide bombings hit the offices of the main Kurdish political parties in the city of Irbil, killing at least 100 people and wounding scores of others. Like the massacre of the Kurds near the Imam 'Ali Shrine, these attacks took place on an important Muslim festival, this time the first day of Eid Al-Adha.

In due course there were renewed assaults against both the Shia and the police. On 10th February 2004 a car bomb outside a police station in the town of Iskandariya killed at least 25 people; dozens more bystanders were injured. Yet this was only one attack, albeit a major one, among many such incidents targeting
police stations and army recruitment centres the length and breadth of the country. The attacks were gathering pace: on 2nd March 2004 there was carnage during the Arba’īn festival, marking the passage of 40 days from the date when the Shiite martyr Al-Hussein died. On this day, one of the most sacred in the Shiite calendar, more than 180 people were murdered in blasts in Kerbala and Baghdad. The Americans accused the Jordanian Abu Mus’ab Al-Zarqawi, described as having links to al-Qaeda, of orchestrating the atrocities. Al-Zarqawi’s star was beginning to rise in the firmament of international terrorism. On 31st March 2004 four American civilian contractors were murdered in barbaric fashion in Falluja, located in Iraq’s so-called ‘Sunni triangle’. Falluja had been the first and most radical city to put up resistance to the Americans. The bodies of the victims were mutilated and then dragged through the streets of the town. As a finishing touch to this depraved ritual a sign was placed under the corpses which read ‘Falluja is the graveyard of the Americans’.

However, 4th April 2004 marked the opening of a new front in the struggle against the Americans which the latter had not foreseen, despite the warning signs. On that day a Shia uprising broke out across several Iraqi cities, triggered by the young, the unemployed and those who had been dismissed from the Iraqi Army. Their discontent was the result, in one way or another, of the great demographic changes which had taken place in Iraq under Saddam. His regime had managed to repress any public expression of those changes, but the shortcomings and mismanagement of the American administration had only served to make these feelings more acute. In the ensuing clashes in Baghdad, Basra and Najaf more than 40 supporters of the leader of the revolt, the young and psychologically unstable Shiite cleric Muqtada Al-Sadr, were killed. Several Coalition troops also died. While the violence spread to Sunni and Shiite areas alike, it was clear that the two denominations would remain far more divided than united in their resistance to the occupation. The split deepened as the Sunnis began increasingly to condemn the Shia as infidels, target them in suicide attacks and denounce them for their ‘collaboration’ with the Coalition.

As Muqtada Al-Sadr’s role was still marginal compared with the spiritual and political leadership of Ayatollah ‘Ali Al-Sistani, it seemed that the conflict with the Sunnis would last for a long time. Amid escalating fighting on 6th April 2004 a laser-guided missile hit the Falluja Mosque, where several fighters had been hiding and firing on the Americans. Approximately 40 people were killed in the attack. At the same time there was no let-up in the terrorist operations against the Shia and the police. On 21st April 2004 a total of 68 people died in Basra and the neighbouring town of Al-Zubair when four suicide bombers targeted police buildings.

Two days later the new authority embarked on a wiser policy, easing the pace of de-Baathification and giving some former civil servants back their jobs. Furthermore, in what could genuinely be described as a colossal shift in America’s Iraq policy, former Baathists with nothing to hide were permitted to return to their positions in the army and the teaching profession. On 30th April 2004 the American Forces began withdrawing from Falluja and handed control of security in the city to Iraqi Forces under the command of an Iraqi general.

However, all of this came too late: too much hatred of the Americans had accumulated, and the terrorists were ready to unleash a new wave of attacks. A mere day after the new policy was approved the story of the photographs taken in Abu Ghuraib prison broke like a thunderstorm. The images showed Americans abusing prisoners, using dogs to intimidate them and forcing them to simulate sexual acts. It was difficult not to see a racist, colonial mentality, as well as a pathological psychology, lurking behind the abuse. The response, or at least what the terrorists claimed was their response, was not slow in coming. On 11th May 2004 a video appeared on an Islamist website showing the American hostage Nick Berg being beheaded. In this nauseating spectacle the kidnappers, led by Al-Zarqawi himself, were seen claiming that they were avenging the treatment of prisoners in Abu Ghuraib. This was the first decapitation in Iraq, and it was to be followed by several similar acts committed against foreigners in the country.

After the murder of Baqir Al-Hakim, the next politician to be assassinated was ‘Izz al-Din Salim, who held the rotating presidency of the IGC when he was killed in a suicide operation on 17th May 2004. Once again there was a race between the politicians and the terrorists. On 28th May 2004 the moderate Iyad ‘Allawi was named Iraqi Prime Minister and two days later he formed a government that was broadly representative of the Iraqi people. On 8th June the United Nations approved a resolution backing the transfer of power to the interim Iraqi government and on 24th June, two days before the official deadline, the transfer took place. On 1st July 2004, in
an attempt to boost the credibility of the new situation, Saddam Hussein was arraigned before an Iraqi judge for the first time since his arrest. However, the resumption of terrorist attacks drove the new government to adopt measures which could be described as authoritarian. Bearing in mind that both the Americans and Saddam’s opponents had placed great emphasis on democracy in their campaign to oust the dictator, it is not difficult to understand how the terrorists managed to prove them all wrong and anti-democratic. On 7th July 2004 ‘Allawi signed a new law granting the government the power to impose martial law in areas of unrest. However, this step was unable to prevent the deaths of some 70 people in a car bomb attack outside a police station in Ba’quba, north of Baghdad.

Meanwhile there was some progress in political terms as it became apparent to everyone that the terrorists were targeting the Iraqi Shia more than any other group the Americans included. On 18th August a 100-member National Assembly was selected to supervise the work of the government. In the meantime fighting between the Americans and the Shia was intensifying. After three weeks of conflict the pro-Sadr milit-
tia was forced to abandon the Imam ‘Ali Mosque in Najaf and the American troops also pulled back. This was a significant political boost to Al-Sistani, who had engineered the settlement, and one which would yield him further benefits in future at the expense of both Muqtada Al-Sadr and the American leadership. Yet no sooner was there quiet on the Shiite front than another tragedy occurred elsewhere. On 24th October more than 40 new recruits to the Iraq Army were killed in an ambush in north-eastern Iraq. According to the police report on the incident, each victim had received a single gunshot to the head. This episode was another setback to Iyad ‘Allawi’s strategy of replacing the American troops with local soldiers. Nonetheless, the climate again became more favourable to the American and Iraqi Forces when they succeeded in wresting control of Falluja on 15th November 2004 after a week of fierce fighting. In doing so they deprived the insurgents of the place which they had hoped to turn into their fortress: according to American military sources some 1,200 rebel fighters were killed in the operation.

While neither the insurgency nor the terrorist attacks came to an end, the storming of Falluja on 22nd November 2004 allowed the date of the elections to be fixed. On 22nd December as the polls drew closer, the American Forces suffered their greatest single loss in Iraq to date when 19 of their soldiers were killed in a suicide operation against a US military base in Mosul. Three other people also died in the attack and more than 60 were wounded. In the ongoing race between the killers and the politicians neither had much time for reflection. As 2005 began, a tape recording of Al-Zarqawi appeared on 20th January warning that the conflict with the American Forces could last for years. He also condemned the Shia and accused them of fighting alongside the Americans in Iraq while attacks on the ground were increasing. Ten days later the elections took place as planned, leaving one major question unanswered: did this mark the beginning of the end for terrorism, or the start of a new and more vicious phase in its bloody campaign?
The election of Abu Mazen to the Presidency of the Palestinian National Authority has placed the Palestinian leadership and people at a crossroads. The alternatives are to continue with the revolution initiated by the late Yasser Arafat, or to forge ahead along a second revolutionary path led by Abu Mazen. Today, the Palestinians are in an intermediate phase between the old revolution and the new. A full transition can only be realized when the leader, the population, and the path converge together. Of course, this must be complemented by Israel embracing her responsibility to work with the new leadership, and by international efforts to nurture and support the process.

During the second half of the twentieth century, the first revolution, spearheaded by Arafat, succeeded in placing the ‘Palestinian issue’ at the forefront of regional and international agendas. It granted legitimacy to the cause of Palestinian self-determination, and advanced the Palestinian dream of statehood. Such revolution simultaneously employed violence, terror and incitement as well as statesmanship, diplomacy and negotiation, in order to achieve its goals. The geopolitical reality of the twenty-first century, however, makes it impossible for a stable and viable state to emerge when its inception is accompanied by violence. The world, and of course Israel, would fight against the foundation of a violent undemocratic state, particularly if it is characterized by corruption, anarchy and gangs of militants. Abu Mazen laid the groundwork for the second Palestinian revolution during the late 1980s, immediately following the eruption of the first Intifada. His vision and leadership brought about the dramatic change that steered the PLO in 1988 towards its historic decision to formally accept U.N. Security Council Resolution 242 – a move that naturally led to the recognition of Israel, the Madrid Conference, the Oslo Accords, and the commencement of peace negotiations. Throughout this period, Abu Mazen stood firmly behind these historic advances.

His political views were predicated on the understanding that the goal of the Palestinian people must be limited to the creation of a state within the boundaries of the West Bank and the Gaza Strip, with its capital in Arab East Jerusalem. He understood that the accomplishment of such an objective could no longer include terror, violence and incitement against Israel.

In line with this understanding, Abu Mazen began taking steps to capitalize on the achievements of the first revolution. He employed a strategy based on Realpolitik, which sought to bring about the creation of a state with democratic foundations and stable and legitimate institutions that could best serve the interests of its populace. He envisioned a state that would create economic, social and cultural prosperity, and which would co-exist peacefully with Israel, receiving universal acceptance and support. This is the essence of the ‘second revolution.’

Clearly this goal is not an easy one to realize, but judging from the vast support on the Palestinian streets, it can be concluded that the Palestinian populace is open to, and perhaps even ripe for, a transformation which abandons the first revolution and embraces the second. Indeed, events of the first few months of 2005 have illustrated that the majority of the Palestinian population are ready to accept and advance the ‘second revolution.’

However, in practice, there are many obstacles along the way, including conflicts within Fatah between the younger and older generations, between conservative and liberal ideologies, between the Gaza...
Strip and the West Bank, and of course, with Hamas, Islamic Jihad, and various other armed militias. Thus, the real challenge, which will have the greatest impact in the long term, will be to win over those who support the continuation of yesterday’s struggle, such as the armed militias who wish to continue to rule and dictate the fate of the Palestinian people.

Already in the first weeks since Abu Mazen’s January 2005 election, we have witnessed a new sense of euphoria in the region. Recent developments such as the Sharm el-Sheik summit of February 2005 and the renewed commitments of the Palestinian and Israeli leadership have restored a sense of hope and optimism. This euphoria embodies both dangers and opportunities. It is likely to generate too high a threshold of expectations that will not pass the reality test. On the other hand, this new sensation could restore the hope that has been so absent in the last four years and create a positive psychopolitical atmosphere among the relevant publics. And that atmosphere, in turn, would ensure greater survivability for the process and a readiness on the part of the leaders to take more chances than in the past.

Both sides’ enhanced commitment to embark on a new political path can generate rapid changes and processes on the ground that will accelerate the peace process and assist in returning it to the path it followed prior to the intifada. The Palestinian government must institutionalize the ‘second revolution’, and as a complement to the new Palestinian leadership, Israel must be willing to develop more incentives to further the goal of peace. By releasing prisoners, removing road blocks, changing the negative attitude towards Palestinians, and eventually entering into real political discussions that will lead to a permanent status agreement, Israel can help Abu Mazen to transform the Palestinian streets from the logic of violence towards one of peace and reconciliation.

However, the issue of what will happen to the process the day after this preliminary arsenal is spent remains unanswered. The inherent danger is that the peace process will proceed up to the completion of the withdrawal planned in the context of disengagement, and there it will stop. The surprising disengagement plan was born with the objective of serving a conservative goal: to prevent or at least delay the political process designed to lead to a permanent settlement.

In an optimal situation, following the stabilization of the security situation and the withdrawal from Gaza and northern Samaria, the two sides would enter intensive negotiations over permanent status on the basis of the Geneva Accord. Following the historic precedent of returning to the 1967 borders in the Gaza Strip and removing all the settlements in those areas that the IDF leaves, it is only natural to continue the process in the West Bank. The Israeli and Palestinian publics know almost precisely what final status will look like. Accordingly, we should implement it: an independent Palestinian state, sovereign, viable and demilitarized, side by side with a secure state of Israel, along the 1967 borders, with minor adjustments based on a 1 to 1 territorial swap; two capitals in Jerusalem, the Jewish populated parts to Israel and the Arab parts to Palestine; the Old City in the heart of Jerusalem under partitioned sovereignty with an international security presence; and a fair solution to the Palestinian refugee problem including compensation, rehabilitation, a right of return to the Palestinian state and proactive Israeli involvement in the implementation of these parameters.

However, political realities are not necessarily optimal. The man heading Israel’s government today is not a leader capable of making the leap to a real and fair permanent settlement, but rather one who has not yet internalized the fact that there is no other option. Yet the historical imperative appears to be stronger than the leader and his party.

Accordingly, in order to generate and strengthen the right dynamic that will move the process and oblige the Israeli side to enter serious negotiations on permanent status as early as possible, we have to reexamine the existing tools in our long-term arsenal. Regrettably as this may sound, the only relevant tool to be found is the Quartet’s Roadmap. Hence we must return to the implementation of this plan, with the goal of exploiting it as a means of moving us in an agreed and organized manner out of the intermediate phase and into a period of renewed peace negotiations.

Paradoxically, we are talking here of a limited plan, a fairly sloppy patchwork document that was outdated the moment it was published, and even then would not have stood the test of reality. But it is the only document that is agreed, at least at the level of principle, by both sides. Further, this is the program to which the American president is committed, and it is he who must become involved in pushing the Israeli side to join the “permanent status tango.”
The day after withdrawal from Gaza, progress is the name of the game. The Palestinians cannot allow themselves to stand still, just as they cannot enter negotiations over an official interim agreement that is not based on a clear delineation of final status arrangements. The Roadmap, as it stands today, is insufficiently equipped to facilitate the required level of progress and momentum. Phase II which is the establishment of a Palestinian state with interim borders not based on 4th June 1967 lines is liable to be a deathtrap for the process. Rather, an updated version of phase II which seeks deep withdrawals in the West Bank along the lines of the Oslo “further redeployments” (that is, completion of the gradual Israeli pullouts from Palestinian areas in the West Bank) accompanied by enhanced and more detailed parameters for phase III, could constitute a possible solution.

The onus now lies on the Palestinian and Israeli leaderships to nurture and maintain this positive psycho-political atmosphere, through concrete political discussions and developments, and a return to the only currently available tool – the Roadmap. However, such progress will justify this new sense of optimism only up to a certain point. Beyond that, a revamping of the Roadmap is necessary to continue and complete the process.
Arafat’s legacy, built during forty years was strong enough to resist immediate changes in the aftermath of the death of the founder of the Palestinian Authority, chairman Arafat. Despite the election of Mahmoud Abbas (Abu Mazen) to the top PA position, he was simply seen by many as the continuation of the same legacy. Such assumption pre-empted most of his potential strategies and forced president Abbas to be more careful in implementing his intended changes in a secured atmosphere.

While Arafat personally, was not considered a corrupted leader, he developed a corrupted system to facilitate his work and vision, by corrupting his immediate associates and enforcing a blackmail policy as the background to his relationship with most of them. Power centred among Arafat associates, both civilian and military, impeded the development of a post-Arafat reform process within an accepted normal pace and forced Abbas to forge alliances with some of these groups against others within the PA and Fatah movement, in order to proceed solemnly with his vision of government. Basically, Abbas was operating in three levels, each one feeding the next in a complete circle of national priorities. The first was reorganizing the governing party, Fatah and pushing for possible internal reforms to transfer the party from being an impediment actor to promoter of changes and from crisis-stricken organization to a catalyst body helping to introduce reform and good governance. Any achievement at this level will directly facilitate his dialogue with the opposition groups and particularly with Hamas and Islamic Jihad. His aim is to achieve a permanent cease-fire among the different Palestinian factions and to sell it to the Israelis for potential mutual agreement on security, stability and resumption of negotiations. Successes with the opposition will translate itself into successes with Fatah and any success with both will increase his credibility among the Israeli side and the international community.

Abbas maintains a clear personal strategy focused mainly on getting rid of Arafat’s legacy and men, through time and patience and he has the right like any other elected leader to do that. He needs time badly, which is a scarce commodity in the region, in order to make the slow changes required according to his own strategy, including the restructuring of the decision-making process and also regarding decision makers, while knowing that the pressure been put on him by Sharon is preventing the achievement of the expected results. Abbas believes that in order to implement his vision successfully, he needs to replace the corrupted military generals, later to change the corrupted Fatah leaders and then to develop new alliances which not necessary are based on Fatah party lines. He is a genuine revolutionary in the passive sense. Arafat’s legacy is being replaced slowly by a dynamic process of loose leadership, with a shy, less vocal and less charismatic leader. Abbas is striving to stay within the category of democratically elected president away from being seen as a leader, since he believes that leadership is something he must earn over the years and not to inherit from within the system. Abu Mazen (Mahmoud Abbas) intends to build a post-Arafat era free from Arafat’s domination, approach, men, system and philosophy. He wants to reach a level where people will demand change from him and that he will simply act on it and where law and order will be the symbol of government. He is introducing almost everything that Arafat refused to introduce and he is doing exactly everything the opposite to what Arafat used to do, setting up not only a huge space between the two in terms of style and philosophical
interpretation of governance, but also in judging results. The phasing out of the strong Arafat legacy is evident for all observers, but its pace is very slow due to the strong internal resistance among the numerous potential losers who are becoming strong spoilers to badly needed reform.

The introduction of the military retirement law was intended to avoid possible confrontations with the sacked generals, by offering them generous retirement with symbolic new assignments as advisors to the president. Bringing the second tier of officers into the leadership provides Abbas, in difficult times, with a new and strong allegiance among the military. This offers him an opportunity to handle the other pending issues more forcefully if required, especially dealing with the militias of the different operating Palestinian factions, including his own party, Fatah. Success in such move will offer him an advantage over the endless demands from the religious opposition factions. Building an official military capacity will facilitate his negotiation capabilities with both Hamas and Islamic Jihad and help him modify positively the terms of discussion between them. On the other hand, organizing the long awaited Fatah general conference this year, after a delay of more than 15 years, will reinvigorate the party and allow for the rejuvenation of its leadership to reflect the image of its ranks and files. Introducing internal party democratic reform will certainly produce a new leadership for Fatah, with a complete restructuring of its decision-making bodies, thus directly influencing and altering the names of Fatah candidates for the legislative elections. Primaries or internal party elections will constitute the basis for electing the party leadership, not only within the new Fatah, but also among the rest of the Palestinian political parties. Marwan Barguthi had an open-ended internal quarrel with the late Palestinian president, as a result from his intentions to go ahead with party primaries and internal participatory democracy. This was against the wishes of Arafat, who wanted a tailor made selection process, according to his needs and based on the level of allegiance of the expected candidates. The proposed Fatah conference is not only a face-lifting exercise, but a complete restructuring mechanism, moving from an inherited system into a new one, with names of new people and probably a new name for the party. Another important policy element, which was clearly adopted by Abbas, concerned rebuilding Palestine’s damaged credibility and deteriorated image, as well as its inconsistent commitment to agreements and leadership behaviour. Such change required movement on parallel tracks, (1) locally with the Palestinian people, by offering them incremental and positive change in their livelihoods and increasing hopes for their future; (2) with the Israeli leadership, by showing a readiness to combat violence against innocent Jewish targets. This includes the readiness to respond militarily, if necessary, to the increasing threat to Palestinian stability and security initiated by possible violent and disrupting acts, from organizations like Hamas and Jihad; (3) with the international community and in particular the USA and the EU regarding the PA’s commitment to signed agreements and its readiness to fulfill its obligations to agreements. Abbas has shown, since he has been elected as president of the PA in 9th January 2005, an unequivocal commitment to peace, a clear position against the militarization of the Intifada and a willingness to implement all the pending reform measures within the administrative structures of the PA, with both the civilian and the military aspects.

The post Arafat era is earmarked with the name of Mahmoud Abbas and can not yet be seen in another context. The local Palestinian scene can not provide any other options for the time being and Abbas is considered as the best available option. He tried to draw lines to differentiate himself from Arafat, when he was appointed as prime minister and was later forced to resign, in protest to the direct interference of the late president. People hailed such rare and courageous action that was seen as a necessary foundation for a future role. His sincere character, commitment to life and devotion to peace, through his belief in the future, are shaping the style of government and through it the image of Palestine.

Local achievements are irrelevant if not supported by outside action and in particular from Israel and the US administration. President Bush is showing no intention to provide the Palestinian leader with a letter of commitment, like the one given to the Israeli Prime Minister Sharon, thus reducing his actions to symbolic ones with minimum relevancy. Since his election in January, President Abbas has been able to reach an agreement with the opposition and to halt violence and attacks against Israeli targets, yet there has not been any official recognition by the US or the Israeli governments. Instead they have been demanding more from him, without offering anything in exchange. Sharon has been able to sell his unilateral disengagement plan to the Americans and to replace the universally accepted Road Map, successfully tur-
ning the pressure again on the Palestinians in order to facilitate the smooth implementation of the plan. What is required here is not cooperation and joint implementation, rather facilitation to provide the needed security measures and actions during the Israeli implementation of the plan. If Abbas refuses to cooperate he will be criticized by the US administration and if he cooperates then he will lose credibility among his people.

While Abbas wants to proceed with the implementation of the Road Map and he only accepts to see the disengagement plan as part of it, he intends to move quickly to negotiate over the final status issues. While fulfilling all Palestinian requirements, still Sharon has different plans. The majority of the Israeli public, including the elite, are convinced that Sharon intends to use his disengagement plan from Gaza to increase his grip of power and control over the West Bank. This would annex the major blocks of settlements in Israel, while keeping the remaining territory for the Palestinians and for a future Palestinian state with less than 50% and only connected through transportation links operated by Israeli soldiers and opened or closed according to Israeli interests. While the disengagement is carried out in Gaza and the isolated four settlements in the north of West Bank, Israel continues building the wall in the West Bank, isolating Jerusalem by expanding the illegal Ma’aleh Adomim settlement block. This will have the effect of disconnecting the north of the West Bank from its south and the E-1 Road is evidence of that. While Abbas wants direct negotiations and to reach an end to the conflict, Sharon wants to manage the conflict and to postpone any negotiations indefinitely. He has already started an incitement campaign against Abbas, by blaming him for things that he has never done, intending to arrive at a stage where he will declare Abbas irrelevant (like he did with Arafat) and to announce that there is no Palestinian credible partner (like he did during Arafat), with the intention of avoiding any international pressure to dismantle further settlements or to accept the establishment of a sovereign Palestinian state with Jerusalem as capital based on 67 borders.

Keeping this option alive has not been denied by Sharon and has even been confirmed in interviews with major Israeli newspapers, prior to the Pesah holidays in April 2005, thus planting the seeds to force the total collapse of the Abbas government. This would then open up the way for a further radicalization of the Palestinians, both within Fatah ranks or within Hamas. The Israeli leadership has been publicly promoting that the only futuristic scenario is based on their unilateral actions in Palestinian territories and are advocating open Israeli full scale actions, as a response to any possible reactions from the Palestinians. According to Israeli reports based on an official declaration, when the Israeli government completes the building of the wall, the annexation of the major settlement blocks in Israeli, the Jerusalem envelop including the expansion of Ma’aleh Adomim and the E-1 route, which will turn Gaza into a big prison and divide the remaining parts of the West Bank into cantons connected through transportation links, they expect the Abbas government to fall under domestic pressure and for chaos to reign instead. They forecast the immediate disruption of the third Intifada and greater coordination between Fatah and Hamas. Israel will then be ready to handle it fiercely and effectively and to once more blame the Palestinians for wasting another opportunity to reach peace with Israel, intending to expose the Palestinian true face of hatred through acts of terrorism. Such a bleak picture has been circulated among most observers and analysts and reflects the expected performance leading up to the initiation of the Third Intifada.

A new opportunity has opened up with the death of Arafat and the election of Abbas as president of the Palestinian Authority, although no real action has been taken by Israel, the US or the Quartet to take advantage of it. Time is moving quickly and there has not been the slightest reaction to the real changes taking place in Palestine. This might force the Palestinians to rethink their own strategy, based on the recent failures. Sharon is pushing for such a conclusion, in order to serve his own long term interests and the Palestinians have not found any other option in order to avoid such an outcome. Bloody confrontation could probably paint the next picture and disaster mightloom again in the area, before it spreads further. Third party intervention will become the focal point of the post-Arafat era.
July 2003: the Israeli Minister of Defence announced the completion of the first stage of construction of the wall, which is 180 km long. Construction began in June 2002 and entailed the expropriation of land, following approval by the Council of Ministers for the building of half of the total length of a security fence, planned to be 350 km.

1st October 2003: the Israeli Government approved the route for the second stage of the wall, which would in the end cover 195 additional km. In contrast to the first stage, the second section of the wall would in some cases be built up to 20 km inside the West Bank, so that various settlements would thus be inside the Israeli zone.

8th December 2003: the United Nations General Assembly adopted a resolution asking the International Court of Justice in The Hague to rule on the legality of the construction of a wall in the Occupied Palestinian Territory.


23rd February 2004: the International Court of Justice in The Hague began deliberations concerning the legality of the construction of the wall.

26th February 2004: residents of various villages northeast of Jerusalem, including Beit Sourik, brought a case before the Israeli Supreme Court opposing the separation barrier’s route in their areas.

15th April 2004: the United Nations Commission on Human Rights adopted a resolution calling upon Israel to destroy the wall and put an end to its settlements policy.

30th June 2004: the Israeli Supreme Court ordered the route of the separation wall to be changed to reduce the damage which it might cause to the population in the area. In their ruling, the three judges stated that the wall’s route had caused great injury to the local people and that the state had to find an alternative which, although it might offer less security, reduced the damage caused to the people in the area. The wall would thus pass closer to the so-called Green Line, between the West Bank and Israel. In the Court’s judgment, 30 of the 40 kilometres of the wall to which the court petition referred were illegal and the state was obliged to change the route, since the wall was interfering with the daily life of 35,000 people who lived in that area and was separating them from their farms, schools and workplaces.

9th July 2004: the International Court of Justice in The Hague published its report on the wall in the West Bank, declaring it illegal.

Advisory opinion by the International Court of Justice concerning the legal consequences of the construction of a wall in the Occupied Palestinian Territory

In its advisory opinion delivered to the Secretary-General of the UN, the International Court of Justice concerned itself solely with the section which is constructed in Palestinian territory, under the division between the two states indicated by the Green Line. In its decision, the Court states, by a vote of 14 to 1 that the construction of the wall by Israel in Palestinian territory is contrary to international law. The Court also considers that the construction of the wall is a breach of the Fourth Geneva Convention relative to the protection of civilian persons in time of war, of 1949.

Israel is thus under an obligation to terminate its breaches of international law and to cease forthwith the works of construction of the wall being built in the Occupied Palestinian Territory, including in and around East Jerusalem, to dismantle forthwith the structure therein situated, and to repeal or render ineffective forthwith all legislative and regulatory acts relating thereto. Moreover Israel is under an obligation to make reparation for all damage caused by construction of the wall in the Occupied Palestinian Territory.

In spite of the fact that the decision is only advisory, not binding, the Court considers that the United Nations, and in particular the General Assembly and the Security Council, ought to consider what further action is required to put an end to the illegal situation resulting from the construction of the wall.

More information:

Judgment of 30th June by the Israeli Supreme Court.

Israel’s Ministry of Foreign Affairs, information on the wall.

B’Tselem.

http://www.icj-cij.org/icjwww/idocket/imwp/imwp_advisory_opinion/imwp_advisory_opinion_20040709.htm
The political events that have taken place in the Palestinian territories of Gaza and the West Bank over the past year have been of great relevance and reach, but firstly it is necessary to place them in the strategic location in which they have occurred. The situation in the Occupied Territories has reached critical rates for the survival of the Palestinian civil population. A study by the World Bank in November 2004, dedicated to examining the impact of the socio-economic crisis suffered by the inhabitants of Gaza and the West Bank, confirmed that the state of siege and the isolation to which they are subjected by the Israeli army is the key factor in the severe economic crisis they are suffering and is leading considerable groups of the population into a humanitarian crisis. The state of siege imposed by permanent military checkpoints and the prohibition placed on driving on the main road network of the Palestinian territories, thereby restricting the free movement of people and products, has blocked the Palestinian economic space and made commercial and financial activities impossible. The strict closure of its borders prevents the private sector from establishing commercial relationships with the outside world. As a result, in accordance with this report, the standard of living of Palestinians has fallen drastically, meaning that 47% of its inhabitants currently live below the poverty threshold and that unemployment rates are higher than 50%. Added to this, the systematic destruction of Palestinian homes and cultivable fields has devastated agriculture, another of their sources of economic subsistence.

On the other hand, as shown in the detailed report Land Grab published by B’Tselem, the Israeli Information Centre for Human Rights, the Jewish colonies in the West Bank have not stopped growing and now occupy 42% of West Bank territory. In addition, the report states that repressive activities by the Israelis, such as the demolition of houses and the blockades, are entirely at the service of strategies to control land and water sources and are linked to the policy of expansion and construction of Jewish colonies in these territories.

In July 2004 the International Court of Justice in The Hague ruled against Israel building a wall in the West Bank, given that it did not follow the border set in 1967 but that it entered Palestinian territory, violating international law and the human rights of the Palestinians. As a result, the International Court demanded its demolition. The wall, named the ‘separation barrier’ by Israel, further aggravates the restrictions of movements of Palestinian citizens and has a devastating effect on the daily lives of hundreds of thousands of people. Just the first stretch of the wall has already affected 200,000 Palestinians who have been left caged in and separated from their family environment, their place of work, education or their cultivable lands. In other words, it has provoked an insupportable situation of subsistence which, of course, leads to the silent abandoning of these territories by some of their inhabitants, thereby the Israelis progressively achieve appropriation of territory, ‘cleansed’ of Palestinians. The initial route of the wall meant the de facto annexing of 17% of Palestinian territory, and although the Israel court has requested some changes to the route, ignoring the international order for its demolition, this is more symbolic than effective.

An important event took place within this context, which was the unilateral Israeli decision to apply its plan for the disengagement of Gaza, decided without involving the Palestinians themselves. In this sense, it has an important significance because it reflects the Israeli vision that the future of the Palestinian terri-
tories is a matter which above all is decided in agreement with Washington, whilst negotiation with the Palestinian representatives is a secondary factor and even unnecessary if the circumstances are not considered ideal.

The unexpected and as yet unexplained death of the historic Palestinian leader, Yasser Arafat, was announced on 11th November 2004. Arafat had spent three years living in unacceptable conditions imposed by the Israeli army – he was locked up, physically isolated and deprived of healthcare. The passing of the historic and charismatic leader who directed and indeed shaped the Palestinian national identity in his own image for more than half a century left a void. But Arafat did not leave a power vacuum because Israel had annulled his capacity to govern and that of the Palestinian National Authority over the previous four years. The total reoccupation of the Palestinian territories, the systematic destruction of all infrastructures (built with financing from the European Union), the urbancide and the politicide to which the Palestinian territories have been subjected had turned their authorities and institutions into completely empty entities and symbols; their existence per se was still useful, admittedly, because in this way they continued demanding responsibility, directing recriminations and reproaches and laying the blame on a process that they had stopped being able to control.

However, the death of Arafat has been considered to be an opportunity to straighten out the road towards peace and Palestinian-Israeli negotiation, even sometimes irrespectively and unfairly in terms of the historical memory, as if in reality all the weight of the blame of such a long and tragic conflict had fallen on Yasser Arafat. The presidential elections were organised quickly and hurriedly, with the approval of Israel and Washington, as they aspired to make Mahmoud Abbas (also known as Abu Mazen) head of the leadership – they have wanted to see him at the helm of the Palestinian Authority for a long time. This was instead of opening a more unhurried process, from which the future Palestinian negotiator would emerge through a legitimate, representative, unitarian and strong leadership which would clearly define what are the vital national interests for the Palestinians.

As a consequence, although presented as a renewal within the Palestinian leadership, in reality the election of Abu Mazen avoided the necessary reforms and re-establishment of the PLO, the authentic historic Palestinian political body that would open its doors to passing the generational baton of Fatah and to the participation of the Islamists within it. This would be the best road to channel through the political route into movements such as the Martyrs of Al Aqsa and Hamas, who have applied strategies of suicide terrorist attacks in Israel. On the contrary, the central committee of Fatah and the executive of the PLO, dominated by the old guard, hurriedly decided that there would be elections for the presidency of the Palestinian National Authority and that Mahmoud Abbas (Abu Mazen) would be the only candidate. This thereby maintained an obsolete and dying institution that was created in 1993 within the framework of the Oslo agreements to provisionally govern the Palestinian people in those territories from which the Israeli army had withdrawn, until a Palestinian state was created in 1999. Since the end of this negotiation process the Palestinian Authority has been nothing more than fiction. Not even the procedure seemed right to the new generation of Fatah, who insisted that the candidate should be chosen in primaries, nor that their leader Marwan Barghouti, imprisoned in Israel, should be excluded a priori. It is probably for this reason that Marwan Barghouti presented his candidature in such an ephemeral manner – to send the message that neither had the candidate been elected democratically nor had the necessary post-Arafat reforms been carried out in the heart of Fatah and the PLO in a historic moment in which this was the most important task.

In consequence and facing the future post-Arafat scenario, a situation still exists of lack of unified and strong leadership within the Palestinian political scene, which would allow negotiation to head towards bringing together or controlling the most powerful and popular Palestinian factions and that they are not those which are present in the new Palestinian Government. On top of this, the historic perspective in this conflict should not be lost by twisting the facts of the equation in such a way that instead of making it clear that the key to the solution is bringing an end to the colonisation of the Palestinian territories by Israel, as demanded by international law, the responsibility is placed on the Palestinians, giving the impression that the essential point is not occupation but in fact Palestinian democratisation.

In reality, the true question of the future lies in the attitude of Israel, which also means that the US is a key player in the development of the conflict. If the necessary steps are not taken by the Israeli Government to improve the daily life of the Palestinians and to
demonstrate that there is a negotiating attitude in which basic measures are taken, such as the release of Palestinian political prisoners (beyond the homeopathic doses that have been applied up to now), the end of selective killings, the mass demolition of houses, the end of the urban sieges..., then Mahmoud Abbas will hold none of the cards which will enable him to grow stronger as a credible leader of his people and to put an end to the militarisation of the Intifada. After the failure of the Oslo process, the repetition of a negotiation process that is not manifested in relevant benefits for the Palestinians will engender frustration and anger yet more virulent than before.

On the other hand, a fundamental factor will be to see how the plan for the disengagement of Gaza and some other West Bank colonies turns out. If, however, Israel intends to annex a considerable part of the West Bank, peace will not be achieved either in Palestine or in the Middle East. In this sense, an element of great importance on the matter exists and that the aforementioned paradigm of the clear Israeli position of negotiating principally with the US administration is followed. President Bush sent a letter, known as the letter of guarantees, to the Israeli Prime Minister Ariel Sharon on 14th April 2004. On one hand, he guarantees support to the security of Israel as a priority and hegemonic axis in the region (“the United States reiterates its steadfast commitment to Israel’s security (...) and to preserve and strengthen Israel’s capability to deter and defend itself, by itself, against any threat or possible combination of threats”); it is accepted that after withdrawal from Gaza, Israel will continue applying security restrictions in the territory; the Jewish nature of the State of Israel is recognised and the rejection of the right of return of Palestinians is assumed; and fundamentally, it is accepted that “in light of new realities on the ground, including already existing major Israeli population centres [in the West Bank], it is unrealistic to expect that the outcome of final status negotiations will be a full and complete return to the armistice lines of 1949.” That is to say, for the very first time a US administration accepts that the borders of 1967 are no longer the territorial reference point of the Palestinian State and that Israel can annex West Bank territory. If the words set down in this document are going to mark the lines of future negotiation, the Palestinian State that they wish to shape will not solve the conflict but will, on the contrary, inflame it even more.
Peter Hansen
Commissioner-General
UNRWA

As the peoples of the world begin to gather in September 2005 to review how the principles of the Charter of the United Nations have been upheld and its purposes advanced, it is appropriate to ponder about the plight of the Palestine refugees whose problem is almost coetaneous with the creation of the United Nations. As world leaders and peoples debate whether the “larger freedom” mentioned in the Charter that encompasses human development, human security and human rights has been achieved, alas, the Palestine refugees continue to struggle for the basic freedoms of achieving self-determination and of living in their nation-state, and for respect for their basic rights as human beings and as refugees for over half a century.

To quote the Secretary-General: “Sovereign States are the basic and indispensable building blocks of the international system. It is their job to guarantee the rights of their citizens, to protect them from crime, violence and aggression, and to provide the framework of freedom under law in which individuals can prosper and society develop.” Palestine refugees have seen collective action under the auspices of the United Nations succeeding in delivering the larger freedoms of the Charter in other parts of the world. They despair, however, that they have remained the sole exception to the application of these freedoms, that they are people to whom a different standard and yardstick has been applied. The international system, they believe, has attempted to provide limited development without a sovereign state, limited human security without robust intervention to protect them, and limited safeguarding of their human rights and inherent rights as refugees.

Essentially, the causal elements of their plight remain, in 2004, unchanged since 1948. Since 1950, the United Nations Relief and Works Agency for Palestine Refugees in the Near East has provided the Palestine refugees with necessary education, health, relief and social services across a very complex and diverse area of operations: Lebanon, Jordan, the Syrian Arab Republic, the West Bank and the Gaza Strip. These five fields of operation represent those areas where the vast majority of Palestine refugees originally took refuge in 1948. Today, the descendants of those people continue to languish as stateless refugees. In the absence of international will to intervene to address their plight as was done elsewhere in East Timor, Kosovo, Bosnia and Angola, the Palestine refugees have no choice but to wait for the parties to the Israeli-Palestinian conflict to resolve their fate, hoping that such a resolution will be in accordance with international law. Of course, the refugees have repeatedly articulated that central to their rights is paragraph 11 of UN General Assembly resolution 194 (III) of 11 December 1948 which provides that “the refugees wishing to return to their homes and live at peace with their neighbours should be permitted to do so at the earliest practicable date, and that compensation should be paid for the property of those choosing not to return and for loss of or damage to property which, under principles of international law or in equity, should be made good by the Governments or authorities responsible.” Since then, the General Assembly has reaffirmed resolution 194 (III) on an annual basis. Over the years, much lip service has been paid to the rights of Palestine refugees by the parties to the conflict, particularly following the onset of the Oslo process in 1993. Sadly, little has actually been achieved.

The year 2004 did contain some defining moments in the political landscape of the Palestine refugee...
community. The passing of President Yasser Arafat and the peaceful and democratic transition of leadership in Palestinian political institutions were perhaps the most notable. At a time when political chaos could very easily have erupted in the occupied Palestinian territory, the collective response of the Palestinian people in the West Bank, the Gaza Strip and East Jerusalem to the political vacuum left by their late leader was a positive testament to their democratic yearning. Indeed, the pending elections to the Palestinian Council promise continued political reform aimed at entrenching good governance and the rule of law within the Palestinian Authority.

The Palestine refugees perceive that though final status negotiations between the parties to the conflict are yet to resume, diplomatic and political moves undertaken in 2004 have severely constrained their options and rights as refugees, and possibly irreversibly prejudged the eventual outcome of negotiations between the parties. In particular, they point to President George W. Bush’s assurance to Prime Minister Ariel Sharon contained in an exchange of letters dated 14 April 2004: “It seems clear that an agreed, just, fair and realistic framework for a solution to the Palestinian refugee issue as part of any final status agreement will need to be found through the establishment of a Palestinian state, and the settling of Palestinian refugees there, rather than in Israel.”

The advisory opinion of the International Court of Justice on the legal consequences of Israel’s wall/fence in the West Bank, as well as a similar decision of the Israeli High Court, was a highpoint that brought a renewed and sorely needed focus on the role of international humanitarian law in the OPT. The ICJ opinion in particular, characterized those parts of the wall/fence that had been constructed within the OPT as illegal and, inter alia, called upon Israel to halt construction and dismantle the wall/fence forthwith, as well as make reparation for all damage caused thereby.

The general situation of all Palestinians, including the Palestine refugees, did not improve during the year. The prolonged Israeli military occupation of the Gaza Strip and the West Bank, including East Jerusalem, entered its 38th year, and the ongoing strife in the OPT led to a deterioration of the overall human security of the Palestinian civilian population in the area. This included the killing of innocent men, women and children, the mass appropriation and destruction of private property, including refugee shelters, and the wholesale restriction of Palestinian movement within the OPT with its attendant disastrous affects on the Palestinian economy. According to the UN Office for the Coordination of Humanitarian Affairs, 881 Palestinians and 118 Israelis were killed in 2004, including 160 Palestinian and eight Israeli children, while a total of 4,009 Palestinians and 602 Israelis were injured. Likewise, Palestinian homes in the Gaza Strip were destroyed at a rate of approximately 120 per month in 2004, with the effect of rendering 14,481 Palestinians homeless during the year. Israel’s continued construction of the wall/fence in the West Bank, coupled with an American endorsement of various of its settlement blocs around occupied East Jerusalem, were viewed very negatively on the Palestinian side. In terms of movement restrictions, in the first three months of 2004 alone, Israeli authorities established more than 750 checkpoints, roadblocks, gates, earth mounds, trenches and other road closures in the West Bank, while in the Gaza Strip 13 internal crossing points have been in place since 2000, of which two are open, three are partially open and eight are completely closed. The Palestine refugees in Lebanon, Jordan and the Syrian Arab Republic were spectators to the suffering of their brethren in the OPT and could see little hope of any resolution of their collective plight in the foreseeable future.

The steps taken by the Government of Israel to “disengage” from each of its 21 settlements in the Gaza Strip and 4 of its settlements in the northern West Bank elicited cautious optimism from the Palestinian side. The United Nations has adopted the position that for the disengagement to succeed, Israel would have to withdraw from the Gaza Strip “fully” – meaning it must cease its effective control over the territory as an occupying power by relinquishing control over its southern border, its territorial sea and its air space, not merely removing its civilian settler elements but also its military ones. Moreover, the Government of Israel has made it amply clear that its move to “disengage” from the Gaza Strip will be coupled with a simultaneous move to consolidate its control over the rest of the OPT, through the continued expansion of Israeli settlements in the West Bank. Should such a development occur, contrary to much of the current diplomatic and international community’s euphoric response to the “disengagement” plan, it would
negatively impact on the socio-economic situation of the Palestine refugees in the OPT. On the socio-economic level, most indicators in 2004 stand in stark contrast when compared with pre-intifada levels. According to the Palestinian Central Bureau of Statistics, a total of 2.2 million Palestinians in the OPT lived under the poverty line in 2004. In the Gaza Strip, over 70 percent of Palestinian households lived below the poverty line, while that figure was over 51 percent in the West Bank. Likewise, 28.6 percent of Palestinians in the OPT were unemployed as at the end of June 2004. The Palestine refugees are comparatively poorer than their non-refugee Palestinian counterparts, with the socio-economic condition of camp dwellers the worst. In 2004, just under a quarter of a million Palestine refugees fell within UNRWA’s Special Hardship Programme (SHP) Agency-wide. Under this programme, the Agency continued to target the most impoverished refugee families and focused on providing them with a minimal “safety net” of survival support. There is a particularly high proportion of refugees covered by SHP in the Lebanon and Gaza fields, at over 11 percent of all registered refugees in Lebanon and just under 9 percent of all registered refugees in the Gaza Strip. The food aid interventions of the United Nations, UNRWA and WFP, prevented wide-scale incidence of malnutrition in the OPT and has substantially contributed to the human security of the Palestine refugees. According to a 2004 UN Food and Agriculture Organization report, over 71 percent of the Palestinian population of the West Bank and over 69 percent of the Palestinian population of the Gaza Strip are food-insecure or under threat of food-insecurity. Over 38 percent of the Palestinian population of the West Bank and over 41 percent of the Palestinian population of the Gaza Strip were actually food-insecure. These factors have led to an increase in the number of Palestine refugee children who suffer from moderate to severe acute malnutrition. In addition, over 40 percent of the children in the OPT are anemic and 50 percent have inadequate caloric vitamin A and foliate intake. The deteriorating health and nutrition situation in the OPT is linked to the widespread poverty there. Moreover, the mental health of the Palestine refugees has fared poorly. UNRWA has identified a high prevalence of psychosocial stress and related behavioral, psychological and physical problems especially in the Lebanon, West Bank and Gaza fields. In the OPT, the Agency has recorded a 20 percent increase in psychiatric patients seeking treatment, with a high prevalence of psychological illness in camps. Essentially, the situation of the Palestine refugees in 2004 has departed little from their fate as a highly vulnerable group of stateless people whom the international community has gone to great lengths to support with humanitarian assistance for over five decades. Humanitarian aid is important, and UNRWA will certainly continue to do its part in the provision of such aid for as long as the General Assembly mandates it to do so. Despite the efforts of UNRWA and its supporters over this prolonged period, and as someone who has proudly served the Palestine refugees for nine years of my own life, I think it is critical for all stakeholders, including members of the international community, to recognize that political problems cannot be solved with humanitarian interventions alone and that they require political solutions. UNRWA’s humanitarian services thus constitute a necessary condition, but by no means a sufficient condition, for alleviating the plight of the Palestine refugees.
France and Spain Bring Positions Together in the Maghreb

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2004 may well go down in history as the year in which Spain and France started, albeit hesitantly, to harmonize some of their policies with regard to the Maghreb region. This at least seems to be the direction pointed to by some of the initiatives proposed by both countries with a view to reinforcing multilateral action in the western Mediterranean in the context of the re-launching of the Barcelona Process. The most outstanding of these initiatives is undoubtedly the proposal that the European Union should establish a stronger partnership with the three countries in the central Maghreb, i.e., Morocco, Algeria and Tunisia. A similar interpretation can be given to the proposal, announced by ministers Michel Barnier and Miguel Ángel Moratinos during the October meeting in Paris of the Mediterranean Forum, to grant certain third countries participating in the Barcelona Process (and starting in this case with the northern region of Morocco) access to funds and administrative procedures which had hitherto been exclusively utilized in the context of the regional development policy of the European Union. If this tendency towards a rapprochement of policies between the two southern European neighbours with regard to EU cooperation with the Maghreb is confirmed, this would represent not only a very significant change after the tense relations between France and Spain during the second term of office of prime minister Aznar, but also a historic turning-point which could bring to an end the traditional confrontations which have arisen between the French and the Spanish during a large part of the twentieth century in North Africa, since the time of the two countries’ respective colonial eras. It is still too early to tell whether this harmonization of policies corresponds to strategic aims which will be able to withstand the pressures of the inevitable competition existing between two neighbouring countries like France and Spain with regard to their southern interests, but both the lines of conduct marked out by the foreign affairs ministers, and the policies adopted during 2004 in the main Euro-Maghreb (“5+5”) and Euro-Mediterranean (Barcelona Process) forums of discussion, show a change of approach which should be noted. The principal multi-lateral forums have witnessed an increasing level of Franco-Spanish cooperation, especially in the case of the Barcelona Process, where France has supported right from the start the Spanish proposal to hold an extraordinary meeting with the greatest possible impact in order to celebrate the tenth anniversary of the 1995 conference. Zapatero’s proposal to hold the celebration on 28 November, during the British rotating presidency of the EU, was supported from the outset by the French, as was the suggestion that the meeting should take the form of a summit, which would thus be the first of its kind to be held between the European Union and its Mediterranean partners. With a view to this tenth anniversary, France and Spain prepared a ‘non paper’ containing a certain number of strategic aims, proposing a ‘pilot programme’ to adapt the projected ‘neighbourhood instrument’ towards the North African countries to the methods applied within the framework of EU regional policy. This proposal, inspired by the structural funds allocated to the less developed regions of the EU, originated from a French initiative, and represents the first ever attempt to develop the European Neighbourhood Policy in the Mediterranean context. It is also a way of putting into practice the idea this policy can be applied to all areas of cooperation up to the institutional level, which is reserved for member states of the EU and for countries which are candidates to join the Union. The proposal also reveals a more complex vision of the Euromediterranean Partnership, which, despite being open to
all members of the Partnership, could advance at a faster pace for the Maghreb countries, and so go beyond the existing association agreements. Through this initiative Madrid and Paris reaffirm the central importance of the Barcelona Process, and stress that the new European Neighbourhood Policy, and the financing instruments by means of which it will be put into place from 2007 onwards, should complement the Euromediterranean Partnership. Unlike the programmes launched within the framework of the Partnership, the Barnier-Moratinos proposal offers a new scenario to the countries of the Maghreb, in that it delegates responsibility for setting up and administering the programmes and credits to the national and local authorities in Tunisia, Algeria and Morocco. The supervision of the results would then be undertaken by a commission of control similar to the one that operates in the case of the structural funds, with the participation of local and regional authorities, leading business figures and representatives of civil organizations cooperating in the various projects. The ‘non paper’ mentions the North of Morocco as one of the possible recipients of the funds from 2007 onwards, and announces the creation of a working group between France and Spain to prepare projects accordingly. The first ideas relating to this initiative were floated at the 11th meeting of the Mediterranean Forum, an informal discussion group concerned with relations between eleven countries on the Mediterranean shoreline, which was held in Paris in October 2004. The forum, created in 1994, has acted as a laboratory in which to test out ideas concerning the harmonization of Franco-Spanish policies in the Mediterranean.

Spain and France have also enjoyed closer cooperation in other contexts, and particularly in the ‘5+5’ working groups, founded in 1990, which brings together three other European countries – Portugal, Italy and Malta – as well as the five countries of the Maghreb, from Mauritania through to Libya. Although the annual meeting of the ‘5+5’ for 2004 was focused on the subjects of security and control of illegal immigration, its very continuity, fifteen years after its creation, witnesses to a common desire to seek specific solutions for the Maghreb within the framework of the Barcelona Process. It also represents a window of opportunity left open for participation by Libya, a country to which Chirac made an official visit in 2004, and whose offer to join the Euromediterranean Partnership is supported by both the Spanish and the French.

France and Spain are also present in NATO’s Medite-
Rabat hosted the first Forum for the Future on 11th December 2004, which emerged as a result of an initiative known as “Partnership for Progress and a Common Future in the Broader Middle East and North Africa” (BMENA). This initiative was adopted by the Heads of State and Government of the G8 during the summit held at Sea Island from 8th to 10th June 2004 in the presence of the leaders of the countries in the region and according to the document entitled “G8 Plan of Support for Reform.” The Forum for the Future was considered a unique occasion for the exchange of views on the most appropriate avenues and measures to be taken to consolidate the commitment of the countries of the region in favour of the processes of political, economic and social reform, in accordance with the Alexandria (12th – 14th March 2004) and Tunis (23rd May 2004) Declarations.

The Forum for the Future, co-chaired by Morocco and the United States, brought together the Foreign and Economic ministers of more than 20 countries in the region of the Broader Middle East and North Africa, as well as their G8 counterparts. Various regional and international organisations also took part, in particular the League of Arab States, Arab Maghreb Union (AMU), the Gulf Cooperation Council and the European Union (EU). The aim of the meeting was to promote the development of political, economic and social reforms in the region, in accordance with the strategy proposed by President Bush to put into action the Broader Middle East initiative.

The participants of the Forum for the Future examined the proposals presented by the countries in the region and approved various initiatives. These include:

- Democracy Assistance Dialogue (DAD): offering electoral assistance and the promotion of the role of women are of particular interest here. This dialogue will bring together governments, civil society groups and other organisations to improve and expand programmes and projects that support the region’s own efforts on democratization, as well as public participation. The first joint meeting of governments and civil society organizations will be held within this framework in 2005.
- Literacy: action plan for literacy in the region, with particular attention paid to the situation of women and girls, and the organisation of an education ministerial meeting in May 2005 in Jordan.
- International Finance: creation of a financial instrument to support small and medium-sized enterprises – the Finance Corporation’s Private Enterprise Partnership for the Middle East and North Africa Facility. The proposal of the creation of a Network of Funds was also seen favourably, to improve the efficiency of official financing in the region.
- Entrepreneurship: the establishment by Morocco and Bahrain, amongst others, of two entrepreneurship training centres during 2005 to expand necessary employment opportunities and capacities for the young people of the region.
- Microfinance: along with the Consultative Group to Assist the Poor (CGAP), another group was established dedicated to microfinance and the creation of a technical hub and training centre in Jordan in 2005 was agreed. On the same lines, CGAP works with Yemen and other countries in the region on developing microfinance projects to support small businesses in the region, above all those run by women. It was agreed to give 100 million dollars to this fund.
- Investment: the Investment Task Force will focus on increasing investment in collaboration with the governments of the region and the OECD to eliminate the obstacles which contradict investment, including those related to governance.

In the political sphere, the European Union insisted on emphasising the importance of drafting this initiative with the Barcelona Process, taking advantage of its ten years of experience. The international press described the results of the Forum as modest and too focused on economic and social aspects. The reactions of the Arab press and the demonstration beforehand of hundreds of people in Rabat also reflected the ignorance, scepticism and even distrust that the meeting caused within Arab public opinion.

Finally, the participants of the Forum agreed to hold the next meeting in Bahrain in November 2005. Parallel to this, on 8th and 9th December 2004, Rabat also hosted the Conference on Civil Society which brought together representatives of various organisations and associations of the region, as well as several international organisations. The representatives of civil society echoed the negative effects derived from the situation in the Middle East and Iraq in their final declaration, with the starting point of willingness to cooperate with the G8 initiative and the Forum for the Future but from a position of independence, whilst identifying some basic premises such as respect for freedom of expression or the right to assemble, to be able to allow the genuine intervention of the civil society in the process.

Countries participating in the Forum for the Future:
Morocco, as Forum host, has invited the following countries:
BMENA Region: Afghanistan, Algeria, Arab League, Bahrain, Egypt, Iran, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Oman, Pakistan, Palestinian Authority, Qatar, Saudi Arabia, Syria, Tunisia, United Arab Emirates and Yemen.
G8: Canada, European Commission, France, Germany, Italy, Japan, Russia, United Kingdom, United States.
Other partners: Netherlands, Turkey.

More Information:
Tunis Declaration: www.arabsummit.tn/fr/230504-17.htm
Partnership for Progress and a Common Future with the Regions of the Middle East and North Africa: www.state.gov/eb/rls/fs/33375.htm

Organisations present in the Conference on Civil Society:
EuroMed Civil Forum: www.euromedforum.org/
Moroccan Organization for Human Rights: www.omdh.org
Cairo Institute for Human Rights Studies: www.cihrs.org/
Lebanese Organization for Transparency: www.transparency-lebanon.org/
Egyptian Centre for Women’s Rights: www.ecwregypt.org/
PENAL Reform International: www.penalreform.org/

Lurdes Vidal and Mariona Rico
IEMed
the destination for his first official visit abroad as prime minister, going there in April, shortly after coming to power. Gestures made during this trip made it clear that relations between Spain and Morocco had acquired a new dimension, marked out not only by a new atmosphere but by a diplomatic gesture with regard to the Western Sahara which was welcomed by Rabat, and characterized by a readiness to negotiate over questions which had unsettled relations under the previous government, and a commitment to promote a Spanish economic presence in the Alawi kingdom. As for relations with France, the most significant decision was undoubtedly the acceptance of the need to become more involved in the Sahara question and to give greater importance to the construction of the Maghreb region. The new Spanish position, based on an exploration of the chances of resolving the Sahara conflict through a process of regional negotiation capable of complementing the process continuing under the aegis of the United Nations, brought Madrid closer to the position favoured by Paris, which has always been sceptical of the chances of finding a solution based on the full recognition of the right to self-determination of the Sahrawis. “I think the essential thing is that there should be a Franco-Spanish understanding, and that we should be able to propose an agreement that is satisfactory to all parties,” Moratinos declared in an interview with the newspaper El Mundo. The new Spanish position, closer to that of France, was received with joy by Morocco, with reservations by Algeria, and initially with bitterness by the Polisario Front, which talked of “an alliance (of Madrid) with Paris to the detriment of the Sahrawi people.” During 2004 the Spanish government took the necessary steps to nuance its diplomatic gesture. The Secretary of State at the Ministry of Foreign Affairs and Cooperation visited the Sahrawi camps in Tindouf, and Zapatero, acting in his position as leader of the Spanish socialist party (PSOE), received the secretary-general of the Polisario Front in Madrid. Nevertheless, Spain remained faithful to the idea of encouraging active diplomacy in the region, justified in its view by the fact that the Saharan conflict is an obstacle to the regional construction of the Maghreb, and even hinders the free circulation of goods and people between Morocco and Algeria. France and Spain seem to be in agreement on the need to promote the regional integration of the Maghreb countries, without which the announced intention to widen the sphere of action of the EU towards this region will come up against the problem of the closed frontier between the two main countries in the zone.

With the proposal for an Alliance of Civilizations that he formulated before the Assembly General of the United Nations in 2004, his announcement of an extraordinary meeting to celebrate the tenth anniversary of the Process of Barcelona, and his journeys to Algeria and Morocco, Zapatero has gone out of his way to reaffirm the priority Spain gives to its relations with the Arab world, with the Mediterranean, and, in particular, with the Maghreb. In 2004 Spanish diplomacy reinforced its bilateral relations, especially with Algeria, through the confirmation of the projected Medgaz gas-pipeline, due to link Algeria and Europe passing through Almeria, and with Morocco, where the visits made by Zapatero and by King Juan Carlos in January 2005 consolidated and enlarged the network of investment already existing, and signified the opening of a new era. In the same year Chirac also travelled to three countries in the area: Tunisia, Algeria and Libya, whilst the French prime minister Jean-Pierre Raffarin received his Moroccan opposite number in Paris, where they discussed a proposal for an “enlarged partnership” suggested to Rabat by the French government in the context of the Barcelona Process.

Spain’s Mediterranean policy has again come to be based on the reinforcement of the Madrid-Paris-Berlin axis that gave such good returns to Spanish foreign policy during the last government of Felipe González. It is well known that the 1995 Barcelona Conference took place against a backdrop of close cooperation between González, Kohl and Mitterrand. Everything appears to indicate that Zapatero is seeking the same close relationships to re-launch the Barcelona Process and defend its importance against the two other major projects proposed for the Mediterranean: the European Neighbourhood Policy and the Broader Middle East Initiative. France and Spain seem more interested in harmonizing their policies so as to be able to act in more favourable conditions as a Mediterranean lobby within the enlarged EU, and also to have a better capacity of reply to the US world-view, instead of competing through bilateral policies. The most interesting aspect of this harmonization process, even if it is a case of making a virtue of necessity, is that it could open up a whole new perspective for the Maghreb at a decisive moment for the re-defining of Mediterranean policy in the European Union.
Economic development and political reform in the Middle East and North Africa are goals that are central to U.S. foreign policy. The U.S. has a long-standing commitment to these goals in the countries of the Maghreb region, a commitment that it shares with the EU. Although many U.S. programs in the region are ongoing cooperation efforts undertaken on a bilateral basis, an increasing number of new U.S.-backed initiatives fall under the framework of President Bush's Middle East Partnership Initiative (MEPI), as well as the Forum for the Future partnership with the Group of Eight industrialized democracies and the countries of the Broader Middle East and North Africa (BMENA). This article will focus on our economic and political reform efforts in the broadest sense and provide some specific examples of the many programs in which the U.S. is involved, both in the Maghreb and throughout the Middle East and North Africa.

The U.S. and Europe face what President George Bush has called a "generational challenge" in helping the Broader Middle East and North Africa build a new future. We must help reformers throughout the region accelerate the pace of reform, while acknowledging that each country has its own path to freedom and democracy. In the Maghreb, this commitment is made all the more meaningful by the long-standing ties of friendship between the U.S. and the countries of the region, ties which complement those between Europe and the southern rim of the Mediterranean.

In support of reform and modernization in the Middle East and North Africa, the U.S. consults closely with all the countries of the region. As Secretary of State Condoleezza Rice said in Paris in February 2005, the efforts of the U.S. and the G-8 are fused with regional efforts like the European Union’s Barcelona Process, which has been advancing modernization in the Maghreb region for a decade. NATO’s Mediterranean Dialogue is another important regional forum in which the U.S. and Spain play an active role. In addition, individual EU member-states have been working for years to nurture the attitudes and institutions of liberal democracy in the Arab and Muslim world.

The U.S. has a long history of close ties with the countries of the Maghreb. Morocco was one of the first countries to recognize the United States, and the first treaty between the U.S. and Morocco was ratified in 1787, making it the longest unbroken treaty relationship in U.S. history. In June 2004, the two countries signed the U.S.-Morocco Free Trade Agreement, a historic pact that expands opportunities for the workers, manufacturers, consumers, and farmers of both Morocco and the United States. The agreement supports Morocco’s economic and political reforms and is a key component in President Bush’s commitment to work toward the establishment of a Middle East Free Trade Area (MEFTA) by 2013. The U.S. Agency for International Development (USAID) has developed a wide range of programs providing technical and public outreach assistance to enable the Moroccan private sector to benefit from the Free Trade Agreement.

**The Middle East Partnership Initiative**

These programs form part of a much broader initiative, one that affects not only the Maghreb but the entire Arab world. This is the Middle East Partnership Initiative (MEPI), which was launched by President Bush in December 2002. MEPI’s goals are to support economic, political, and educational reform efforts in the Middle East and champion opportunity for all
people of the region, especially women and youth. The Initiative strives to bring together businesses, non-governmental organizations, civil society elements and governments from around the world to develop innovative policies and programs that support economic development and political reform in the region. The U.S. has committed almost $293 million to MEPI since its inception. This funding is in addition to the bilateral economic assistance we provide annually to the countries of the Middle East and North Africa. The goal of the Initiative is to encourage political pluralism, economic openness and the growth of civil society. One of MEPI’s principal pillars is the promotion of programs that provide opportunities for women. Through the Business Internship for Young Arab Women Program, MEPI provides talented young women from the Middle East unique opportunities to learn management and business skills while working in the dynamic and productive U.S. business environment. The U.S. also provides funding to the International Human Rights Law Group’s project on Women’s Legal Rights in Morocco, where the unequal legal status of women is a serious obstacle to gender equality and economic advancement.

On the economic front, MEPI provides support to public-private partnerships that promote economic development, good economic governance, training in business skills and job creation. For example, through the Financial Service Volunteer Corps (FSVC), MEPI provides technical assistance to help strengthen the financial systems of selected countries in the Middle East, including Morocco, Tunisia and Algeria, in order to promote broad-based economic development, investment, and employment growth in the region. The program improves the capacity of commercial banks to provide credit and other financial services to the broader economy, particularly small- and medium-sized enterprises (SMEs); strengthens the region’s central banks, focusing in particular on improving the quality and effectiveness of bank supervision and regulation; and invigorates regional securities markets.

In Algeria, the WTO Accession Technical Assistance program and the U.S. Department of the Treasury’s Treasury Debt Reform program provide technical assistance designed to strengthen and liberalize Algeria’s economy. In Morocco, Algeria and Tunisia, the U.S. Department of Commerce’s Commercial Law Development Program provides technical assistance and training in intellectual property rights, antidumping laws and procedures, competition law and policy, electronic customs practices, e-commerce and banking.

In the political realm, MEPI contributes to the development of a pluralistic, free society in Morocco, Algeria and Tunisia through the Initiative for Open and Pluralistic Media in Arabic Speaking Countries. In conjunction with the National Democratic Institute (NDI), International Republican Institute (IRI) and other groups, MEPI has established a wide range of programs throughout the region designed to strengthen democratic processes, promote the rule of law and make parliament, political parties and other public institutions more effective and accountable. The program’s goals are to increase the number and improve the campaign skills of reform-minded candidates for public office, especially women. MEPI programs help to strengthen the electoral process in the Arab world by making political parties more effective, representative and transparent. Under MEPI, the U.S. has set up a series of rotating leadership and campaign schools to provide training in campaign planning, message development, media and communication skills to current and future women leaders in the Arab world. The campaign schools in Qatar and Tunisia have trained more than 100 women from across the region, and a third school is planned for March 2005 in Jordan. The program has also set up the groundwork for a systematic election implementation and monitoring program in each location. In addition, MEPI’s Legislative Strengthening Program provides technical assistance to legislators, staff and party caucuses on the local and national levels.

Another cornerstone of MEPI is its robust and creative educational program. MEPI is in the process of rolling out an Arabic-language Early Reading Program, a major effort to provide resources for the Arabic translation of early reading books for use in primary schools in the region and to provide school-based libraries across the region. The MEPI Girls’ Scholarship Program builds on previous U.S. efforts by providing scholarships to girls in Morocco’s rural areas. The Functional Literacy Program assists the Moroccan Government in a new initiative to develop improved literacy training materials. In addition, the U.S.-Middle East University Partnerships Program awards enable U.S. universities to work together with higher education institutions in the Middle East to strengthen university programs. In Morocco, MEPI’s Judicial and Legal Reform Program focuses on the training of judges in the implementation of the new family code.
THE SEA ISLAND DECLARATION (JUNE 2004)

In the G8 meeting held in June 2004, the world’s most industrialised countries made a declaration that reformulated the main lines of the American initiative, the Broader Middle East and North Africa (BMENA), in the presence of the main leaders of the region and following the criticism that the American project had received after it was leaked to the newspaper Al-Hayat in February 2004. Some Arab leaders considered the initiative, which at that time made reference to the “Greater Middle East” as an imposition of reforms from abroad. At the Arab League Summit in Tunisia held in May, this reaction led to the Arab countries presenting their own declaration for reform and modernisation in the Arab world, before the G8 Summit took place.

The Sea Island Declaration sought to aid the Arab initiative and launch the “Partnership for Progress and a Common Future” in the countries of the region. This plan basically consisted of a declaration of principles on human dignity, freedom, democracy, rule of law, economic opportunity and social justice. Its starting point is that the reforms cannot be imposed from outside, that the individual characteristics of each country have to be respected and that their incorporation needs to be both at government and civil society levels. This Partnership is built around three main areas: political, sociocultural and economic, as in the three chapters of the EU’s Barcelona Process.

The declaration also establishes the creation of a “Forum for the Future,” which will provide a framework at ministerial level to tackle political and economic reform of the region and will establish parallel meetings in civil society. The first “Forum for the Future” was held in Rabat on 11th December 2004 (See page 55).

The declaration also included a call for the reconstruction of Iraq, full support for UN resolution 1546, as well as, significantly, the search for solutions to the Palestine-Israel conflict based on the Road Map and the total acceptance of two states coexisting in peace and security. This call, which was absent in the initial American proposal, the “Greater Middle East,” was included at the insistence of the Arab and European countries.

Even though this declaration does not seem to have obtained the necessary support to become the catalyst for reform, it has not provoked the wave of criticism in the Arab world that the rough draft did when it was made public in February. Its welcome has been qualified in various circles as “sceptical,” although its content has been valued positively.

Generally, there has been a lack of enthusiasm from Europe for a project which duplicates the objectives of the Barcelona Process, that has already been running for ten years. As it was demonstrated in the conclusions of the Euro-Mediterranean Ministerial Conference held in The Hague in November 2004, the Euro-Mediterranean Ministers reaffirmed the centrality of the Barcelona Process, backed up by the European Neighbourhood Policy, over and above any new declarations, such as the Sea Island Declaration. The conclusions illustrate that there is the will to collaborate with international and multilateral projects, as in for example, the points established in the Sea Island Declaration, always as long as the policies are compatible with existing compromises between the EU and its Mediterranean partners.

Sea Island Declaration (9-06-04):
www.g8usa.gov/d_060904c.htm
Arab League Declaration in Tunisia (22/23-05-04):
www.arabsummit.tn/fr/230504-17.htm

Forum for the Future

An important new component of MEPI is the U.S. participation in the Forum for the Future. The Forum for the Future is a partnership among the countries of the Broader Middle East and North Africa (BMENA) region and the Group of Eight (G-8) industrialized democracies, all united around a common agenda that advances the universal values of human dignity, democracy, economic opportunity and social justice. The first Forum for the Future convened on 11th December 2004 in Rabat, Morocco, and was co-chaired by then-Secretary of State Colin Powell and Moroccan Foreign Minister Mohamed Benaiissa. In Rabat, Foreign, Finance and Economy Ministers from 28 countries gathered to discuss and develop collaborative efforts to support political, economic and social reform in the BMENA region. Civil society and business representatives also participated in the Forum, which was an enormous success. Among the Forum’s accomplishments were:

- The establishment of a Democracy Assistance Dialogue, in which member countries provide electoral assistance, focus on the role of women in the political process and advance relations between the region’s governments and civil society.
- The development of a Literacy Action Plan for the region with the goal of halving the illiteracy rate over the next decade and improving education, especially for girls and women, throughout the region. Algeria, together with Afghanistan, is co-sponsor of the BMENA literacy initiative.
- The establishment of the International Finance Corporation’s Private Enterprise Partnership for the Middle East and North Africa facility to support small and medium enterprises. Forum participants have already contributed over $60 million of the $100 million goal for the facility.
- In Morocco and Bahrain, the creation of two entrepreneurship centres to provide the region’s young people with the opportunities and skills they will need to succeed in a competitive global economy.
• Working with the Consultative Group to Assist the Poor (CGAP), Forum partners have established a microfinance consultative group and are preparing to open a technical hub and microfinance training centre in 2005.
• The launching of an Investment Task Force, a private sector, CEO-led group mobilizing investment in the region to spur economic growth and create jobs. The Task Force will work with the region’s governments and the OECD to remove impediments to investment.

The Forum participants plan to meet in Bahrain in November 2005 to review progress on these initiatives and point the way ahead.

Finally, on the level of educational and cultural exchange, the U.S. has a long history of cooperation with the countries of the Maghreb. Our Fulbright, Humphrey and Eisenhower exchange programs have expanded significantly over the last three years, while since 2000 the State Department’s International Visitor Program has doubled in size in Morocco alone. The State Department also sponsors the visits of dozens of U.S. academics, experts, writers, artists and performers to the region every year. The Department’s Arabic book translation program produces thousands of books each year and the Department’s Africa Regional Services centre ensures that American texts in French translation are available in the Maghreb.

The process of encouraging and supporting reform is, by its very nature, a pluralistic one. No one country or group of countries holds the ideal model for progress and prosperity, but the U.S. and Europe share the generational obligation to help the region along the path to reform. As Secretary Rice said in Paris on 8th February, “just as our own democratic paths have not always been smooth, we realize that democratic reform in the Middle East will be difficult and uneven. Different societies will advance in their own way. Freedom by its very nature must be home grown. It must be chosen. It cannot be given, and it certainly cannot be imposed.” It is in this spirit that the U.S. and Europe are working together as partners in advancing democracy and prosperity in the Middle East and North Africa.
Dossier
Ten Years after the Barcelona Process: Assessment and Perspectives
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Evolution not Revolution: the Barcelona Process, ten years on

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“The reports of my death have been greatly exaggerated,” Mark Twain famously wrote to the US press after his obituary had prematurely appeared in their columns. Some Mediterranean analysts might appear to be in the same indecent haste to offer similar condolences to the Euro-Mediterranean Partnership. However, contrary to some death notices, the Barcelona Process is not dead. It is alive and well and being mutually nurtured by the Neighbourhood Policy in their common quest for peace, security and prosperity in the region. This year, dubbed ‘The Year of the Mediterranean’ by Euromed Foreign Ministers at The Hague Ministerial in November 2004, the Partnership will also celebrate its tenth anniversary. The tenth year of any relationship commands special attention. It can be taken as a period of reflection or projection, a milestone or a springboard. It can also be a mixture of all these.

In some ways the evolution of the Euro-Mediterranean Partnership can be compared to the construction of the European Union. Just as Europe’s incremental move towards integration failed to attract too much media attention (apart from the detractors and dissenting voices) neither has the Barcelona Process been a headline-maker. Nevertheless, it has continued to make concrete progress. It is, as its title implies, a process. It is not a sprinter, but rather a middle-distance runner; neither is it a Rolls Royce but rather a dependable family car. Sometimes that car might stall, or even break down but it will continue to move forward. Just as in the European Union, there is no reverse gear in the Euro-Mediterranean Partnership. While Europe and its Mediterranean partners have long been linked by history and culture, circumstances now demand closer linkages and interdependence to address the common problems of terrorism, illegal immigration, the proliferation of weapons of mass destruction, environmental degradation, international crime, etc. Today, as globalisation increases, the EU still remains the main partner of Mediterranean countries both in trade of goods and services. More than 50% of the trade in the region is with the EU, and for some countries the EU represents the destination of more than 70% of their exports. Europe is the largest direct foreign investor (36% of total foreign direct investment) and the EU is the region’s largest provider of financial assistance and funding, with almost €3 billion per year in loans and grants.

As we move towards the end of the Partnership’s first and defining decade looking back will help see how far we have come in the relatively short time of ten years. The much vaunted – some would say lofty – aspirations set out in the Barcelona Declaration outlined peace, stability and prosperity within the whole Euro-Mediterranean region as the major objectives. This, essentially, was an attempt to extend southwards the zone of peace and prosperity achieved within the EU, through a process of North-South, but particularly South-South integration. The establishment of a Free Trade Area by 2010 is a means to an end, a way to attain the long-term goal of peace, something Europe had attained through integration. Substantial progress has been made but much still remains to be done. The Barcelona Process has established a comprehensive set of co-operation activities in areas ranging from trade liberalisation, economic reform and infrastructure networks to culture, education and the movement of people. It has shown that governance, human rights and common global challenges can be fruitfully discussed, if they are handled through partnership.

The bedrock of our cooperation, the Association Agreement, has been negotiated with all countries and most are in force. All countries have agreed on a schedule of tariff reductions, a necessary pre-requisite on the road to free trade. The achievement of the liberalisation of trade in goods has to be tempered by slow progress in the liberalisation of trade in services and agricultural products. However, regional integration in the Mediterranean region points an encouraging way forward with the signing of the Agadir Free Trade Agreement between Egypt, Jordan, Morocco and Tunisia and Turkey’s respective Free Trade Agreements with Morocco, Tunisia and the Palestinian Authority. The regional dimension has been further enhanced by the creation of the Euro-Mediterranean Parliamentary Assembly and by the establishment of the European Investment Bank (EIB) sponsored Euro-Mediterranean Investment Facility for the Mediterranean (FEMIP).

Yet, when all the policies, programmes, declarations and action plans are pared down to their essential nucleus, the Barcelona Process is really about bringing people and cultures together through partnership and dialogue.
ween cultures is essentially a dialogue between people, not between anonym-
ous cultural entities. The recent inaugu-ation of the ‘Anna Lindh Foundation
for the Dialogue between Cultures’ in
Alexandria focussed minds on the point
that partnerships are principally about
people. The Foundation will play a piv-
otal role in assuaging the common sus-
picions, stereotypical and negative im-
ages that still prevail in parts of the
‘West’ and ‘Arab’ worlds. This will be
done in a very practical way by giving
present and future generations the instru-
ments of dialogue. Young people will be
encouraged to learn at least one foreign
language and to acquire knowledge
about all religions and cultural traditions
that have shaped the Euro-Mediterranean
region as the crossroads of civilisations.
On the political front we cannot pretend
other than progress has been slow.
Institutionally, the architecture is in place
to meet the challenges that reforms imply.
Unfortunately, the continuing conflicts in
the region have often impeded the search
for consensus. But while progress on
the Middle East Peace Process is an
essential element for the success of any
reform policy, the ongoing conflict should
not be used as a fig leaf or alibi for inac-
tion or universal excuse by partners to
avoid reforms.
Certainly, the landscape is becoming lit-
tered with strategies and visions for its
future. It seems like everyone has a the-
ory or thesis on the problems besetting
the region and is armed with a pocket
paradigm or panacea for their resolution.
I do not need to add to that debate or
underline the problems still facing the
Mediterranean and Middle East region.
The UNDP reports have eloquently and
steadily drawn attention to the major
deficits in culture, education and politi-
cal freedoms. The lack of individual free-
doms and the subjugated role of civil
society have contributed to smothering
individua initiative and economic devel-
opment and have resulted in discon-
necting populations from decision-mak-
ing processes. It is certainly not Europe’s
role or intention to impose the neces-
sary reforms; home grown change is the
most acceptable and durable. Europe’s
great catharsis after the last war involved
the pioneering and development of a
unique process of regional integration,
of the pooling and balancing of nation-
al sovereignty against the need for com-
mon structures and common disciplines.
It has been a tremendous force for polit-
ical stability. Europe can, therefore, help
and support this Mediterranean quest
for transition. In our relations with our
southern partners unless we encourage
a process of economic and political
change, change will come instead in undesirable forms and at an undesirable
pace.
It has been said that borders are histo-
ry’s scars. A flick through the back pages
of Korea, Cyprus, Ireland and Germany,
among many others, will bear witness to
that statement. There have been worries
among our Mediterranean partners that
the recent enlargement of the European
Union might result in new borders being
drawn or the creation of new dividing
lines to the detriment of relations with
our partners, and that the new borders
would be exclusive rather than inclusive,
closed rather than open. The European
Neighbourhood Policy is a clear response
to those concerns and to the changing
composition and shifting borders that
enlargement implies. The new policy has
been designed to include and integrate
our neighbouring partners into the new,
enlarged economy by offering them many
new opportunities, one of which is tar-
iff-free access to the new expanded mar-
tet of 25 countries.
There has been a certain amount of con-
fusion from commentators and critics of
the European Neighbourhood Policy con-
cerning its role and status vis-à-vis the
Barcelona Process: Does Neigh-
bourhood replace Barcelona? Is Neigh-
bourhood the logical extension, and new
articulation, of Barcelona? Does Neigh-
bourhood constitute an important poli-
cy shift within EU policy towards the
South? Is it an attempt to offer a ‘con-
solation prize’ to the EU’s neighbours,
new and old? The answer to all the pre-
ceding questions is ‘no’. Neighbourhood
and Barcelona are complementary and
mutually reinforcing, aiming to create
enhanced relations while supporting and
promoting domestic reforms. The Euro-
pean Neighbourhood Policy offers part-
tners the possibility of a stake in the EU
internal market and the chance to par-
ticipate in EU policies and programmes.
It will build on existing systems and struc-
tures, using the Barcelona platform, to
agree common Action Plans with part-
ners that can bring about a qualitative
change in Euro-Mediterranean relations.
Communication is the key to unlocking
the confusion and opening up the real-
ities and possibilities of the Partnership
to the populations on both sides of the
Mediterranean. For that it is vital to bring
the partnership closer to the people.
There have been many concerns voiced
at all levels about the perceived ‘infor-
mation deficit’ concerning the Euro-
Mediterranean Partnership. The Com-
mission is aware of this and has this year
launched a dedicated region-wide infor-
mation and communication programme
as a complement to other information
activities in the region. This innovative
inclusive scheme, dubbed the EuroMed
Dialogues aims at mobilising the mass
media, civil society and youth in its imple-
mentation. It is not a machine for pros-
elytising or peddling propaganda, but
more an effort to engage the various
stakeholders in discussions about the
further evolution of the Partnership.
Through a programme that includes a
pan-regional television series of debates,
dialogues and documentaries on sub-
jects related to the Partnership; senior
Euro-Mediterranean journalists/analysts
conferences; training and exchange
opportunities for young journalists; cul-
tural exhibitions and competitions for
youth; and other targeted activities for
civil society, the business and academ-
ic sectors an holistic approach is being
taken to raise awareness and share opin-
ions on the different aspects of Euro-
Mediterranean relations.
In an exercise that squares the circle,
this year – ten years after the signing
of the Barcelona Declaration – all roads
return to Barcelona for the specially
convened Euro-Mediterranean Summit
in November. Certainly it will be an occa-
sion for reverie and reflection, there will
be celebration too. But there is also
serious work to be done. The Euro-
Mediterranean Partnership has arrived
at this watershed year with the knowl-
edge and strength that experience
brings to long-term relationships. While
it will cheer the successes of the last
ten years, the growing maturity will
ensure that it is not blind to its short-
comings. Those challenges – human
rights and democracy, sustainable eco-
omic growth and reform and educa-
tion – are articulated in the Commission
The year 2005 as the Year of the Mediterranean should not just be a year for celebrations, but also a year of reflection and evaluation by the authorities and of raising awareness within the civil society. Ten years have passed since the Barcelona Declaration and it is now time to re-launch and update the Barcelona Process, setting new priorities and introducing new working methods to obtain greater efficacy in the pursuit of the original objectives and the new ones we are going to establish.

These objectives will not be essentially different to those already established, but they will vary in the order of priorities, in function of the evolution of the EU, as well as of the Mediterranean context after ten years of Partnership.

The new priorities should be negotiated and fixed jointly with all the partners, as was done in 1995 and the opinions, assessments and contributions of each and every partner will be considered very important.

It must always be remembered that the Barcelona Process is not, strictly-speaking, an EU policy on the Mediterranean, but is in fact a mutual decision made by all the countries on the Mediterranean shore (the members of the EU and those of the Southern shore) who have created a unique model of regional cooperation, which during the last ten years has been an invaluable forum of permanent dialogue whilst an even more institutionalised relationship was being consolidated, culminating in the emblematic creation of the Euro-Mediterranean Parliamentary Assembly and of the Foundation for the Dialogue between Cultures in the Arab land.

The European Neighbourhood Policy will now strengthen the Barcelona Process by means of possibilities – updated and differentiated for the partner countries – of progressively benefiting from all the advantages of the EU internal market but conditioning this gradual greater integration into the internal market and of the different policies and community programmes into political, institutional and economic reforms. A system of benchmarks is established which will put all the neighbouring countries in the EU, the new eastern members and the usual countries to the south to compete with each other.

The Barcelona Process and the European Neighbourhood Policy which completes it, are fully compatible with the Strategic Partnership for the Mediterranean and Middle East.

A point of union between all of them is precisely the need to proceed with the reform process already started by the EU in its own image, which means the best example of a reforming process known in the world. It should not be forgotten that the Union has never stopped reforming, in other words, adapting and modernising, since the creation of the first European Communities; neither has it ceased to expand: a clear sign of its success.

On the occasion of the extraordinary meeting to commemorate the 10th anniversary, which will take place in Barcelona, it will be necessary to reaffirm the Barcelona Declaration and at the same time, adopt a new political commitment to share, within mutual respect, the values and principles of democracy, of respect for human rights and political participation, contributing to open larger spaces of freedom between each and every one.

This mutual effort cannot be uniquely intergovernmental and the civil society should participate to give it full legitimacy and credibility. The aim is not to impose exogenious models – each has its own – but to share principles and values that permit coexistence and progress in full and mutual freedom.

A clear commitment to the new objectives of the international agenda will also be necessary: the fight against terrorism, against the proliferation of weapons of mass destruction, against organised crime and against uncontrolled population movements.

The Barcelona Declaration and the new Neighbourhood Policy will provide the foundations of the new commitment: The Barcelona Declaration is our political umbrella and the European Neighbourhood Policy an instrument proposed by the Commission, which entail individual action plans which must be put in place soon, without forgetting at any time the multilateral and institutional aspects of the Barcelona Process, which are those that will give precisely that ‘plus’ in relation to our Mediterranean neighbours.

Regarding future financial resources, it is necessary that they are sufficient and that their management is efficient to obtain the best results. New working methods and financial instruments are needed for the public sector as well as, above all, the private sector.

But we cannot content ourselves with financial resources, it is also necessary to promote trade with the objective of 2010 by when a Euro-Mediterranean free-trade area must be established. If this were achieved, it would be much more than a purely economic success. Migrations, which should be seen from their more positive aspect, are a very important subject which should be tackled jointly and constructively. It is an opportunity for effective collaboration between countries with conflicting dynamic demographic structure, but at the same time this opportunity requires joint control over the illegal trafficking of people.

The coastal countries of the Mediterranean, amongst those that the present-day EU encompasses, have always been neighbours and therefore we should refocus the attention of Europe towards the Mediterranean, making the most of the declaration of 2005 as the Year of the Mediterranean and of the unique example of regional cooperation that the Barcelona Process represents.

Juan Prat y Coll
Ambassador on special mission for Mediterranean Affairs
Ministry of Foreign Affairs, Spain

Communication that will mark this anniversary year. The Euro-Mediterranean Partnership prepares to enter its second decade, returning to the place of its birth for further inspiration and impetus. If this is death, then as Mark Twain added, “I won’t be attending the funeral, but I will send a letter of approval.”
On the tenth anniversary of the Barcelona Conference we should not miss the opportunity to try to re-launch the process which was started then – the Barcelona Process.

The Process began under good auspices. For the first time the EU was interested in the subject of the Mediterranean on the whole, and in particular the North African Mediterranean area. It even acquired significant economic commitment through the MEDA programmes. But this highly positive impetus did not last long. The Process soon deteriorated.

There were several causes of this deterioration. Terrorism and the civil war in Algeria prevented joint action in the Maghreb. The conflict in the Balkans distracted attention, above all in Italy and to a lesser extent in other Mediterranean countries. Relations between Greece and Turkey experienced an especially difficult period. And the Arab-Israeli conflict, which at the beginning of the 1990s appeared to be going in the right direction, worsened indescribably. In any case, the administration of the Arab countries linked to the Process, which were those who should have made the most of the MEDA programmes, was slow and not particularly efficient. It seemed that there was little motivation. And neither was there any encouragement from Brussels.

But on top of this there were other factors putting on the brakes. For some European countries – especially Spain and Italy – from 1996 the biggest concern was admission to the Economic and Monetary Union and, consequently, the euro – in other words, meeting the Maastricht criteria. Everything else took second place. And in Spain’s case the new government of the Partido Popular (PP) changed radically the previous policy of the Socialist Party (PSOE). This was very obvious in various aspects, and one of these was the lack of interest in the Barcelona Process, aggravated by a clear deterioration in relations with Morocco.

We should add to this that France never showed great interest in this initiative. But the idea behind the Barcelona Process, which was a good and necessary idea ten years ago, continues to be so. And the Spanish Government, which at the time was its main instigator, is in a position to be so again. In addition the conflicts which broke out during the second half of the 1990s have abated. The fact that finally the EU has started to be seriously concerned about neighbourhood, and its neighbours, could even play in its favour. This is how it should relate to the countries in its surroundings.

Furthermore, the current situation of worldwide policy could contribute to the fact that now this initiative would have greater backing than ten years ago. On one hand, the concern about terrorism focuses greater attention on this area by the European Union and the United States. On the other hand, there has been an increase in sensitivity in the developed world for the problems of developing countries. Perhaps I am guilty of optimism, but I believe that something has changed in this sense. I believe that the fight against terrorism is better understood and even the consolidation of world balance in the globalization era requires greater economic and social attention, as well as greater solidarity.

Finally it should not be forgotten that in the idea and the development of the 1995 Barcelona conference the Generalitat of Catalonia played an important role. This should also be the case now. This was in keeping with the triple historical and political orientation of Catalonia: European, Hispanic and Mediterranean. Since the 1980s, and with self-government regained, Catalonia has carried out an action of explanation to the rest of Europe on the role of the Mediterranean, which is generally not taken into account by a European Union which has its centre of gravity in Central Europe. But it should not be forgotten that the Mediterranean constitutes an especially delicate, and at times troubled, frontier.

It is the frontier with underdevelopment, population explosion, migrations and, at times, terrorism. The stability and progress of the Mediterranean, and especially of its southern coast, should be one of the main objectives of the European Union.

In addition Catalonia, and especially the Government of the Generalitat, attempted to get successive Spanish Governments to pay particular attention to this subject. For this it was necessary above all to have a good relationship of cooperation with Morocco and the Maghreb in general, and to stimulate the interest of other European Mediterranean countries.

The 1995 Barcelona conference responded to this approach which, as I have explained, was unfortunately not maintained and now needs to be re-launched.

Jordi Pujol
Former President of the Generalitat,
Government of Catalonia
Ten Years after the Barcelona Process: Assessment and Perspectives

Barcelona II: towards a Renewed Commitment?

Hassan Abouyoub
Former Minister of the Kingdom of Morocco

Barcelona II is just a few months away. Having been one of the instigators (or at least one of the sympathisers) of the movement which at the time generated a vast amount of hope and triggered so much genuine enthusiasm among Western Mediterranean political elite (although more on the Southern than on the North), I now find myself wondering, among many other things, what we have done with the wealth of confidence which public opinion on both sides of the Mediterranean placed in us.

Have we fulfilled all the different hopes expressed in that memorable Civil Forum in Barcelona? How can we take stock, with complete objectivity, of these ten years of intense intergovernmental activity, conducted in the context of the Barcelona Agenda? If we could bring together again the authors of the Barcelona Declaration, would they still write it the same way?

While maintaining the necessary detachment, and without falling into an all-too-easy outright condemnation of the whole process, mingled with a series of embittered criticisms of the results of a whole decade of activity, I would like to invite you to take a fresh look at the record of such a vast project. I will do so as a simple citizen of the Mediterranean, discarding any of the trappings of official status I may enjoy.

1. Re-reading the Declaration, ten years after it was adopted, leaves me feeling totally at ease with its contents. It would be difficult to challenge the general structure of the text, the common values it represents and the unanimously-agreed positions it adopts. Each declared objective is relevant and constitutes a response to a genuine problem. I will therefore not throw out the baby with the bathwater.

2. On the other hand, we have to admit that there have been serious shortcomings in the management of Euro-Mediterranean political dialogue. Politicians on either side of the Mediterranean never managed to get public opinion interested in the project. Nor were they able to dispel the shadow cast by the breakdown of the Middle East peace process over all the grand designs enshrined at Barcelona. Most of the intergovernmental political meetings were dominated by sterile debates concerning this major issue. The attempts made to involve business, cultural figures and women in this project proved to be at best rhetorical, and certainly inadequate in relation to the demands voiced by non-governmental bodies.

3. The signals sent out by the EU were never convincing enough for the peoples of the South. The way security issues were managed (particularly the anti-terrorist aspect), the positions adopted towards racism and xenophobia, the parsimony in granting visas and the ambiguity of politicians’ attitudes towards Islam all led to a psychological fracture whose effects are not wholly visible yet. These factors, added to the EU’s marginal role in taking responsibility for the Palestinian issue, led some sections of public opinion to question the relevance of seeking closer alignment with Europe and the underlying social model that such a choice would represent.

4. Too positive a picture was painted of the Barcelona Process. The editorial line encapsulated in joint statements, joint press releases and legal documents gave and continues to give a virtual image of constant progress which the ordinary citizen finds impossible to relate to the realities of everyday life. Advances in democracy and the area of freedoms in the South are too slow, compared with the commitments undertaken by both sides in November 1995. The results of economic growth, the attractiveness of direct foreign investment and improvements in the overall competitiveness of the Mediterranean have grown wider in all areas. The experiences of macro-economic adjustment, which in reality are all encouraging signs in themselves, have been interpreted negatively by public opinion. The public sees in these experiences a sacrifice that has been unfairly shared out and an increased deterioration in social development indicators. (The classification of the countries on the southern side of the Mediterranean in the world human development indicators index is a perfect illustration of this feeling of despair). Symptomatic of this is the general tendency to hold the EU, rich and opulent, responsible for the governance deficit which is so bitterly criticised. In addition to the vicissitudes of shared history, which are often invoked, there is a line of thought pointing the finger at European “complacency” in the face of the mediocre performance of the Southern partners. Appeals making scarcely disguised references to a duty to intervene demonstrate the dramatic state...
BARCELONA PLUS: TOWARDS A EURO-MEDITERRANEAN COMMUNITY OF DEMOCRATIC STATES

EuroMeSCo was asked to draft a report on the ten years of the Euro-Mediterranean Partnership (EMP), analysing what it has achieved so far and defining priorities for the future in the political and human dimensions. From this report, presented on 28th February by Abdallah Saaf and Álvaro de Vasconcelos to representatives of the governments which are members of this partnership, four main conclusions can be drawn.

The Importance of Barcelona

The first conclusion that can be derived from the report is the enormous relevance enjoyed by the Barcelona Declaration and the commitments by its signatories to "develop the rule of law and democracy in their political systems." Potentially, in the Barcelona experience there is already present the idea of the construction of an area founded simultaneously on democracy and on the refusal to legitimise the use of force between neighbouring countries or, which comes to the same thing, the idea of the creation of a Euro-Mediterranean Community of Democratic States. Those who declare that there is no need to revise the declaration, but that what is truly important is to implement it, are right. During its approximately ten years of existence, the references made to the declaration’s content have been rare, and it has to a great extent been ignored by the governments as well as by the civil societies of both sides of the Mediterranean. The first objective of Barcelona 2005 should not be solely to reaffirm clearly and unequivocally the declaration’s content, but also to adopt the measures needed to turn its ambitions into realities. This means, first of all, accepting the primacy of the fundamental values, both in the Member States’ internal systems and in the refusal to use force to impose a country’s will. This reaffirmation of values takes on even greater importance when we note that the achievements of almost ten years of collaboration demonstrate that we are still very far from the objectives set in the realm of political reform and regional integration. Although doubts are starting to be cast on authoritarianism by the majority, in many countries democracy is still not a goal that has been clearly adopted. On the other hand, the Agadir Process has made its first steps towards South-South integration and sub-regional cooperation in the Maghreb, and in the Middle East has become paralysed by the persistent tensions which the Partnership has been unable to address. The objective of creating a Euro-Mediterranean free trade area by 2010 runs the risk of not being achieved. The responsibility for this lies with those on both sides of the Mediterranean. At the end of the day, at the root of it is chiefly the shared belief that was already present in 1995, concerning the imperative need to curb radical Islamic fundamentalism, even if the price to be paid were the stagnation of the political systems. Now the need arises to, on the one hand, share responsibility in order to put reforms into practice and, on the other hand, provide support for this process.

Prioritising Democracy

The Barcelona Process has focused on the idea that it is possible to achieve a high level of political convergence starting from a process of economic reform and liberalisation of access to the markets. Human rights, the rule of law, and, in due course, democracy will by the logical result of economic development, as also will security and the containing of migration. The report by EuroMeSCo casts doubt upon this assumption and ends by saying that, although there is a relationship between democracy and economic development, it is not a sequential one and that each issue ought to be handled on its own terms. In the view of the report’s authors, democracy and fundamental rights must now be treated as a central issue by the Partnership. It is necessary to get rid of the existing perception in significant sectors of the societies of the South that the Euro-Mediterranean Partnership is an initiative which protects the status quo. This does not mean, on the other hand, suspending the support currently given to the gradual reform processes already taking place within these societies. The Partnership is now faced with a series of initiatives, mainly from North America, which have the aim of a political reform of the region. These initiatives have had contradictory effects: they both place the reforms on the international agenda and create a huge resistance to the so-called “democratic interventionism.” The Partnership must show that it has effective answers to the questions mentioned above, since if it does not, not only will it lose relevance but it will become progressively more marginalised and lose support and legitimacy. The central importance of the Partnership is not a product of any diplomatic declaration, although such declarations have their importance, but of its ability to respond effectively and consistently to the aspirations of the peoples of the Maghreb and the Mashreq and to win the support of the Europeans. To achieve this, it is vital that it is consistent in its objectives – that it perseveres with the Barcelona Declaration – as well as in its initiatives, which should always embody the universal values on which the European Union itself is founded. The Neighbourhood Policy which the European Union is proposing to its neighbours to the South and East is more ambitious than the Partnership in that: it is a project for a common destiny, including the creation of a single market which envisages the four freedoms of movement, including the free movement of people. If the Partnership does not take these objectives as its own, that is, if the objective which it seeks to achieve is not a single Euro-Mediterranean market based on democracy, then the bilateralism of the Neighbourhood Policy will gradually destroy the regional project that constitutes the Barcelona Process.

The Five Pillars of the Euro-Mediterranean Community of Democratic States

According to the report by EuroMeSCo, the Community of Democratic States should be constructed on the basis of five fundamental pillars.

Democracy should be the central pillar, meaning the giving of active support to reforms, a greater development of civil society and inclusion within the process of all political sectors which forswear violence, including Islamists.

Inclusion within diversity should replace the concept of a dialogue of civilisations, which is based on the idea of a bipolar religious division which does not in fact exist. Inclusion within diversity focuses on the notion of “hospitality” and denies the vision of the “other” as intrinsically different, instead affirming its similarity and thus creating a much more appropriate framework with which to deal with the cultural questions.

Migration should stop being viewed from a security perspective. It is vital for migrants and their children to be seen as fundamental players, not only from an economic viewpoint but also in political terms.

Citizen security must be an essential aim for the partnership. It is important to guarantee that in this region individuals are protected from
being a target for violence, and to achieve this it will be necessary to guarantee their protection by developing a policy based on a close relationship between security and justice.

Social cohesion is the fifth pillar of the community. The creation of a free trade area should be accompanied, following the example of what is happening in Europe, by a funding framework enabling social cohesion and solidarity policies to be put into practice to mitigate its possible negative consequences. Promoting education, training, modernisation of management, creation of infrastructure, competitiveness and innovation are measures which require significant financial outlay on the part of the Union compatible with the ambition of the proposal to construct a Community of Democratic States. Such measures are a part of European shared responsibility.

Four Steps on the Road to 2015

Creating the Community of Democratic States means establishing an action plan and some intermediate goals, in which control of performance is in the hands of the partnership’s ministers (through six-monthly meetings). Four steps are essential:

Setting by joint agreement a precise deadline that is, applying the European method which made it possible to create the Single European Market and the single currency. EuroMeSCo proposes that it should become a full reality by 2015, meaning that there will be a ten-year period in which to make the reforms needed.

Including the objectives of the Neighbourhood Policy in the Euro-Mediterranean Partnership and differentiating the East from the South. The Neighbourhood Policy should be made part of the EMP, but the objectives, action methods and resources which should be applied in relation to the East and in relation to the South should be different. Finally, the countries of the East have as an objective full membership of the European Union, while the goal of the countries of the South is the creation of the Community of Democratic States.

Joint taking of responsibility. A project of this nature can only come to fruition if responsibility is shared between all the countries involved, which necessarily entails resolving the institutional asymmetry. An immediate step could be the creation of a joint presidency of the North-South partnership and the involvement of officials from the South in the work of the Commission and the Council.

Convincing elites and public opinion. One of the partnership’s main problems is the lack of information, especially in the sphere of civil society. Making the partnership visible means, first of all, giving it substance in all fields and at the same time implies that the greatest possible number of sectors are involved in the process, which will only be possible by removing red tape and clearly identifying all the initiatives that enjoy its support.

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of uncertainty and the total absence of prospects which certain Arab societies are experiencing today.

5. In Europe’s internal political debate, these concerns and these passionate symptoms do not register as they should. The Mediterranean issue, overshadowed by debates on enlargement and the European Constitution, is not a priority concern. It has to be said that there was little time for the Mediterranean either during the European Parliament elections or at the Convention which produced the draft constitution submitted for approval by the Member States. What is more, the political arguments which focused on the issue of Turkey’s accession had an additional detrimental effect on the South. The passions aroused by this issue, which do not necessarily correspond to an economic or cultural proximity between Turkey and its neighbours in the South, was interpreted as a rejection of Islam by the EU and as confirmation of its image as an economic, social and spiritual fortress.

6. The strategic alternative embodied in the Maghreb project is considered, at best, to be a pious wish. The slow-motion of the process of normalisation between Morocco and Algeria, the impasse on the Sahara issue and the absence of concrete achievements in Maghreb trade are keeping the prevalent pessimism alive. The discretion which surrounded the Agadir process and the qualified reception given in business circles to this eminently strategic initiative have only made the general atmosphere even more morose.

7. The transatlantic rivalry concerning the Mediterranean fosters confusion in people’s minds and complicates action by leaders from the South in the geopolitical sphere. Each gesture, each choice is questioned and challenged. The Free Trade Agreement signed by Morocco with the USA is a perfect illustration of the nervousness of the region’s geo-strategic actors and their inability to construct a model of relations which, while respecting the sovereign choices of nation-states, would foster inter-regional synergies and contribute to a concerted and consistent assumption of responsibility for the globalisation of trade. The respective positions on Iraq are also another concrete example of strategic conflict between North and South and inside each camp. In the light of these various events we can understand the reasons for the failure of the negotiations over the security charter in Marseille in 2002.

How can we interpret these feelings and the lack of belief in a project which is as fundamental for peace, security and shared prosperity as this one is? What explanation can there be for the failure of such laudable intentions and such a generous approach to overcome doubt and unwillingness?

1. We must first remember that the Barcelona Process is almost exclusively intergovernmental. Right from the start the unwillingness of some Southern countries to involve the various sectors of society in the process created an atmosphere in which future discouragement was only too predictable. In addition, national parliaments made unequal contributions towards the validation of the choices and options contained in the Declaration which their governments...
had adopted. It was thus impossible to achieve popular acceptance and legitimisation of the concepts underpinning the process.

2. The gulf in status between EU countries and ‘associate countries’ creates a feeling of exclusion and injustice with regard to the distribution of EU handouts. Free trade looks more and more like a sacrifice (to be made in terms of unemployment) in order to satisfy Europe’s predatory commercial appetites.

3. The Barcelona Declaration, however valid it may be, has run out of steam and has no strategic perspective to offer. It was supposed to create dreams in the North as well as in the South. The new Neighbourhood Policy, especially its slogan (“everything but institutions”), has not been properly understood and will not be able to redress the prevailing pessimism. In the opinion of many observers, the EU, for all its habitual rhetoric, is in fact preparing an escape route. This project further reveals the bilateral and intergovernmental nature of the EU’s traditional approach. It makes timid references to the taboo subject of immigration (in terms of the citizens’ right to freedom of movement) while pulling out the old chestnut of liberalisation of agricultural trade. The European Neighbourhood Policy is perceived in the South as the logical consequence of the enlargement of the EU, but is received very unfavourably, because it was not subjected to the same consultation process which preceded the Conference of 1995, and because it has been introduced according to the mechanical logic of the pre-enlargement period, but without having the same attractions.

4. Barcelona leaves the US no space or room for manoeuvre. However, Southern countries would prefer to avoid having to make a choice between a rock and a hard place each time they make a strategic or tactical move. They can understand this situation even less when they observe American omnipresence in the Mediterranean and the peaceful and fruitful dialogue within NATO between Europe, the US and some non-EU Mediterranean countries.

5. Euromed’s private partners are not very interested in the project. Their coldness towards the South, contrasted with their future ambitions and the transactions already under way in Eastern Europe, are obvious symptoms of this fact. In their view there is no solution within the context of the current partnership to the accumulative grounds for complaint with regard to the South (insecurity of economic transactions, a legal system without proper independence, instability of the rules of the game, etc.)

Given these uncertainties and an observable lethargy, what do we do?

1. First of all we must preserve the achievements of Barcelona I:
   - It had the merit of being the only political forum uniting the entire Southern shore of the Mediterranean and all of Europe, so we must preserve its spirit;
   - It led to a process of economic modernisation, with Tunisia, Morocco and Jordan leading the way, but also to ten years of a widening gap between the first and last arrivals. We must consolidate economic modernisation;
   - Euromed’s financial aspect, in spite of its imperfections, means that the EU remains by far the major lender of public funds and the major pole of economic attraction for the Mediterranean basin.
   - Many Euro-Mediterranean networks have been set up in all fields and are a vast resource for the transfer of expertise.

2. We must solemnly acknowledge the common destiny of Europe and the Mediterranean and formulate this destiny into a declaration of principles which will define the outlines of our future society, as part of which common measures will be implemented.

3. In order to fulfil this common destiny we will need to establish a higher level of institutional organisation. Clearly, we need to state the relevance of creating, in the long term, a Mediterranean Community, with a permanent secretariat, parliament (in its first phase, consultative) and a regional development bank. These institutions will be the permanent and equally-representative tools for political and economic dialogue between the different governments and parliaments.

4. This would be a strong encouragement for the Maghreb countries to relaunch the AMU, as a collective negotiating tool for this new project and so that later it can become the motor of regional integration. This scenario of Maghreb relaunch from above should enable solutions to be found to the various regional conflicts in the context of a wider geopolitical perspective.

5. We need to organise a lively and autonomous dialogue between citizens (young people, women, unions, clubs, societies and cultural associations) without government interference, and to give a significant role to common cultural activity as a means of rapprochement between peoples.

6. We need to call for the launching of a huge programme of construction of infrastructures, which would have an impact on the development of the region and would be highly visible to the local population: a regional toll motorway network (Casablanca-Cairo), interconnected South-South and Euromed networks (telephone / ICTs, gas, electricity, etc.), public housing and related services (primary health, sanitation, water conservation and environmental protection).

7. Since the level of readiness of the various countries in the South is variable, a Community would need to be created which will, in its first phase, bring together countries able to undertake second generation commitments and to adhere to a plan for a future society, with a duty to provide results and to submit to collective discipline. This Community will enlarge to include other members as and when they are willing to take on board its existing laws and agreements. Meanwhile, the partnership with the EU will continue to be governed by Barcelona I and by the new Neighbourhood Policy.

8. Common policies conceivably forming part of the first phase would be to do with:
   - Security;
   - Concerted development of the Mediterranean agricultural area;
   - Fisheries;
   - Energy;
• The economic divide and the knowledge economy;
• Institution building (capacity strengthening, democracy);
• Infrastructure (harmonisation of projects, alternative funding);
• Standards and the trade in services;
• The regulation of migratory flows.

As presented here, this project might appear ambitious. However, its relevance can only be assessed when measured against the challenges facing this part of the world, which remains one of the major areas of instability in planetary political and security terms.

We should remind ourselves that up until 2050, according to the many available studies of future prospects, the active population in Europe will decrease by an average of 1% annually. Over the same period the population of the Southern shore of the Mediterranean, at present growing at a rate of 3%, will fall by less than 1%.

The prospective growth in GDP in the EU is not likely to exceed 1%, because of the ageing population. In the South, economic performance will scarcely be better: 2% per year.

These scenarios are not viable. Putting the mechanical effects of growth together with the weakness of natural resources (shortage of water, desertification, exhaustion of energy potential), we can clearly see the extent of the systemic risks inherent in the Mediterranean area. By the same token, we can also clearly see the eminently strategic character of an alliance of countries around the Mediterranean.
Ten Years after the Barcelona Process: Assessment and Perspectives

The Economic Basket of the Barcelona Process: Outcomes and Perspectives

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Assessing the effectiveness of eco-
nomic policies and international agree-
ments is always made difficult by the
fact that outcomes are the product of
a wide array of circumstances and it is
normally not possible to ascribe the end
result to a single cause. Economists
have tried to create statistical experi-
ments based on counterfactuals, in the
attempt to isolate specific cause-effect
links, but this does not appear to be a
very promising approach in the Medite-
ranean context, except if our interest
is strictly academic.

The outcome of the progressive imple-
mentation of the economic basket of
the Barcelona Process, which is cen-
tred on the creation of a Mediterranean
Free Trade Area, has been disap-
pointing; indeed we should say extraor-
dinarily disappointing. But then this is
likely to be the case in spite of the
Barcelona Process and because of per-
sisting negative circumstances in the
region. How can we hope for a sub-
stantial increase in regional trade and
investment – especially in the ‘horiz-
onal’ trade between Mediterranean
partners – that would manifest the suc-
cess of the Euro-Mediterranean Part-
nership, when conflicts continue to frag-
ment the region, and illiberal regimes
adopt the spirit of Barcelona only reluc-
tantly and to the least extent possible?
I will in this article present the disap-
pointing outcomes for trade and invest-
ment, but first let us just recall that dur-
ing this period the Middle East Peace
Process was shattered and the sec-
ond intifada broke out – which destroy-
ed the Palestinian economy and seri-
ously damaged Israel’s; that economic
relations between Egypt and Israel
remained in deep freeze; Lebanon has
continued under the political control of
Syria, which discouraged entrepreneurs
from locating there, and Syria only reluc-
tantly and belatedly signed her Bar-
celona association agreement with the
EU, while maintaining a substantially
closed economy; that Jordan lived
under the menace of war in Iraq; while,
at the opposite extreme, Algeria slow-
ly recovered from civil war but remained
entangled in a conflict with its imme-
diate neighbour Morocco over the
Western Sahara; finally Turkey, which
alone accounts for a third of the pop-
ulation and GDP of the entire Medi-
terranean Partner Countries group
(MPC), successfully passed through a
very difficult combination of econom-
ic and political crisis. The scars, so to
speak, of these multiple conflicts are
well visible in the trade and investment
data and demonstrate, in case it was
necessary to do so, that trade and in-
vestment cannot be isolated from the
political environment.

Furthermore, competitiveness is a rel-
ative concept. In order to achieve a
successful outcome in the competition
for markets and capital it is necessary
to offer a competitive environment, i.e.
not just a good or improving environ-
ment, but one that, for one reason or
another, is better than elsewhere in the
world. Now, during the first ten years of
the Barcelona Process, while pro-
gress in the Mediterranean was con-
trasted and painfully slow, the integra-
tion of the ten Central and Eastern
European Countries was successfully
completed and they became full mem-
bers of the European Union in 2004;
and the Asian economies successfully
weathered the crisis of the late
1990’s, with China becoming a major
global exporter of a wide and growing
array of manufactured products, includ-
ing increasingly of higher technologi-
cal content.

Shall we add that during this decade
the European economy has turned in
on average rather modest results, and
the Lisbon objectives have been missed
by a wide mark – meaning that the Euro-
pean market – although certainly very
large and capable of accommodating
potentially much larger exports from the
MPC – has not been very dynamic. To
the extent that growing trade is the result
of the delocalisation of existing Euro-
pean companies, the lack of dynamism
in the market simply means that the
process will be slower, and competi-
tion from other regions implies that Euro-
pean companies may delocalise out-
side the Mediterranean.

In short, the Barcelona Process has
been confronted with such a broad array
of negative circumstances that we have
no difficulty at all in explaining the dis-
appointing outcome. The Barcelona
framework remains a necessary, if not
sufficient, condition for establishing a
Mediterranean area of peace and pros-
perity; the execution of it may be im-
proved, and the scope of the liberali-
sation should be further extended. But
unless other circumstances improve,
first and foremost with respect to do-
mestic governance and the peaceful
and pragmatic solution of regional con-
licts, it is unlikely that economic acti-
vity will truly flourish.
The Outcomes

We first present the record with respect to trade, distinguishing between sub-groups of countries for purposes of clarity. Graphics 1* and 2 represent the imports and exports from and to the EU25 for the North African Partner countries, i.e. Morocco, Algeria, Tunisia and Egypt.

The level of imports of these four countries is similar, notwithstanding the very different size of the respective economies. The variability in imports is striking and undermines our confidence in the trend lines, which nevertheless indicate an overall tendency towards increased imports from the EU, notably for Morocco.

Exports are also variable, although less so. Here, Algeria clearly outweighs the other partners and shows a much steeper rising trend, due primarily to increasing exports of oil and natural gas and improving terms of trade (increasing prices). The increase in Moroccan exports is also quite impressive (please note that the scale of graphic 1 is different from the graphical 2: Moroccan exports have grown much more than imports) while the record of Tunisia and Egypt is not so satisfactory.

Graphics 3 and 4 show results for the Eastern Mediterranean Arab partners, i.e. Jordan, Lebanon and Syria. No separate results are available for the Palestinian Territories.

We note that imports of these three partners from the EU25 appear to have declined until 1999 or 2000: they have remarkably recovered since, but it is too early to detect a trend. As for exports, the oscillations of Syrian exports are directly related to oil prices: Syria is in any case bound to become a net importer of oil very soon, so that physical exports are likely to decline. Exports from Jordan and Lebanon are flat and close to non-existent. Exports from Jordan and Lebanon are flat and close to non-existent.

Finally, with respect to Turkey and Israel, the two most advanced and diversified economies in the Mediterranean, we observe two strikingly divergent results. For Turkey, notwithstanding the crisis well reflected in the dip in exports in 2001, the outcome is clearly one of rising imports and spectacularly rising exports. For Israel, in contrast, both flows appear to be essentially stagnating.

The evidence we have presented so far demonstrates that the Barcelona Process, in combination with multiple other factors, has led to divergent outcomes for individual countries. While Turkey, at one extreme of the basin, and to a lesser extent Morocco, at the opposite extreme, clearly have benefited from the process of trade liberalisation, the evidence for the remaining countries is mixed. Consequently, trade convergence with Europe has also been diversified. Over the 1995-2003 period, five countries increased their imports from the EU25 as a share of their total imports; these are primarily Algeria and Morocco and to a much lesser extent also Lebanon Tunisia and Turkey. The rest of the Mediterranean countries have increased their imports from other parts of the world more rapidly than from the EU25.

With respect to exports, countries for which exports to the EU25 have grown as a share of total exports are only three: that is Cyprus – by a very large margin – Morocco and Turkey. All other Mediterranean Partner Countries have increased their export diversification away from the EU25 – to an extent that is sometimes puzzling, such as in the case of Malta.

It should be noted that this outcome is not necessarily negative. In some cases, it may be said that reliance on exports to Europe is excessive and some greater diversification is warranted. Tunisia, for example, is very closely integrated with the EU from both imports and exports. However, at the opposite extreme we find that the EU simply is not a relevant

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market for Jordan, and not very important for either Israel or Lebanon. These outcomes appear to strongly support the shift from a primarily regional approach, characteristic of the Barcelona Process, to a primarily bilateral approach, such as is envisaged by the new European Neighbourhood Policy. The latter is a rationalisation of existing outcomes: some countries are, for a variety of reasons, capable of successfully interacting with Europe in a context of regional and global liberalisations, others lag behind. We should therefore concentrate on those countries that can benefit from proximity and integration with the Union, while searching for a more effective approach towards the others.

With respect to foreign direct investment (FDI), the record of the Barcelona Process is also quite mixed. The graphic below plots incoming investment from the rest of the world, not just for the European Union. But this is not so much important, as the aim of the Barcelona Process was to encourage investment from anywhere, not just from the Union. We observe very wide oscillations – which is more normal for investment flows than for trade – whose immediate political causes are possibly quite evident, but leave us nevertheless with a very uncertain picture. Thus, it is clear that investment in Israel may have collapsed in 2000 because of the second intifada – but it had been rising for barely two years beforehand. Similarly, investment in Turkey and Morocco col-
lapsed after September 11, but it had been significantly higher for just one year before. We are hard put at discerning any clear rising trend from the above data.

To facilitate the search for an underlying trend, we can dampen short-term oscillations through the use of a three-year moving average. The results are plotted in graphic 9.

Here a rising trend is clear at least for Morocco, to a lesser extent Algeria (primarily attributable to investment in oil and gas) and Tunisia. For Israel and Turkey we may say that a potential clearly exists but in both cases negative factors are also at work. For the rest of the countries, the picture is bleak.

**Perspectives**

As we look into the future, Europe is faced with some difficult dilemmas.

- Oil and gas prices have been rising rapidly since 2003. This will have a strong impact on trade and investment figures in coming years. The value of exports from Algeria and Libya will increase rapidly, giving the impression that they are benefiting from the process – while in fact this will be merely an appearance. Egypt and Syria will also see their terms of trade improve. However, Algerian and Libyan oil and gas may also be attracted towards the US market – for reasons of their quality – leading to a decrease in the intensity of inter-Mediterranean exchanges. The concentration of exports of these countries on a limited spectrum of products will increase.

- Unless regional conflicts are solved – not just the Middle East conflict but all regional conflicts – there is little hope of establishing an area of peace and prosperity. The region will remain
fragmented and trade and investment will suffer. A functionalist approach is not to be discarded, but to expect that increased trade will facilitate conflict resolution is entirely illusory. The resolution of conflicts must precede the expansion of trade which in turn may consolidate peace.

- The Barcelona “offer” must be improved, most notably through the inclusion of agricultural products. The progressive, yet decisive, liberalisation of agricultural imports into the EU is an essential condition to improve Mediterranean Partner Countries’ exports, widen their domestic market and create conditions for faster industrial growth and competitiveness. This can be of special importance for Morocco, Tunisia, Egypt, and of course Turkey – less so for the remaining countries.

- The European Neighbourhood Policy (ENP) approach based on bilateral action programmes and positive conditionality is a rationalisation of existing outcomes. It is, in this respect, realistic and pragmatic, but it may lose sight of the benefits of regional integration. The Barcelona Process has always been accused of fostering a “hub and spokes” model, integrating ever more closely the Mediterranean partner countries with the Union, while discouraging “horizontal” integration. Europe has frequently and consistently rejected this view in words and intentions, but the outcome is exactly what was feared. We can aim at further increasing trade with Tunisia, which already sends to the Union 80% of her exports; Morocco, for whom the figure is 70%; or Turkey that depends on the Union 60% of her exports. Yet clearly the potential is limited, especially if the Union will remain a slow growth area. The alternative of stimulating higher growth and mutual exchanges between the Mediterranean Partner Countries is clearly much more attractive, but appears to be extraordinarily elusive.

What is in store for the coming decade is, in a sense, quite clear:

- Turkey will be engaged in the process of becoming a member of the EU, which may be concluded in 2015. In this case, we may say that one third of the problem will be solved: this is, in fact, the ‘weight’ of Turkey by GDP or population over the total of the Mediterranean Partner Countries.
- Israel will be able to take advantage of the ENP, and pursue its ambition of developing with the Union a relationship similar to that of Switzerland or Norway, although relations may remain difficult at times in the absence of a resolution of the conflict with the Palestinians.
- Morocco will continue emphasising bilateral relations with the Union in the context of the ENP and might reap some acceptable results, especially if agricultural imports are liberalised.

For the remaining countries, a clear strategy is difficult to detect. Emphasis on political and governance conditions is likely to increase, and is indeed necessary. With reference specifically to the tools that may be included in the economic basket, priority should be given to policies that support the birth and consolidation of a new entrepreneurial class, capable of challenging the crony capitalists that are in symbiosis with the incumbent regimes. In this respect, a first fundamentally important line of attack would envisage the targeting of credit facilities to small and medium enterprises. In most Arab Mediterranean Partner Countries access to credit remains in the hands of government-owned and politically controlled banking institutions, which are an essential tool for power holders to select winners in the private sector on the basis of political allegiance. Establishing transparent credit institutions, which will offer credit to smaller entrepreneurs, is a priority.

A special effort should be made to work with migrant entrepreneurs in Europe, encouraging them to start new business ventures in their home countries. The EU should mobilise this social group by facilitating their access to credit and capital, their organisation in formal associations capable of formulating and promoting policy agendas relevant to their countries of origin and providing assistance for establishing business ventures there.

With respect to foreign direct investment, it may be time to revisit an article that Albert Hirschman wrote in 1969 (Princeton Essays in International Finance no. 76, November 1969; reprint ed in Hirschman, “A Bias for Hope” Yale University Press, 1971), provocatively entitled “How to divest in Latin America, and why.” In that classic piece, Hirschman argued that American multinational corporations should be wise enough to divest some of their investment in Latin America, in particular in infrastructure, to satisfy the nationalist feelings of the host countries – at the time nationalisation was very much a frequently heard word. The point is especially relevant with respect to investment in utilities and infrastructure, as well as to facilitate privatisations. These are areas in which there are huge unsatisfied investment requirements.

The Union should create a policy to encourage more significant inflow of direct investment from European enterprises, but also set the stage for the eventual reduction of their role to the benefit of national investors down the road. This is especially important in the context of privatisation of the main utilities, and of investment in infrastructure or large housing schemes, which are unlikely to take place unless a satisfactory solution is found. It is universally recognised that the investment requirements of the Arab Mediterranean Partner Countries in these three areas (utilities, infrastructure and housing) will be very large in the coming decades, and the failure of ensuring the required funds may constitute a substantial obstacle to growth. The Union is already engaged in this area through the European Investment Bank (EIB) and its FEMIP facility which, however, only provides credit and cannot provide equity. National investors in the Mediterranean Partner Countries do not have the financial means and know-how that is required to successfully bid for privatisation of major enterprises, or engage in the realisation of large, discontinuous infrastructure projects. On the other hand, the potential foreign (or, as sometimes it is called, ‘strategic’) investor will resent obligations to surrender all or part of its ownership position if the project is successful.
Launched at the same time as the Oslo Agreements of 1993, which no doubt contributed to the general atmosphere of eagerness surrounding its creation, the Barcelona Process was at the outset welcomed with unprecedented enthusiasm. This undoubtedly also explains why it is now suffering from the extremely negative development of the situation in the Middle East and recent assessments of its role have been at best lukewarm. The political aspect is stagnating and there is no clear responsibility for this; the Mediterranean Countries (MC) cannot manage to overcome important regional disagreements (not to mention, of course, the Arab-Israeli conflict since 1995). In fact, and despite progress made at national levels, the Partnership in the regional sphere can today be summed up essentially by its economic aspect which, inevitably, has a certain effect on the overall assessment of its impact.

In the economic sphere, it has not produced the revolutionary changes which had been anticipated. If actions are judged only in terms of their results, it must be stated that economic convergence has not progressed, as is undeniably summed up by the increasing divergence of per capita income between the EU of the 15, the new member states and the MC: the gap is widening (cf. S. Radwan, JL Reiffers, “FEMISE report on the central issues and prospects for the Partnership.” February 2005). It is not that the Partnership is responsible for this, but, once again, it has not been able to reverse the trend, even though this is exactly what the countries of the South had been hoping for. The initial idea was based on achieving and maintaining macroeconomic stability, as a first step towards structural modifications in the socio-economic sphere, which opening up national economies would supposedly bring in its wake. Stability and openness to trade were supposed to lead to various automatic consequences that would allow progress towards higher stages of convergence. The assessment of the reality has been lukewarm because, although the Partnership has undoubtedly reinforced stability and the MCs have made constant progress in macro-economic management, enabling them to avoid crises (unlike a certain number of other regions), it has not been possible to press ahead with the decisive stages that would have symbolised a change of economic rhythm in the eyes of outside observers or in the daily lives of the people. Among the many reasons for this disappointing result, two appear essential, particularly from the perspective of seeking to break with this lack of economic dynamism.

Firstly, the Partnership has not been particularly binding or effective. The plan was that the process would ensure the external credibility of the MCs in the eyes of the international community, leading to flows of private finance, particularly in the form of FDI (Foreign Direct Investment), which would have completed the picture and set a virtuous circle in motion. However, during these ten years the establishment of a more binding admission process has operated in favour of the credibility of Eastern Europe, to the detriment of the MC, although the latter were in theory at a similar level of development and in the same area of interdependence. In fact, in 10 years, the landscape of Euromed relations has changed extraordinarily, moving from a 15+12 relationship to 25 EU + 3 candidates + 6 potential candidates + 16 neighbours (9 of which are Mediterranean). This change in the starting conditions has damaged one of the main cogs in the Partnership mechanism. The role of external anchorage itself is decisive for the psychology of those operating in the market. Although there has been considerably lower growth than in more dynamic regions, Europe has shown its extraordinary capacity to create convergence when it carries out "in-depth integration." Its political project has had economic consequences because the economy is now a matter of credibility and anticipation. The construction of the Union of 15 has shown this without fear of possible contradiction. In the same way, it is the credibility of the rapprochement with the Union that has led to a considerable degree of commitment by all the agents involved in the emergence of the Eastern European countries, a commitment which has allowed all reforms to be pursued continuously, despite a public opinion which had been reticent for some time. By contrast, the vagueness today surrounding the position of the Mediterranean Countries with regard to Europe is an important comparative handicap, having a negative effect on the economic dynamism of the region.

Secondly, the pivotal point of the Euro-Mediterranean economic partnership – the liberalisation of trade – has had a only limited effect: (i) because all regions in the world have also followed the movement towards dismantling tariffs, which has diluted the considerable effort by the MCs; (ii) because the effort has essentially affected North-South relations, while development has been less important among the MCs. Also in this area, the Partnership had relied on the appearance of an induction effect and this has not happened; (iii) because the effort has essentially been on tariffs in a period when trade policies are, above all, based on non-tariff elements like regulations; (iv) because liberalisation has been focused on industrial products, while agricultural products, where the MCs have a comparative advantage, have been left to one side. Simple trade liberalisation and policies focused exclusively on the supply side have therefore been incomplete instruments, while improvement in the supply side cannot derive only from openness.

The considerable effort that has been made towards the solvency of macroeconomic management has probably played down other channels. Here, the areas of finance, infrastructures, industrial policies and the demand side would be the main aims or areas concerned with the regional dimension that would allow economies of scale to be achieved, transaction costs reduced and, in total, the capacity of the supply side to be improved, instead of taking into account more direct effects which would therefore be less likely to be undermined by unforeseen events.

In the economic sphere, the Partnership is not a failure. Overall, the main achievement is to have been able to revive the Mediterranean identity and to have made possible a general raising of awareness of the lost ground that needs to be recovered, and the development and reforms necessary to reach this. However, the balance achieved today in the region is obviously insufficient and, for this reason, the Partnership cannot claim to have been a success. To consider such a situation acceptable would leave the Euro-Mediterranean vulnerable to widespread attacks. For Femise, it is therefore clear that a change of momentum is essential for the Partnership, and that this must be based on the experience of these first ten years.

The concept of Neighbourhood Policy is an instrument that could have the positive effect of extending the perspective of the Barcelona Process, which was based above all on tariff removal. It could provide a chance to achieve “deeper integration” in the European economic space, an instrument which could provide just the right way of eliminating the vagueness in Euro-Mediterranean relationships, as long
BOT schemes achieve the purpose of a “planned” phase-out of the foreign investor, but they are generally more expensive. This leads to the importance of supplementing the FEMIP facility at the EIB with a solid investment banking function. The EIB should be placed in a position whereby it had the possibility of acquiring equity in new projects or privatisation of existing enterprises, in association with a European strategic investor, with the clear mandate of progressively disposing of these holdings in an orderly fashion on the local equity market.

This approach would serve several purposes at the same time: it would eliminate the argument for slowing down the privatisation process, based on the insufficient availability of national investment funds; it would stimulate transparency and good corporate governance; it would support the development of local capital markets; and finally it is likely to encourage the repatriation of migrants’ savings and reduce the incentive for capital flight.

Last but not least, it would greatly facilitate the realisation of projects that are prerequisites for the envisaged free trade area to be real and effective.
The Genesis of the Barcelona Process

The Barcelona Process was initiated with the aim of establishing a regional entity which was advanced economically, politically and socially. This aim was to be achieved in three ways: Firstly, by maintaining stability to allow for the implementation of economic and social reform. Secondly, by economic development through gradually establishing a free trade zone which was mainly for industrial products. This was to be supported by financial support from the European Union (EU) to assist structural adjustment and the creation of an environment favourable to private enterprise and foreign investment. The third necessity was to reduce the social costs linked to structural adjustment. The expectation was that the dynamics of the Barcelona Process would induce changes; the shock of competition would push the Mediterranean Partners (MPs) into modernising and would stimulate reforms. On the other hand, it was also expected that the South-South integration would be a natural consequence of the North-South opening, and that the “contract” agreed with the EU, and the credibility attached to it, was going to favour external investment. The result of these three points of view has been varied as we shall see below.

When the Barcelona Process began in 1993, the EU’s partners, the MPs, were slightly above the lower bracket of middle income countries, apart from Israel which had a per capita income close to high income countries. This situation has not evolved very much since then and at the end of this period the MPs were still below the average of middle income countries.

Elsewhere, if we compare the evolution of that indicator (i.e. income) to the EU15 and the New Member States (NMS10), we can only ascertain a process of divergence which has regularly increased since the start of the 1980s. It is also manifest that the Barcelona Process was unable to modify this trend.

Of course the partnership is not to be blamed for this setback which is largely due to the behavioural and structural conditions of the MP countries. In the mid 1990s the MPs’ situation was characterized by:

1. An undeniable macroeconomic convergence due to the various structural adjustment programmes at work since the 1980s.
2. A high level of vulnerability to external shocks (raw material and energy prices, and slow growth in more developed countries).
3. Self-centred systems still largely closed despite pockets of liberalization (tax free zones, passive improvement areas).
4. Investment levels only just recovering to the levels of the 1980s, producing growth rates slightly under 3% per annum, with structural changes which had taken 15 years to realize: private investment had become greater than public investment.
5. A relatively modest external anchorage to Europe through an updated Mediterranean policy.
6. Less significant absolute poverty than in other parts of the world, but very high unemployment rate, particularly among the young.

The above issues shaped the risks for the MP countries. It became clear that these countries have to decisively move on to the next three stages of economic transition, which follow stability and good macroeconomic management. This refers firstly to the liberalization of the goods and services markets, starting with the opening up to external exchanges which would lead to replac-
ing a domestic market pricing system, distorted by the protections and fixed price systems, to the system of relative international prices. This also involves modifying the law, the regulatory framework and above all how the institutions function to create a favourable business climate. Finally, it also means allowing a noticeable alteration of the growth path, due to a dynamic competitiveness and the attraction of portfolio investments.

The Performance of MPs after Barcelona

The economic logic of the process was essentially orientated towards the dismantling of industrial tariffs, whilst the bilateral accompaniment of MEDA has focused on structural adjustment and sector reforms. However, as the contract was relatively loose and not very structured for both public and private partners, the EU did not have the means to formulate its aid. On the other hand, joining the EU acted as a force attracting NMS10 countries and encouraging them to commit to structural adjustment, being backed up by funds from the EU. This can be seen in Turkey, who has placed joining the EU as one of its priorities since it accepted its status as candidate to the EU, and has used this as a basis to define its reform programme.

It is in the wider framework of the European policy, called Neighbourhood, that the strategic partnership between the EU and MPs should be successfully completed. This is the second determining “unilateral” option for Barcelona. This new European policy originated in the Treaty Project establishing a European Constitution handed to the President of the European Council on 18th July 2003. It addresses Russia, Ukraine, Belarus, Moldova, all the MPs, Azerbaijan and Georgia.

Several elements are necessary to attempt to appreciate the European Neighbourhood Policy (ENP). Firstly, we must emphasize that this initiative is situated in a deeply modified context for the MPs. In 1995, Barcelona covered a Europe of 15 + 12 whereas we have progressed to 25 EU members, 3 candidates and 9 MPs in 2004. As for the Neighbourhood Policy, it now involves 25 EU members, 3 candidates and 6 potential candidates, plus 16 neighbours (9 of which are MPs).

The majority of the MPs have largely reduced their budget deficit and are now in control of it. In general, there have not been any defaults on the commitment to carry out a “healthy and credible” fiscal policy, except recently following serious external and internal shocks. MPs are encouraged to improve the convertibility of their capital account so as to attract foreign capital in face of commercial integration and the need for foreign exchange that emerges from it, as well as in the face of the need to create employment opportunities and attracting investment. The Barcelona Process was based to a large extent on tariff dismantlement. From 1992 to 2003, the average customs duties in industry has fallen throughout the Mediterranean countries by about 11 points. However, compared to the new members (NMS10), to Latin America and the Asian zones, Mediterranean countries still have the highest tariff protection. At the start of the process, levels of customs in the region varied from 8% in Israel to 64% in Morocco, with maximum tariffs going from 38% in Turkey to 160% in Egypt. Morocco, Tunisia, Egypt, Algeria and Jordan are considered to have the highest rates of customs duties. Countries have been dismantling at different speeds. Between 1993 and 2003, Morocco has reduced its tariffs and maximum duties by 57% and 65% respectively. During the same 10 years, Algeria and Tunisia have reduced their tariffs by 6% and Egypt by 8%. Even Mediterranean countries with low customs duties like Turkey, Lebanon and Israel, who had almost identical level of duties of about 9% have reduced this average to 4% in Israel and Lebanon and 5.2% in Turkey. All Mediterranean countries impose high customs duties, especially on food and drink, manufactured tobacco based products, clothing and leather.

In all Mediterranean countries, with the exception of Tunisia and Jordan, the rate of customs duties on consumer goods has decreased the most. It is also interesting to note that the biggest fall in customs duty is that on goods from the USA; while customs duties between Mediterranean countries themselves has fallen the least, indicating the low level of integration between these countries. The failure of South-South agreements to lead to reductions in tariffs can be attributed to two main reasons: the first is the high number of ratified agreements recently, such as the Agadir Process signed in February 2004 by Morocco, Tunisia, Egypt and Jordan; the second is that in many cases implementation is limited particularly by lack of political will and the large size of the public sector. It should also be noted that the similarity in the production structures of the countries involved is likely to undermine the success of integration. In any case, tariff dismantling alone will not show much positive effect without other conditions being in place, such as progress in capital accumulation, education and institutional development. Despite the general decrease in ad valorem rates, obstacles to developed countries’ markets have not been reduced. In fact these obstacles might be increasing due to a number of factors. One factor is the use of specific duties instead of ad valorem duties, and the former is much less transparent than the latter. Also, as the price of basic products is falling, they are being subject to specific duties which results in an increased rate of protection. Another factor is the increased use of non-tariff barriers such as technical norms and regulations concerning hygiene, food and environmental safety, which despite their importance are also considered protectionist tools.

Moreover, the issue of agricultural protection in the EU is one of the major obstacles to the creation of a coherent EuroMediterranean partnership as the EU has developed a set of regulations that are making access to its markets more difficult. As the internationalisation of the MPs economies continues the preoccupations with the real exchange rate become more significant. An overvalued exchange rate has proven inconvenient for those MPs who have progressed most in opening up their economies. It can be seen in most MPs where a recorded improvement in balance of payments is linked to the depreciation of the real exchange rate (e.g. notably
in Egypt, Tunisia, Jordan). On the other hand, Morocco which has witnessed a steady rising trend in real exchange rate has suffered a continual degradation.

The trade situation between the MPs and the EU is highly asymmetric as the EU contributes about 50% to the MPs' foreign trade while the MPs contribute only 6% to the EU foreign trade. During the last 10 years, the MPs' share in the European markets did not evolve notably. In 1993, the MPs accounted for 5.7% of total European imports, 4.9% in 1995, to finally reach 5.9% in 2003. Oil products excluded, the MPs' market shares are even smaller. Starting from similar situations in the middle of the nineties with almost 12% of the European market shares, in 2003 the NMS amounted to twice the shares of the MP, all products combined, and almost three times if oil products are excluded. Among the MPs only Turkey and to a lesser extent Morocco experienced favourable growth on the European markets. During the same period, the Europeans lost market shares in MPs, as they amounted to 8.8% of MPs imports in 1993, 7.9% in 1995, and more than 7% in 2003.

The progression in some indicators – such as percentage of exports of GDP or the share of manufactured goods exports relative to total exports – suggests obvious progress of the MPs in terms of international openness. However these indicators do not take into account the nature of specialization and of its impact on national production structures. It is necessary to determine whether the direction of these production structures towards manufactured goods will be met by a favourable demand from the trade partners on the one hand, and will enable the countries to diversify their exports range on the other hand. The exports from the MPs specialize increasingly in highly labour-intensive and average technology intensive products; a phenomenon that specifically characterizes exports to the EU to which more than half the exports are based on the use of unskilled labour and natural resources. Exports to the Rest of the World (RoW) have a larger technological content than exports to the EU. It should be noted that the phenomenon has heightened over the period 1995-2002.

Industrial restructuring has enabled the development of the share of manufactured products with primary products and has led the MPs to specialize in low-technology products with little value added. They have hence not been able to develop intra-industry type trade relationships with their trade partners and their commercial structures do not compare with those of their close partners. A certain number of countries are moving increasingly closer to their European partners (Tunisia, Morocco, Turkey, and to a certain extent Jordan, at the end of the period), whilst the others (Egypt, Lebanon, Israel, Syria) are reinforcing their commercial relationships with the rest of the world. The first group has adapted themselves better to European demand but their exports have not diversified. Furthermore, the technological level of exports remains low and is developing slowly. The countries in the second group would seem better adapted to the demand of non-European countries and their exports to these partners have diversified.

Overall, structural adjustment in the South Mediterranean Partner Countries (MPs) aimed to withdraw from direct intervention and pave the way for the private sector to lead the growth process. As public investments were gradually being retrenched, the private sector failed to fully step in due to numerous impediments that remained prevalent in the business environment. Although the Barcelona Process offered a mechanism for the MPs through which they could anchor their regulatory reforms to successful models in the EU, this opportunity had been undermined by the lack of serious commitment to market-based reforms. Only in recent years have a number of MPs realized that the potential for growth in their economies relied on the capacity to attract sizable investment flows (both domestic and foreign) to accelerate the pace of economic growth and reduce current unemployment levels. The proliferation of benchmarking studies and analytical tools highlighted that most MPs lag behind their comparators in terms of attractiveness of the business environment.

The effect of the trade liberalization inherent in the Barcelona Process on businesses in the MPs can be considered limited since the fall in prices of imported intermediary and capital equipment resulting from the reduction in tariffs is likely to be offset by the rise in the currency in which these products are priced. Trade liberalization should also increase competition through imports. In addition, trade lib-
eralization can reduce the incentive to invest on research and development as well as new technology as businesses face competition from imports and expect a fall in their sales. However, the exact effects that took place in Mediterranean countries because of tariff dismantling is difficult to determine because of the lack of data on firms in these countries. Besides, only specific country case studies can enable us to reach any conclusions in this regard.

As for the FDI situation in the MPs, in 2003 FDI in MPs was at US$ 9 billion which is the same as the 1990 level and is a little more than what Poland alone has received. FDI in the New Member States has also witnessed a fall in FDI directed to them in favour of Asian countries. This is mainly attributed to an increase in labour cost per unit. Investments in MPs mainly flow into the following sectors: energy, telecoms, GSM licensing, cement mills, tourism and hospitality, and food-processing. In comparison, FDI to NMS is more oriented towards the industrial sectors. The "green-field" based investment share remains marginal. For most MPs, privatization efforts and investment in infrastructure have managed to attract significant levels of FDI. Israel is the largest receiver of FDI among MPs, receiving 28% of FDI stocks. Egypt and Turkey receive 17% and 19% respectively of FDI stocks in the region. Tunisia accounts for 15% of FDI stocks and Morocco for 10%. In terms of the origin of FDI, EU seems to be the main provider.

The migratory phenomenon is also worth mentioning in the context of the Euro-Mediterranean Partnership. Considering only the legal inflows of migrants to Europe, we find that they follow an increasing trend particularly to European countries previously not very open to immigration. This increasing trend can be attributed not only to the income differential between the host countries and the source countries but also to the age differential between those countries. The European demographic structure has a progressively ageing population and the increasing rates of youth unemployment in most MPs result in the phenomenon of replacement migration. So far, several Mediterranean countries have already signed association agreements and implemented other trade enhancing legal reforms, such as import liberalization measures, customs regulations, intellectual property rights laws, harmonized commodity description coding and duty drawback. Yet, a lot still has to be done in terms of the quality of these reforms in terms of administrative efficiency, decentralization, recognition of civil society and better law enforcement.

### Future Prospects

With the establishment of the European Neighbourhood Policy emerges a need to formulate a vision for the future on how to deliver what the Barcelona Process failed to do. The new perspectives ahead for the EuroMediterranean Partnership depend on three fundamental points. Firstly, it is extremely important that the ENP strengthens and complements the Barcelona Process and does not result in watering it down through bilateral EU-Med relations that override the multilateral dimension. Secondly, more importance has to be given to South-South integration as it has a complementary effect with the proposed objectives of the Barcelona Process and is likely to promote economies of scale in the involved countries. The experience of countries newly accessioning to the EU can be useful in specifying areas of development such as the participation in international production chains and subcontracting between North and South. Thirdly, the ENP allows for the possibility of anchoring reforms to EU benchmarks. This anchoring will act as a driver for reform in the region and is likely to facilitate the process of gathering stakeholder support (including gov-

### TABLE 3

<table>
<thead>
<tr>
<th>Category</th>
<th>EU 1990</th>
<th>EU 1995</th>
<th>EU 2003</th>
<th>Rest of the world 1990</th>
<th>Rest of the world 1995</th>
<th>Rest of the world 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low competence – and technology – intensive products</td>
<td>4%</td>
<td>5%</td>
<td>6%</td>
<td>7%</td>
<td>7%</td>
<td>8%</td>
</tr>
<tr>
<td>High labour – and resource – intensive products</td>
<td>33%</td>
<td>45%</td>
<td>44%</td>
<td>40%</td>
<td>38%</td>
<td>35%</td>
</tr>
<tr>
<td>High competence – and technology – intensive products</td>
<td>16%</td>
<td>14%</td>
<td>15%</td>
<td>19%</td>
<td>21%</td>
<td>22%</td>
</tr>
<tr>
<td>Average competence – and technology – intensive products</td>
<td>5%</td>
<td>10%</td>
<td>20%</td>
<td>8%</td>
<td>10%</td>
<td>14%</td>
</tr>
</tbody>
</table>

Source: Comtrade – Calculation: Institut de la Méditerranée.

### TABLE 4

<table>
<thead>
<tr>
<th>Region</th>
<th>Textile</th>
<th>Clothing</th>
<th>Computers &amp; telecom</th>
<th>Electronic Components</th>
<th>Transport equipment</th>
<th>Non-electric Machinery</th>
<th>Natural resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>With the EU</td>
<td>Morocco, Tunisia, Turkey, Romania, Bulgaria</td>
<td>Turkey, Turkish, Czech Rep., Hungarian, Jordan</td>
<td>Tunisia, Lebanese, Jordan, Hungary</td>
<td>Jordan, Romania, Poland, Czech Rep.</td>
<td>Jordan, Morocco, Czech Rep.</td>
<td>Jordan, Algeria</td>
<td></td>
</tr>
<tr>
<td>With both</td>
<td>Turkey, Hungary</td>
<td>Turkey, Poland, Czech Rep.</td>
<td>Turkey, Hungary</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
PROPOSALS FOR A RENEWED SOCIAL DIALOGUE IN THE MEDITERRANEAN ZONE

Faced with the delocalisation of multinationals to the countries on the Southern shore of the Mediterranean, and with the migratory flows generated by growing inequalities, the two coasts of the Mediterranean are confronting numerous difficulties.

On both the Northern and Southern shores of the Mediterranean workers are under the impression that the sacrifices inherent in the restrictions and adjustments that are required in order to adapt to the Euro-Mediterranean and international environment are not shared out equally.

The questions posed are of considerable importance. They concern:

- the acceleration of globalisation, which results in the legal working conditions of employees in the different countries being challenged by the increasingly direct competition exercised by multinational companies, with the effect that social standards are lowered and women are subjected to excessive exploitation;
- the pressures to liberalise the exchange of goods, services and capital, accompanied by a policy of restricting people’s freedom of movement;
- the malfunctioning of the system of social dialogue in the countries on the Southern shore of the Mediterranean.

Three objectives may therefore form the subject of cooperation between trade unions and social partners on the Southern and Northern shores of the Mediterranean so that social dialogue is accompanied by a “socialisation of the costs and benefits”:

1. **Defence of the social rights of migrant workers in the North, victims of racism, xenophobia and discrimination, in connection with accessing employment and the labour market.**

In this context it is crucial to:

- plead for respect of human rights on behalf of all migrant workers and their family members;
- launch, and if possible, co-ordinate national campaigns and activities conducted within Europe and throughout the world with a view to encouraging ratification of the UN Convention on migrant workers;
- adopt measures on equal social rights and policies for migrants, in particular in the areas of employment, housing, health, education and family reunification;
- grant the right to vote and eligibility to long-term resident foreigners, in particular at local level, in all the countries in the Euromed and European area and in the Member States of the European Union;
- combat all forms of discrimination, racism and xenophobia;
- grant civil rights to migrants, in particular the right of association, by strengthening the instruments of clubs and societies, in particular by applying impartial criteria with regard to access to financing.

The trade unions of the Northern shore have a valuable role to play in getting their States to ratify the International Labour Organisation (ILO) Convention of 18/12/1990 on the rights of migrant workers in the North, which will have a beneficial impact on this matter.

2. **Adherence to the ILO codes of conduct by the subsidiaries of multinational firms delocalised to the Southern shore of the Mediterranean, with a view to making the Northern shore countries’ experience, in terms of social dialogue, and the European Union’s advances in this respect, available also to the countries of the Southern shore.**

In this context and in order for trade unions to have their say in the regulation of globalisation, it is necessary to set up networks to foster international dialogue. Euromed could organise campaigns, meetings and assemblies of the activists and elected members of multinationals who have a specific responsibility by reason of the global location of their company.

These activists have a role to play in urging their companies to adopt modes of behaviour that comply with social and environmental regulations throughout the Euromed zone.

The objective of these networks is to exert a degree of influence on the European multinationals delocalised to the countries of the Southern Mediterranean with a view to making progress on the objectives of sustainable development and advancing corporate social responsibility (CSR).

3. **To draw inspiration, without mimicry, from the European social model and the varied experience of social dialogue with a view to consolidating the minimum common social standards defined in the Declaration adopted by the International Labour Conference in 1998 on fundamental social rights, and which reconciles the universality of fundamental rights with the distinctive features of the local socio-economic contexts.** It is a question of working out a relevant system to revive social dialogue on the Southern shore of the Mediterranean with the support of trade unions and European social partners.

Implementation of these three objectives requires the creation of a Euro-Mediterranean platform made up of trade unions, NGOs, and socially responsible companies.

The creation of a reliable instrument in the form of a Euro-Med observation post for social rights may constitute a valuable tool for this purpose.

It should also be pointed out that this entire programme requires a reorganisation of the Euromed Trade Union Forum (ETUF), which must reflect trade union diversity and open up, in one form or another, to the NGOs coming from the trade union milieu of the Southern shore and/or those having affinities with its problems and concerns. The trade union milieu of the South has its own characteristics, which differ from the political, economic and social context of the countries of the North.

Habib Guiza, trade unionist
President of the Mohamed Ali Association of Workers’ Culture – Tunisia
The future vision for Euro-Mediterranean cooperation should be based on the following four primary axes. The first is the deepening of the reform process ongoing in the MPs and extending it to sectors of economic activity in addition to the sectors directly concerned with economic liberalization, through removal of tariff and non-tariff barriers, as well as administrative barriers, such as red-tape and customs formalities. There also has to be special attention given to the issue of the harmonization of rules and standards applied to imported products. Furthermore, it is important to improve infrastructural links (road, rail, sea) which if neglected also act as barriers to trade. The second is the active engagement of the private sector, the business community and the civil society. Financial and technical assistance from the EU should be linked to institutional reform. Greater funding needs to be directed towards enhancing links between civil society and the private sector and improving the rule of law and good governance. The third is the crucial pre-requisite of improving the business environment for domestic and foreign investment, particularly by investing in human capital and know-how. Finally, monitoring mechanisms should be established by building a knowledge community and emphasizing the role of research centres.

### TABLE 5

<table>
<thead>
<tr>
<th>Country</th>
<th>Starting a business</th>
<th>Closing a business</th>
<th>Informal Economy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Time (days)</td>
<td>Cost (% of income per capita)</td>
<td>Time (days)</td>
</tr>
<tr>
<td><strong>MPCs</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Algeria</td>
<td>26</td>
<td>27</td>
<td>4</td>
</tr>
<tr>
<td>Egypt</td>
<td>43</td>
<td>63</td>
<td>4</td>
</tr>
<tr>
<td>Jordan</td>
<td>36</td>
<td>52</td>
<td>4</td>
</tr>
<tr>
<td>Lebanon</td>
<td>46</td>
<td>132</td>
<td>4</td>
</tr>
<tr>
<td>Morocco</td>
<td>11</td>
<td>12</td>
<td>2</td>
</tr>
<tr>
<td>Syria</td>
<td>47</td>
<td>34</td>
<td>4</td>
</tr>
<tr>
<td>Tunisia</td>
<td>14</td>
<td>11</td>
<td>1</td>
</tr>
<tr>
<td><strong>Comparative group</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chile</td>
<td>27</td>
<td>10</td>
<td>6</td>
</tr>
<tr>
<td>Israel</td>
<td>34</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>Poland</td>
<td>31</td>
<td>21</td>
<td>1</td>
</tr>
<tr>
<td>South Africa</td>
<td>38</td>
<td>9</td>
<td>2</td>
</tr>
<tr>
<td>Turkey</td>
<td>9</td>
<td>26</td>
<td>3</td>
</tr>
<tr>
<td>UAE</td>
<td>54</td>
<td>27</td>
<td>5</td>
</tr>
<tr>
<td>Maximum*</td>
<td>203</td>
<td>1268</td>
<td>10</td>
</tr>
<tr>
<td>Minimum*</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Average*</td>
<td>51</td>
<td>87</td>
<td>3</td>
</tr>
</tbody>
</table>

* Maximum, minimum and averages are calculated for all the countries included in the Doing Business Database. Source: World Bank, Doing Business Database (2005).
The ongoing work of the Unit “Economic Affairs of Mediterranean Countries” from DG ECFIN of the European Commission is the basis of this assessment. Dealing as well with the “Economic Aspects of the Neighbourhood Policy,” the document makes an overall assessment of the state of play of the economic domain of the Barcelona Process. This work has been translated into a document that provides an assessment of the economic aspects of the Barcelona Process and, secondly, gives an overview of recent macroeconomic and structural developments in the Mediterranean countries, especially related to the second pillar of the Barcelona Process. Ten years after the start of the Barcelona Process, economic and social development should have achieved a higher degree of prosperity, although some improvements such as (timid) global trade integration, controlling inflation and an increased macroeconomic stability have provided further inputs and incentives for structural reform. At this macro level, it is also important to underline the fact that current fiscal balances (as a % of GDP) are being redirected towards a path of equilibrium in the mid and long term, and this is a positive trend. Country performance also depends on the energy resources available for each country (such as Algeria).

Although there have been some improvements, convergence in income levels has remained broadly unchanged with respect to EU averages. The economic development in the MED region has not brought enough strength to face the still high rate of population growth. This growth is especially demanding on the collateral needs of the population, and in particular, in the field of education and in the capacity of the system to place them into a labour market that faces the challenge of absorbing them. This is a key factor in developing the region with social cohesion.

Other important indicators tell us that general health conditions in the MED countries are rather mixed (for example, Jordan, Israel and Lebanon, as opposed to Morocco). Concerning gender equality, there is a lack of women outside the agricultural sector, although it is improving substantially (i.e. the female labour force and literacy rates are increasing), although their presence in the education sector and later in the labour market still face barriers of discrimination.

One positive, non-ambiguous indicator of the integration in the global economy is the degree of openness of MED countries, which was up to 62% of GDP (exports and imports) in 2003, after being just 36% in 1995. Since the Barcelona Declaration, the most trade (in goods) has been observed in Algeria and Egypt, and it is even higher to the rest of the MED countries (in line with world trade growth average).

Another aspect which needs improving during the next decade involves two related issues: governance and market-oriented reforms. The report concluded that MED countries are still “mostly unfree countries,” with a heavy regulatory burden, constrains on the private sector, various types of unpleasant bureaucracy, price controls, at times corruption, a lack of fiscal reforms, government intervention in trade and slow economic transition, particularly in the areas of trade, competition, corporate taxation and liberalisation of network industries.

In conclusion, the report states that although some aspects of the quality of life have changed and there has been an increase of around 35% in the income level per capita for the last ten years, overall progress in shared prosperity has been rather moderate (Mediterranean income has remained at 18% of EU income per capita). Progress in improving access to water sanitation and significant progress in child care appear to be significant enough in order to meet part of the Millennium Development Goals. However, to establish a fully functioning market economy, the New European Neighbourhood Policy has still a long way to go in order to anchor these economies and to bring them to the EU Economic Model.

The complete document can be found at: http://europa.eu.int/comm/economy_finance/publications/occasional_papers/occasionalpapers17_en.htm
The Euro-Mediterranean Partnership, Civil Society and Cultural Co-operation: an Uncertain Triangle

Odile Chenal
Assistant Director
European Cultural Foundation, Amsterdam

Much has been said and written about the Euro-Mediterranean Partnership, its fragile foundations, its limitations and its advances. The third section of the Barcelona Declaration deals with the social, cultural and human aspects of the Partnership, and in fact cultural co-operation is one of the key dimensions conditioning the quality of exchange between all other areas. So, ten years after the inaugural meeting in Barcelona, what is the state of cultural co-operation within the Euro-Mediterranean Partnership? The inclusion of the cultural dimension in the Barcelona agreements was far from being a foregone conclusion, but in the end culture was given its place in the definitive text of the agreements. In terms of an action plan and financial means, it has taken some time for the Partnership in the cultural sphere to be put in place at European Commission level. There were plenty of cultural projects at the beginning, relating to areas such as music, social sciences, books and publishing, but only a few framework programmes have seen the light of day, notably in the area of heritage (Euromed Heritage in 1998), audiovisual production and exchanges of young people (Med Media and Euromed Youth Forum in 1999). The Euro-Mediterranean Partnership has, then, given birth to a certain number of initiatives within these areas – initiatives that are certainly limited by comparison with what has been done in other sectors, but which are nonetheless important from the point of view of people operating in the cultural sector and who may well have been used to a more parsimonious approach in the past. There have been some successes, but the framework programmes set up by the Commission in the cultural field suffer from a chronic weakness: the inadequacy of the means employed in relation to the objectives to be achieved – that is, to provide real co-operation between artists and cultural ‘entrepreneurs’ in different parts of the Mediterranean and to support the emergence of an independent cultural sector in regions where it is still at best very limited, and at worst completely non-existent. Initially conceived as a dynamic, political framework, this cultural partnership remains at best a cumbersome technical tool which only a restricted number of institutional operators or specialised agencies have the financial and administrative capacity to use. Independent operators have little access to it (except perhaps in the case of those dealing with exchanges for young people), and the administrative frameworks hardly lend themselves to the setting up of real cooperation projects, jointly prepared and negotiated by the partners concerned. Ten years after Barcelona, under the effect of bureaucratic constraints and political compromise, the Partnership’s programmes are not really capable of supporting and assisting the agents of real interaction between cultures. Nevertheless, the situation is not stagnant in the Euro-Mediterranean zone. Regional and trans-European cultural networks make an effort to encourage solidarity and professional exchanges; some independent cultural initiatives have been developing fast for some years, particularly to the South of the Mediterranean, in countries like Egypt, Lebanon, Jordan or Morocco; private foundations are looking to invest more in the region; the countries of Northern Europe, under the effect of immigration, are opening up to the Mediterranean... Although the general political context and failures of European institutions are making the exercise difficult, the spirit of Barcelona is not dead! Certain developments which marked the years 2003 and 2004 throw these 10 years of Partnership and its future prospects in the cultural sphere into particularly sharp relief. A few highlights:

December 2003 : Naples Civil Forum

Prepared and held in difficult conditions and despite the fact that a great deal had to be improvised, the Naples Forum marked a point of no return for the presence of civil society in the Euro-Mediterranean Partnership. The Civil Forum (which brings together representatives of the NGOs active in the Mediterranean region, and operates in parallel with inter-governmental meetings) has enjoyed a somewhat precarious existence since the euphoria of the first Barcelona meeting in November 1995. From Valetta and Naples (1997) to Stuttgart (1999); from Marseille (2000) to Crete (2003), passing through Brussels (2001) and Valencia (2002), the Civil Forum has often been called into question because of circumstances or political divisions, and also because of difficulties with the guidelines and the organisation of the Forum itself. If the Naples meeting, despite the difficulties, has led to a new momentum and has consolidated the Forum’s basic structures, this is undoubtedly because, since
The year 2005 should witness a new stage in the process of setting up the Euro-Mediterranean Partnership (EMP).

The Euro-Mediterranean co-operation opened up by the Barcelona Conference gave rise to great hopes. In effect, for the first time the member states of the Union and their neighbours on the shores of the Mediterranean displayed a will to set in motion a process of co-operation on a wide variety of fronts. For the first time, issues as fundamental as economic co-operation; fair trade; sustainable development and environmental protection; human, social, cultural or political rights; the rule of law and democracy; peace and security in the region, etc., were clearly addressed in a document backed by all signatories. But above all it was the first time states in the region had solemnly undertaken to strengthen the role of civil society, thereby recognising not only the right of men and women to organise themselves entirely independently of the State, but also acknowledging their eminently crucial role in the construction of this Partnership.

In this way, very many of us believed that, despite criticisms that may have been vented with regard to the need for such a Partnership, the Declaration nevertheless "opened up new possibilities and created conditions and opportunities which civil society can seize with both hands..."

Unfortunately, to date, the practical application of the process has been very limited. The overall approach has remained virtual and the essential issues of peace, democratic and social rights, the environment and sustainable development have remained confined to fine words at the end of speeches.

The role of civil society, although mentioned many times, remains marginal. The absence of effective means – including an effective financial mechanism – for civil society to exist in countries where the State tolerates rather than accepts the presence of independent organisations has prevented civil society from taking its proper place in the Partnership. We must, however, recognise that this marginalisation has not only been due to the bad intentions of this or that government. It is also the result of the difficulty that representatives of civil society had in organising themselves and creating synergies in order to create a real citizens’ dialogue beyond their particular specialised or geographical interests – a dialogue which is indispensable for implementing a real Euro-Mediterranean Partnership.

The Establishment of a New Platform to Help Re-launch the EMP

Aware of the urgent need to re-launch dialogue and co-operation between representatives of civil society from both shores of the Mediterranean on a new lasting and constructive basis, the former organisers of the Euromed Civil Forum, including representatives of trade unions and of other NGOs, decided at the beginning of 2003 to intervene collectively to establish a Euro-Mediterranean Partnership, which would have as its priorities the concerns and proposals of civil society in the countries of the Euromed area.

Launched in a corporate spirit of co-operation between different spheres of activity, the need for such a platform was clearly demonstrated in the following months.

It is still, however, in the process of being set up, a phase which will reach its culmination with the holding of its General Assembly in April 2005. In an attempt to formalise affiliation and representation procedures within the organisation, the Platform has begun a process of opening itself up to a wide range of representatives from civil society by means of a series of national consultations, launched at the end of September 2003 and continued in 2004 and 2005, extending the number of countries and representatives involved at each stage.

Today, more than 700 associations, NGOs and trade union organisations are involved.

With the Naples Civil Forum in December 2003, where it was involved as co-decision maker and co-organiser, the Non-Governmental Platform clearly showed that a reinforced and reorganised civil forum is an important venue for agreement between the various representatives of civil society working for peace, equality, freedom and prosperity for all the population of the Euromed region. Its recommendations for the meeting of Foreign Ministers were greeted with interest and highlighted by observers. To follow up these recommendations, a permanent monitoring system to operate between forums is therefore essential.

Reinforced by the experience acquired by its founder members in following up issues in the course of their involvement in the EMP, and their desire to pool together their knowledge and skills, the Platform has been recognised by the public authorities as having an essential role in organising future civil forums (as shown in the conclusions of the EU Presidency at the Dublin summit, and confirmed by the conclusions of the EU Presidency at the summit in The Hague).

With the opportunity it has when the next Civil Forum is held under the Luxembourg presidency, the process must continue and advance in accordance with the determined but gradualist, prudent approach adopted by the Platform.

The Euromed Civil Forum is, by definition, the place where the representatives of civil society give an account of the progress in their reflections and actions, to encourage the strengthening of the role and position of civil society both inside and outside the context of the Partnership.

It is, above all, the time when agreement and debate with public authorities must take place, with the latter taking into account the concerns and proposals of civil society.

To achieve this, it is essential that mechanisms for agreement between the public authorities and representatives of civil society (both at regional and local level) are drawn up and put in place.

At a time when projects and initiatives backing reform and democratisation are multiplying in the region, the re-launching of the EMP is becoming a vital necessity so that the regional plan sketched out ten years ago is not swallowed up in foreign plans to dominate the planet at the expense of the real concerns of the population of the region.

This process requires a collective realisation of the urgent need to give the independent, democratic forces of civil society the importance they deserve, and to follow this realisation up with concrete actions.

Mourad Allal
Co-ordinator of the Euromed Non-Governmental Platform
www.euromedforum.org
liaison body for agents in the independent sector between meetings of the Civil Forum. It has therefore taken ten years for an emerging and fragmented, if not divided, society to be given a voice in a Euro-Mediterranean Partnership put in place by the European Union, and resting largely in the hands of governments. Although its establishment has been slow and is still far from complete, the Platform has been built on an interdisciplinary foundation which provides its strength. In bringing together various Euro-Mediterranean co-operation networks, from environmentalists to supporters of human rights, from militant women to cultural operators, it has set itself up as a voice that is independent and critical of the institutional partnership, whilst remaining open to dialogue with the public authorities. Indirectly, then, the Platform has been a success for the Partnership which led to its creation. The European Commission has understood this and has, from now on, agreed (limited) financial support for the Platform, whose role has also been officially mentioned in the declarations of the Euro-Mediterranean Foreign Affairs ministers’ meeting in December 2003 under the Dutch presidency. As with other areas, the non-governmental Platform will give its opinion on the Partnership’s cultural performance.

Spring 2004: Publication of the Report Known as ‘the Wise Men’s report’

Culture, which had so narrowly missed not being included at all in the Declaration of Barcelona, was finally subjected in 2003, at the request of President Prodi, to the scrutiny of a group known as the ‘High Level Advisory Group’. Officially entitled ‘Dialogue between Peoples and Cultures in the Euro-Mediterranean Area,’ their report, published at the beginning of 2004, offers a suggestive analysis of the urgent need and importance of communication and exchange in the current Euro-Mediterranean and world political context, while empty formulas, incomprehension, dashed hopes and irrational fears bounce across the Mediterranean.

- It might have been better if the title of the publication had insisted on the principle of co-operation, as opposed to the worthy sentiments evoked by the essentially meaningless expression “cultural dialogue,” which, as the High Level Advisory Group themselves recognised, in fact contributes to create an immediate feeling of estrangement. In fact, the use of the expression “cultural dialogue” only tends to reinforce the very concept of “conflict of civilisations” which it seeks to condemn.
- It would have been preferable if recommendations for action had been presented not as a list but as an articulated set of action plans and priorities addressed to specific representatives;
- It might have been expected that this group of respectable figures, rather than working in a vacuum, found a way of listening to the younger generation, the fate of whom they are so concerned about:

The High Level Advisory Group’s report at least has the merit of existing and offering, ten years after Barcelona, a renewed political reflection on the basis of the Mediterranean Partnership. Widely circulated, the report has unfortunately not really been used as an instrument for debate outside a few zealously prepared conventional meetings in Brussels. This is deeply regrettable. One of the reasons for the silence surrounding this report is perhaps due to the demands it makes, since politicians do not have the will or means to take account of them at the moment. The discussion going on about the future Euro-Mediterranean Foundation is perhaps another reason for this. President Prodi, in fact, did not await the Wise Men’s recommendations to start the negotiations to establish the Foundation.

November 2004: Creation of the Anna Lindh Foundation for Dialogue between Cultures and Civilisations

After long negotiations, in November 2004, the Euromed Inter-ministerial Committee, meeting under the Dutch presidency, approved the statutes of the Anna Lindh Foundation for Dialogue between Cultures and Civilisations. It will be established on the basis of an “Egyptian-Swedish” tandem in Alexandria, in the premises of the “great” library, but with an annexe at the Swedish Institute. The ministers agreed to facilitate and promote the Foundation’s activities by supporting participation by civil society in their countries and by translating their political involvement into substantial financial contributions, as specified in the conclusion of the meeting of Euro-Mediterranean Foreign Ministers in The Hague on 29th and 30th November 2004. Announced in Valencia, the Foundation saw the light two years later. Ten years after Barcelona, the “third strand” of the Euro-Mediterranean Partnership produced an “institution” that could give it a new dynamism. But it must be recognised that the Foundation’s birth was not only accompanied by positive signs:

- Its independence is not on the agenda, and the Foundation will remain one dares to hope that this will only be for a limited time – under the control of the Euromed inter-ministerial Committee and therefore of Governments.
- Its capacity for action is limited: 11 millions euros to date, for three years, coming from the European Union and governments in various forms.
- Aiming at regional and trans-Mediterranean co-operation, the Foundation functions in terms of national representation, which risks giving an advantage to institutional agents to the detriment of independent operators in the cultural world.

The recommendations of the High Level Advisory Group’s report have, then, not been followed by the Euromed Committee and the Commission. However, the Foundation now exists and, despite its teething troubles, it is going to attract a lot of attention. It defines itself as a network of networks. If the national networks it is going to be associated with are really networks of operators; if they are going to be capable of mobilising the agents around Euro-Mediterranean co-operation; if they take up more than a decorative place in the Foundation, then they will really be able to bring this Foundation alive and make it the engine bringing together action and reflection, which is so necessary in a still very fragmented Euro-Mediterranean cultural space.
Without the active collaboration of these independent cultural agents, the Foundation will remain mere shadow-play.

**Future Prospects: Euro-Mediterranean Partnership or Neighbourhood Policy?**

What was the enlargement of the European Union going to mean for the Euro-Mediterranean Partnership? Openness to the East, and closure to the South? The Southern Mediterranean countries have, in fact, expressed their fears at seeing the inclusion in the Union of countries in the North and East of Europe with little sensitivity to Mediterranean politics and the weakening of the Barcelona commitments and of European Union investment in the Mediterranean. But the debate on these issues has, however, not been very animated in the Southern Mediterranean, undoubtedly translating the disillusionment in the South towards Europe.

However, on the European Union side, the drawing up of a new policy began well before the enlargement was actually carried out. In fact it was in March 2003 that the Commission presented its communication entitled “Wider Europe – Neighbourhood: A New Framework for our Eastern and Southern Neighbours.” This was the birth of the famous ENP: European Neighbourhood Policy. A transition period is planned from 2004 to 2006, during which the existing programmes – MEDA for the Mediterranean – will be readjusted and pursued within the framework of this new policy. From 2007 onwards – the year when a new budgetary period for the Union is opened – the Neighbourhood Policy will take effect. It should depend on strengthened budgets compared to current programmes for the regions concerned, that is, Russia, Belarus, Ukraine, Moldova, the Southern Caucasus and the European Union’s neighbours around the Mediterranean except for Turkey, which is now an official candidate country.

What can be expected from this Neighbourhood Policy in terms of co-operation, and particularly cultural co-operation in the Mediterranean? The agents for this co-operation express a certain degree of concern at seeing “the spirit of Barcelona” – that is, the spirit of partnership – being diluted in a Neighbourhood Policy where the objectives of security and development predominate. These concerns are not without foundation, although the official texts confirm that Neighbourhood Policy in the Mediterranean is based on the Barcelona axis. However, a Neighbourhood Policy conceived with enough flexibility could offer interesting prospects for cultural co-operation in the Mediterranean: breaking the confrontation between Europe and the Southern Mediterranean Countries, including the Mediterranean partnerships in a larger unit, with diversified cultures, religions and languages, to create new synergies and new regional solidarities. It remains to be seen whether the Neighbourhood Policy will be able to stand up to compartmentalisation and the establishment of new instruments to encourage inter-regional programmes; whether the new members of the European Union have the will and capacity to invest in the Mediterranean too; or whether Turkey, now a candidate, will also be able to play its ‘Mediterranean card.’ However, it is perhaps already regrettable that the non-candidate Balkan countries – the countries of the former Yugoslavia plus Albania – are excluded from this Neighbourhood Policy. It might, perhaps, be equally worrying that, once again, the place for cultural exchange and co-operation in the Neighbourhood Policy is still uncertain, under a general heading concerning “people-to-people” exchanges. The agents in the Partnership will therefore have to monitor this policy very closely as it is put into effect.

Ten years after Barcelona, will the Mediterranean countries, already neighbours, become partners? The answer is clear: they have to be both things at the same time.
Ten Years after the Barcelona Process: Assessment and Perspectives

Culture Lies at the Heart of the Mediterranean Construction

Khalida Toumi
Minister of Culture
Algeria

The Barcelona Process will soon be celebrating its tenth anniversary. It seems a natural time to take stock of what the MEDA programme has achieved to date. One of its undeniable results has been to make it possible for Association Agreements to be set up, albeit at the expense of the substantial sacrifices required of Third Mediterranean countries. The financial rewards for opening up the markets of the South to the products of the North have proved to be negligible in comparison with the large sums allocated for the structural adjustment of the economies of the Eastern European countries. The only option left to us today is to note that some of these countries have since become full members of the European Union, while the income gap between the EU countries and those on the Southern shores of the Mediterranean continues to widen.

Europe has indeed expanded from 15 members to 25. It is apparent that there has been a significant shift in the centre of gravity of the European continent towards the East. Some observers are understandably anxious to establish whether this is also going to lead to a shift in the centre of gravity of European co-operation and economic development policy towards the East. Like myself, they know that it will. They are all too aware that Europe is founded first and foremost on a common market structure and on the protection of economic and financial interests. What is more, it is thanks to its level of economic development and to the growth of the spirit of the European Community that Europe has abandoned the war-mongering culture which divided it for so long, in favour of a culture of peace. I am convinced that the peoples of the Southern shores of the Mediterranean will adopt the same approach, provided they are only given the means to do so.

Whether the European centre of gravity is to be re-positioned back again is clearly a question that only the Europeans themselves can decide. It goes without saying that such an undertaking would require a strong common political will on the part of Europe's Mediterranean countries. It is then that they will find us, the Southern countries, on their side, not only bringing grist to the mill but making a real contribution in terms of economy, culture, stability and peace. Two are needed for a dialogue. In order to have a fruitful dialogue, both partners must get something out of it. Yet, when we listen to the Europeans talking about “Mare nostrum,” they almost invariably tend to consider the Mediterranean to be theirs, not ours. This Euro-centric vision encourages the use of concepts such as ‘aid’ and ‘assistance’ in the current debate, while for our part we continue to hope that the term ‘partnership,’ used as a key word in the Barcelona Declaration, will ultimately come into its own. It seems to me crucial to work together on intensifying a culture of co-development which would replace that of aid to Third Mediterranean countries. It should be emphasised that, in the majority of cases, countries like mine have a much greater need for support in the form of a genuine transfer of knowledge and expertise suitably adapted to our requirements, than we have for support in the form of direct financial “aid.”

How is it possible then to conduct a dialogue if everyone has different concerns?

The Southern Mediterranean countries are mainly preoccupied with attaining economic and social development, democracy and peace. The Northern shore countries are concerned with stemming the flow of immigrants, even though the Mediterranean has always been a zone of free movement and cultural insemination. Was Europe not portrayed in Greek mythology as the daughter of the Middle East? The Phoenicians and Carthaginians crossed the Mediterranean even before the Romans did. After the defeat of their leaders, many soldiers decided to remain and mingle with the native population, without giving a second thought to their own place of birth.

Jacques Berque emphasised the ambivalence in Arab culture, but this ambivalence seems to have, permeated the corridors of the European Commission, which talks about partnership while building an insurmountable and far from virtual wall in the very heart of the Mediterranean: that of the Schengen area, which makes pariahs of the citizens of the South, as far as freedom of movement is concerned. The reason given is always the same: migration and the extreme right-wing parties in Europe. But freedom is one and indivisible. As long as the citizens of the South are compelled to get by on an income which is 15 times less than that of citizens on the Northern shores of the Mediterranean, and as long as we do not implement a more aggressive co-development policy, there will always be an irresistible desire to go wherever manpower is required. It was for this reason that the Irish, the Italians, the Poles and other Europeans populated America; they were driven by famine and poverty. Rather than persisting in merely treating the symptoms, we plead...
for a more dynamic policy of co-development, which alone is capable of eradicating the root causes of migration. Can we really ask the countries on the Southern shore of the Mediterranean (and, with them, the rest of Africa) to forget completely their painful history, which has witnessed colonisation, the slave trade, repression and conspiracy, shameless exploitation of their riches and of their inhabitants, not to mention the distortion of their social fabric and the effects of cultural domination? Can we really ask these countries to pretend to believe that it is sufficient to be positioned on the same starting line in order to have the same opportunities as the other competitors?

New relationships within the Euro-Mediterranean Partnership will not be truly innovative unless they go hand in hand with a greater effectiveness in their analysis and in their actions and, more specifically, unless they provide a minimum amount of happiness and well-being for the majority of our people, who quite rightly expect to attain a modicum of dignity and liberty. Understood thus and only thus, this new partnership will have every chance of finding favour with the majority of us.

Yet to achieve a greater effectiveness in their analysis and in their actions requires knowledge of the other, and acknowledgement and recognition of the other’s existence as an entity in terms of history, culture and struggles. This also requires humility and the ability to see and to look, to hear and to listen to others, to share their difficult memories, suffering and pain. Can we say that the North has made as great an effort to get to know us as we know them? The latest hardships experienced by my country lead me to fear that this is not the case. In fact, for a decade, that most sacred of human rights, the right to life, has been subjected to indiscriminate, large-scale violations on a daily basis in the worst ways imaginable. If an initial balance had to be drawn from this dark period of my people’s history, it would naturally deal with the fact that they bore their cross in isolation, under an embargo, in solitude, in the greatest solitude...

In this permanent state of surprise, to which one never grows accustomed and which leaves hardship to be endured in solitude.

The Algerian people have lived through all the hardships imposed upon them by fundamentalist terrorism; they have come out of it stronger. At this point, in the reflection it is important to ask oneself what would have been the fate of the Mediterranean, of the entire Mediterranean, if Algeria had succumbed to unbearable pressures, to an unspeakable embargo and if it had surrendered to the plan for the establishment of a Taliban state in Algiers? How many other September 11-style attacks would there have been? In how many capitals? This is why we would like to show you that we in Algeria honestly and sincerely believe that our battle against terrorism, which we fought alone and against all the odds, protected the whole of Europe, and not just the Maghreb. We do not expect any gratitude, but a small measure of acknowledgement all the same, especially when it comes to evaluating the “Algerian risk.” After that, you can start by remembering that Algeria also represents a new opportunity for the future.

In the meantime, we can fight the sideways glances together and the pervasive clichés which harbour misunderstandings and create gulfs. We can make a mutual decision to place culture at the centre of our relations since culture is the miraculous phenomenon that simultaneously engenders self-respect and respect for others, whilst ensuring group cohesion; in other words, it engenders all that is necessary and vital for any structure. This means that culture lies at the heart of the construction of a Mediterranean identity.

My country’s culture embraces a territory of 2.5 million km² with a heritage and history going back two million years. Algeria is home to the largest open-air museums in the world, the Tassili (with an area of 80,000 km²) and the Hoggar (500,000 km²). We have managed this heritage on behalf of the whole of Mankind, with our own resources, to the best of our knowledge and ability, and (so we sincerely hope) carrying out our duty as we were required to do. Algeria, which has willingly signed up for the support programme to give greater prominence to its own cultural heritage, considers that the Euro-Mediterranean approach, based on the principle of cultural heritage and on the establishment of a shared area of peace and stability, must also be interpreted as returning to, or rather seeking inspiration in, the Mediterranean, as an act of (re)appropriation of history and rehabilitation of the memory of the peoples and civilisations of both the Northern and Southern shores of the Mediterranean.

The Barcelona Process and the Euro-Mediterranean programmes which it engendered have facilitated the creation of frameworks for the exchange of points of view in order to encourage a better understanding between Europe and the countries of the Southern shore, with the clear aim of enhancing these relations, so as to bring together the destinies of two continents which, for reasons that are well known by all, have very different levels of development. These Partnership programmes are an opportunity to explore crucial areas that until now have been marked by barriers and obstacles nourished and fed by ideological and religious clichés, which, although somewhat less widespread nowadays, are still persistent. Fixed ideas are based on the following concepts: “European dynamism and African stagnation,” “the world of Christianity and that of Islam,” “the developed world and the underdeveloped world,” “North and South.”

The implementation of joint projects undertaken with conviction and mutual commitment requires both sides to be heard, attentively and with humility. It is precisely this that evokes our own memories of pain and horror. Is there anyone who is capable of maintaining that Nazism is rooted in the Judaic-Christian culture? Is it possible to maintain that the Shoah has its origins in the Weimar Republic? My aim is to take the stance that Islam, as a civilising heritage and spiritual horizon, is just as innocent to this outburst of violence as Christianity was when Nazism was unleashed on the world.

Algeria, through its Ministry of Culture, takes a special interest in socio-cultural projects, especially those which coincide with our own vision with respect to the protection of our cultural heritage, namely the establishment of an efficient and effective partnership which will enable us to catch up lost ground in terms of the accumulated neglect in the sphere of conservation and the exploita-
9TH EURO-MEDITERRANEAN SUMMIT OF ECONOMIC AND SOCIAL COUNCILS AND SIMILAR INSTITUTIONS.
VALENCIA, 18TH – 19TH NOVEMBER 2004

From its beginnings, the European Economic and Social Committee (EESC) has supported the Euro-Mediterranean Partnership project, as the participation of economic and social agents and other representatives of organised civil society are considered to be indispensable. Therefore, in the framework of the Partnership, the EESC collaborated in the organisation of the Euro-Mediterranean Economic and Social Council Summits and similar institutions, which have been held annually since 1995. The aim of these summits is to tackle the questions considered crucial for the future of the Mediterranean region and formulate recommendations directed at the political authorities of the Euro-Mediterranean Partnership. The EESC coordinates the action and the work of the Economic and Social Councils and similar institutions, and presides over the Follow-up Committee, created as a result of the 3rd Casablanca Summit (November 1997). The Committee is responsible for promoting the proposals and recommendations of the summits, analysing the course they take and making visible the work carried out by the Euro-Mediterranean network of Economic and Social Councils.

During the ninth edition of the Euro-Mediterranean Summit, on 18th and 19th November 2004, the representatives of the Economic and Social Councils and similar institutions met in Valencia with the representatives of the professional organisations of the partner countries which do not have an economic and social committee or similar institution. Amongst the subjects dealt with throughout the different sessions, of particular interest was the analysis of the progress made on the proposal for the creation of a debt observatory, and the presentation of the report “Immigration and co-operation in the countries of the Euro-Mediterranean region,” directed by the Economic and Social Councils in Spain in collaboration with those of France, Greece, Italy, Tunisia and Algeria. Agriculture was another of the core issues of the debates. In addition, representatives of the Euro-Mediterranean network participated, such as the Euromed Trade Union Forum and the Euro-Mediterranean Network of Social Economy, amongst others.

The final Declaration established the commitment of the participants to promote dialogue between partners at regional and sub-regional levels. Another of the commitments established was the importance of strengthening the competence and independence of the trade unions and management, to contribute to the promotion of social dialogue and to free negotiation between social interlocutors. The Declaration also highlights the importance of going into depth in the most important current issues, such as the strengthening and greater coverage of systems of social protection, the development of active employment policies and the protection of the most disadvantaged. Finally, with the aim of promoting the development of networks of non-state agents, the participants of the Summit asked that the role played by the Economic and Social Councils and civil society organisations in the application of the co-operation strategy be recognised during the Euro-Mediterranean Conference of Foreign Ministers at The Hague.

More information:
European Economic and Social Committee, EESC
www.esc.eu.int

EESC
www.esc.eu.int/publications/pdf/leaflets/EESC-2002-014-EN.pdf

European Economic and Social Committee, role and activities within the Euro-Mediterranean Partnership
www.esc.eu.int

Information on the IXth Euro-Mediterranean Summit of Economic and Social Councils and Similar Institutions
www.esc.eu.int/sections/rex/valencia/index_en.asp

Economic and Social Council of Spain (CES)
http://www.ces.es/turcanal/ces/index.jsp?idoma=6

The countries of the North are coping with the hegemony of globalisation, and this also includes the cultural sphere. They are right to want to construct a solid cultural industry which protects them against the threat of extinction when faced with a globalisation that is synonymous with uniformity. But can they, on their own, protect themselves against the threat of extinction by developing cultural policies for and among themselves, omitting entire cultures which nevertheless form part of the same historic universe, the same world of the imagination? Living, talented, prolific and friendly cultures. We cannot conceive of or discuss cultural co-operation as an abstract concept taken out of the context of what is real and crucial. Our reality consists of a world which is becoming increasingly globalised and which tends to impose the culture created by the most powerful and most profitable cultural industry. The law of the marketplace ends up by becoming the law of the land, and the consequences are well known: cultural dilution, uniformity, and extinction. We have literature, cinema, theatre, music, fine arts … all with their potential virtually untapped. We need to develop them, to become acquainted with them, to disseminate them. We are not in the habit of producing a lot of hot air. Construction of a real cultural industry requires financial commitments which are unfortunately out of reach of the countries in the South. These countries in the South which cope with the same risks as you, and others like them, with a much lower level of preventive resources, but with the certainty, however, that our destinies are linked – linked by a shared present, and by shared predictions for the future. The principle of Euro-Mediterranean Partnership in its cultural dimension is intrinsically based on considerable acquired knowledge which engenders a genuine national consensus on the solutions to adopt in order to protect and disseminate a shared culture and heritage. The basic experience drawn from this new form of regional exchange would be worth consolidating and optimising by enabling strategies and programmes that are responsible for the Mediterranean culture to have a greater impact. We congratulate ourselves on this new reality since we share the vision of a new type of relationship between states, based on reciprocity, exchange, respect and an understanding of transcendent values which ensure the creation of multicultural groupings, as well as the establishment of an area of peace and stability and a zone of mutual prosperity.
Ten Years after the Barcelona Process: Assessment and Perspectives

From Barcelona Process to Neighbourhood Policy

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Assessment of the Barcelona Process

2004 was the year when the European Neighbourhood Policy (ENP) was, for the Mediterranean region, introduced as a new tier on top of the existing Barcelona process. It has been said in the European Union institutions that the ENP is going to reinvigorate the Barcelona Process. This sounds like an interesting proposition, but it needs to be specified and examined. Where had the Barcelona process actually got to? What might the ENP add to it?

If the standard of assessment were that the Barcelona process should have been already transforming the region’s economic and political trends, then it has not succeeded. The economic performance of the region has stagnated and its relative performance in relation to Central and Eastern Europe and most of Asia has deteriorated. Political reform has also been almost non-existent. Societal trends, for example tendencies in favour of radical Islam, are deeply worrying.

If the standard were whether or not Barcelona had created a constructive political and institutional infrastructure of comprehensive partnership between the region and Europe, which had the potential to be built upon and further strengthened in the early decades of the 21st century, then Barcelona has already become a considerable achievement. The Barcelona Process has surely not been in the category of a strategic mistake, generating unexpected and counter-productive effects, such as causing conflict, destabilising societies or aggravating tensions between the European and Arab communities. This is not an empty remark, given the political tensions generated by US policies in much of the region. On the contrary, relations between the European Union and its partners are relatively cordial and constructive, and thus provide a plausible foundation for a deepened relationship.

European Neighbourhood Policy (ENP) so Far

The European Union started developing a new Neighbourhood Policy as soon as the big enlargement from 15 to 25 member states was becoming virtually certain and when, as a result, minds began to focus on what this would mean for the ‘new neighbours’. Initially concerns were expressed for three Northern neighbours, Belarus, Moldova and especially Ukraine. But when the debate among foreign ministers and the Commission began to get serious, the Mediterranean member states voiced their concern that the South should not be relatively disadvantaged in any new initiative. In policy documents published in May 2004 the territorial ambitions of the initiative were progressively expanded to embrace all the European CIS states to the North and East and all the Mediterranean states of the Barcelona Process. The title of ‘Wider Europe’ was discarded in favour of European Neighbourhood Policy (ENP). The Commission initially gave the responsibility for developing the policy to a task force mainly staffed from the Directorate-General for Enlargement, although this is now changed under the new Commission, with responsibility passed to the Directorate-General for External Relations. However the initial link to the enlargement people in the Commission had an evident impact on the content and method, even though the ENP was clearly stated not to imply a membership perspective. Like the accession negotiation process, the method was to be essentially bilateral and differentiated according to the ambitions and capabilities of the individual partner states. This has translated into the drawing up of Action Plans for each partner state, whose structure was derived from the standard agenda of the accession negotiation process. This meant a comprehensive set of chapters, covering in the first place the Copenhagen political criteria for democracy and human rights, going on to cover the subjects of the ‘acquis’, i.e. European Union norms for the four freedoms of movement of goods, services, capital and labour, further extended with the law of the single market policy, and sector policies that have significant legal or financial content. The table lists the chapters of the bilateral Action Plans, taking the example of Jordan. There are differences in the precise agenda for each partner state, but the general structure is the same for all. There are in the case of Jordan 38 chapter headings, which further break down into 260 bulleted action points or programmes.

While this huge list of desiderata is a modified transplant of the accession negotiation agenda, it is a political principle of the process that these are jointly agreed and jointly owned agendas. Looking at some of the details of the bul-
leted action points it is evident that the standard agenda has been screened by the partner state, so as to import references to relevant national policies and plans. Where there is an identifiable national policy the reference is made. Where this is not the case there is either a general recipe of reform in the direction of conventional thinking (e.g. Washington consensus doctrine) or alignment on European Union norms. Given the virtually encyclopaediac agenda, the degree of specification of many of the bulleted action points is short and banal, such as:

"Continue progress with the privatisation programme," or "Strengthen banking regulation and supervision."

However a main difference with the Barcelona Agreements is the considerable switch in emphasis moving on from vague intention to co-operate to the prescription of harmonisation on European Union norms and standards, or at least converge towards them, such as:

"Establish a binding, uniform definition of state aid compatible with that of the EU"
"Establish a list of priority sectors for Jordan to participate in the EU internal market,"
"Draw up a list of measures for gradual legislative approximation towards the principles of EU legislation in sanitary and phyto-sanitary food safety domains."

More precisely the main differences seen in the draft Action Plan (for Jordan) compared to the (1997 Jordanian) Association Agreement are:

• The democracy and human rights agenda is far more developed.
• Co-operation in foreign and security policy and conflict resolution is a new feature.
• In trade policy little is added to the free trade plan set out in the Agreement.
• In the internal market domain a lot of prescriptions for policy reform, development and alignment of European Union standards are introduced in the Action Plan.
• The transport and energy policy domains are much more detailed and specific, also with advocacy of European Union standards or regulatory approaches.
• In the justice and home affairs domain the Action Plan is much more developed, whereas the Agreement went little beyond vague intentions to cooperate.

These developments largely match the evolution of the European Union’s own policy competences since 1997. The Action Plans will be layered on top of the existing Association Agreements, rather than replacing them. There is therefore important material that is not repeated in the Action Plans, for example the free trade timetable of commitments and the general institutional and procedural provisions. There is no new drafting on the political conditionality, which is carried over from the Association Agreement. This means using the standard formula found in all European Union external association agreements, with linkage between two articles. A first article states the common commitment of the two parties to democracy and human rights and a later one says that if one party fails in its obligations, the other party may take ‘appropriate measures’. This highly diplomatic formulation is generally interpreted to mean that the European Union could withdraw advantages under the agreement (e.g. trade or aid) in the event of serious default over political commitments and in an extreme case suspend the Agreement. However this has never been done in the history of the Barcelona Process.

An effort is made in the Action Plan to open up perspectives for an ongoing dynamic in the relationship, with a section outlining “New Partnership Perspectives,” which are summarised in the table using the case of Jordan. The idea is to offer perspectives of positive evolution under all headings: trade, market integration, aid, sector policy co-operation and the institutional/contractual relationship. A notable absentee on this list is the perspective for liberalisation on the movement of persons (visas or migration). None of the positive perspectives are defined in operational or legally binding terms. This means that the whole issue of incentives and conditionality is left hanging in the air.

**Sequencing of Democratic versus Economic Reforms**

The European Union policy vis-à-vis Central and Eastern Europe has favoured the simultaneous promotion of political and economic liberalisation across the whole region. In the Western Balkans, the European Union has so far concentrated in the first place on state consolidation and institution-building – a third layer of problems superimposed on the initial political and economic conditions in the region. But because the Western Balkan countries are headed towards full EU membership, the recipe of double transition with incremental improvements on both political and economic governance will be applied.

The European Union faces a completely different task vis-à-vis its Southern neighbours, the Arab states of the Mediterranean. So far the European Union policy has been a textbook example of seeking to promote modernization through economic means, as Barcelona gave precedence to economic reform. Following in this tradition the first and most obvious candidate for being a ‘driver’ is the proposal in the Action Plan to bring the partner states closer to the European Union internal market. A recent study published under the World Bank/European Commission programme, regarding Mediterranean economic infrastructure, develops this proposition in some depth and rather convincingly. According to this study, the potential benefits for the Mediterranean partner states offered by free trade (which is already programmed) are...

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rather modest by comparison with what could be achieved by policy reforms and competitive private sector development in the area of ‘backbone services’, such as transport, logistics, financial services, telecommunications and electricity, as well as other service sectors that can profit from proximity to the European Union market, such as tourism, IT services, business and professional services and distribution. All these services also have to become competitive to give manufacturing and agricultural production sectors a chance to profit from their potential comparative advantage (due to proximity and cheap labour) in relation to the European Union market. Moreover the vision of broader political-economic integration with the European Union could in principle help overcome interest group obstacles to reforming microeconomic policies. The first merit of the Action Plans is, therefore, that it opens up this perspective.

Stimulating political reforms of the authoritarian regimes in the South has not received the same policy attention as it did in the case of the former communist dictatorships. A second candidate for the European Union’s role as ‘driver’ is in the field of democracy and human rights. This is displayed in the Action Plans in the considerable detail given to these political governance issues, compared to the previous agreements. Indeed, as Table 8 illustrates, progress towards democracy has been virtually zero. However the Action Plans, being jointly agreed with the partner state governments, are unsurprisingly careful and cautious. Wholesale adoption of the Copenhagen political criteria, as for European Union accession candidates, is not the model. Rather, the Action Plans are identifying those elements in the existing reform agendas of the partner states that have at least a partial fit with the Copenhagen criteria. Thus, Jordan undertakes to implement its ‘Judicial Upgrading Strategy’, and its ‘Higher Media Council’, etc. Progressive, partial and controllable political reform is the name of the game. Whether this will succeed in setting in motion broader democratic dynamics remains to be seen.

While the economies of the Southern neighbours have functioned according to market principles for some time, most have inadequate regulatory frameworks for a modern competitive economy.3 A comparison between the European Union accession countries from Central and Eastern Europe (8 of whom are already European Union members) and the MEDA countries with regard to their score on a synthetic indicator for governance constructed by the World Bank suggests that the Southern neighbours fall behind in terms of structural and institutional reform underpinning the success of the advanced economies nowadays (see graphic 12).

In any case the time seems now to have come for a recalibration of European Union policies in the area of democratisation. Even without demanding full compliance with the Copenhagen political criteria, the European Union could strengthen the democracy emphasis in its relations with the Southern neighbours through:

- willingness to raise issues of human rights and questions of adequate democratisation strategies more forcefully in political dialogue;
- finer and more coherent application of MEDA aid projects and programmes for improvement of human rights protection, governance and civil society development. In the context of structural adjustment, greater thought could be given to the conditioning of budgetary support to the partner’s respect for human rights in its policies and systematic practice;
- systematic consultation with civil society, in particular with movements and organisations embedded in society and those working in controversial areas such as civil and political rights;
- engagement with moderate, non-violent Islamist parties where these have evident mass support in the partner states. Where these parties are excluded from participation in official political institutions of electoral democracy, the European Union may have to promote ‘track 2’ activity with academics, think tanks and NGOs to connect with the ‘hearts and minds’ of moderate Islam.

Conclusions

On the Barcelona Process, our assessment is that it has been a valuable systemic/institutional advance in Euromed relations and a valuable confidence-building measure on a large scale. But it has not been a sufficient driving force to have created a momentum of economic, political and social advance in the partner states. Nor is it evident which might have been the potential domestic drivers of change with which the incentives of the Barcelona Process might in recent years have connected with greater effect.

It is therefore quite plausible that the European Union should seek some new advance – through the ENP – to build on the positive features of Barcelona and so try to introduce some new driving force.

The Action Plans currently being adopted point to a way ahead. In essence these are proposing to replace many of the vague intentions in the Association Agreements of the Barcelona Process with another very extensive set of policy prescriptions. The particularity of the Action Plans is that they seek to make these prescriptions more operational by linking them either to domestic policy programmes of the partner state or to European Union policy norms and standards as an external anchor.

The major outstanding questions concern the mechanisms for setting these

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comprehensive Action Plans into real motion, rather than relapse into token diplomacy. This involves two main issues: first is how the Action Plans are to be worked out in operational detail. Some items, like trade policy, can be worked out in the course of direct negotiations between the two parties. However, for the larger part, the substance relates to internal policies of the partner state, and here the European Union would do well to join forces with the World Bank, which has huge expertise that can be used to define sector reform plans of key sectors, such as financial services, transport and energy. The Commission and World Bank have experience in working together, notably in Central, and South-Eastern Europe in the context of European Union enlargement and the Balkan Stability Pact.

Second, is how far the European Union may now be willing to go in introducing some meaningful conditionality in relation to the economic and political incentives it can offer. In the economic domain there is an obvious opportunity to achieve synergy between three main actors – the Commission, the European Investment Bank (EIB) and the World Bank. The EIB has not so far tried to link its investment financing activities to economic policies being pursued in sectors concerned by its investments, even though it is the largest investment financier in the region. But with the Commission and the World Bank hopefully collaborating to define sector policy recommendations, there is an obvious opportunity for the EIB to associate its operations with these recommendations as part of the conditions for its investment decisions.

On the familiar issue of sequencing or relative prioritisation of economic versus political reform efforts, it looks plausible that pro-democracy efforts should receive a stronger emphasis under ENP compared to the Barcelona Process so far. The European Union is well positioned to help set in motion an important dynamic in market reform areas, linked to its own internal market policies.
On 23rd July 2004, the Union of Mediterranean Confederations of Enterprises (UMCE) and the Union of Industrial and Employers’ Confederations of Europe (UNICE) addressed a joint message to the 5th Euro-Mediterranean Conference of Industry ministers (Caserta, 3rd and 4th October 2004). The points to highlight were the following:

The process of Euro-Mediterranean economic integration needs more political will, as it is moving neither fast enough nor far enough. Proof of that are the relatively low effects on growth and job creation in the partner countries.

The European Union should look carefully at the results obtained since the Barcelona Declaration took place, by deploying more means in order to strengthen the effectiveness of Euro-Mediterranean policy in the future. The Southern Mediterranean Countries must clearly accelerate economic reforms, make some significant progress in South-South relations and harmonise regulatory frameworks towards the Euro-Mediterranean free-trade area. All these points are crucial for the overall success of the Euro-Mediterranean project. Furthermore, the Employers’ Federations believe it essential that the Southern Mediterranean Countries become members rapidly of the World Trade Organisation, by contributing positively to the success of the Doha Development Round.

The Euro-Mediterranean Summit of Heads of State and the European Commission should reinforce consultation with the private sector, in order to be able to launch with all the necessary authority a new strategic phase for the Euro-Mediterranean Process.

The financial perspectives 2007-2013 are an opportunity to achieve better financial support from the EU in the framework of the Neighbourhood Policy and to take stock of the results obtained by the MEDA programme since its launch. There is also a need to define new and more effective instruments. On this point, UMCE and UNICE urged the European Commission to prepare and publish a detailed report, evaluating the results obtained by MEDA, which can serve as a basis for debate on changes to transform it into an instrument that genuinely facilitates Euro-Mediterranean economic integration.

Promotion of investments should become a top priority. Therefore, transfers of technology and know-how, as well as increased productivity would be logical consequences of facilitating investment promotion.

The need for greater flexibility for the mentioned financial instruments and procedures is a cornerstone. For instance, the European Commission and EIB’s FEMIP, coupled with bilateral funds and programmes, should make available to potential investors an integrated package of advisory and financial services, grants and loans, escaping from a bureaucratic logic and putting in place instruments which meet market needs.

Finally, promoting private investment to increase the attractiveness of Southern Mediterranean countries will constitute one of the main conditions for their economic expansion. Strong involvement of the private sector is a sine qua non for the success of the Euro-Mediterranean project. Successful experience with the projects successively managed by UNICE and UMCE, shows that the private sector can be trusted to facilitate Euro-Mediterranean integration on the ground and to strengthen sectoral and local organisations, which provide day-to-day assistance to their associate companies. Hence, using the expertise of the private sector can be used to good effect, such as for making a success of integrated investment promotion programmes in the partner countries.

Finally, UNICE and UMCE welcomed the Euro-Mediterranean Charter for Enterprise as an instrument for promoting corporate competitiveness and setting objectives for enterprise policy in Southern Mediterranean Countries. In their opinion, the success of the Charter depends on its effective implementation. To that end, it is essential to carry out a regular assessment of the results, using the most quantifiable indicators possible.
Ten Years after the Barcelona Process: Assessment and Perspectives

Euro-Mediterranean Partnership or Euro-Arab Partnership?

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In 1995, the Euro-Mediterranean Partnership first got off the ground in Barcelona. Nine years later, the project is not up there where it should be. An Englishman might say: “It took off, but it’s flying too low,” and this is exactly what has happened. However, when it comes to making a final assessment, there are conflicting points of view. It is the classic story of the glass that is either half empty or half full. The assessment differs depending on who is making it. The European Commission generally considers that a good job has been done: Association Agreements have been signed with the Southern countries (except Syria), sometimes only after considerable difficulties; there has been relatively successful macro-economic stabilisation of the Southern Mediterranean Countries; inflation has been kept under control; the MEDA programme has been improved; there have been regular meetings at all levels; there has been a build-up of financial aid, and greater participation from the EIB. Of course, the Commission does recognise the delays in ratifying the Agreements signed; the choking administrative bottlenecks; the negative effect exercised on the whole Barcelona Process by the aggravation of the situation in Palestine and in Iraq; the consequences of the aftermath of September 11 on the expected exchanges, and the possible effects of Enlargement on the Mediterranean economies. The Commission has also, since 2000, undertaken to re-define some of the project’s objectives so as to silence the critics:

1. by introducing MEDA II (Support Measures), and providing it with a budget of 5.3 billion euros by committing the EIB to allocate 6.4 billion euros for the Euromed programme.
3. by creating, at the time of the Extraordinary Plenary Meeting of the Euromed ministers at Heraklion (Crete, 26th-27th May 2003) under the Greek presidency, the FEMIP, an idea put forward at the time of the Barcelona meeting (October 2002).
4. by deciding at the time of the Naples Conference (December 2003) to set up a new Parliamentary Assembly to replace the Euromed Parliamentary Forum, and a Foundation for Cultural Dialogue.
5. by publishing an important communication on the “Wider Europe” (COM 104 final, 11-3-2003) to defuse the fears of the Mediterranean countries in the face of the Enlargement planned for May 2004.
6. by proposing a deepening of overall relations without, however, going as far as admission. In brief, everything but institutions, as Romano Prodi used to like to remind us, an idea developed in the Commission’s communication entitled “Laying the Basis for a New Neighbourhood instrument” (COM, 393 final, 1-7-2003) and in the guideline document “European Neighbourhood Policy” (COM 373 final, 2004).

Alongside the Commission’s activities, the European Presidency had set up a “High-Level Advisory Group” on the subject of “Dialogue between Peoples and Cultures in the Mediterranean,” whose report was published in 2004, and whose global proposal – the setting up of a Euro-Mediterranean Foundation for Cultural Dialogue – has just been finally confirmed, with its headquarters to be in Alexandria. In view of these developments, it appears that the Barcelona Process is still on track, and that the Commission is keeping constant watch to make sure that it gets to the first stop on the line: 2010. There remains a snag: although the route is marked out, it is still full of pitfalls. In fact, although all European and Mediterranean countries agree about the opportunity provided by the project (a joint voyage towards a reconciled, prosperous Mediterranean), many of them express doubts about the adequacy of the means and the suitability of the method. Some go so far as objecting to the whole underlying ideology, and do not hesitate to show their mistrust of the project’s stated objectives. Let us first take the case of the EU member states. It is clear that for most of them – and this is even clearer after the last Enlargement – the Mediterranean is not considered in its own terms, but as a source of new instabilities to be checked. While the Northern countries pay absent-minded attention to it, the Southern European countries see the Partnership through the prism of their own strategies and priorities. As for European public opinion, except for the closed inner circles of experts and specialist organisations, the tone is one of complete indifference. The
Partnership can hardly keep the attention of the media, concerned as they are with issues that are more burning (Iraq), more immediate (terrorism), or more stirring (Islamic headscarves or illegal immigration). How many in the media have taken any notice of the High Level Advisory Group’s report about dialogue between peoples and cultures? It is clear that the Euro-Mediterranean Partnership and its allied themes, the Wider Europe and the Neighbourhood Policy, have never attracted great media coverage in the same way that the American “Greater Middle East” project has.

The Southern Mediterranean states are also caught up in a paradox. They signed the Barcelona Declaration and they are therefore supposed to know the rules of the game – that is, by accepting their share of responsibility for the success of the project. However, they fall behind in applying enterprise measures, delay improvements to attractiveness criteria and, although they have recorded some progress in the macro-economic situation, growth rates are not sufficient to meet the needs of an ever-increasing workforce. And instead of cleaning up their own back yards (by fighting administrative slowness, creating an “investment-friendly” environment, putting an end to corruption, pay-offs and speculation, or improving the workings of their institutions) they tend to blame the EU for the slowness and incoherence of the Barcelona Process. Of course, excessive trade dependence (80% of Tunisia’s trade is with the EU), the inequality of the balance of power (the EU is 15 times richer than all the Mediterranean countries put together), the imbalance inherent in the demands for the opening up of commercial markets, and the potential effects of enlargement all constitute serious challenges to the Euro-Mediterranean Partnership and create a general distortion of conditions. But being surprised at this is just being naive, and regretting it is pointless. The Partnership’s role is not about fighting to get a subsidy in the form of MEDA finance, but about acting collectively to promote sub-regional integration, removing the abscesses of prejudice which prevent people from acting together, protecting human rights, and giving women the place they deserve.

As for the intellectuals of the Southern Mediterranean, they are pulled in different directions by contradictory feelings, and belong to several different schools of thought. Firstly, there are those who believe that the Partnership stems from a neo-colonialist approach which is looking to transform the Mediterranean into a kind of backyard – an annex to the EU. By contrast, there are those who see it as a historic opportunity to be seized, all other historic experiments carried out alone having lamentably failed. Then there are those who, without idealising the project too much, think that it is an essential step in order to be able to transform economies and, perhaps, gradually and peacefully change the political elites.

Evidence shows that the Partnership does not arouse the enthusiasm of the masses, but no partner state fundamentally objects to it or has withdrawn from it. There is even the possibility of including Libya, if not Iraq. This is undoubtedly the surprising side of the process: managing to produce something lasting in a general climate of inertia.

But the aim of Barcelona is not that the process should be perpetuated but that it should achieve peace, stability and prosperity in the Mediterranean, declared objectives of the 1995 Declaration. Without this, it will resemble the Israeli-Arab Peace Process, where there is a lot of process and not much peace. So, the EU must follow a more innovative and perhaps more courageous policy and draw conclusions from recent developments.

**Transformation of the Geopolitical Environment**

Firstly, the world geopolitical environment of 2004 is not that of 1995. At that time we were in a phase of euphoria: the USSR had been defeated without a fight, the European economy was coming out of the doldrums, the Israeli-Arab Peace Process had just been launched and it seemed that it was being pursued. Today, the context has deteriorated: the Middle East Peace Process has been aborted, international terrorism has monopolised public attention and the war in Iraq and its sequels continue to occupy the limelight.

In addition, the enlargement of the EU with 10 new members brings Malta and Cyprus out of the TMC (Third Mediterranean Countries) group. At the same time, the award of ‘candidate’ country status to Turkey gives it distinctive treatment. So, today, we are faced with two sides that are more unequal than ever: 25 + 10, of which 8 Arab countries, Israel (which does not need the Partnership, given its level of economic and political development and the fact that it already benefits from free trade and participates in EU research programmes), and Turkey (which has already signed a Customs Union and is a candidate country).

**Towards a Euro-Arab Partnership**

The EU must take account of these developments, and commit itself in a new direction by contributing to the emergence of an Arab political and economic body supported by a sense of belonging, by inter-Arab trade and by the urgent need to tackle common challenges. Strictly speaking, there is no such thing as a Mediterranean identity, but there is clearly an Arab one. The arbitrary spatial cut-off points – Western Mediterranean, Near East, Middle East, Greater Middle East – dilute the collective Arab identity. They may be operational in terms of intervention policies, but they are not always relevant in sociological, cultural or even geopolitical terms. Of course, the EU cannot impose economic integration (and still less political integration) on the Arab world by force. This is initially the primary responsibility of Arab governments. But, through a sort of general indication of the direction to be followed, through repeated encouragement, through attempts to create positive circumstances, through clear messages and through a future vision based on solidarity, the EU can contribute to breaking the status quo and to setting the desired transformations in motion.

**Why a European Arab Policy?**

Today, Europe has a population of 450 million inhabitants, soon to be 500
THE BARCELONA PROCESS AND ITS IMPACT ON THE GCC-EU DIALOGUE

Ten years after its commencement, a lively debate has ensued looking at the successes and shortcomings of the Barcelona Process. Closely linked to this discussion is to what extent the experiences of the Euro-Mediterranean Partnership have also impacted on other regional policies of the EU. Given the fact that the Mediterranean region represents a significant section of the Arab world, it is natural to look at the possible relationship between the Barcelona Process and the dialogue that has been in place between the member states of the Gulf Cooperation Council (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates) and the European Union. In terms of GCC-EU ties, a Co-operation Agreement has been in place since 1989, although there has been little substantive progress in relations since then. The Barcelona Process, which played on the historical ties between Europe and the Mediterranean region to establish the Euro-Mediterranean Partnership, aimed at turning the Euro-Mediterranean basin into an area of dialogue, exchange and co-operation to guarantee peace, stability and prosperity. On the surface, the results have been disappointing. Association Agreements were only completed after painstaking negotiations, the prospects of a Mediterranean Free Trade Area remain uncertain and such ideas as establishing a Charter for Mediterranean Security have been completely abandoned. In terms of promoting reform, reports released over the past year indicated that the links between economic and political liberalization are for the most part nonexistent. From such a perspective, the outcome of the Barcelona Process and the GCC-EU dialogue appears very similar concerning the fact that the potential for closer relations has not been realized.

The shortcomings of the Barcelona Process, however, are far less significant than its overall contribution to the idea of regionalism. Although the Partnership may have failed to produce the liberal democracies it sought, it has put forth the concept of the ‘neighbourhood’ to the international relations arena. By developing its economic and political relations with those countries with whom the EU states have had historic political and commercial ties, i.e. the Mediterranean states, the European Union has acknowledged that although it is a community in itself, it is part of a larger neighbourhood of states. From such a point of departure, the Mediterranean states, while not being properly a part of the EU, have also been acknowledged as being vital in terms of the future security of the Union.

It is therefore not possible to analyze the EU policy towards the GCC outside of the context of the Union’s other regional policies and initiatives. What is important to understand is the fact that the Barcelona Process as such does not represent an end in itself but rather has been a framework through which the policy of the Union towards its neighbouring region has evolved and defined itself. In that sense, the Euro-Mediterranean Partnership has above all been a learning process. More recent initiatives such as the broader concept of Europe’s Neighbourhood Policy (ENP) and the EU Strategic Partnership with the Mediterranean and the Middle East are a direct result of the shortcomings of the Barcelona Process and the realization that a more differentiated approach is required. Not only does the EU’s strategic partnership policy now cover the region from Morocco to Iran, there is also an inherent recognition that there are significant sub-regional differences that need to be recognized and reflected within policy initiatives.

There are thus two concrete aspects to consider. On the one hand, while the GCC is far from the cohesive unit the EU has become, the idea of a ‘neighbourhood’ can easily and effectively be applied to the Gulf region. Indeed, the Gulf is not lacking in historical partners: the six GCC states have had commercial and cultural ties to Iraq, Iran, Yemen, East Africa, the Subcontinent and beyond for hundreds of years. The considerable amount of commercial activity between the Gulf and the Indian Ocean region has been maintained, thus making the aforementioned states ideal candidates for membership in the larger Gulf ‘neighbourhood.’ More importantly, by informally expanding, the GCC would essentially be strengthening the relations among its core states, and thus the common forums that the GCC would share with the members of its neighbourhood would enhance the regional stability that would be brought about by the improved and institutionalized economic ties. The current debate taking place with regard to expanding the GCC to include Yemen, because of the latter’s strong ties and similar interests with the GCC States, is a case in point. Up to this stage, consideration of Yemen’s accession has been continually postponed because of a lack of desire on the part of some GCC States to see Yemen included in GCC institutions. In this respect, emulating the EU’s “Neighbourhood” Policy provides a healthy compromise; Yemen and other states would be able to enjoy the economic benefits of GCC membership without formally participating in GCC decision-making.

On the other hand, there is also the implicit recognition that the dialogue between the EU and the GCC on items such as political and social issues is qualitatively different than the original Barcelona Process. For one, the GCC States are not dependent on financial support from the EU, with the result that the kind of reciprocity in place with regard to the Mediterranean states does not exist. Second, the Gulf region as a whole also presents a different type of security challenge to Europe itself where larger issues such as regional instability and the role of the transatlantic relationship with the United States are the determining factors rather than the kind of immigration pressure that exists from the Mediterranean to Europe. Thus, Barcelona does not only illustrate lessons for the EU’s other regional policies but the GCC-EU dialogue is beginning to have a similar impact on the wider neighbourhood approach by the EU.

As the world continues in its path of integration, it is becoming increasingly difficult for the GCC to live and work in relative isolation. Indeed, it is far easier and more effective to embrace the historical commercial and cultural ties that exist between the Gulf region and its neighbours and use the shared histories to fuel a sense of increased co-operation in the present and for the future. The question that remains on the table is whether the experiences of Barcelona will ultimately allow for a more flexible EU strategy towards the Arab world as a whole, but one that at the same time, maintains a regional framework. The evolving debate over the past year gives us hope for optimism.

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million with the forthcoming enlargements planned for 2007. On the other hand, there are, today, 325 million Arabs and there will soon (2025) be close to 500 million Arabs. This represents a considerable demographic potential (1 billion), equivalent to that of India, only slightly less than that of China (1,300 million) and more than double that of the member countries of NAFTA (United States, Canada and Mexico).

Integrated (in the same way that the EU is), enlivened by common visions, backed by a single language and enjoying common institutions and instruments ensuring policies of convergence between its different parts, the Arab world could become, instead of a backyard, a reliable, equal, democratic and prosperous partner. The reverse of this would be to see it crumble into rival political entities pursuing individual strategies without any guarantee of being able to meet all the challenges in this limited context and with dramatic consequences inside the Arab world, in terms of the aggravation of unemployment, the worsening of the situation and multiple instabilities. At the same time, in Europe, we would be confronted by the development of Mafia-style illegal immigration channels, the spilling over of the Arab world’s internal problems into expatriate communities, with social agitation, or even international terrorism.

If long ago the policy of European states consisted of fomenting Arab division, today, with the modification of the geo-strategic situation, the EU’s interest impels it to favour Arab regional integration. The current breakdown of the Arab world and the classification of Arab states into friendly states, partners, “rogue” or “failed” states, leads Europeans to wonder if the Arab world really exists as such, and even has any sense of belonging to the concept of “Arabness.” In the past, the unity of the Arab world was seen through a “Nasserist” prism as characterised by “irreconcilable otherness.” This view prevented the perception of the potential for stability and prosperity that would be induced for Europe by having Arab neighbours to the South of it confident in their future, reconciled with their past and offering prospects other than chronic unemployment, martyrdom or exile to their young people.

In fact, the Arab world really does exist, although, having learned their lesson from the repeated failure of aborted unions, the Arab populations of today are resigned to feelings of doubt concerning the possible adaptation of the existing Arab situation to any future demands for unification. Beyond a shared history, the constraints of geography, and a common language, the Arab world faces common challenges and, despite the strategies of corrupt kleptomaniac regimes, the concept continues to have a real meaning for the Arab population, as the solidarity movements with the peoples of Iraq and Palestine show every day. Certainly, every day, this world offers the sad spectacle of division and dispersal, but its divisions are no worse than those that characterised the European space 60 years ago, and they are a long way from having caused the bloodbaths of the First and Second World Wars in Europe. In the past, for a time, the oil crises established gaps in income per capita of population and, for a time, displaced political centres of gravity. But, today, apart from a few minuscule Emirates, the economic disparities are disappearing: oil countries, like Saudi Arabia, despite the transitory slight improvement of 2004 due to the surge in oil prices, are dogged, like the others, by the nagging problem of unemployment. Meanwhile, countries characterised by a strong leadership, like Egypt (for so long eclipsed in the past), are now regaining influence. I am not saying this in order to bring a sentimental, rather old-fashioned Arab nationalism up to date, but rather to say that, in 20 years time, the enlarged Europe will have half a billion Arabs as its immediate neighbours, and that this world is and will become an ever more important consideration for its foreign policy. Today, the sub-assemblies (Europe–GCC and Euro–Mediterranean) are held hostage: the first because of the oil issue and exported fundamentalism, and the second because of the Arab-Israeli conflict. So, a European action on the Israeli-Arab conflict is ineffective, either by default or by obstruction: in fact, European action on the Israeli-Arab conflict is ineffective because of Israeli obstruction and because of indecision by the European states, while any opening towards the Gulf meets the opposition of the United States. Only a European Arab policy can be effective in generating support among both Arab and European opinion at the same time. In addition, this will have the advantage of calming the immigrant Arab communities and facilitating their integration. Because not only is the Arab world a sort of outlying suburb of Europe, it also exists within the cities and suburbs of Europe.

This call is not against Euromed, it is in fact favourable to it, because it helps it to escape from its “constructive” ambiguity, its conceptual impasses and from its virtual anonymity outside certain circles. Firstly, Euromed is merely an instrument. It is not a vision of a shared future, or of a trade area where the four freedoms are respected (including freedom of movement for all people). It is diverse (8 Arab countries, Israel and a candidate country, Turkey). Its management is bureaucratic and egalitarian, and it generates permanent frustrations for good or bad reasons.

An EU-Arab World strategy is based on another perspective:

1. it will work for and stimulate inter-Arab trade rather than trade with the EU (there will be more than enough of that)
2. it will look to the stability and prosperity of the Arab World through internal growth and State and social reforms. The growth of the Arab World is perceived as an end in itself, not only a means of stabilising young people and reducing migratory pressure
3. it will take into account any positive circumstances, and will act as a differentiating factor for the various countries who rapidly commit themselves to reforms, and which will become the leading countries, gradually to be joined by others
4. it will not be bound by the presence of Israel, but its objective will not be to align the EU against Israel. We are not in the context of the ’70s, at the launch of the Euro-Arab dia-
logue. On the contrary, a European action in favour of the democratisation and integration of the Arab World must act as a spur to Israel to defeat its tendency to impose itself by force and to seek a peaceful solution to a stubborn problem that is poisoning the Mediterranean conflict and is one of the deep roots of the resentment Arabs feel towards the West.

5. It will no longer seek to damage the United States or to align the Euro-Arab pole against the United States. It is even possible, and moreover desirable, that the Partnership will be supported by the United States, with the US giving up its projects of “muscular” democratisation and shock therapy, which have no future, and the chimera of the “Greater Middle East,” and recognising the need for a great regional plan based on the concept of “Region Building” – the only one likely to reverse the perverse current dynamics and pacify relations between the Arabs and the European and American West.

In Conclusion

Before my students in November 2002, Romano Prodi launched the slogan “Everything but institutions” in his address to Arab countries. Since then, we have had communiqués on “Wider Europe” and a “Neighbourhood Policy.” The message is clear: Europe will not be extended southwards. But it will extend its policy to integrate the Arab South in terms of the structural dimension of its foreign policy, because Europe cannot be an important player on the world stage if it remains a subordinate agent in the area nearest to it: the Arab World.
Panorama: the Mediterranean Year
2004: the Mediterranean in view of its project

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Ten years after Barcelona, the Euro-Mediterranean Process is to be addressed as a project. The holding of the extraordinary conference in Barcelona in November 2005 served as an incentive for various assessments to be made prior to that period. Within the context of 2005, named “Year of the Mediterranean” by the European Union (EU), we could be tempted to describe 2004 as a transition year. However, there is more to this. Some events are sufficiently illustrative of this. The terrorist attack in Madrid on 11th March proved decisive in the reorientation of Spain in the Iraqi conflict or European awareness itself in the face of terrorism. Another key factor was the death of Arafat, putting an end to a decisive leadership in the conflict between Palestine and Israel. Following his departure, new questions were raised as to the success of the framework of the Geneva Agreements, the effectiveness of the Road Map or the future plan for unilateral withdrawal from Gaza by Israel.

Indeed, the year 2004, largely due to past circumstances, will essentially mark future scenarios in the area. The post-war situation in Iraq and the incapacity to resolve what now seems to be a civil war would perhaps be the most significant. The withdrawal of Spanish troops after the results of the elections in the country will likewise cause a strong reorientation of European, southern and transatlantic alliances with specific weight on the relationship of forces in the area.

2004 was also the year of great uncertainties for the European project itself. Turkey emerged as the key catalyst in this situation. During the year different opinions were woven and Europe spoke out, awaiting the decision of the European Council after the favourable report of the Commission in October. This council, meeting in Brussels at the end of the year, will decide to start negotiations for Turkey’s accession to the EU. During 2004 Europe feels questioned by Turkey, leading one to think that this debate has been one of the preludes to the constitutional controversy that marked the following period. Thus, Europe is also confronted with its political project.

In the framework of European construction and the Euro-Mediterranean Partnership, and once again, as a result of the situation of the project, one of the matters that has been resolved through the year has been the definitive introduction of the European Neighbourhood Policy in the Euromed agenda. Two questions have been raised in this regard: Is the European Neighbourhood Policy going to replace the Barcelona Process? Is the Barcelona multilateral framework going to be substituted by the gradual establishment of bilateral action plans with partners? Some of the challenges set are a necessary complementarity and some, genuinely operational plans and the establishment of concrete objectives in spaces such as the Euro-Maghreb. On the threshold of the year of the Mediterranean, 2004 is the scenario of two key decisive discourses for the region. Both discourses are set to carry significant specific weight in the global context of international politics: First of all, the drawing up of the project on the alliance of civilizations, which the President of the Spanish Government will launch within the framework of the United Nations in September the same year. Secondly, the strength with which the “Partnership for Progress and a Common Future” declaration irrupted into the region of the Broader Middle East and North Africa (BMENA) within the framework of the meeting of the G8 on Sea Island in June 2004, announcing support for reforms drawn up by the American project for the Mediterranean, the BMENA. Throughout 2004, this discourse will have some significant moments, such as the meeting of the Forum for the Future in Rabat in December 2004.

The role of an enlarged Europe and its Euro-Mediterranean project within the framework of the recently drawn up European Neighbourhood Policy should be harmonized, as made evident during the ministerial conference held in The Hague in November 2004, with different multilateral initiatives drawn up for the Mediterranean region. Similarly, after recent Mediterranean enlargement and the Turkish dossier, the importance of the specifically Arab dimension in this reformulation of objectives and their strategic integration in the external aspect of the Euro-Mediterranean Partnership has been considered. Finally, we must take into account the role played by organisations such as NATO in transatlantic relations and in the search for complementarities, not forgetting their complementarity with the Euromed agenda. Mention should also be made of the recent enlargements of NATO in March 2004- some of them a prelude to European integration.

One of the main results of all these will be the need to provide the Euro-Mediterranean Partnership with real political effectiveness. Certainly, this should bear
fruit as from 2005. From its beginnings the Barcelona Process set out a pro-
gressive framework of liberalization, basically economic, but also to serve as an
incentive to other changes (political, social...). We now know that this has not been enough.
Therefore we currently find ourselves faced with the challenge of a Euro-Medi-
terranean project which should have democratic strength and should be pro-
vided with effective instruments to allow processes of political reform and social
changes. The results of the Arab report on human development in 2004, dedi-
cated to the freedoms of this region, are clearly indicative of this. Corruption,
poverty, transparency, judicial systems or equality are the main matters still unre-
solved. This will most certainly be the main profound change that these cir-
cumstances will mean for the future approach to the Barcelona project.
Again, there is an urgent need to take stock of some Euro-Mediterranean rela-
tionships which are, to a large extent, the result of globalization. The emergen-
ce of Asian markets such as China or India establishes different rules in the
game. Competition in intensive work or closed agricultural markets are circum-
stances not of much help for northern Africa. Its proximity and investments,
however, offer great potential. And, espe-
cially, worth mentioning is the need for structural changes –this would bring
about institutional reforms, thus enabling the growth of competitive economies.
The outline of some key points which this year holds for us can prove useful
in understanding, above all, what 2004 has meant in terms of launching of ideas
and projects associated with the region. From multiple viewpoints, it would prob-
ably be the global context in which it is redeveloped and the importance of
foreign repercussions that really makes the Mediterranean into a project under
construction, a project to be resolved within and outside of its borders. Dealing
with this reality, as necessary as it is dif-
ficult to resolve, is one of the legacies
that the year 2004 has in store for the
Mediterranean.
The Euro-Mediterranean Partnership

The Barcelona Process: from Naples to The Hague

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The continuous and consistent pattern of Euro-Mediterranean foreign ministerial meetings throughout 2004 clearly demonstrates an increasing level of engagement between the European Union and the Mediterranean partners. The EU has also clearly stipulated that the Neighbourhood Policy it is advocating is meant to strengthen the Euro-Mediterranean Partnership (EMP) and not duplicate or replace the EMP. The Barcelona Process has also become a more effective mechanism when it comes to monitoring developments in the Middle East as demonstrated by the in depth analysis communicated at each of the foreign ministerial meetings held throughout 2004.

While the Naples meeting in December 2003 was the sixth official foreign ministerial meeting, the Dublin and The Hague meetings were both informal gatherings and thus allowed the EMP member states to conduct a thorough review of the EMP as had been agreed in the Valencia Action Plan of April 2002. In addition to conducting the important stocktaking, the foreign ministerial conference of Naples, Dublin and The Hague also launched preparations for the tenth anniversary of the EMP which will take place in November 2005. This has included conducting a comprehensive review of the EMP in anticipation of agreeing upon measures in 2005 that will strengthen further the partnership.

In addition to strengthening North-South relations as the EU becomes more active in the Mediterranean, a high priority has been dedicated throughout 2004 to nurturing South-South relations that have been lacking prior to the launching of the Agadir Initiative between Morocco, Tunisia, Egypt and Jordan. At the three Euro-Mediterranean foreign ministerial meetings held between December 2003 and November 2004 in Naples (December 2003), Dublin (May 2004) and The Hague (November 2004) specific efforts were made to assist Mediterranean countries become more aware of the opportunities that exist in their neighbouring states and also become a more integral part of the European Union market through implementation of the European Neighbourhood Policy. Thus 2004 can be described as a year when the EU continued to consolidate its influence in the Mediterranean through the comprehensive Euro-Mediterranean Partnership.

Throughout 2004 the Euro-Mediterranean Partnership political dialogue focused on efforts to start implementing the Middle East Road Map. The participants also supported the realization of a just, comprehensive and lasting peace settlement in the Middle East based on the relevant United Nations Security Council resolutions and principles mentioned in the letter of invitation to the Madrid Middle East Peace Conference, including the principle land for peace, with all that this implies.

The Euro-Mediterranean foreign ministers also continued to support the already functioning EMP confidence building measures namely the Malta Diplomatic Seminars, co-operation in Civil Protection and Disaster Management and the EuroMeSCo network of foreign policy institutes. They also actively pursued the establishment of better relations with Libya, to date an observer of the EMP.

Throughout 2004 the Euro-Mediterranean partner states renewed their commitment to strengthen Euro-Mediterranean cooperation in preventing and combating terrorism, in particular by ratifying and applying the international instruments they have signed, by acceding to such instruments and by taking any other appropriate measure. Efforts are also to be made to fight together against the expansion and diversification of organized crime and combat the drugs problem in all its aspects.

A renewed call was also made to promote the concept of regional security by acting, inter alia, in favour of nuclear, chemical and biological non-proliferation through adherence to and compliance with a combination of international and regional non-proliferation regimes. This includes arms control and disarmament agreements such as the Treaty on the Non-Proliferation of Nuclear Weapons (NPT), Chemical Weapons Convention (CWC), Biological Weapons Convention (BWC), Comprehensive Nuclear-Test-Ban Treaty Organization (CTBT) and/or regional arrangements such as weapons free zones including their verification regimes.

Euro-Mediterranean signatories also agreed to continue promoting conditions likely to develop good-neighbourly relations among themselves and support processes aimed at stability, security, prosperity and regional and sub-regional cooperation.

In the economic and financial partnership the participants emphasized the importance they attach to sustainable and balanced economic and social development with a view to achieving their objective of creating an area of shared prosperity.

The partners acknowledged the difficul-
ties that the question of debt can create for the economic development of the countries of the Mediterranean region. They agree, in view of the importance of their relations, to continue the dialogue in order to achieve progress in the competent institutions.

The Euro-Mediterranean partners also agreed to accelerate the pace of sustainable socio-economic development and improve the living conditions of their populations, and increase the employment level and reduction in the development gap in the Euro-Mediterranean region. A narrowing of economic disparities is also being sought through the encouragement of regional cooperation and integration.

The establishment of a free-trade area is being implemented through the new Euro-Mediterranean Association Agreements between the European Union and the Mediterranean partners. The signing of an association agreement with Syria in 2004 brings to completion this round of negotiations and augurs well for the establishment of a Euro-Med free trade area by 2010.

The EU has also continued to express a willingness to enhance support provided to the countries of Morocco, Tunisia, Jordan and Egypt in order to start implementing the free trade measures that have been agreed upon in the Agadir Agreement. Regional economic integration was also further supported including industrial and enterprise cooperation, the creation of a Euro-Mediterranean energy platform and a trans-Euro-Mediterranean Transport Network.

The Euro-Mediterranean partner countries also reviewed performance of the MEDA financial mechanism which has continued to show signs of improvement when it comes to management and distribution of funds. The European Investment Bank also continued to increase its role in the Mediterranean through the external investment it provides, with total FEMIP lending to the region rising above 13 billion Euros in 2004. Foreign Ministers repeated that the possibility of incorporating an EIB majority owned subsidiary dedicated to the Mediterranean will be fully assessed in December 2006 as had been agreed at the Naples Euro-Mediterranean conference.

The Euro-Mediterranean countries also agreed to endeavour to mitigate the negative social consequences that may result from such economic and financial adjustment, by promoting programmes for the benefit of the poorest populations. The promotion of mechanisms to foster transfers of technology from north to south is also to be part of the economic and financial partnership agenda.

When it came to economic cooperation the Euro-Mediterranean states agreed to co-operate in numerous areas some of which follow: they acknowledge that economic development must be supported both by internal savings, the basis of investment, and by direct foreign investment. The Euro-Mediterranean states stressed the importance of creating an environment conducive to investment, in particular by the progressive elimination of obstacles to such investment which could lead to the transfer of technology and increase production and exports.

Other commitments included recognition of the key role of women in development and an undertaking to promote their active participation in economic and social life and in the creation of employment. EMP states also stressed the importance of the conservation and rational management of fish stocks and of the improvement of cooperation on research into stocks, including aquaculture, and undertake to facilitate scientific training and research and to envisage creating joint instruments.

The economic and financial partnership discussions also acknowledged the pivotal role of the energy sector and calls for a strengthening of cooperation in the field of energy policies. It also recognized that water supply together with suitable management and development of resources are priority issues for all Mediterranean partners and that cooperation should be developed in these areas.

The Euro-Mediterranean participants also agreed to cooperate in several other areas such as that of developing and improving infrastructures, including through the establishment of an efficient transport system, the development of information technologies and the modernization of telecommunications. They also undertook to respect the principles of international maritime law, in particular freedom to provide services in international transport and free access to international cargoes.

The sectors of Justice, Security and Migration remained high on the agenda of all foreign ministerial meetings throughout 2004. A breakthrough in the sector dedicated to the social, cultural and human affairs chapter of the EMP that focuses on identifying mechanisms that will assist in developing human resources, promoting understanding between cultures and exchanges between civil societies, took place with the launching of the Anna Lindh Foundation for the Dialogue between Cultures in Alexandria, Egypt.

The nurturing of a dialogue between cultures and civilisations was thus also a high priority in this sector of the partnership. The importance of improving mutual understanding by promoting cultural exchanges and knowledge of languages was highlighted. A work programme that would focus on cultural and creative heritage, cultural and artistic events, co-productions (theatre and cinema), translations and other means of cultural dissemination, and training was requested.

The thirty-five Euro-Mediterranean states also continued to support Euro-Mediterranean Civil Forum activities that aim to reinforce the activities that non-governmental organisations are already carrying out by strengthening civil society networks across the Euro-Mediterranean area. Support for cultural diversity was also strengthened through further elaboration of the Euromed Audiovisual and Euromed Heritage programmes.

High priority continued to be attached to the issues of education, youth and women. Euro-Mediterranean foreign ministers highlighted the successful implementation of the TEMPUS programme for co-operation on higher education. Increasing awareness of the activities carried out by the Youth Platform which brings together more than 15,000 young people to work on common cultural values was also reiterated. The Euro-Mediterranean partners also committed themselves to sustaining efforts to increase the education level of women and promote their equal political, social, cultural and economic opportunities in respective societies.

The year 2004 also witnessed the successful inauguration of the Euro-Mediterranean Parliamentary Assembly in Athens. This mechanism is a landmark...
MAIN MEETINGS OF THE EURO-MEDITERRANEAN PROCESS

CONFERENCES OF EURO-MEDITERRANEAN FOREIGN MINISTERS

VI Conference of Euro-Mediterranean Foreign Ministers. Naples (02/03-12-03)
The final ministerial meeting before the enlargement of the EU. Ministers analysed the political and economic prospects for the region offered by the Wider Europe policy. Issues discussed by the ministers that should be highlighted were the proposal for the creation of the Euro-Mediterranean Foundation for the Dialogue of Cultures and the Euro-Mediterranean Parliamentary Assembly. The situations of Iraq and the Middle East were also examined, defending the role of the United Nations and the Road Map respectively.

Mid-Term meeting of Euro-Mediterranean Ministers of Foreign Affairs. Dublin (5/6-05-04)
The meeting reaffirms the strong political commitment to the Barcelona Process and its activities, as well as its contribution to the political and economic progress of the region. It was decided to speed up the process of implementation of the agreements made in the Valencia Action Plan and the conclusions of the Euro-Mediterranean Conference in Naples. The ministers approved the final decisions on the Euro-Mediterranean Foundation for the Dialogue of Cultures and agreed to consult for the development of the European Union strategy for the Mediterranean and Middle East.

Mid-term meeting of Euro-Mediterranean Ministers of Foreign Affairs. The Hague (29/30-11-04)
The meeting depicts the different initiatives which are being developed in the Mediterranean, above all the proposal of the United States, and confirms the importance of the Barcelona Process and its anchorage to the New Neighbourhood Policy of the EU. The advances made during the year were summarised paying particular attention to the new initiatives such as, in the security area, discussion of the subject of the non-proliferation of weapons of mass destruction or advances in the analysis of terrorism. The preparation of both assessment documents on the ten years of the Barcelona Process in the political and security environment (EuroMeSCo) and in the economic area (Femise) was requested, and the activities which can be carried out to celebrate the tenth anniversary of the Barcelona Process were discussed.

SECTORAL CONFERENCES

Euro-Mediterranean Ministerial Conference on Agriculture. Venice (27-11-03)
The first meeting of agriculture ministers within the Barcelona Process. As the Euro-Mediterranean Free Trade Area comes into effect in 2010, the ministers envisaged the need to deal with and cooperate on different issues such as rural development, promotion of the quality of agricultural products and organic farming. At the conference the possibility of setting up a specific regional programme within the framework of the MEDA programme was also discussed.

Euro-Mediterranean Trade Ministerial Conference. Istanbul (21-07-04)
The meeting took particular note of the progress made in the areas of the simplification of customs procedures, the rules of origin, services and the approximation of legislation on these issues.

Euro-Mediterranean Ministerial Conference on textiles and clothing. Tunis (28-09-04)
Given the elimination of quotas planned for January 2005, this meeting examined the means to strengthen the competitiveness of the Euro-Mediterranean area and its capability to attract investment; sustainable development, competition, the fight against counterfeiting and issues on regional integration were also discussed.
http://europa.eu.int/comm/enterprise/textile/euromed.htm

EU Strategic Partnership with the Mediterranean and Middle East (17/18-06-04)
At the request of the European Council a document with concrete proposals on a strategy towards the Middle East region was prepared. Several key priorities have emerged which include the promotion of joint interests, the recognition of the need for reforms which are not imposed but instead generated from within the affected countries and the importance of partnership.
http://ue.eu.int/uedocs/cmsUpload/Partnership%20Mediterranean%20and%20Middle%20East.pdf
that will promote interparliamentary exchanges as a vehicle to foster pluralistic democracy.

The Barcelona Declaration also recognised the important role that the media plays when it comes to fostering a better cultural understanding. The European Union pledged to actively promote such interaction, in particular through the ongoing MED-Media programme. A consensus emerged on the need to enhance visibility of the EMP, especially through the Euro-Mediterranean Dialogue programme on information and communication.

The EMP states also emphasised the fact that youth exchanges should be the means to prepare future generations for a closer cooperation between the Euro-Mediterranean partners. The Euro-Mediterranean youth exchange programme is therefore to be further strengthened on the experience already acquired in Europe and taking account of the Mediterranean partners’ needs. The EMP partners also agreed to cooperate on raising awareness, information and prevention in the health care sector.

Given the importance of the issue of migration for Euro-Mediterranean relations, the EMP states agreed to encourage meetings that would focus on making proposals to manage migration flows and pressures. These meetings will take account of experience acquired, inter alia, under the MED-Migration programme, particularly as regards improving the living conditions of migrants legally established in the Union.

Fighting terrorism was also highlighted as a top priority for all the parties. To that end, officials agreed to meet periodically with the aim of strengthening cooperation among police, judicial and other authorities. In this context, consideration will be given, in particular, to stepping up exchanges of information and improving extradition procedures.

As the Barcelona Process approaches its tenth anniversary in 2005, the participating Euro-Mediterranean countries should take stock of progress registered in each of the different co-operative sectors they are seeking to advance. The groundwork for the eventual introduction of a Charter for Peace and Stability, preparations for the smooth functioning of a Euro-Med free trade area and the establishment of an interactive Euro-Mediterranean Foundation that brings civil society together at regular intervals should be the priority areas that policymakers focus on. A review of the Valencia Action Plan of April 2002 that identifies those areas of co-operation where implementation of confidence-building measures can proceed in the short-term should also take place.

References


The Euro-Mediterranean Partnership

Can the Institutionalisation of a Parliamentary Dimension Breathe New Life into the Euro-Mediterranean Partnership?

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The inaugural session of the Euro-Mediterranean Parliamentary Assembly (EMPA) took place in March 2004. In the Declaration of Barcelona, the partner states agreed the need to encourage "contacts between parliamentarians." As a specific and practical measure, the European Parliament was invited "to take the initiative with other parliaments to launch the future Euro-Mediterranean parliamentary dialogue which could enable elected representatives of the various partners to go ahead with exchanges of views on a vast range of subjects." So, the Partnership was invited to evolve towards an association of states providing a double dimension: the inter-governmental and the inter-parliamentary. With the inter-parliamentary dimension it was thought that a new space would be opened up for building trust, together with a dynamic for dialogue transcending the intergovernmental dimension. In fact, through the parliaments, it is Mediterranean civil societies which are holding a dialogue.

The call by the Barcelona Conference gave rise to the Euro-Mediterranean Parliamentary Forum, set up in 1998. Following the recommendation of the European Parliament and the conclusions of the Euro-Mediterranean Conference in Valencia (April 2002), calling for the creation of a Euro-Mediterranean Parliamentary Assembly (EMPA), the Forum which met in Bari (June 2002) set up a working group charged with preparing this new structure. As a result of two series of meetings held in February and October 2003, internal debates and opinions submitted by the national parliaments in response to a questionnaire, the working group came to an agreement on the "essential parameters" of the future Assembly, allowing the Forum to submit its recommendations for the creation of the EMPA to the Euro-Mediterranean Conference in Naples (2 December 2003), which approved them.

In establishing the EMPA, the Conference declared it was convinced that the Assembly will contribute to greater visibility and transparency for the Barcelona Process, as well as relaunching it. Would inter-parliamentary co-operation be the new challenge that the Barcelona Process would have to take up? What would be the specific role of the inter-parliamentary dimension with respect to the inter-governmental? What are its contributions to classical diplomacy? How does EMPA encourage the visibility and transparency of the Barcelona Process, knowing that in certain States the parliaments are not actually independent of the executive? To try to answer these questions, it would be useful to assess the state of play and record the emergence of a parliamentary dimension in the political and security dialogue in the Mediterranean. It would then be useful to measure the actual powers given to the EMPA. Finally, it is a good idea to consider the specific contribution of the inter-parliamentary dimension to the inter-governmental as regards the Barcelona Process.

The emergence of parliamentary diplomacy in Euro-Mediterranean relations

The development of the parliamentary dimension in international relations is one of the gains of globalisation and the spread of democratic values. The Mediterranean region has not escaped this historic process, which has seen the emergence of a parliamentary dimension as a complement or support to the intergovernmental one. Some initiatives aiming at inter-parliamentary dialogue in the Mediterranean have been taken within the WEU, the OSCE and the Inter-parliamentary Union.

So, the WEU Assembly, turned into the European Interim Assembly for Security and Defence, has organised several working sessions and produced reports concerning security in the Mediterranean seen from a Parliamentary approach. Since 1995, the OSCE parliamentary assembly has, for its part, launched an inter-parliamentary dialogue with six Mediterranean Partners (Algeria, Egypt, Israel, Jordan, Morocco and Tunisia). It regularly organises seminars allowing exchanges between parliamentarians from both shores. The role of the Inter-

1 See the Valencia Action Plan, Chapter V on institutional arrangements.
parliamentary Union (IPU), which gave rise to the Inter-parliamentary Conference on Security and Co-operation in the Mediterranean (CSCM), will be mentioned elsewhere. The CSCM has, until now, held four meetings, of which the latest, at Nafplion (February 2005) decided to transform the CSCM process into a Mediterranean Parliamentary Assembly.  

From this state of play of the inter-parliamentary co-operation networks in the Mediterranean, we can already make two observations. Although these different instances are a considerable framework for political dialogue and an exchange of views, their multiplicity and involvement in concurrent areas raise the question of how specific they are. In other words, the inflation of instances of dialogue in the Mediterranean is a factor for confusion and inter-institutional concurrence which raises the question of the specific nature of each of these structures. At the same time, the concurrence of instances of inter-parliamentary co-operation does have positive effects. The numerous instances involved in inter-parliamentary co-operation in the region are a considerable framework for political dialogue and exchange of views on the regional situation. Another limitation lies in the fact that these instances are not the places where decisions are made to determine security, stability and co-operation in the Mediterranean, as the operation of the Euro-Mediterranean Parliamentary Forum has illustrated.  

In fact, within the framework of the Forum’s meetings, the parliamentarians are restricted to debating the main issues on the agenda and exchanging their views on the Barcelona Process, their conclusions being then passed on to their national parliaments and to their foreign ministers. But work within the Forum has also enabled the concerns of parliamentarians in the region to be measured. These concerns involve the difficulties of putting into practice the three chapters of the Barcelona Process. The southern parliamentarians have repeated their worries about the implications of the enlargement of the EU to the east, the Middle East conflict, Iraq, the consequences of the free trade area, immigration and the freedom of circulation of people (visas), the malfunctioning of the MEDA programmes, the weight of debt, insufficiency of investments and capital flows.  

As for northern parliamentarians, their concerns have involved respect for human rights and good governance, the struggle against illegal immigration, organised crime and terrorism, political and economic reforms and South-South integration (AMU).  

Will the transformation of the Forum into an Assembly allow it to provide answers to these deficits?

The Euro-Mediterranean Parliamentary Assembly: a deliberative and consultative power

Following the mandate granted to it by the Declaration of Barcelona, the European Parliament laid down some criteria for setting up a Euro-Mediterranean Parliamentary Assembly. The Parliament, which repeatedly denounces the deficits of the Barcelona Process concerning human rights, considers that the creation of the Assembly is likely to generate a new dynamic, giving rise to specific changes concerning the situation in this area. For this reason, the Parliament is asking that the new Assembly should take an active part in the debate on the progress of the European Initiative for Democracy and Human Rights (EIDHR).  

The European Parliament conceives EMPA as a control, evaluation, recommendation and action body on the achievement of the objectives of the Barcelona Process and, in particular, on the appropriate implementation of the Association Agreements. This conception of a dynamic and active role for the Assembly is clearly not shared by most governments, attached to a pre-eminent executive and to the inter-governmental dimension of the Barcelona Process.  

The opening session of the EPMA was held in Athens in March 2004, in the course of which it elected its President and its Bureau. At the instance of the Forum, the EMPA is organising its work in the spirit of the three chapters of the Barcelona Process, based on three Parliamentary committees which it established in Brussels in September 2004 (the political, security and human rights committee; the economic, financial, social affairs and education committee; the promotion of quality of life, human exchange and culture committee).  

Parity governs the composition of the EMPA: there are 240 members equally representing the parliaments of the European Union and the parliaments of the Mediterranean partner countries. The ten Mediterranean countries are represented by 120 members. The national parliaments of the twenty-five European Union countries are represented by 75 members, to which are added 45 members from the European Parliament. The Assembly’s Bureau is made up of four members, two belonging to Mediterranean partner countries and two to the European component (including a member of the European Parliament). This is not ground-breaking, because the ACP-European Union Partnership already has a Parliamentary assembly with parity. This is made up of representatives of 79 African, Caribbean and Pacific countries and 79 MEPs, forming the Cotonou Convention “Parliament,” which links the ACP states and those of the European Union.  

The "essential parameters" of the EMPA adopted by the Forum stipulate that it has a consultative role on all Partnership matters. It ensures the monitoring of the application of the Association Agreements. It adopts resolutions and addresses recommendations to the ministerial conference. Concerning this, two limit-
ations appear in the EMPA’s powers, concerning the means of making decisions and their legal scope. Concerning the rules governing decision-making, the Assembly must adopt its propositions by consensus. However, it is later indicated that it has the power “to examine ways to adopt any texts that it may consider necessary.” It is clear that at the instance of the other organs of the Barcelona Process is the rule, but this does hark back to granting a de facto right of veto to each state. The power to adopt other decision-making methods (voting) is in fact a theoretical one because putting it into practice requires the agreement of everyone, which appears hypothetical in the current context. Always adopted by consensus, the resolutions reflect the lowest common denominator on the big Partnership issues.

In addition, the Assembly’s deliberations will not be legally binding. Here we are in the realm of “soft law” concerned with deliberative bodies; the EMPA adopting resolutions with the value of recommendations and not decisions. So, the EMPA has very theoretical powers subject to consideration at the Ministerial Conference, which remains the framework where decisions about the Partnership are taken.

What is the link with the existing institutions of the Barcelona Process? The Parliamentary Forum invited the Ministerial Conference and the Assembly to establish a “formal link,” maintaining their specific nature and independence. Mutual representation at respective meetings is one of the links envisaged. Another important link lies in the opportunity given to the EMPA to submit opinions to the Ministerial Conference. It is true, however, that there is nothing compelling the Conference to follow these opinions. The EMPA must be a framework for recommendations and propositions with a view to improving the Barcelona Process. Otherwise it would risk being nothing more than an association of parliaments from the region. The Parliamentary Assembly of the Council of Europe could, in this respect, form a model because it is a sufficiently flexible structure to preserve national sovereignties, but sufficiently structured to be a framework for debate and fruitful exchange.

Ultimately, the EMPA must be really representative, with representation from all parliaments in the region. In effect, it seems that certain national parliaments are still reticent to participate in the new institution's activities.

What is the contribution of parliamentarians to the Barcelona Process?

It must be stated that the Barcelona Process’s achievements are quite modest, if, of course, the Association Agreement strand is excluded: seminars for training diplomats, networks of foreign policy institutes (EuroMeSCo), co-operation between the civil protection services in the case of natural or man-made disasters, creation of a record of bilateral agreements, exchange of information about international conventions in the fields of human rights, disarmament and humanitarian law. The persistence of the Middle Eastern conflict, the disagreement between the partners on basic issues (human rights, disarmament and non-proliferation of weapons of mass destruction) or the insufficiency of MEDA budgets for aiding the southern countries are among the counter-productive factors.

The parliamentarians must make themselves advocates of the Partnership as regards their governments by pushing initiatives in this field and by supporting and feeding the debate on the Barcelona Process. This Process concerns a range of issues diverse enough to allow action by parliamentary agents in support of governmental agents: the fight against terrorism, organised crime, narcotics trafficking, environmental degradation, xenophobia, illegal immigration and trafficking in human beings.

The agreement between parliamentarians allows this or that initiative or position to be tested outside more binding classical diplomatic action and new ideas to be tossed around beyond the official constraints of inter-governmental meetings. It is clear that as Parliaments cannot, for the moment, be the place where decisions are directly taken regarding the adoption of partnership measures, it does not simply remain for them to be forums for discussion and debate allowing elements to be identified with a view to future agreements. Inter-parliamentary exchanges would also allow taboos to be lifted more easily on sensitive issues like disarmament. In addition, the exploratory work of parliamentarians can facilitate subsequent decision-making by governments. The inter-parliamentary dimension can therefore “boost” and “relaunch” the inter-governmental one.10

In practice, one might imagine regular meetings between the foreign affairs and defence committees of the parliaments in the region to discuss issues of common concern including the deep causes of the instability and tensions affecting the region. This would form one of the preventive diplomacy mechanisms that the region cruelly lacks. In effect, inter-parliamentary instances are places where the parties can express themselves more freely and give opinions to governments on ways of managing crises, offering their good offices to the parties in a dispute. So, inter-parliamentary co-operation opens up a new space for creating trust and a dynamic of dialogue. Finally, through the parliamentarians, Mediterranean civil society can in fact undertake a frank exchange on all its concerns and aspirations and seek the means to respond to them. Because of their rich experience, the parliaments of European countries can make a notably useful contribution to the development of democratic institutions in the southern countries. The exchange of experiences in this area is crucial, but these exchanges must avoid all forms of paternalism. Ultimately, it is a question of strengthening mutual co-operation and combating misperceptions and stereotypes fed by an irrational view of others.

One of the elements highlighted by the analysts of the Barcelona Process is the difficulty in carrying out an assessment of the true effects produced by the projects developed within this framework.

The annex to the annual report produced by the European Commission on development policy and external assistance* during 2003 includes a methodological analysis of interest on the indicators which permit the success of EU cooperation worldwide to be weighed up.

At the end of 2002, the evaluation unit carried out a three-year long evaluation methodology plan.

Amongst the first findings, evaluation at geographical level indicates certain keys for the evaluation of cooperation with the Mediterranean countries: this has high relevance and reasonably good general effectiveness, despite being limited due to the lack of policies which confront main economic weaknesses. Serious ineffectiveness is revealed in the management, which is transformed into delays and interruptions. The Commission is therefore advised to help partners in the identification of strengths and weaknesses in social and economic development and use elements such as the creation of new financial instruments or decentralisation.

On the other hand, it is recognised that access to external financing on the part of small and medium-sized ventures is resolved through a varied range of initiatives which are not interconnected. The promotion of business was the main sector of the regional projects.

On the whole, from the EU’s point of view, it seems that the projects related to the Mediterranean area present a reasonably good average assessment in comparison with other geographical areas and are only exceeded by Latin America.

Five criteria are used for the assessment: relevance, efficiency, effectiveness, impact and sustainability. In general the results for the Mediterranean area are good as they are above the average in all criteria.

The relevance of a project is measured by the number of people it affects and the needs of these people. In this section, the report indicates that one of the main obstacles comes from the delay in the development of the projects which can make them inappropriate. The most ambitious they are the more difficulties they present and the more they lack capacity for adaptation.

Efficiency is measured in adapting the development of the project to planned deadlines and although reaching the required average (2.5) for their positive assessment, this is the weakest indicator, and it is therefore necessary to set more realistic deadlines.

Effectiveness considers to what extent the project represents an increase in wellbeing in people’s lives. This was the most successful indicator during 2003. Furthermore, the report points out that the projects usually play a catalytic role in improvements in the least tangible elements, such as local participation or strengthening of communities.

The report admits the difficulty in evaluating the impact of the project.

Finally, the sustainability of the project has diverse dimensions. Whilst from the environmental, sociocultural and technological viewpoint, the Commission considers that the results are positive, this is not the case for financial sustainability, given that the nonexistent monitoring with the local counterparts after the project is completed provokes, if not a loss of the benefits gained, a reduction in the rate at which these are produced.

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TABLE 9

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<tr>
<th>Average assessment 2003</th>
<th>TACIS</th>
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The First Steps of Establishing the Anna Lindh Euro-Mediterranean Foundation for the Dialogue between Cultures

The decision to create a Euro-Mediterranean Foundation was taken in 2002 in Valencia. Two years later, the Ministers of Foreign Affairs of the then 25 Member States of the European Union and their ten Mediterranean partners completed in Dublin (5th to 6th May) and at The Hague (29th to 30th November 2004) their agreements to establish the first common institution which is jointly financed by all members of the Euro-Mediterranean Partnership. In adopting its statutes, they created the new Anna Lindh Euro-Mediterranean Foundation for the Dialogue between Cultures. In response to a proposal made by the Egyptian Government, the Foundation was named after the late Swedish Foreign Affairs Minister Anna Lindh, assassinated in 2003, who had supported the creation of the Foundation. The Foundation has its Headquarters in Alexandria at the Bibliotheca Alexandrina in tandem with the Swedish Institute.

The Foundation, having only a light administrative structure, acts as network of networks of the 35 civil societies forming the Euro-Mediterranean partnership. The Heads of the national networks share with the Executive Director the responsibility of implementing the programme approved by the Board of Governors constituted, in the initial three year period, by the EuroMed Committee representing 35 Ministries of Foreign Affairs. On 15th July, the EuroMed Committee appointed the first Executive Director and a consultative committee of twelve people, six from EU Member States and six from Mediterranean partners.

Thanks to an initiative by the Netherlands Presidency, the Executive Director, a few days before taking up his functions in Alexandria, was able to consult, on 11th and 12th November in Brussels, with the heads of the national networks and the members of the advisory committee, on the three year programme 2005-2007 of the Foundation. The result of their initial joint efforts was presented on 30th November to the Foreign Ministers at The Hague and approved by the EuroMed Committee on 27th January 2005. Nine years after the adoption of the Barcelona Declaration, the first steps of the Foundation reflect the aspirations of civil societies concerning an acceleration of the Barcelona Process. The official launching of the Foundation is scheduled for 20th April 2005 in Alexandria.

There is not much time left for the recruitment of international staff, the establishment of 35 national networks and for putting into practice the network of networks for the dialogue between cultures, civilisations and societies in the Euro-Mediterranean region.

The first Three Year Programme 2005-2007 of the Foundation promotes a dynamic concept of dialogue between cultures and civilizations, which goes beyond an exchange of words to foster multilateral intellectual co-operation and capacity building in multidisciplinary fields such as human rights, democratic citizenship, sustainable development, learning, knowledge and information society, gender and youth.

Shaping globalisation

The following reflections are inspired from a series of World Reports and regional reports, in particular the recommendations of the High Level Advisory Group (Prodi “Groupe des Sages” 2003), are of particular importance for the mission of the Euro-Mediterranean Foundation. Cultural policies, scientific research, media and education share the challenge of transforming the nation-culture connotation, inherited from the 19th century, into a better understanding of “our creative diversity” at the level of local as well as global interactions. The common objective is to restore the balance between the “national” dimension of cultural identities and the many other dimensions of contemporary societies. A pragmatic solution was found in the new “concept 2000” of the German policy in external cultural relations. The notion “German culture” was replaced by “cultural life in Germany,” and the objectives of the dialogue between cultures, that used to be formulated as “dialogue between the German and foreign cultures,” was reworded as “participation of Germany in the dialogue between cultures and civilisations.”

Rights-based cultural identities

Non-discrimination is the common denominator of all human rights normative instruments. There is much coherence between the “right to be different” in the Declaration on race and racial prejudice (1978) and the affirmation of priority of freedoms over tradition in the Universal Declaration of UNESCO on Cultural Diversity (2001) which deserves to be recognised and put into practice. Article 2 of this Declaration conveys important terminology: the commitment
of the international community to ensure that people live together peacefully in a multicultural world, defines individuals and groups as having plural, overlapping and dynamic cultural identities. The dialogue between cultures is always a dialogue between human beings. Imposing on the participants of such a dialogue identities determined by their origin or inherited culture would run against the rights-based concept. Cultural identities are always to be understood as resulting from past-present and individual-society interactions.

Learning to live together is one of the four pillars of education in the 21st century outlined by the UNESCO World Commission chaired by the former President of the European Commission Jacques Delors. The Delors Report recalls a number of basic reform concepts such as “education for liberation” developed some decades earlier by Paulo Freire in Brazil and transforms them into a modern concept of global education. Formal education systems are to be geared towards learning environments. The role of the teaching profession is to be refocused from instruction into the organisation of learning processes.

The new concept of the Delors Report is aimed at schools which would be characterised by the everyday practice of tolerance through assisting pupils and students to develop the skills of giving way to others’ points of view. Multiperspectivity is therefore among the global objectives for education in the 21st century, transmitting to the individual learner the skills to define their priorities and shape their opinions whilst taking into account the different competing ideologies in society, at school or in the classroom.

Value education, a key education issue in the 21st century

The great Swiss psychologist Jean Piaget elaborated in the 1920s his theory of human cognitive development, based on concrete and global universalism. According to Piaget, learning is a process of permanent balancing between adaptation to and assimilation of the environment, in cognitive as well as in moral development. The Delors Report adopts this perspective of pedagogical interaction in addressing value education:

“Values in general and tolerance in particular cannot be taught in the strict sense: the desire to impose from the outside predetermined values comes down in the end to negating them.” Value education is, however, not the same as minimal tolerance which is restricted to the accommodation of others. Value education needs to be based on a multidisciplinary social and human sciences approach.


The Strategy of the Foundation identifies the benefits from the emerging international consensus on cultural diversity as being as essential for humankind as is bio-diversity for nature. It translates such benefits into proposals for Euro-Mediterranean co-operation, aiming at ensuring respect for diversity and pluralism and promoting tolerance between different groups in society. The programming principles need to avoid a duplication of efforts and strive for synergies with and adding value to existing activities. All activities are to involve at least two EU and two Mediterranean partner countries; preferably more. Fields of action include education, culture, science and communication, as well as transverse themes such as human rights, sustainable development, gender and youth. Education and use of IT and other media are the two most important modalities for reaching out to civil societies at large, with youth being the priority target group. The activities of the Foundation will be the result of the combined efforts of its 35 national networks and the Secretariat at the Foundation’s Headquarters in Alexandria.

The following six programmes will be the focus of the Foundation’s activities for the first three years 2005-2007:

(1) Our Common Future

The “Our Common Future” Programme aims at reaching out to the largest possible number of young people, inviting them to share experiences and work together without frontiers. The themes and modalities include popular music, a school magazines project publishing articles on selected themes, co-produced by mixed teams, a Euro-Mediterranean schools network and a teacher-training programme.

(2) Opportunities for Multiperspectivity

The Multiperspectivity Programme provides educational contents which encourage the young generation to develop together throughout life. The focus is on translating universal values such as non-discrimination, justice and tolerance (as they are enshrined in the Universal Declaration of Human Rights) into attractive learning and teaching resources. The themes and modalities include a multilingual education server, comparative research on school textbooks and curricula, and the culture of religions.

(3) Our Creative Diversity


(4) Co-operative Science without Frontiers

The Science without Frontiers Programme gives particular attention to fostering capacity-building by using existing digital opportunities such as the enlargement of the GEANT broadband communication network to Southern Mediterranean partners (EUMEDIS). The most important modalities are the Braudel-Ibn Khaldoun Higher Education Network, a travel grant scheme for students and scientists from Euro-Mediterranean developing countries, the simulation of Euro-Mediterranean Foreign Ministers Conferences by university students and the establishment of trans-border research groups of young scientists.

(5) Euro-Mediterranean Information Society

Following on from the Civil Society Forum at the World Summit on Information Society (Tunis 2005), the Foundation will organise interdisciplinary workshops
on civil society participation in the modernisation of education, culture, science and information policies. The focus will be on the interrelationship between emerging education, knowledge and information structures. Particular attention will be given to educational and cultural journalism.

(6) **Empowerment of Women**

In co-operation with international women’s networks, female universities and any relevant existing university programmes in the Euro-Mediterranean area, several national and bilateral training programmes for women are to be opened to participants from other EuroMed countries. Travel grant programmes will be negotiated with donor agencies and particular attention to gender issues will be mainstreamed across the whole programme of the Foundation.

**THE SOCIAL, CULTURAL AND HUMAN PILLARS OF THE BARCELONA PROCESS: DIALOGUE, COORDINATION AND ACTION**

The Euro-Mediterranean instruments available to sociocultural dialogue are divided into three groups: the EuroMed Programmes, the civil society networks and the new initiatives. In general, the human scale of the Euro-Mediterranean Project makes reference to political reforms, the appropriation of the partnership, human movements and integration, human development and the actors of the future. The Barcelona Declaration provides an innovative framework which for the first time associates “civil society” and “culture” with a clear “Mediterranean” will.

The Partnership is equipped with means (MEDA Programme) and instruments (regional programmes). The following regional programmes are highlighted in the sociocultural sphere and were set in motion between 1996 and 1999:

• **EuroMed Heritage**: is the basis of the Euro-Mediterranean cultural project, with 36 regional projects, although they are only coordinat-ed by European bodies
  

• **EuroMed Audiovisual**: 6 projects, too specialised and with little perspective
  

• **EuroMed Youth** (500 projects)
  
  http://europa.eu.int/comm/youth/priorities/euromed_en.html

• **Eumedis** has a certain cultural dimension, based on the use of new technologies
  
  www.eumedis.net/en/

In addition, the European Union has been enlarging its own programmes in the southern Mediterranean countries, starting in 2002:

• **TEMPUS Programme** (extension to Mediterranean countries with mobility grants)
  
  http://europa.eu.int/comm/education/programmes/tempus/index_en.html

• **ERASMUS Programme** (9,000 grants to favour the circulation of students)
  
  http://europa.eu.int/comm/education/programmes/erasmus/index_en.html

• **MEDIA Programme** (open to Mediterranean countries in 2005-2006)
  
  http://europa.eu.int/comm/avpolicy/media/index_en.html

• **CULTURE 2000 Programme** (the involvement of the Mediterranean partners here is by sectors and always coordinated by European bodies)
  
  http://europa.eu.int/comm/culture/aec/index_fr.html

• **MEDA DEMOCRACY Programme, 1996**,
  
  (oriented to non-governmental organisations on Human Rights and Democracy)

Networks have been promoted from the Euro-Mediterranean civil society since 1995, with the objective of obtaining a greater reach and greater diffusion of the possibilities of participation of the civil society in the Barcelona Process. The following thematic networks were principally promoted here:

• **Mediterranean Citizens’ Forum** (1995)

• **Euro-Mediterranean Human Rights Network** (1997, with more than 80 associations in 20 countries and capacity for lobbying)
  
  www.euromedrights.net

• **Euro-Mediterranean Trade Union Forum** (1999)

• **Euro-Mediterranean Forum of Cultures** (2000)
  
  www.femec.org

For its part, the report of the High-level Advisory Group created by the European Commission on the initiative of the then president of the Commission, Romano Prodi (2003-2004) can be considered an about-turn in cultural policy and central themes of dialogue, as it offers a new sociocultural approach to the European Neighbourhood Policy, with the following elements:

• **Make EDUCATION** a vehicle for learning about diversity and the transmission of foreign knowledge.

• **Promote MOBILITY**, exchanges and the exploitation of experience, capacities and good practice.

• **Make MEANS OF COMMUNICATION** an instrument of vitality, equality and mutual knowledge.

Currently, the instruments which have an impact on sociocultural dialogue with the Euro-Mediterranean Partnership are the following:

• **EuroMed Civil Forum** (1995, eight editions)

• **Platform** for the EuroMed Civil Forum (2004, more than 80 member organisations)
  
  www.euromedforum.org

• **Anna Lindh Euro-Mediterranean Foundation** for the Dialogue between Cultures (Alexandria, 2004)
  
  www.euromedalex.org

• **EuroMeSCo** (1995, 47 research centres and 25 observers for the political sphere of the process)
  
  www.euromesco.org

• **Femise** (1998, more than 70 economic development research centres)
  
  www.femise.org

• **Euro-Mediterranean Parliamentary Assembly** (whose institutionalisation took place in 2004)
The European Constitution and the New Framework for European Foreign Policy

José Borrell Fontelles
President
European Parliament

The Constitutional Treaty project formally adopted in Rome by the Heads of State and Government on 29th October 2004, establishes the dream of a political Europe. In the field of the Union’s External Action and worthy of note the Constitution Project is particularly innovative. For the Mediterranean and its civilizing dream of a future shared in peace and prosperity between its shores, the project of a European Constitution is particularly appealing as it provides the European Union with the necessary tools to face the new challenges which we are confronted with.

The evolution of the European Foreign Policy from its beginnings in the Treaty of Maastricht, until the present time, has undergone a gigantic transformation. If we consider that the European Union has quite recently begun to coordinate missions and military and police operations, for example in the Balkans and the Congo, we will see the great advances achieved.

Perhaps it is in this field in which the project of the Constitution is most innovative and from the beginning, the Convention approached the reform in the structures of the Union’s foreign policy. Some of the questions put forward in Laeken claimed to have an answer for the need to study this field in depth, in order that the European Union confront the challenges demanded of it in an international context and the position it holds in the world.

The fact that the task of drafting the Constitution has coincided in time with the transatlantic crisis and the division of Europe caused by the invasion of Iraq has strengthened the idea of a Common Foreign and Security Policy.

The preparation of a European Security Strategy in December 2003 emphasised how the crisis in Iraq acted as a catalyst, in many cases more than a serious obstacle in the development of this policy. The history of mankind is crammed full of crises which have stimulated progress. Among the important changes in the Constitution lie, in the first place, the disappearance from its structure of the pillars which have prevailed until now. It puts an end, therefore, to the distinction between the inter-governmental Common Foreign and Security Policy (CFSP) and the external community relations which were shown by the existence of a High Representative (Mr Solana) and the then Commissioner for Foreign Affairs, Mr Patten, now Ms Ferrero-Waldner respectively.

The important institutional innovation proposed in the Convention is the creation of a Union Minister for Foreign Affairs, who will be in charge of the Common Foreign and Security Policy, but who, at the same time, will be part of the Commission. By means of this double membership Commission-Council, or double hat as it has been called, the Minister for Foreign Affairs will be responsible for the execution of foreign policy as a whole. It is a measure which aims to give unity, visibility, efficiency and cohesion to European external action, by joining all sectors of foreign activity under one title. It will be a new figure which will have to demonstrate its true potentiality in practice.

In like manner, among the fundamental advances proposed by the Constitution, is the formulation of a political framework for European Foreign activity based on the Union’s objectives and principles, which furthermore intend to encourage “democracy, rule of law, universality and indivisibility of human rights and fundamental liberties, respect for human dignity, the principles of equality and solidarity, and respect for the principles of the United Nations Charter and International Law” in the whole world.

I have taken the liberty of quoting them (Article III-292) because they represent an authentic dream and ideal of brotherhood and universality among men. By means thereof, Europe confirms itself as a planetary actor who acclaims the law and effective multilateralism as the only means of action on the international scene and the abandonment of the logic of power as the only means of relation in international relationships.

The European strategy of security adopted in December 2003, which I mentioned earlier on, is based on a new philosophy and on which Europe develops these principles and defines its challenges and threats, its strategic objectives and the most appropriate forms in order to try to attain a new international order.

Another important aspect is the maintenance of unanimity in the taking of decisions in the field of Common Foreign and Security Policy. The ferrous opposition of certain States made it impossible to introduce the qualified majority in this sphere. The qualified majority is only contemplated in certain assessed cases and always in decisions which execute another previous decision adopted by the European Council, as indicated in Article III-300. However, a suspension mechanism in the ordinary legislative proceeding (emergency brake) is foreseen in the cases in which one State opposes the passing of a decision by a qualified major-
ity for “vital political reasons.” It is regrettable in this field that neither the proposals of the Convention (qualified majority for the proposals put forward by the Minister with the support of the Commission) nor those presented by the Italian presidency (qualified majority for all the Minister’s proposals) were able to defeat the opposition of a series of Member States.

As a last resort, the possibility is depicted that the Council decide, unanimously, on the transfer of certain domains of unanimity to the qualified majority by means of that which has been called bridge clauses, which would make the revision of the established provision in the Constitution flexible. It is interesting to note, unfortunately, that in this domain (Article 1-40. 7), the bridge proceeding is an exception to the general rule, as in this case neither the consultation of the European Parliament nor the transmission to the National Parliaments are required, which is the case in other sections of the Constitution.

Going on to another subject, the Constitution facilitates and strengthens a foreign representation of the Union before third parties, which had not been given its full scope until now. The obligations of the collaboration in the diplomatic representations of the Member States are strengthened, making possible, arising from its legal personality, for the Union to have real instances of political representation in third countries, like the present delegations of the Commission which would become delegations of the Union. With regard to the foreign representation, the Constitution also aims at the creation of a European External Action Service, under the direct command of the Union Minister for Foreign Affairs.

The Constitution indicates other fields in foreign relations which should be called to mind, such as the positive modifications introduced in the Common Commercial Policy. We should not forget that if the European Union is one thing, it is a great commercial power. The Constitution sitsuate the Common Commercial Policy under the title of external action, an unmistakable sign that it “will be carried within the framework of the principles and objectives of the Union’s external action.” It is undoubtedly a great achievement for all internationalists. The development which it will be given and the real value which it establishes in favour of a world and a commerce which is both more just and more equitable remains to be seen.

We should also mention a final field in which the Constitution introduces a notable advance in the field of cooperation with developing countries and humanitarian aid. The recent disaster caused by the tsunami which has devastated south east Asia, has once again emphasised the importance of the European Union relying on combined genuine instruments to stand up to these disasters, for example. The Constitution furnishes specific fundamental points of law, subject to the ordinary legislative procedure which will facilitate a genuine action by the European Union in these domains.

I have not wished to develop the advances which the Constitution is making in the field of the Common Security and Defence Policy, as this is not the object of this analysis, but I would like to insist on the solidarity clause included in the Constitution. According to this clause, a Member State when faced with a terrorist attack or a natural or man-made disaster will be given assistance by the other States (Article III-329), which is an authentic instrument of solidarity among the members of the Union.

As President of the European Parliament, whereby I have the privilege of serving all the Europeans, I cannot fail to allude to the role that this institution plays with regard to external action.

Of the two great traditional tasks of a Parliament, those of legislation and control, the significant increase in the role of the European Union in foreign policy, means that the European Parliament is also increasing its competence in this field. The changes proposed by the Constitution will facilitate these tasks. For example, the creation of a Minister for Foreign Affairs in the Union will simplify the control of the Parliament which will have only one interlocutor.

The advances proposed by the Constitution provide us with further examples: the simplification of the budgetary procedure will provide the European Parliament with new fields of control, influence and negotiation and we should remember that it is the sole community institution which is directly elected by citizens. Another field which will strengthen the role of the Parliament is that of the Commercial Policy, whereby the Constitution establishes that the consent of the European Parliament will be required in order to close commercial agreements, as well as obliging the Commission to periodically account for the negotiations held.

One of the most important aspects of the European Foreign Policy in years to come will be the relations with its neighbours following the success of the latest extensions. The policy of good neighbourliness promoted by the European Union will have the benefit of new opportunities for development with the mechanisms proposed by the Constitution. In this framework, the different policies and instruments to promote cooperation and economic, social and political reforms needed in Mediterranean countries and in the Middle East, will be one of our main priorities. It was thus depicted in the European strategy of the policy of good neighbourliness developed by the Commission in May last year.

In this chapter one is obliged to refer to the Euro-Mediterranean Process which was initiated in Barcelona ten years ago, in the content of the peace negotiations between Israelis and Palestinians. It is now time to revitalize this by making good use of the changes which have taken place recently in the region. Peace, security and prosperity, so longed for, are common challenges on both shores. Dialogue is, therefore, essential among the Mediterranean peoples. In March 2004 the Euro-Mediterranean Parliamentary Assembly was constituted (EMPA), whose objective is to strengthen the parliamentary dimension of the Process of Barcelona in which the European Parliament plays a very important role. This forum may become a very important tool for dialogue between Europe, the Arab States and Israel, by means of which it will give impetus to the commencement of a hope for a definite peace in the region.

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The Union’s Foreign Policy requires without doubt a policy of good neighbourood and needs to find a solution for the conflicts and inequalities which are tearing the Middle East and the Mediterranean basin apart. I am sure that the advances in foreign matters which the Constitution will provide will make the changes we all need possible.

**Mediterranean Security Initiatives**

**European Strategy for Mediterranean Security (PESC/PESD)**

The European Security Strategy, approved by the Brussels European Council (12 – 13/12/2003) opens up two lines of evolution: the first being the consolidation of the concept of security nearest to “soft security” and “human security,” outlined in the report of the Study Group on Europe’s Security Capabilities entitled “A Human Security Doctrine for Europe” (Barcelona, 15/9/2004). It highlights the connection between internal tensions and international threats, as well as incorporating new dimensions, such as the environment and human movements. Following this line, the conclusions of the Brussels European Councils (17-18/6/2004 and 16-17/12/2004) state, respectively, that the means that have been employed can be considered from a multidisciplinary, pragmatic and long-term perspective; at the same time, greater priority will be given to actions against the causes, rather than actions against the effects and each case will be considered on its own merits.

The second line is the drawing up of a strategic vision for the EU as an international actor. The EU proposes to be more and more active, to assume greater responsibility, to equip itself better, to improve its capabilities and to work in close collaboration with third actors, such as the G8 or NATO.

At the same time, the conclusions of the 6th Euro-Mediterranean Conference (Naples, 2-3/12/2003) grant more importance to the political aspects of the partnership and reinforce the connection between the PESD and the Barcelona Process. The security dialogue has become more visible and has allowed some of the Mediterranean member countries to participate in formation activities and exercises. The emphasis put on the structural measures is reflected in the conclusions of the Meeting of EuroMed Foreign Ministers (The Hague, 29-30/11/2004), that insist on the support of the Partnership Building Measures, such as the Maltese diplomats’ seminars, the EuroMeSCo network, civil protection co-operation and crisis management.

Furthermore, the final report on the EU Strategic Partnership with the Mediterranean and the Middle East (Brussels, 17-18/6/2004) identifies the fight against terrorism and organised crime, the proliferation of weapons of mass destruction and the resolution of regional conflicts, such as in the Middle East, as the principle international threats in the Mediterranean region.

For its part, the Declaration on the fight against terrorism (Brussels, 25/3/2004) incorporates the antiterrorist clauses in the agreements established with some of the Mediterranean member countries (for example, Egypt) and reinforces the co-operation between the judicial authorities and the police.

In relation to the non-proliferation of weapons of mass destruction, a specific clause has been introduced in the new Euro-Mediterranean framework agreements and it works in favour of the effective fulfilment of the multilateral and political agreements on non-proliferation.

Finally, and as stated in the conclusions of the Euro-Mediterranean Foreign Ministers mid-term Conference (Dublin, 5-6/5/2004), the methodology used will be worked on in order to bring together the security concepts on both sides, strengthening the commitments on values and common principles and emphasising the need to implement specific activities. This will mean that the dialogue at high ranking civil service level will intensify and the reinforced co-operation between smaller groups of countries will become more established. A new co-operation mechanism will be studied which is more adaptable to the new international reality and that will probably include the establishment of consultation, working groups and ad hoc meetings, as much in the regional scope as in the sub-regional.

European Security Strategy (ES):
EU Declaration on Combating Terrorism (EN):
http://ue.eu.int/uedocs/cmsUpload/79635.pdf
EU Strategic Partnership with the Mediterranean and the Middle East (EN):
EU Strategy Against Proliferation of Weapons of Mass Destruction (EN):
http://ue.eu.int/uedocs/cmsUpload/ist15708.en03.pdf

**NATO security strategy (Mediterranean Dialogue and Istanbul Cooperation Initiative)**

Between June 2003 and December 2004, NATO has reinforced co-operation in the Mediterranean region in two ways. On the one hand, and coinciding with the celebration of the 10th anniversary of the Mediterranean Dialogue (8/12/2004), its transformation in Partnership. The framework of bilateral multilateral co-operation in the Mediterranean region (made up by Algeria, Egypt, Israel, Jordan, Mauritania and Morocco) will reinforce both the practical co-operation, as well as the political dialogue. It will concentrate on aspects such as the fight against terrorism, the co-operation on border security and the assistance for defence systems reforms.

On the other hand, through the launching of the Istanbul Cooperation Initiative (28-29/6/2004). Thought of as a parallel bilateral initiative to the Mediterranean Dialogue, it complements it by extending co-operation on practical security issues to countries in the Greater Middle East area (consisting of Bahrain, Qatar, Kuwait and the United Arab Emirates). It will tackle issues such as the fight against terrorism, the proliferation of weapons of mass destruction, border security, the management of civil crises, assistance for defence systems reforms, the training and the eventual participation in some Peace Association exercises or in specific operations directed by NATO.

About the Mediterranean Dialogue:
www.nato.int/med-dial/home.htm
About the Istanbul Cooperation Initiative:
www.nato.int/issues/ici/index.html
Speech by the Secretary General of NATO, Jaap de Hoop Scheffer (Munich, 12/2/2005):
www.nato.int/docu/speech/2005/s050212a.htm

Elisabeth Dalmau
IEMed
The European Enlargement and its Effects on the Mediterranean

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The Partnership

Since 1995, the Barcelona Process has been the framework for the relationships between the EU and the Mediterranean partners and the Euro-Mediterranean Partnership became the instrument for pursuing a wider area of economic cooperation and stability.

Now that the EU’s enlargement has been successfully completed in May 2004, the outcome of the Barcelona Process has been put under review, while the proposal for a new European Neighbourhood Policy is raising further questions in the Mediterranean countries. Despite its initial ambitions and the increase in European financial support, the Partnership has only achieved modest results in term of economic growth, trade integration and foreign direct investment (FDI) attractiveness.

When considering its successes and its failures, the review of the effects on the Mediterranean partners is rather complicated and the outcome is dominated by three important questions.

Firstly, the enlargement to include 10 new members has greatly changed the framework for trade, business and investment in the region, but cannot be blamed for the poor results of the Barcelona Process. On the contrary, the speed of adjustment and adaptation of the CEECs as well as the speed of reforms provides a valuable lesson to the Southern Mediterranean partners. However, since EU membership is not included in the offer and this option could reduce the perceived benefits, the unilateral adoption of EU rules appears to be the most straightforward alternative that may be pursued in a selective manner (‘à-la-carte’), according to the their needs and policy goals. This integration model is not new in the geo-economic region, as in the case of Turkey and Israel, or in the more advanced EFTA (European Free Trade Association) countries and Switzerland. The political determination to proceed in this direction has the advantage of giving external credibility to the domestic reforms that will compensate for the short term costs of adjustment.

Secondly, the enlargement will develop a new status in the North-South relationships. Although in economic terms, the size of the EU will change only marginally (as a whole it represents just 5 percent of the EU-15 GDP) the asymmetry among the partners will assume substantial levels to make largely rhetorical the definition of “partnership”: the management of the Partnership will consist in great measure in the adaptation of the Mediterranean countries to decisions and objectives made by the European partners, inevitably causing a scarce sense of “ownership” from the Mediterranean countries (Joffé (2001).

This bias is going to undermine the idea of partnership and generate suspicion and resentment on the part of many Mediterranean countries. On the other hand, the South-South relationships have not yet produced the expected results and the attempts of economic integration were still less than those of political integration.

Thirdly, the central objective of the Partnership, the free trade zone, appears less favourable as the vertical direction of trade continues to dominate the scene. In the North-South relationships, the net of Association Agreements among the UE and the single Mediterranean countries has proceeded very slowly. The European-Mediterranean free trade zone – that according to the original schedule had to be in effect in 2010 – will only become a reality after many years of delay. Also, the South-South relationships have not materialised. The trade agreements among the Mediterranean partners, necessary to complete the free trade area, are still not in place, with the exception of the Agadir agreement, just signed and whose effectiveness has yet to be verified, together with some bilateral agreements that have had as protagonists Morocco and Turkey.

The results after 10 years

Although the opening up of trade became more widespread during the mid nineties, the EU’s trade with the southern Mediterranean Countries represents about 6 percent of total EU imports and 7 percent of total EU exports (Femise (2004, 2005)). Excluding Turkey, Morocco and the oil exporting Algeria, all other Mediterranean partners have shown only a modest ability to increase their commercial penetration in the European markets, therefore supporting the conviction that the enlargement has diverted FDI and trade flows towards the CEECs. The Association Agreements were not able to revitalise trade integration between the two regions and they failed to compete with the stronger magnet of the enlargement.

However, from a southern perspective, the economic benefits can be more substantial, considering the size asymmetry. In fact, the divergence of the integration patterns depends on the country size and commitments to open their own
economic systems to international trade. Although the volume of Euro-Mediterranean trade has been growing rapidly in nominal terms, it grew less rapidly than total world trade. As a result, the EU share of Mediterranean trade declined to 46.7 percent in 2003 from 50.8 percent in 1995.

Trade between the southern and eastern Mediterranean countries and each other remained only about 5 percent of their total trade, although this figure is distorted by oil exports. For non-oil producers such as Jordan and Lebanon, more than 40 percent of exports are internal to the Middle East and North Africa. Foreign capital participation has been disappointing despite all Mediterranean countries introducing, during the past decade, a number of reforms to attract FDI. Far from reaching sustainable levels, capital inflows continued to fluctuate heavily from year to year, in almost every country of the region, as a consequence to some extent of the non systematized approach to encourage foreign participation. In fact, political instability, volatile growth and sometimes, the attitude of the authorities were behind the lack of interest from investors, as the "general climate of business" was considered less attractive than in other regions such as East Asia, Latin America or Central Europe.

EU companies are the most active investors, even though the Mediterranean countries did not seem to be on the top of their preferences as a location for production plants. The Barcelona Process does not seem to have regenerated the same interest the European investors devoted to Central Europe. The overall picture shows that the trade-driven approach has been insufficient to reduce the economic and social discrepancies between the north and the south of the Mediterranean: from 1995, in ten years, the per capita income gap has in fact widened instead of being reduced. The patterns confirm the conclusion of a large number of the studies on regional economic integration. The removal of tariffs and quantitative restrictions on trade of industrial products and a stable macroeconomic environment offer only marginal results in terms of welfare and trade improvements to the Mediterranean partners; some simulations have even underlined negative results in terms of employment. Others, simulating the effects of the EU enlargement on some sectors like trade and energy forecasted some short term negative implications that could be mitigated by increased financial cooperation.

Even within the geographical context some disputes have been raised on the impact of investments due to the EU enlargement. Most of the region’s countries have already attracted FDI in their natural resources, especially hydrocarbons. New investment decisions by foreign and domestic firms, say, in Algeria and Egypt in this sector, will depend on world oil price fluctuations. Since there is no obvious evidence that this has been influenced by EU enlargement, then it is very uncertain that the last enlargement has influenced inflows to the Mediterranean countries, particularly in the energy sector. Instead, FDI in non energy sectors continued to depend on further progress in reforms and could be accelerated by prospects for an enlarged free trade area.

According to these analyses, simple trade liberalisation might not be sufficient to get meaningful improvements in terms of welfare, trade and employment and other complementary policies would be needed to further increase the integration of the two Mediterranean shores. Therefore new themes could be added. More specifically, the adaptation of the normative approach (legislative adjustment, procedures and regulations), more administrative cooperation, policy changes at a social level and the harmonisation of market institutions. Although often not defining it explicitly, many economists have also suggested deeper forms of integration, like the Single Market approach, which has the advantage of removing a wider range of frictions and distortions. The outcomes tend to yield greater welfare gains, than the simple trade liberalisation approach. Besides, geographic proximity facilitates economic integration with the Mediterranean countries through deeper forms of integration.

**A step forward after the Eastern Enlargement**

This deep integration approach is in effects to the centre of the European Neighbourhood Policy that proposes a progressive integration to the European Single Market. From this point of view the Neighbourhood Policy represents a substantial progress in comparison to the Euro-Mediterranean Partnership, because it will accelerate and broaden the process of reform and modernisation. Nevertheless, as we have seen, the regional integrated area can produce regressive phenomena that, if not controlled, can lead the Euro-Mediterranean Partnership to a series of bilateral relationships, more or less in depth, without more regional ambitions. Besides, the difficulties of the Euro-Mediterranean Partnership are not due only to the weakness of its central tool: the free trade area. They are also underlined in the intergovernmental vision of the Partnership. Despite the ambitious decision to support multi-sector and regional initiatives, its funding and implementation has not extended the broad concept of partnership (a process of multilevel governance) to all stakeholders concerned with the local development, transferring to the Mediterranean partners the experience of more then ten years of Cohesion Policy and multilevel governance.

One easily reaches the conclusion that the new European Neighbourhood Policy introduces two novelties whose impact won’t necessarily be converging. The application of a process of differentiation among the single Mediterranean countries could cause a sort of disintegration in the region. There is in fact the risk that the Neighbourhood Policy will be perceived by the more interested Mediterranean countries as a sort of green light toward a deepening of the bilateral relationships (that is between the Union and the single Mediterranean partner) to the loss of the “regional construction.” Therefore, in a certain measure, the differentiation foreseen by the Neighbourhood Policy is inconsistent with the objective “to create” a Mediterranean region and to foster the sub-regional South-South integration.

The second novelty regards the openness of trans-national and trans-border cooperation. The fact that only one fifth of the financial resources are destined to trans-national and trans-border cooperation is however, limiting the role of both the sub-national authorities and the local stakeholders, that represent the
real innovation for the regional integration. The reference to trans-border cooperation seems to go in the right direction, giving substance to the concept of partnership and to the adaptation of the subsidiary principle, adopted in the cohesion policies within the Union. The European experience in regional and cohesion policies shows that the application of this broader method of governance has progressively strengthened the sub-national authorities and all other organisations representing the civil society. As shown by the outcome of the enlargement process, one of the main advantages of the trans-national networks is that they have boosted international cooperation and supported legislative harmonisation. In contrast, this process has been particularly difficult and slow in many Mediterranean countries, due to the underdevelopment and weak structure of the private sector. The potential to join European trans-national production networks is already there and it needs to be supported by more active stakeholders and by enabling ‘service links’ (e. g. telecom, transport, financial services) that allow companies to coordinate their activities and increase their participation in the Partnership. 

Of course, this could be the added value of the greater involvement of the sub-national actors and their transposition into the Euro-Mediterranean Partnership, not only in the economic sense, of territorial redistribution of income, but of territorial redistribution of competences and responsibilities. From this point of view the proposals of Action Plans presented by the Commission are far from ambitious, with the exception of Morocco, where a process of decentralization has been in place for more than a decade and its Action Plan makes explicit reference to the role of local communities and trans-border cooperation. Ambitions and timidities seem therefore to characterise the actual phase of elaboration of a Mediterranean strategy after the enlargement. Nevertheless to underestimate the decentralized cooperation would jeopardize both the regional objectives (that is, differentiation would prevail in strengthening the trend to a bilateral approach instead that towards regionalism) and the progress towards the sustainable development in the Mediterranean countries, an objective that the actual situation of the region should make a priority. The harmonic and flexible framework of the Partnership, in which different forms of cooperation were mutually sustained, cannot be taken for granted, but must be supported and framed through coherent choices, that seem to ask for a greater determination and participation in defining the actions of the European Neighbourhood Policy.

**References**


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The Cyprus Problem after the April 2004 Referenda

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In December 1999, at the European Summit in Helsinki, the Greek government gave the “green light” so that Turkey could become a candidate for European Union (EU) membership. At the same time, the EU decided to open accession negotiations with the Republic of Cyprus without the previous resolution of the political problem being a prerequisite. This decision was a watershed for Europe and also for Greek foreign policy. The transformation of Greek policy on this issue was the result of the “Europeanization” of Greece’s foreign policy. Furthermore, it was the result of a new approach adopted by the Simitis government that we could call “the policy of Helsinki.” It had three parallel axes: (a) to anchor Turkey to Europe so that it will become a more cooperative and reliable neighbour, ready to seriously discuss the resolution of the outstanding problems between Greece and Turkey, and to lead Turkey to radical domestic democratic transformation, (b) “Europeanizing” the issues of Cyprus and Greek-Turkish relations so that this process could become a “catalyst” in order to arrive at solutions to these problems and (c) through their resolution to create a “triangle (Greece-Turkey-Cyprus) of stability” in the eastern Mediterranean.

The third axis of the “policy of Helsinki” is especially important. It underlines the fact that resolving the Cyprus problem and normalizing Greek-Turkish relations is necessary in order to create the conditions that will lead to the development of peace and stability in the eastern Mediterranean.

June 2003 to December 2004 was a critical period for Cyprus. During this period, greater efforts were made to resolve the political problem. The two separate but simultaneous referenda that were held on 24th April 2004 were the culmination of this process which, unfortunately, ended up with the rejection of the Annan Plan by the Greek Cypriot community. Hence, the failure in April 2004 to arrive at a comprehensive solution to the Cyprus problem complicates the effort to construct a “triangle of stability” in the eastern Mediterranean.

What have been the major developments in the Cyprus problem during this period? What are the prospects for a solution in the near future?

After the failure to reach a solution to the Cyprus problem in The Hague on 11th March 2003, the Cyprus problem entered into a state of inertia. At the same time, however, the Republic of Cyprus signed, on 16th April, the EU accession treaty and few weeks later, Rauf Denktash’s regime in northern Cyprus partially lifted the restrictions imposed since 1974 on the free movement across the dividing line.

December 2003 was a critical month for the Cyprus problem. Since the end of the UN General Assembly meetings in September 2003, the US and the EU were becoming more energetic on the Cyprus issue. All sides involved, however, had to wait for the outcome of the Turkish Cypriot elections before they could reach solid decisions about the initiatives that would be needed to re-energize the process of negotiations for a final settlement. The Turkish Cypriot “elections” of 14th December 2003 produced a new leadership that was viewed as more conducive to finding a settlement.1

According to the “election” results, the opposition to Rauf Denktash received 50.29% of the vote and 25 out of the 50 seats in Parliament. These results were not the best possible outcome for the opposition but dealt Denktash’s policies a blow and it allowed Erdogan freedom of movement in pursuing his own policy in search of a solution to the Cyprus problem. In other words, it demonstrated that the majority of the Turkish Cypriots were in favour of a solution of the Cyprus problem based on the Annan Plan and the accession of Cyprus into the EU.

After the end of the elections the international participants involved, especially the US and Great Britain, re-energized their efforts to find a solution.2 The EU asked the two sides to accept the conditions laid down by the UN Secretary General Kofi Annan for restarting negotiations; namely, (a) to accept the Annan Plan as the basis for negotiations, (b) to accept that if in the process of negotiations the two sides were unable to agree on certain provisions, the UN Secretary General would be able to fill the blanks.

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1 For the importance of these “elections” see: Ayla Gurel, “Turkish Cypriot Elections and Turkey’s Cyprus Problem,” in Nathalie Tocci and Ahmet Evin, eds., Towards Accession Negotiations: Turkey’s Domestic and Foreign Policy Challenges Ahead (Florence, EUI, 2004), pp. 175-183.

2 The new effort was initiated after President Tassos Papadopoulos delivered, in December 2003, a letter to the Secretary General of the UN requesting the resumption of talks under his auspices.
of the Plan and (c) to ensure that the agreement would be submitted to separate but simultaneous referenda on a specific date.

On 4th February 2004 the Secretary General of the UN delivered a letter to the leaders of the two communities inviting them to return to the negotiating table based on his plan, provided they accepted the conditions set-forth in his invitation. In his letter the Secretary General outlined specific dates, the most important of which was 21st April 2004, for the separate but simultaneous referenda to approve or reject the plan. He also invited the two leaders for a meeting in New York on 10th February 2004 to begin the negotiating process. As he pointed out in his letter, "I would take your acceptance of this invitation as a commitment to finalize the plan (without reopening its basic principles or core trade-offs) with United Nations assistance by 31st March 2004, and to put the finalized plan to separate simultaneous referenda as provided for in the plan on 21st April 2004."

As already suggested, the victory, albeit a narrow one, by the opposition to Denktash made the resumption of negotiations possible. The US, which was already very active, along with Britain and the EU, and of course the UN, assumed a central role in these efforts. There was what has been called "constructive pressure" exercised both on Greek Cypriots and Turkish Cypriots to enter into final negotiations based on the Annan Plan. The Greek Cypriot leadership and President Tassos Papadopoulos specifically had two choices: either to work substantively and constructively for a solution based on the Annan Plan, or assume full responsibility for leading this effort to another dead-end with severe implications on Cyprus' European aspirations. At the same time, the Turkish Cypriot leadership had to deliver on the promise to negotiate a solution based on the Annan Plan. The ability of the Turkish Cypriot leadership to deliver was, of course, contingent upon Ankara's decision to take the necessary steps towards this direction and its ability, in close cooperation with the leadership in northern Cyprus, to minimize the capacity of Rauf Denktash to undermine or hijack the efforts for a solution.

On 10th to 12th February the UN Secretary General Kofi Annan invited the parties to resume negotiations and after four days of intensive talks in New York the leaders of the two communities of Cyprus agreed to do so. Although President Papadopoulos was resistant to the idea that if the two sides did not reach an agreement, the UN Secretary General would "fill-in-the-blanks," in the end he was forced by developments to accept the Turkish proposal which adopted the Secretary General’s conditions plus one: namely, the direct involvement of the two "motherlands" in the negotiating process. In other words, their agreement presumed that the parties accepted the UN conditions of using the Annan Plan as the basis for negotiations "without reopening its basic principles or core trade-offs"; letting the UN Secretary General fill in the blanks of the plan if the two sides – assisted by Greece and Turkey – failed to agree on certain provisions and committing themselves to put the final agreement to separate simultaneous referenda on 21st April 2004. In February and March negotiations took place in an effort to reach an agreed solution based on the Annan Plan. These negotiations were intensive and difficult as the mistrust of the sides towards each other, as well as towards the UN was prevalent. In the last week of March 2004 the two sides, as well as Greece, Turkey and representatives from the EU, Britain and the US, met in Burgenstock, Switzerland, for the final round of negotiations. At the end of the process the UN Secretary General presented to the two sides the fifth and final version of his plan for a comprehensive solution to the Cyprus problem. The two sides agreed to bring the plan to two separate but simultaneous referenda on 24th April. The leaders of the communities, Tassos Papadopoulos and Rauf Denktash, asked the members of their respective communities to reject the plan, whereas the opposition in both communities campaigned hard for a "yes" vote. At the end of the day, the Greek Cypriot community, by a majority of 76%, rejected the proposed plan whereas the Turkish Cypriot community, by a majority of 65%, accepted it. These developments created a new environment on the island and have shaped the approach that the international participants are now following. The day after the referenda found the Greek Cypriot leadership defending a strong "no" to the solution proposed by the UN and the EU. The international community put the blame for the failure to reach a solution squarely on Greek Cypriot shoulders. Whether fair or not, the Greek Cypriots became isolated and are to this day facing the implications of their decision to reject the Annan Plan. One of the most disturbing developments in post referenda Cyprus is the "construction boom" taking place on Greek Cypriot properties in northern Cyprus as a new wave of settlement due to the new demand for labour as a result of the construction taking place. These dramatic developments are obviously changing the facts on the ground undermining the prospects for a peaceful settlement.

On 17th December 2004 the European Council in Brussels took a major decision, to open accession negotiations with Turkey on 3rd October 2006. At the same time, the Council "welcomed the declaration of Turkey that 'the Turkish Government confirms that it is ready to sign the Protocol on the adaptation of the Ankara Agreement prior to the actual start of accession negotiations and after reaching agreement on and finalizing the adaptations which are necessary in view of the current membership of the EU.'" Hence, the period between now and 3rd October can be utilized for another, hopefully, successful effort to resolve the Cyprus problem. Turkey and the Turkish Cypriots have declared that they are ready to enter into final nego-

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3 UN Secretary General Kofi A. Annan letter to His Excellency Mr. Tassos Papadopoulos, February 4, 2004.
tiations for resolution based on the Annan Plan. The international participants are expecting some clear indications from Greece and the Greek Cypriots as well. It is generally accepted that the Annan Plan remains the basis for a solution to the Cyprus problem. At the same time, however, it needs to be adjusted in order to reflect the realities created by the accession of Cyprus into the EU as well as the new dimensions introduced in the framework of the European Constitution. Today the challenge is two-fold: (a) to create the conditions within the Greek Cypriot community to approve a "bizonal-bicommunal federation" as a solution to the Cyprus problem and at the same time, (b) to avoid the disillusionment of the Turkish Cypriot community and preserve its volition for a solution. There is a tiny window of opportunity for a solution in 2005. It remains to be seen if the two sides will grasp this opportunity or whether the partition of the island will be further consolidated.

The 2004 elections led to a change of Government both in Greece and in Spain. In Greece, where the socialist party, PASOK, had been in power since 1993, the March elections gave power to Kostas Karamalis, the conservative from the New Democracy Party, which obtained an absolute majority. In Spain, the attacks carried out on 11th March and the later events ensuing from them had a decisive influence on the elections. Power, which had been in the hands of the conservative Popular Party since 1996, the party forecast by all the polls prior to 11th March to win the elections again, returned to the PSOE, the socialist party.

### TABLE 10

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<tr>
<th>Parties</th>
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<th>2004 %</th>
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Source: www.electionguide.org

### TABLE 11

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<td>Andalucia Party (PA)</td>
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<td>1</td>
<td>0.7</td>
<td>-</td>
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<tr>
<td>Aragon Junta (CHA)</td>
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<td>1</td>
<td>0.4</td>
<td>1</td>
</tr>
<tr>
<td>Basque Solidarity (EA)</td>
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<td>1</td>
<td>0.3</td>
<td>1</td>
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<tr>
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<td>-</td>
<td>-</td>
<td>0.2</td>
<td>1</td>
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</table>

Source: Ministry of Home Affairs, www.electionis.mir.es
Very rarely in general elections in a European country does foreign policy attain the relevance which it did in the Spanish elections in March 2004. We would have to travel to the USA or to countries going through very tense situations, or to the cold war to find examples of a call for elections in which factors of foreign policy have been so determining in the result, as in these elections. Also, because of that and although a foreign policy usually has a strong component of state and suffers less fluctuations with alternative governments, on this occasion an important change had already taken place with regard to some of the new executive’s foreign strategic aims – withdrawal of troops in Iraq, new priority members in Europe, improvement in the relations with Morocco, etc.

Nevertheless, although the war in Iraq and the brutal terrorist attack on 11th March had a decisive impact, we should admit that it cannot be understood as something happening in a void and we should consider it among the many other elements in the political situation which characterized the term of office from 2000 to 2004. The attack on 11th March, the government’s information policy in the days after the attack, the citizens’ protests, the connection of this attack with the Spanish foreign policy and the unconditional alignment with the strategy in Washington, were all elements which formed a spectacular cocktail which can only be understood as a end product of a series of processes which had been brewing for four years.

After a first term of office, in which the Popular Party surprised many by their moderation and their ability to negotiate with certain allies, the absolute majority obtained in the year 2000 gave rise to a significant change in policies in many fields: the desire to change all the structure of the educational system, a policy of a growing aggressiveness against and an institutional rupture with the Basque Government, the shift from collaboration to clashes with the unions, or the posture of the Spanish Government, who situated themselves among the maximum promoters of the North American intervention in Iraq. In these and in many other fields, there was a shift from a policy of pacts to one of imposition, from moderate to radical policies, from the will to collaborate with certain allies to an inexistent will for dialogue. All of this was carried out in an aggressive way and style based on the arrogance which was facilitated by the absolute majority. All this had a clear influence in the field of public opinion, where support for the Popular Party Government had been fast deteriorating from the year 2002 onwards (Table 12). After having obtained the maximum support shortly after the general elections in the year 2000, the accumulation of unpopular measures, conflicts in the different sectors and confrontations with different allies, prompted in the year 2002 a clear and brusque fall both in the appraisal of the President of the Government and in the rating of the work carried out by the Government. Although after the municipal elections in Spring 2003, the Popular Party made a slight recovery, the signs that the honeymoon between the Government and public opinion in the year 2000 had come to end were by then indisputable and the rejection of the government and its policies was widespread.

Another two pieces of evidence are important in order to understand what happened in those years and why this information was not cause for alarm in the Government. On the one hand, there was no enthusiasm with regard to alternative parties. While the appraisal by the public of the leader of the opposition was always acceptably high and on many occasions higher than that of the President of the Government, the appraisal of the work carried out by the opposition did not generate any enthusiasm at all. That is to say that, on the one hand, a credible alternative was emerging which had not been the case in the previous term of office, but this alternative did not stir up enough enthusiasm to generate any fear in the Government.

On the other hand, it is important to bear in mind the facts in the year 2003. The development of the anti-globalisation movement, the new tactics of discontent, the mobilization of the social movements, the increase in the number of strikes, the growth of the far right, the attacks on the symbols of the global economy, and the increase in the number of claims of various kinds, all of this had a direct impact on the Government. It was no longer possible to ignore the fact that the opposition was not only present on the political scene, but that it was also capable of mobilizing public opinion and generating a significant level of discontent. This was a clear indication that the Government was no longer able to count on the support of the majority of the population, and that it had to change its strategy if it wanted to continue in power.

TABLE 12  
Half yearly evolution of the appraisal of the President and of his Government

<table>
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<td>Appraisal of José María Aznar</td>
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<td>5.4</td>
<td>5.2</td>
<td>5.1</td>
<td>5.1</td>
<td>4.8</td>
<td>4</td>
<td>4.6</td>
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<tr>
<td>Rating of the work carried out by the Government (very good + good)</td>
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<td>38</td>
<td>35</td>
<td>36</td>
<td>34</td>
<td>28</td>
<td>25</td>
<td>30</td>
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</tbody>
</table>

Source: Centre of Sociological Research Surveys.
movement, the strong protests in the years 2002 and 2003 with regard to the war in Iraq and the negative perspectives in the opinion polls predicted difficult municipal elections for the Popular Party. However, although it underwent a slight downfall and the Socialist Party outnumbered it in votes, the result was much better than expected for the Popular Party and gave the impression that if, after everything that had happened, it did not have any effect on the number of votes, nothing else would, as it is reflected in the improvement in the Popular Party’s results in the survey of October 2003. If we add all this to the fact that in almost all the pre-election surveys published at the beginning of 2004 the Popular Party had a clear advantage, very few envisaged that there would be a surprise. However, the tragedy of 11th March struck and evidently, an act of this magnitude caused a remarkable repercussion. The terrorist attack in itself could have generated all kinds of reactions. In fact, in other circumstances it is possible that the main effect might have been that of a civic union of all citizens, with very little impact on the elections or one that, in any case, would have proved beneficial to the Government. But all the events on the days of 12th and 13th March were a condensed reflection of the dynamics of the term of office: a Government that concealed the truth, the dynamics of the term of office: a Government that tried to obtain a political debate efficacious to the Government. But all the decisions which they perceived as very negative and if there had not been a credible opposition, those facts would not have been enough to alter the results of the elections. Those days convinced some doubtful citizens, that on balance there had been more errors than wise moves and they convinced the fault finding citizens, who had a tendency towards not voting, that they had to get rid of that Government any way they could. In second place, all that was not the result of the terrorist attack, but the result of connecting first the terrorist attack with the Spanish foreign policy in the last term of office and then, the information policy of those days with the style of a high-handed Government who had acted in such a manner throughout their term of office. They were days of an exemplary exercise of everybody’s roles in a representative democracy. The Government wanted to continue being loyal to its style of government and coherent with its policies, as it had done throughout its term of office. The main party in the opposition continued its role of acting as a quiet opposition. The most fault finding sectors of the public began to ask questions out loud. The public as a whole assessed the term of office and suddenly it appeared summarized in this brilliant two day video-clip, which reflected with great precision what the four years had been like and they acted in consequence. The tragedy which had devastated Madrid had not been an unpredictable earthquake, but the consequence of political decisions. And the way they chose to explain this tragedy continued to be part of a way of governing to which many Spanish citizens wanted to put an end to.

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The second half of 2003 bore witness to numerous upheavals in Morocco, which despite their different characteristics, have influenced the Moroccan social landscape in several respects. The first type of unrest was due to the attacks of 16th May 2003, which were followed by the adoption of a new antiterrorist law and a general restructuring of religious activities. The second was linked to the coming into force of the new code of family law, which aims to introduce a number of new social practices.

There is no doubt that after the attacks of 11 September, a great many reforms were imposed by the United States, either through the channels of the World Bank and other international institutions, or in response to the demands of globalisation and internalisation. The need to react to the challenges arising from this situation made social and political issues the main priority in Morocco during the year 2004.

The reforms undertaken in Morocco in 2004 had already been at least partially initiated during the period of the Youssoufii government (1998), although at the time an unstable atmosphere had arisen due to slow progress and various other obstacles which had impeded the normal process of introduction of the reforms.

The priorities for 2004 therefore included reform of the administration, a law on the concession of public contracts and licences, a new banking law, and the modernisation of the business environment. The social aspect was also specifically taken into account in the government agenda, in particular with the adoption of a new Labour Law and the introduction of compulsory health insurance. A great many factors left their mark on the end of 2003 and 2004, especially in the fields of human rights and of administrative regulations.

The “tragedy” of May 2003 and human rights

It should first of all be noted that in the ministerial reshuffle on 8th June 2004, the portfolio of Ministry for Human Rights, held by Mohamed Aujjar, was abolished. After the attacks in May 2003 the Moroccan Parliament passed antiterrorist law 03/03, characterised, among other aspects, by stiffer penalties as well as by the restriction of certain freedoms. Since these attacks, a recurrent theme has dominated public debate, that concerning the place of religion in public life. A subject which mobilised debates and reflections throughout the year 2004 was the separation of politics and religion, or in other words the need for a general restructuring of religious activities.

The debate was marked by two key dates: 30th April and 30th July 2004. In his speech to the nation on 30th April 2004, King Mohamed VI thus broadly outlined the new religious policy. One of the institutional aspects of this new policy is the creation of three new Departments in the ministry of Habous and Islamic Affairs, headed by Ahmed Taoufik since the time of the Jettou Government: the Departments of Islamic Affairs, Mosques and Original Teachings. Sixteen regional offices for Islamic Affairs were also created. Apart from existing members whose periods of office are renewed, new members of the Higher Council and the Councils of the Oulemas (religious scholars) must comply with a new profile whose characteristics were outlined by the Monarch during his discourse on 30th April: “Religious scholars known and recognised for their loyalty to the status quo and to the nation’s sacred institutions and for their ability to combine religious erudition and openness towards the modern world.” In the speech from his throne on 30th July, the King also reminded the nation that the only institution in which religious elements and politics may be united is the institution of the Monarchy, the King being Amir El Mouminine (Commander of the Believers).

It was in this same area of human rights that the Moroccan Parliament, during its session in April 2004, passed Law No. 79/03 abolishing the Special Court of Justice, which had been responsible since 1964 for investigating corruption, its powers henceforth being devolved to the Appeal Court. However, what had an even greater impact on human rights issues in Morocco during 2004 was the establishment of a process of reflection on the years of lead. On 7th January 2004, King Mohamed VI accordingly presided over the inauguration ceremony of the Justice and Reconciliation Commission, intended to give the country a mechanism to finish with the years of lead. On 20th and 21st December, the first public hearings for the victims of those years were organised and broadcast live on television (RTM).

On the occasion of the inauguration of the Justice and Reconciliation Commission, H. M. the King pardoned 33 people sentenced for a variety of offences.
Critical moments in the legislative sector

The two critical moments in the legislative sector in 2004 were the law on the liberalisation of the audio-visual media, and the bill on political parties. In February 2004, the King established the Higher Council for Communication and Audio-visual Affairs which is, as it were, the debating chamber of the Higher Council for Communication and Audio-visual Affairs (HACA). The latter has extensive prerogatives, it is accordingly called on to “ensure that pluralism, freedom of pluralist expression, State institutions and the dignity of individuals are respected and to propose all kinds of measures to the government, in particular on public order, and even to facilitate compliance with these principles.” The HACA also monitors the laws and regulations on audio-visual communication through all the responsible powers or bodies.

The year 2004 was thus a key date for the telecommunications sector, in particular due to the abolition of the monopoly on fixed telephony. The law on audio-visual liberalisation was adopted at the Council of Ministers on 3rd June and the law on audio-visual communication was passed unanimously by the House of Representatives on its second reading on 25th November 2004. The Government thus advocated the transition from a State monopoly to progressive, controlled liberalisation. RTM changed its legal status from a public company to that of a public limited company. We are thus confronted with a de-nationalised telecommunications sector.

In the area of regulation, efforts have been made to accelerate the restructuring of the economy, others to give a little more dynamism to business enterprises or to make direct improvements to the daily life of the citizens while improving the business environment. The implementation of the new banking law concerns the latter area, as does the redrafting of the statutes of the Bank Al Maghrib. The main objectives of this judicial arsenal are to make the financial system secure. These fundamental reforms will go hand in hand with a major shake-up, primarily with the implementation of a merger between the BCM and the Wafabank. Overall, it needs to be pointed out that greater democratisation of business is incorporated into the new Labour Law (law 65/99) which includes numerous innovations aiming to consolidate fundamental rights for workers as well as to improve the management of businesses, namely greater democratisation of professional relations. The State will moreover continue with the privatisation of certain public enterprises. Anticipated receipts are estimated by the Ministry of Finance at 12 billion dirhams. Other small interests will also be transferred.

On another note, the liberalisation of air transport constitutes to be one of the beacon projects in 2004. It will be an “efficient” liberalisation since it has essentially been decided to place this opening up at the service of tourist policy and promotion. In the tourism sector it is difficult to talk about actions undertaken in 2004 without including them in the vision for 2010, a strategy which is bound to attract 10 million tourists to Morocco.

In the area of social security, the technical commission responsible for monitoring compulsory health insurance (AMO) has just assessed two draft enforcement decrees. The first sets out the conditions of affiliation and registration in the AMO regime while the second determines the contribution rates for the National Social Security Fund (CNS) in the case of the private sector, as well as for the National Fund for Social Welfare Organisations (CNOPS) in the case of the public sector. Contribution rates are thus set at 5% for the public sector, 2. 5% for pensions, and 5%, of which 1% is allocated to family benefits, for the affiliated companies of the National Social Security Fund. Like the social area, the political area has in turn witnessed certain innovations, in particular with regard to rationalisation of the political field through the possible adoption of the bill on political parties.

Preliminary bill on political parties

A preliminary bill on political parties is now the subject of intense debate in Morocco. In fact, the Minister of the Home Affairs, Mostafa Sahel, presented this bill at the end of October 2004 to enable the political parties to submit their observations and criticisms.

It should be remember that in 2001, under the Youssoufi government, two versions of the same bill had already been drafted, one by the Ministry of Home Affairs and the other by the Ministry for Human Rights.

The present bill, analysed by the political parties, human rights organisations, universities and specialists, has been the subject of a great deal of criticism directed at the conditions under which parties are constituted as well as their suspension or dissolution; those which should be under the sole jurisdiction of the judiciary are an exclusive prerogative of the administration (Ministry of Home Affairs) in the preliminary bill. The restrictions imposed on the freedom of constitution of parties, such as those on religious or regional grounds are also subject to criticism.

Notwithstanding certain negative points, the objective of the preliminary bill on political parties is to rationalise the constitution of parties as well as to ensure their financial transparency.

Far from the texts and on the partisan scene, the Justice and Development Party held its 5th national congress on 10th and 11th April 2004. This congress was characterised by the election of Saâd Eddine El Othmani to the post of Secretary General of the party, who thus succeeded to the post of his senior colleague, Abdelkrim Khatib. During the congress, the debates focused on two main themes: first of all the positioning of the PJD on the national political chessboard and the question of the party’s alliances; then on the subject of constitutional reform which came up for debate again, in particular since the mediatory interventory by Mostafa Ramid on the prerogatives of the King and Imarat Al Mouminine (Commander of the Believers). Ramid’s

1 At the beginning of February 2005 during a Cabinet meeting, the Minister for Parliamentary Relations presented a statement concerning the preliminary bill on political parties which stipulated that the judiciary must be granted the right to abolish or suspend a political party.
The Justice and Reconciliation Commission (IER) was created on 7th January 2004 to investigate the violations of Human Rights committed in the past, during the so-called “years of lead,” following the royal approval of the recommendation of the Advisory Council on Human Rights (CCDH). According to King Mohamed VI, the objective of the Commission is that “Moroccans get reconciled with themselves and their history and that they free their energies to turn themselves into an active part for the construction of a modern and democratic society, a guarantee that these past acts will never be repeated.”

The IER is composed of 16 commissioners and a president. Eight of the commissioners come from the CCDH and the rest are members of former opposition movements and from civil society, especially from movements for the defence of Human Rights.

The extent of the mandate of the IER is from Moroccan independence in 1956 until 1999, the year in which Mohamed VI approved the creation of the Committee for Independent Arbitration (IAI). Equally, the mandate also specifies that its work be centred on cases of forced disappearance and arbitrary arrests. Regarding its competences, the IER exerts the following functions: the establishment of truth through the investigation of violations of Human Rights, the elaboration of a report to establish recommendations and guarantees for the prevention and non-repetition, as well as reconciliation. However, the IER is not a judicial Commission and therefore cannot establish individual responsibilities. Officially, this organism started working on the 10th April 2004, for a period of nine months, with the possibility of an extension of another 3 months at most.

At the end of 2004, the IER had already carried out several investigations, analyses of witnesses and applications from victims, both individually and collectively, the study of files, as well as the organization of individual interviews. Equally, the Commission worked towards the creation of a database of victims, the localization of secret detention centres and determining the final destination of those people who disappeared. However, the most noteworthy activity of the IER to date is perhaps the organization of public hearings, which were adopted in July of 2004. Thus, between 21st and 22nd December the victims explained in person to representatives of the Government, Parliament, political parties, civil organizations and the media, the abuses that had been committed on them. Moreover, these hearings were transmitted live on public radio and television stations. Since its creation, the IER has received as much praise as it has criticism, both from Moroccan society and internationally. Its opponents point out the length of the mandate of the IER, since it is supposed to evaluate the testimonies of victims within a single year and that within the first three months it had already received 20,000 filings. Other aspects that have been criticized are the fact the victims and witnesses cannot mention the names of torturers, as well as the fact that the IER remains extra-judicial in character. On the other hand, those who support the Commission highlight that it is an innovative process without any precedents in the Arabic world. The IER offers Moroccan society, in response to the requests of society and of movements for the defence of Human Rights, a process of collective catharsis. Equally, the Commission has received the support of the international community, which considers this initiative as an important sign of openness. In general, Moroccan associations support the idea that the IER represents an initiative without precedent, but it is not possible to evaluate its real importance until the process is over, in order to be able to see how the process is interpreted and how useful the testimonies will be considered.

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Mariona Rico
IEMed
extreme sensitiveness of the file on agriculture for both the USA and Morocco, the parties would have to arrange the conclusion of an agreement that would suit everyone, at least on the surface. This agreement will imply a great many opportunities as well as challenges. It is incumbent on the parties to the agreement to bear this in mind henceforth in order not to make the same mistakes which have prevailed since the agreement with the United States. In short, by diversifying its partnerships, Morocco is seeking to give a boost to its opportunities to improve growth.

Hence, on 3rd June 2004, after Washington had agreed the status of “major non-NATO ally” with Morocco, the Commission for Foreign Affairs, Defence and Islamic Affairs in the Chamber of Deputies passed the free trade agreement signed by Morocco and the United States with a majority vote. On 15th June 2004, following ratification of this agreement, the deputies unanimously agreed that the latter is of huge importance for the future of the national economy. The agreement would offer a great many opportunities to speed up the reform tempo, in particular in the areas of tax and customs, integration of the national economy in the international and regional economic environment and attraction of foreign investments by exploiting the geostrategic position of Morocco as a platform for production and exports.

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The Deadlock Situation in the Western Sahara

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In the period from June 2003 to December 2004, the Western Sahara issue remained in a situation of stalemate, which it entered when the United Nations Security Council passed Resolution 1485 on 30th May 2003. This meant the acceptance of the so-called Baker Plan II, included in the report of the Secretary-General of 23rd May (S/2003/565). Morocco’s rejection of the new plan and its acceptance by the Polisario Front and Algeria, again muddied relations in the Maghreb region and gave rise to a series of diplomatic initiatives, in particular those by the new Spanish government, intended to make progress in this 30-year-old conflict. James Baker’s resignation was met with certain reticence by the Polisario Front and Algeria, who saw in this resignation the strengthening of the Moroccan position and a reduction in the importance of Western Sahara within the United Nations. There can be no doubt that the conflict also affects the relationship between the EU and the countries of the Maghreb and that cooperation with the region, while necessary, is not enough to resolve the issue. Oil prospecting initiated by Morocco (and to a lesser extent by the Sahrawi Arab Democratic Republic, or SADR) in the former Spanish colony has further rarefied the atmosphere.

The Baker Plan II proposes the establishment of an autonomous region in which internal matters (local government, regional budget, internal security, economic development, education, culture, etc.) would be handled by a Western Sahara Authority (WSA), while Morocco would retain full responsibility in matters of foreign relations, national security and external defence (including border controls), manufacturing, the buying and selling of arms and maintaining geographical integrity. It also stipulates that the flag, currency, postal and customs services would be the same as those of Morocco. The WSA would be chosen at the same time as the Legislative Assembly by the individuals included on the list of voters established by the United Nations Mission for the Western Sahara Referendum MINURSO—on 30th December 1999 and on the repatriation list produced by the UNHCR on 31st October 2000. After this period of autonomy, of no less than four and no more than five years, a referendum would be held on the definitive status of Western Sahara. In addition to the voters mentioned above, the referendum would also be open to all individuals aged over 18 and resident in the territory continuously since 30th December 1999.

On 31st July 2003, Morocco rejected the Baker Plan II, days after accepting it together with the Polisario Front and the support of Algeria. The Security Council extended MINURSO’s mandate until 31st October to see if it might be possible to reach an agreement between the parties involved in the conflict. On 5th August, the Secretary-General of the United Nations appointed a new special representative for Western Sahara, Álvaro de Soto, who, one year later (11th June 2004), replaced James Baker when the latter resigned as the personal envoy of Kofi Annan. Mohammed VI wasted no time in stating Morocco’s position that “the preservation of our territorial integrity remains for us an overriding duty,” while accusing Algeria of being the “true adversary” and of using the Polisario Front to take hold of Morocco’s southern provinces. He added that Morocco “remains open to constructive, honest dialogue in order to resolve the problem, within the framework of the preservation of our territorial integrity and national sovereignty, which will never, I repeat never, be open to negotiation.” The position was quite clear: Morocco would not accept any referendum on Western Sahara and so rejected the Baker Plan II. Algeria, of course, did not agree with the accusations levelled from Rabat and reiterated that the only legitimate representative of the Sahrawi people was the Polisario Front. This body finally held its 11th Congress between 12th and 19th October 2003, at which the re-elected Mohamed Abdelaziz confirmed the Front’s position: complete cooperation with the Baker Plan II, provided that the connection was maintained with the Settlement Plan approved by the parties with the support of the international community in 1991. For Abdelaziz, the Baker Plan II “does not represent a definitive solution to the conflict, but could be the basis for a new process.” The closing statement of the Congress urged the international community to bring Morocco back onto “the path of international legality” and to apply “with urgency” the plan drafted by Baker. One year later, on 15th September 2004, the SADR achieved a huge diplomatic coup when it was recognised by the Republic of South Africa.

The stalemate led to MINURSO’s mandate being extended to see if it might be possible to reach an agreement between the parties. In this way, Resolution 1495, passed by the Security Council on 31st July 2003, supported the Secretary-
WESTERN SAHARA

On 28th October 2004, the Security Council of the UN adopted Resolution 1570, extending for six months the mandate of the United Nations Mission for the Referendum in Western Sahara (MINURSO), until 30th April 2005, when the UN Security Council (SC) will again consider the matter. The Secretary-General of the UN will first have to present a report on the situation.

On 15th June 2004, James Baker, the Secretary General’s Personal Envoy for Western Sahara, resigned. At the time, Kofi Annan reconfirmed the Peruvian Special Representative, Álvaro de Soto, in this position, with a mandate to add political mediation duties to those of technical management, which he had already been exercising as the head of MINURSO. The reaction of those involved was unexpected. Morocco expressed its satisfaction at the withdrawal of the author of the Baker Plan and indicated its willingness to work with De Soto. The Polisario Front received the news with little enthusiasm. In his first tour of the region, De Soto was not received by President Bouteflika of Algeria. Despite the intense diplomatic activity among the parties and concerned countries, the process to resolve the conflict has not been reactivated. High-level political relations between Algeria and Morocco remain stalled. Disagreement reached its peak during the vote, after over a decade of consensus texts, on the annual resolution on the Sahara at the 4th Commission (18th October 2004) and during the session of the General Assembly of the UN (10th December 2004).

Within this context, the new Spanish Government, formed following the election on 14th May 2004, has reiterated that the resolution of the dispute over Western Sahara, which has gone on for thirty years now, is a priority in terms of its foreign policy and has let the parties and countries involved know this. The government has been constantly active with regard to the parties and countries involved, a sign of its clear intention to employ active and committed diplomacy to work towards the solution of this conflict, which serves as an enormous obstacle for the process of political and economic development so important in the Maghreb region and which is blocking stability, development and prosperity in this regional neighbour of Spain. In this sense, Spain supports the continuation of the efforts of the Secretary General and the Security Council. The aim of the Spanish Government, as a privileged interlocutor, with solid cooperative relations with all those involved in the Saharan situation, is to promote a definitive, just solution, freely agreed between the parties (Morocco and the Sahrawi people), within the framework of the UN and international legality.

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General’s efforts and the peace plan (Baker Plan II) “for the self-determination of the people of Western Sahara, which represents an optimum political solution.” It recalled that the conflict was not simply a cause of suffering for the people of the territory, but was also an obstacle for the development of the Maghreb region as a whole and called on the parties to accept and apply the plan, while extending MINURSO’s mandate until 31st October. Resolution 1513, of 28th October 2003, again extended the mandate until 31st January 2004. Meanwhile, Morocco accused Kofi Annan of not being impartial and Washington confirmed its support for the Baker Plan II. Resolution 1523, of 30th January 2004 again extended the mandate until 30th April 2004. On 29th April 2004, the Security Council of United Nations decided to extend the mandate until 31st October 2004. In resolution 1541, the Council “reaffirms its support for the Peace Plan for Self-Determination of the People of Western Sahara as an optimum political solution on the basis of agreement between the two parties; reaffirms also its strong support for the efforts of the Secretary-General and his Personal Envoy in order to achieve a mutually acceptable political solution to the dispute over Western Sahara and calls upon all the parties and the States of the region to cooperate fully with the Secretary-General and his Personal Envoy.”

Finally, the report of the Secretary-General of 2004/287) of 20th October 2004 stated that Morocco had not altered its position rejecting the Baker Plan II and the Security Council resolution (S/RES/1570) of 28th October 2004 extended MINURSO’s mandate until 30th April 2005.1 Throughout the period examined here, France has always supported the Moroccan position, President Chirac himself stating that “we favour a realistic and lasting political solution, through agreement between the parties and with full consideration for the interests of Morocco and regional stability. The Security Council cannot impose a solution.” The United States wavers between formal respect for the legality of the United Nations and in particular the plan put forward by George Bush Senior’s former Secretary of State and an attempt to strengthen bilateral relations with Morocco: on 2nd March 2004, the United States and Morocco signed a free trade agreement, which did not include Western Sahara, involving preferential treatment up until then enjoyed by only one other Muslim country (Jordan). However, the greatest change has without doubt been seen in the Spanish position. The new Zapatero government, without rejecting the legality of the United Nations and the possible application of the Baker Plan II, has attempted to promote a political accord between the parties to free the conflict from its current state of stalemate. This position, which gives less weight to the need for a referendum on self-determination, aroused the suspicions of the Polisario Front, which demanded the relevant clarification. This was delivered by the Minister for Foreign Affairs, who stated during his visit to Algeria in May 2004 that “Algeria and Spain have always been the countries that have defended the right to self-determination of the Saharawi people.” Spain, insisted Miguel Ángel Moratinos, “supports in its entirety United Nations Security Council Resolution 1541 and

1 Since 1991, it has cost over 600 million dollars to maintain MINURSO.
all aspects of the Baker Plan and hopes that a political agreement can be reached between the two parties." He likewise added in an interview with *Jeune Afrique/L’Intelligent* that “the time has come to bring about a definitive resolution [of the conflict]. This has gone on for too long. It is now time to offer the Saharawis a new situation. For me, refugee camps, whether in Palestine or in Tindouf, should prick the conscience of all our society. We find ourselves within a new context. The United Nations is present and that we must not forget. The Baker Plan is our point of reference. The right of the Saharawi people to self-determination must continue to be a base element. But bilateral efforts must also be promoted.” And again, in an interview given to the Spanish newspaper *ABC*, he indicated that Western Sahara was one of the key factors defining the relationship with Morocco and the whole Maghreb region. Madrid’s aim was to reconcile the United Nations plan with a political accord agreed jointly by the parties. A little later, in an interview with *El Mundo*, Moratinos added that: “at this time, a referendum without a political solution could lead us into a general crisis situation in North Africa.” The Polisario Front showed its suspicion of the new Spanish position and Secretary of State Bernardino León had to provide a different spin, stating that the framework for resolving the conflict in Western Sahara continued to be the United Nations and that the government in Madrid did not support a “bilateralisation” of the conflict. José Luis Rodríguez Zapatero repeated this line in a statement in July 2004: “The solution to this issue must be found within the United Nations, through a plan-agreement or agreed plan between all those involved, in order to satisfy the rights of all parties (...) [However, no plan] will be effective if it does not have the support of all parties. [For this reason,] the Spanish Government will work in this direction and will spare no effort in attempting to reach a just and definitive solution which will allow the Saharawi people to see the light at the end of the tunnel.” Referring to the Baker Plan II, he added that “there is no need to be bound by a plan or to push it to one side.” In an attempt to overcome the mistrust of the Polisario Front, Bernardino León paid two visits to the refugee camps in Tindouf in June and September 2004, while Secretary of State for International Cooperation, Leire Pajín, paid a further visit in October 2004. In July, Spain had announced that it was granting 3.1 million euros in humanitarian aid to the camps, 44% more than in 2003. Finally, in November 2004, the Spanish Prime Minister, José Luis Rodríguez Zapatero, received the President of the SADR, Mohammed Abdelaziz, in Madrid. Meanwhile, away from the diplomatic ebb and flow, other factors in the Saharan issue in recent years have been those of oil prospecting; of the food crisis suffered in the Tindouf refugee camps in the first half of 2004; of the release of Moroccan prisoners held in Tindouf; of the amnesty granted to Saharawi prisoners serving sentences in Moroccan jails; of action by civil organisations to discover the fate of the Sahrawi disappeared in Morocco; of the infringement of human rights and repression of Polisario Front militants and sympathisers within the territory controlled by Morocco (the El Aaiun prison has become sadly notorious); of the issuing of the first permits to Saharawis in the Tindouf camps to visit their family members in Western Sahara (and vice versa); of the resumption of arms sales to Morocco by Spain; and of the increased tension between Algeria and Morocco provoked by the alleged attempt to convene a meeting about Western Sahara involving Morocco, Algeria, France and Spain (May 2004). Over the last few years, Morocco has signed various contracts, considered illegal by the United Nations, with oil companies to carry out prospecting work in Western Sahara. International pressure has caused some of these companies not to renew their contracts, in June 2003, the Norwegian company TGS NOPEC pulled out of the consortium exploiting oil reserves in Western Sahara; in October 2003, Morocco extended oil prospecting operations with the American company Kerr McGee for one year; in May 2004, the Anglo-American company Wessex Exploration Ltd began a study into the oil prospects of the El Aaiun continental shelf; in November 2004, Total failed to renew its contract signed with Morocco in 2001. At the end of 2004, only Kerr McGee was still operating in Western Sahara. Meanwhile, in October-November 2003, the Anglo-Australian company Fusion Oil & Gas (in cooperation with the British company Premier) presented the results of its studies commissioned by the leaders of the SADR into the possible existence of oil reserves in Western Sahara. Finally, this period has seen the death of two of the key figures of the final years of Spain’s colonial occupation, who no doubt profoundly regretted the handing over of the former colony to Morocco: in December 2003, Jaime de Pinéls, former Spanish ambassador to the UN for 30 years; and one year later, Colonel Luis Rodríguez de Viguri, the last Secretary General of the government of Spanish Sahara.
The aftermath of an electoral victory: employment and housing.

After a very hard electoral campaign with many personal attacks, Abdelaziz Bouteflika was elected president of the Algerian Republic on 9th April 2004, after having had as principal rival the FLN candidate Ali Benflis. The size of his victory was surprising, since he picked up 83.49% of the votes, although the outcome of the poll had seemed uncertain.

His main opponent, Ali Benflis, obtained barely 7% of the votes. In fact, Abdelaziz Bouteflika won a degree of popularity campaigning for the return of “peace and stability in Algeria” in a country tired of ten years of civil war. But the size of the victory, which took on the appearance of a plebiscite, has thrown doubts on the validity of the election. Opponents belonging to the Berber movement, militant feminists, journalists and some trade unionists have marred the president’s victory with their complaints of irregularities.

The Algerian President Abdelaziz Bouteflika, who was thus beginning his second mandate at the head of the country, has declared that he wants to deal with day-to-day problems and the many social issues, in order not to disappoint his fellow countrymen. He is benefiting from a considerable financial reserve of 33 billion dollars, giving him room for manoeuvre in solving the nagging problem of unemployment and the housing crisis, two social ills that have been undermining Algerian society for years. In fact, even though in the last two years there has been a slight fall in unemployment, which has moved officially from 30% to 25% of the active population, it remains a fact that 2.3 million Algerians are without jobs. Alongside this, half of the 32 million Algerians live below the poverty line.

Unemployment particularly touches those aged under 30. According to economists, half of this group is jobless. These are the masses of unemployed people who could form a seedbed for armed groups of Islamist militants (which have, however, been losing impetus for several years). These unemployed people are often the origin of the riots which, over the last few years, have become one of the means of expression for making all kinds of protests in Algeria. Often, groups of demonstrators set up barricades in the street or attack public buildings to express their discontent because they have not been able to find housing or because of the constant water and power cuts.

The most serious problem is, in fact, housing and the authorities seem incapable of solving it, particularly because of a galloping population increase, which has seen Algeria move from 10 million inhabitants in 1962 to 32 million in 2004. The Algerian press is overrun with letters from readers reproaching the authorities for launching schemes which are suddenly abandoned and for spending many years building several hundred apartments to eventually let them accord-

Ahmed Ouyahia, declared on 20 March 2004 at an Algiers housing trade fair “that Algeria would turn round the housing crisis by 2010.” He said Algeria had built 700,000 homes during the last five years and 300,000 were in the process of being built. This number is a long way short of being sufficient in view of the demand and the deficit of a million homes which the country has been suffering for decades. Currently, according to official
statistics, the average home – and they are usually small – is occupied by 6.1 people. In this area, the State has to bear the pressure alone because private sites are beyond the means of the vast majority of Algerians, who do not receive any kind of housing benefit along the lines of that given in Europe.

Economic and financial issues

The economic reforms imposed by the International Monetary Fund (IMF) to bring Algeria rapidly out of the rut of a socialist economy have progressed slowly under the first five years of Mr Abdelaziz Bouteflika, despite the injection of the considerable financial benefits the country has enjoyed thanks to oil income. The privatisations imposed in 1994 by the IMF structural adjustment programme in fact slowed down under Mr Bouteflika’s first five years in office, although, according to Algerian and foreign experts, between 1997 and 2000 almost 1,000 companies were privatised. The IMF emphasised at the beginning of the year that “the improvement in living standards for Algerians remains slow.”

The Algeria which turned its back on State socialism based on the Soviet model in 1994 to opt for the market economy, did, however, record an increase in gross national product (GNP) in 2003 of 6.8%, the strongest increase in 15 years. According to economists, this growth has basically been driven by the hydrocarbons sector, which provided 96% of the country’s foreign currency income, despite the launch in 2001 of a 252 billion dinar (7 billion dollar) three-year relaunch plan. The application of this plan, intended to ameliorate the social situation of that given in Europe.

Press freedom in question

On 6th December 2003, the editor of the daily paper Le Matin, Mohamed Benchicou, was called to the Security Department’s “service for personal attacks” at the Algiers provincial headquarters. During the campaign for the election of the President of the Republic, the harassment of journalists increased and in January 2004, the editor of the publication Soir d’Algérie, Fouad Boughanem, and two journalists were called in by the police; Ali Dilem, cartoonist in Liberté and Farid Aliat, editor of the publication, were also called in by the criminal police for a cartoon published on 27th September 2003 under the title “Bouteflika will not get a second mandate.” Mohamed Benchicou, after the publication of his work, Bouteflika, an Algerian impostor, and Ali Dilem were accused of insulting the President of the Republic and were questioned by the police. They were brought to the police station and brought before an Algiers court in front of a prosecutor and instructing magistrate. In February 2004, the former cartoonist of the daily paper El Youm, was sentenced to a 1-year suspended sentence for a cartoon about the methods of recruiting women for Algerian television.

On 9th June, the journalist and human rights activist Hafnaoui Ben Ameur Ghoul was sentenced by a court in Djelfa to two months imprisonment and a fine of 10,000 dinars on three charges of libel filed against him by the “wall” (prefect) of Djelfa and its health and population director (DSP) concerning an interview he gave on 17 May in the newspaper Le Soir d’Algérie.

On 14th June 2004, Mr Mohamed Benchicou, editor of the newspaper Le Matin was sentenced to two years, imprisonment with a committal order and a fine of 3 billion cents by the El Harrach Court for an offence against exchange regulations. On 25th June 2004, the daily paper was suspended for “non-payment of printing bills.” It disappeared definitively from Algerian newsstands. The newspaper Le Matin had a circulation of 100,000 copies.

The year of reconciliation and amnesty?

At the end of 2004 and at the time when Algeria was celebrating the 50th anniversary of the outbreak of the war of independence against France, a debate began on the “amnesty” promised by A. Bouteflika.

For many politicians and journalists, the amnesty must not be achieved at the cost of amnesia wiping out the dreadful years Algeria has lived through. Since 2nd January 2005, the debate has been growing in importance in the Algerian Press. For the Arabic newspaper, Ech-Chourouk El-Youmi , “2005... will this be the year of the end of resentment and the year when reconciliation becomes reality?” For Le Jeune Indépendant if the leadership of the GSPC (Salafist Preaching and Combat Group) has now been decimated and the GIA almost annihilated, why continue to ask for a general amnesty? From then on, voices have been raised: “but who is going to be granted an amnesty?” For the government, clarifying the actual meaning of the amnesty to people involves a considerable risk. And L’Expression notes that “peace is not enough.” This year will be more stable, more prosperous than the one that has just finished. But there is an urgent need for it to be the beginning of the establishment of real social justice. This is the price for bringing Algeria out of a cycle of “public violence” after completely getting rid of “terrorist violence.”
Lifting of Sanctions and New Diplomatic Contacts with Libya

The US regains favour in Libya

This change of Libyan policy towards the USA may be explained by the effects of the preventive war in Iraq. The preventive war in Iraq turns the perceptions that the Libyan regime had of international relations upside down. The preventive war in Iraq appears to the Libyans to be an illustration of American omnipotence. It became apparent to the Libyan regime that if Germany, Russia and France were unable to “prevent” the war in Iraq, this effectively means that there is no limit to US unilateralism. “When Bush has finished with Iraq, we will also soon be in the line of fire. It will not take long to find out whether Iran, Saudi Arabia and Libya are also targeted. American policy will soon lose any ambiguity it has so far possessed. It will in effect become a new form of colonialism … Bush does not obey the laws of logic. Nothing is predictable as far as he is concerned. We must be prepared for anything. Nowadays, no one can say: ‘I will or won’t be a target,’” Gadhafi states.1

The preventive war has led to an uncertainty which is a constant source of worry to the Jamahiriya. In addition to the belief that the policies of the Bush administration are capable of overthrowing dictatorial Arab regimes, the Libyan fear was also being fed by the emergence of an Anti-Libyan “front” in the United States. Abdelrahim Saleh, Executive Director of the American Libyan Freedom Alliance (ALFA) wrote to President George Bush: “The tragic events of September 11th proved, beyond any doubt, that freedom and democracy in the Arab world are as essential as ever for a secure America… For more than thirty-four years, Libyans have been brutalised by the rule of the tyrant Muammar Gadhafi. Like Saddam, Gadhafi invaded a neighbouring country, actively sought to acquire WMD, engaged in terrorism and regional conflicts, and used religion to justify his oppressive tactics. He is currently engaging in inciting hatred against coalition forces in Iraq… As a result, the Libyan question must be at the top of your administration’s agenda in the fight against terrorism. Like the Iraqis, the Libyans deserve a chance to put Gadhafi on public trial to answer for his heinous crimes against Libyans and non-Libyans2.” Inflammatory investigations into Gadhafi’s regime appeared in the press at the same time as this letter.3

Gadhafi’s Libya reacted promptly in the face of this official statement. Colonel Gadhafi made a spectacular announcement about the end of his weapons of mass destruction programme and the opening up of the sites to visits by the IAEA inspectors. On 27th December 2003, the White House announced that secret talks with Libya had concluded with the expected result. "Libya has disclosed important information on its nuclear and chemical warfare programme and the opening up of the sites to visits by the IAEA inspectors. On 27th December 2003, the White House announced that secret talks with Libya had concluded with the expected result. "Libya has disclosed important information on its nuclear and chemical warfare programme and the opening up of the sites to visits by the IAEA inspectors. On 27th December 2003, the White House announced that secret talks with Libya had concluded with the expected result. "Libya has disclosed important information on its nuclear and chemical warfare programme and the opening up of the sites to visits by the IAEA inspectors. On 27th December 2003, the White House announced that secret talks with Libya had concluded with the expected result. 

In September 2003, the policy of normalisation conducted by Colonel Gadhafi for four years found its expression in the lifting of the embargo imposed by the United Nations. Tripoli had in fact finally yielded to the injunctions imposed by the Security Council by acknowledging its “civil responsibility” for the attacks in 1988 and 1989 and by compensating the families of the victims. Moreover, Libya agreed, following negotiations with the United States and the United Kingdom, to abolish its programme of weapons of mass destruction (WMD) and to permit inspectors from the International Atomic Energy Agency (IAEA) to visit the sites concerned.

The new Libya is attractive. European heads of state now travel to Tripoli: S. Berlusconi, Aznar, T. Blair, Schroeder and J. Chirac have all made official visits to Gadhafi. Libya in fact offers lucrative economic prospects in areas as diverse as armaments, oil and civil infrastructures. European industrialists worry that the fear which the Bush administration inspires in the Jamahiriya may cause its leader to opt for a privileged relationship with the USA. The new stakes focus on diplomacy, the economy and security. Gadhafi’s Libya is doing the belly dance again and offering its oil and antiterrorist expertise to a fascinated international community.

1 Le Figaro, 28th April 2003.
2 ALFA’s letter to President Bush.
to abolish all components of its chemical weapons programmes;
- to report all of its activities in the nuclear field to the International Atomic Energy Agency;
- to abolish ballistic missiles with a range exceeding 300 km;
- to agree to international inspections aimed at ensuring Libya’s compliance with the Non-proliferation of Nuclear Arms Treaty.
- to destroy all stocks of arms and chemical weapons.4

Secret negotiations conducted by the USA and the United Kingdom with Libya terminated with this unexpected result. The spectacular announcement by Gadhafi ultimately appeared to be an effect of the war in Iraq. To tell the truth, Libya had been looking for ways of fully reintegration into the international community since the suspension of the embargo in 1999.

The fight against terrorism: Libyan expertise is sought after

Since 2001, numerous encounters have taken place between the Libyan and Anglo-American leaders. Libya’s role in the outcome of the hostage taking on the island of Jollo by the Islamist fundamentalist group Abu Sayaf was an indication of its new position. In securing the release of the hostages thanks to mediation by the Libyan leaders, Libya improved its image on the world stage. At the same time, this exercise in mediation demonstrated Libya’s ability to influence Islamist fundamentalist movements. In the global fight against terrorism, this aptitude will enable Libya to fit into the coalition of States waging war against Islamist terrorism. And the fight against Islamist terrorism has presented a challenge to the Jamahiriya for three decades.

During recent years Libya has accumulated a degree of “expertise” on this point that Moussa Koussa, formerly responsible for the revolutionary committees on foreign affairs, never fails to emphasise at every opportunity in his meetings with his foreign counterparts. More recently, Libya gained further publicity by contributing to a favourable outcome when Europeans were taken hostage by an Algerian Islamist fundamentalist group in the Sahara. According to the Algerian press, the release of the 15 hostages (10 Germans, 4 Swiss and one Dutch) from the GSPC was due to Libyan mediation.5 The visit by Abdelaziz Bouteflika to Tripoli on 15th May 2003 is also likely to have facilitated an agreement between Libya and Algeria on the hostages taken by the GSPC.

Bringing Libya into the Euro-Mediterranean area

In December 2004, the EU lifted its arms embargo on Libya. With its oil wealth, Libya again became a sought after, lucrative market. Anchoring Libya in Europe has become a strategic objective for European leaders. Libya’s attractions in the areas of both security and energy are undeniable during a period of struggle against global terrorism and increases in the price per barrel of crude oil. Empowered by their newly-found popularity, the Libyan authorities embarked on an ambitious economic programme with the aim of attracting numerous foreign investors. The government valued the investments to be made between 2000 and 2005 at 35 billion dollars (replacement of the air fleet, construction of a new railway line, modernisation of oil infrastructures, development of the tourist industry). With this in mind, Libya has a need for direct foreign investment. A new organisation responsible for direct investments (Higher Investment Council) was established to deal with this new policy. It was crucial for Prime Minister Shoukri Ghanem to restructure the Libyan economy after the end of the embargo. A privatisation policy was added to the negotiations on the return of the American oil companies. The government thus contemplated the transfer of 360 production units from the public to the private sector between 2003 and 2008. The government initiated a whole series of projects in the infrastructure sector. The Socialist Port Authority, responsible for the management of 7 commercial ports, plans to extend the port of Misurata to attain a capacity of 6 million tonnes of goods annually. The Railway Executive Board has a programme of railway networks: Sirte-Benghazi (600km), Benghazi-Tobruk (470km) and ultimately a metro and light railway project in Tripoli, and so on.

The lifting of the embargo made Libya extremely attractive for direct foreign investment, in particular in the hydrocarbons sector. Ahmed Abdulkarim, former chairman of the NOC and currently director of OilInvest, the state-owned oil holding company, stated that the government is looking to attract 10 billion dollars of foreign investment in the hydrocarbons sector by 2010. According to the British consulting company Robertson Research International Ltd, Libya is a prime destination for investment in hydrocarbons. Only 24% of gas and oil reserves, estimated at 40 billion barrels, are exploited. Libya produces around 1.5 million barrels a day and the government plans to increase production capacity to 1.8 mbd in 2006 and to 3 million in 2020. Prior to 1970 (the year of the nationalisation of the hydrocarbons sector) Libya was producing 3.3 million barrels a day. In the gas sector, Libya hopes to begin exporting its natural gas to Italy before long via an underground pipeline in the Mediterranean. Libya’s gas reserves are estimated at 1,500 billion cu.m., or 1% of world reserves, and its production, in 1999, was 12,200 million cu.m. per year. This is why the Ministerial Declaration at the Euro-Med Energy Forum in May 2003 emphasised the necessity of completing the “Euro-Mediterranean gas ring” between 2003-2006, by intensifying its support for the following projects:

- a gas pipeline supplying Spain and France from Algeria;
- a gas pipeline supplying Italy and France from Algeria;
- a gas pipeline leaving Libya to serve Italy (passing through Malta);
- an interconnecting gas pipeline between Egypt, Libya and Tunisia.

Europe’s energy policy (38.6% of gas supplies to OECD Europe come from Russia, 33% from Algeria, 20% from Nigeria, and 7% from Libya and the

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4 State Department, 27th December.
5 Le Quotidien d’Oran, 8th July 2003.
Middle East) forces the countries of the Maghreb to converge. Libya is aware of the advantages of its geographic location. The objective of the Libyan authorities is full participation in the “Euro-Mediterranean energy market.” With this in mind, Libya should be able to become fully integrated in the Euro-Mediterranean Partnership during the year 2005.
Throughout the year 2004, the Arab League invited its members to submit proposals for reforming and developing the whole Arab regional system. As a result, a group of countries submitted many drafts and ideas which triggered an extensive debate in the conferences of the Arab foreign ministers and the Arab Summit that was held in Tunis on 22nd to 23rd May 2004. The Tunis Summit issued some documents which included the pledges of the Arab leaders to carry out comprehensive reform in the Arab League and to continue the domestic modernization of their countries. However, there was no finite schedule for implementing these reforms, which is itself a major weak point.

After the American occupation of Iraq, the Arab League faced many major challenges, while most Arab countries felt that their sovereignty and very existence was seriously at stake. Upon the request of the Arab League, seven Arab countries, including Egypt, Libya, Sudan, Qatar, Kingdom of Saudi Arabia and Yemen, submitted some proposals and drafts. It was the first time that the Arab system had had such an amount of drafts and ideas of reform, which reflected the unprecedented enthusiasm.

Despite the differing proposals, there were some common points. The most important are: 1) the joint Arab market is the suitable gateway to Arab integration, 2) the need of implementing some domestic economic reforms in the Arab countries and giving a bigger role to the private sector, 3) the importance of strengthening the partnerships with the other international blocs, 4) the sustaining development of the Arab countries, 5) the necessity of supporting civil societies in the Arab states, and 6) the importance of modifying the voting system of the Arab League and changing the rule of unanimity to a majority one.

The 120th session of the Arab League

Under that environment, the Arab League held its 120th session in July, at Arab foreign minister level, in its headquarters in Cairo. Twenty-one Arab foreign ministers participated in that conference including Hoshyar Al-Zibari, the Iraqi Minister of Foreign Affairs while Libya boycotted the conference.

Before the conference, there was an extensive debate about allowing Iraq to participate while it is under the American occupation. The debate also touched on respecting the first article of the Arab League charter, which restricts membership to the Arab League to sovereign independent states only.

Despite the importance of that debate from both political and legal angles, the Arab foreign ministers agreed to prioritize the interests of the Iraqi people and to allow the participation of the Iraqi Governing Council in the activities of the Arab League. This decision was made on a temporary basis until the finalization of the Iraqi constitution and the holding of an election for an internationally recognized Iraqi sovereign government.

In fact, this decision reflected that the Arab countries welcomed and accepted the Governing Council as a step towards electing a legitimate Iraqi government. Egypt played a major role in passing the above mentioned decision. It agreed with some other Arab countries to consider the stance of the United Nations regarding the Governing Council as a reference for the Arab stance.

Some other issues were discussed in the conference, including the development of a peaceful settlement to the Arab-Israeli conflict on both the Palestinian and Syrian tracks, the requests placed by both Turkey and Eritrea to be accepted as passive members in the meetings of the League and the Brazilian request to hold an Arab – Latin summit with the Latin American leaders. Finally, the Arab ministers reviewed the Sino-Arab relations, the Arab-African relations and the Mediterranean partnership.

Tunisia Summit, May 2004

The Tunisia Summit was supposed to be held on 21st March 2004. It was preceded by a conference held by the Arab foreign ministers where they agreed upon some documents to be finalized by the Arab leaders in Tunisia. A special declaration about the reform of the Arab League and another declaration about the internal reform processes were among the most important of those documents. After the arrival of Arab foreign ministers in Tunisia on the night before the opening session of the Summit, the Tunisian President, Zine El-Abidine Ben Ali, unilaterally decided to postpone the Summit without giving any specific rea-
The Tunisia Declaration, which included a statement of pledge, concordance statement of modernization in the Arab world, was actually held on 22nd to 23rd May 2004.

After elaborate consultations held by Amr Moussa, the Secretary-General of the Arab League, with a number of Arab leaders, it was decided to hold the Arab summit in Tunisia on 22nd to 23rd May 2004.

The Arab Summit was actually held on this new modified schedule. Amr Moussa outlined in his report the nine proposals submitted by the Arab countries to reform and develop the Arab League:

1. The Tunisia Declaration, which included an Arab pledge to comply with the ambiguous so-called universal ethics. It could be said that the three reasons collectively contributed to the decision which was taken without consulting other Arab leaders according to the well-established tradition.

Under the shock created by the sudden Tunisian decision, Egypt proposed to hold the Arab summit in the Cairo premises of the Arab League as soon as possible. Such a decision gave a magnificent momentum to the Arab countries which thought that it was important to hold the Summit on its pre-set schedule without delay. Arab public opinion was also asking to preserve the Arab League and reform its functions without delay.

After elaborate consultations held by Amr Moussa, the Secretary-General of the Arab League, with a number of Arab leaders, it was decided to hold the Arab summit in Tunisia on 22nd to 23rd May 2004.

Tunisia said that it was a sovereign decision. Although the other Arab countries rejected this argument, saying that, traditionally the Arab summits are based on the concordance of the Arab leaders and on the protocol adopted two years earlier. This protocol clearly states that the summits have to be held annually in March and hosted successively by Arab countries in alphabetical order.

The unofficial interpretations combined two points. The first was the reply submitted by a large number of Arab leaders for not attending, which put the Tunisian President in an embarrassing situation and he consequently unilaterally postponed the Summit. The second was the dispute among the Arab foreign ministers when they were trying to finalize the Summit statement regarding Arab reform. Many Arab foreign ministers disagreed with a paragraph persistently proposed by the Tunisian delegation. It included an Arab pledge to comply with the ambiguous so-called universal ethics. It could be said that the three reasons collectively contributed to the decision which was taken without consulting other Arab leaders according to the well-established tradition.

The Summit limited itself to just suppressing the side-effects of globalization.

The summit dealt in an obscure and traditional way with the international mobilization without specifying what authority they had.

The Arab Summit issued a number of documents:

1. The Tunisia Declaration, which included the insistence of the Arab leaders for “peace as a strategic choice” to resolve the Arab-Israeli conflict; the commitment of the Arab community to support Iraqi territorial integrity and to respect its independence; achieving integration among Arab countries; the commitment of the Arab countries to contribute to the international efforts against and to combat all forms of terrorism and to differentiate between legitimate resistance and terrorism; calling for the holding of an international conference, under the auspices of the United Nations, in order to establish an international code of ethics for the fight against terrorism, while working to tackle the causes at the root of this phenomenon; supporting the United Nations to play a central and active role in Iraq; urging the international community to protect the Palestinians from Israeli aggression.

2. Statement of Modernization in the Arab world. It reaffirmed the intentions of the Arab leaders to continue the process of modernization in political, economic, social and educational fields; to strengthen the principles of democracy and consultation; to enlarge participation in political and public life; to widen women’s participation and empowerment; to set a comprehensive Arab strategy for economic and social development; to cooperate with the international community on the basis of joint interests; to foster regional and international stability and peace; to increase the efforts to achieve a fair and comprehensive settlement to the Arab-Israeli conflict.

3. Statement of Pledge, Concordance and Solidarity among Arab leaders. They reaffirmed their compliance with the comprehensive Arab peace initiative declared in Beirut in 2002, by continuing the efforts to reform the Arab League, by supporting consultation and coordination among Arab countries in the fields of security, defence and foreign affairs, and by completing the Arab free trade zone.

Despite the importance of those documents, there are still some defects:

- Regarding the peace process, the Summit only called on the international community to exert more pressure on Israel to resolve the siege on the Palestinians. The Summit delegated the Arab foreign ministers to handle the international mobilization without specifying what authority they had.
- Regarding the process of reform in Arab countries, the documents just clarified the intentions of the Arab leaders to go on with reform efforts in their respective countries, without naming any specific missions to be started immediately.
- The summit dealt in an obscure and traditional way with the international mobilization without specifying what authority they had.
- The summit limited itself to just suppressing the side-effects of globalization.
- The summit dealt in an obscure and traditional way with the international mobilization without specifying what authority they had.
relations with the Arab world, such as the African Union and the Islamic Conference Organization.

- The documents of the Summit limited themselves to just mentioning the idea of supporting the Mediterranean Partnership but did not offer any detailed perspective about. The Summit also did not mention anything about how to strengthen relations with the European Union.

Among discussions and ideas introduced at the Tunisia Summit, three trends relating to the reform of the Arab League started to crystallize. The first trend believes that it is better for things to stay as they are. The second is a moderate position which believes in both gradual and partial reform but without any strict plan or specific timetable. The third trend calls for overall structural reform as soon as possible. Such trends are interacting with each other through political channels and the mass media, but they are still unable to reach a joint Arab position on the reform of the Arab League.
The Role of Syria in the Post-Iraq War Middle East

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In 2003-04, Syria struggled to cope with the consequences of its stand against the US invasion and occupation of Iraq. President Bashar al-Asad’s defiance of Washington over the war, in striking contrast to the appeasement of other Arab leaders, was no idiosyncratic, easily reversible choice and reflected Syria’s Arab nationalist foreign policy tangent that has endured through countless leadership changes. Washington’s “Neo-Conservatives” made little secret of their desire to use forced “regime change” to reshape the Middle East with only the submission of Syria, Lebanon and Iran needed to complete this project after the fall of Saddam.1 Sandwiched between Israeli military power in the East and American forces to the West, Syria faced a barrage of demands from Washington. Public outrage at the US invasion made regime legitimacy incompatible with submission to American dictates; yet, the regime’s survival required some accommodation with Washington.

Syria was one of the few countries not to acquiesce in the US fait accompli in Iraq. Although Syria officially closed its borders to prevent the transit of resistance fighters to Iraq, it rejected US demands to devote major resources to policing its 500 mile long border. Moreover, Syria gave political, though not armed, support to the mainly Sunni Arab resistance and refused to recognize the US-installed Iraq Governing Council. There were conflicts with this council and the US over Iraqi assets that had allegedly been transferred to Syrian banks before the war. Syria campaigned in vain to prevent the council’s wider recognition by both the Arab League and the Organization of the Petroleum Exporting Countries (OPEC). By the end of 2003, as debate raged in Iraq over the transition to self rule, Syria supported those, notably the Shia, demanding elections against the US attempt to manipulate representation to an Iraqi constituent assembly. Syria, Bashar affirmed, would recognize Iraq when elected and autonomous, not imposed, institutions were in place.2 Syria did nevertheless later receive Iyad Allawi, the US-backed head of the Iraqi interim government. Syria hoped it might yet salvage an acceptable Iraqi outcome: if the resistance continued unabated, the US would be unlikely to take on Syria as well; if Iraq was democratized, Syria’s historic elations with many key forces there might still secure a friendly Iraq.3

US-Syria relations remained in protracted crisis in the year after the invasion of Iraq. The US presented and continued to insist on a list of demands on Syria – to expel militant Palestinian factions, dismantle Hizbollah, withdraw from Lebanon and co-operate with the occupation regime in Iraq. These struck at Syria’s most vital interests – its cards in the struggle over the Golan, its sphere of influence in the Levant, its Arab nationalist stature in the Arab world; no Syrian government could accede to them except under the direst and most imminent threat. Some diplomats in Damascus believed the US hostility stemmed from a desire to humiliate Syria for its opposition to the war.4 In October, an Israeli air-raid on a Palestinian camp near Damascus was openly justified by Bush and widely seen as part of an American strategy to ratchet up the pressure on Syria; nearly a year later in October 2004, Israel assassinated a Hamas leader in Damascus. In November 2003 the so-called “Syria Accountability Act” passed congress, allowing Bush to apply a combination of diplomatic and economic sanctions against Syria. The measure, as Stephen Zunes put it, “is so filled with hyperbole and double-standards that it undermines its own credibility.”5

The so-called “WMD” (weapons of mass destruction) issue typifies the US “neo-con” attempt, not merely to contest specific Syrian policies but to threaten Syria’s most vital security interests and to manufacture a Syrian-American crisis. Although Syria’s chemically-armed missile force is a purely defensive deterrent, crucial to its security against a vastly superior nuclear-armed Israeli military; and although, far from posing a threat to anyone, it is a key factor in the balance of power that has maintained two decades of peace on the Syrian-Israel border, the neo-cons repeatedly tried to paint Syrian capabilities as a threat to stability in the

2 www.nytimes.com/2003/12/01
Middle East and to the US itself. Syria proposed turning the Middle East into a zone free of all weapons of mass destruction under UN supervision but Washington was not interested: the neo-con aim was to force a unilateral disarmament on Syria, leaving it wholly open to Israeli power and vulnerable to an Israeli-dictated peace settlement. Analysts close to the Syrian regime seemed, nevertheless, to believe that Syria could steer a middle way between unrealistic defiance of US power and surrender to its dictates. They believed Syria retained bargaining cards, namely its centrality to an Arab-Israel peace, to regional stability, to containing terrorism and to restraining Hizbollah with its proven ability to hurt Israel. Syria realized that the viability of this strategy depended on whether Washington’s difficulties in Iraq brought it to the realization that its military power did not nullify its need for co-operation from regional states and that this depended on mutual respect based on sovereignty. Syrian elites also clung to the view that the US could not as readily resort to military force against Syria as it did against Iraq because Syria did not violate international legitimacy and was not subject to international sanctions. Syria had little oil wealth to fund a US occupation and no opposition prepared to collaborate with the US.

In practice, Syria tried to make incremental concessions to mollify US moderates without giving up its “cards” in the regional power struggle. Syria discouraged the movement of resistance fighters to Iraq. Since the neo-con’s quarrel with Syria was ultimately over Israel, Syria tried to meet their demands halfway. Hizbollah came under heavy pressure to refrain from challenging Israel in southern Lebanon, the offices of Palestinian militant factions in Damascus were closed and Syria urged Islamic Jihad to agree to a cease-fire in Palestine. Syria did not obstruct the so-called “road map” for Middle East peace even though it excluded Syria at Israel’s behest. Syria offered to resume negotiations with Israel at the point where the two had reached agreement under former Israeli Prime Minister Rabin. The hard-line Israeli leader, Ariel Sharon had, however, no interest in this offer and the neo-cons believed peace and the Golan would be gifts to which Syria was not entitled to. Each Syrian concession merely whet Washington’s appetite for more. William J. Burns, Assistant Secretary for Near Eastern Affairs opined that “Syria harbours the illusion that cosmetic steps will be enough to defuse our concerns... from a misplaced belief that U. S. engagement in Iraq and with the Israelis and Palestinians will prevent us from pursuing a robust agenda with Syria.” Burns acknowledged that Syrian cooperation against al-Qaeda had saved American lives but this was not sufficient to outweigh Damascus continued support for other “terror groups” – i.e. those contesting Israel’s hold over occupied Palestinian territories. Damascus pursued a diplomacy of diversifying ties in order avoid the international isolation that had allowed the US to target Iraq. Syria and Turkey shared an interest in containing Kurdish “separatism” in Iraq and amicable relations developed. Bashar also pursued alignment with Europe as crucial to Syria’s economic re-generation and as providing a political shield against US hostility. Specifically, Syria negotiated a Euro-Mediterranean Partnership agreement with the EU which when implemented would require Syria to increasingly open its economy, adopt European business practices and norms, reduce the role of the state and the favouritism enjoyed by regime-connected crony capitalists and open space for a more competitive indigenous capitalist class that would have a stake in Syria’s alignment with the West. The agreement carried serious risks of de-industrialization and social unrest in Syria, but Bashar’s reformist leadership saw no alternative to Syria’s integration into the world capitalist order.

The EU and Syria initialled Syria’s adhesion to the Euro-Med agreement at the end of 2003, but certain European governments insisted on making it conditional on Syria’s adherence to the Chemical Weapons Convention – a virtual unilateral disarmament that Damascus could not accept. When this issue was finessed and the accord finally signed, France chose to throw another monkey wrench into the machinery, threatening to block it if Syria did not withdraw from Lebanon. Moreover, the US and France combined to push through a UN Security Council (UNSC) resolution in September 2004 demanding Syrian withdrawal from Lebanon in defiance of the Lebanese government’s rejection of such interference in its domestic affairs. Thus, European alignment with Washington’s dubious policy of threats against Syria’s vital interests created an external environment that obstructed economic liberalization from within, undermined Bashar’s reform project and threatened to sacrifice a Euro-Med arrangement certain to rapidly attach Syria’s interests to the Western world.

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Egypt’s political development between June 2003 and December 2004 is marked by a persistent political stagnation. A continuous polarization between the ruling National Democratic Party (NDP) and opposition parties and movements within civil society characterizes the national scene in this key player on the Southern Mediterranean shores. The “democratization in spurts” strategy adopted by the ruling elite over almost three decades has led to no more than minor transformations on the fringes of the political sphere.

During the period of the analysis, partially in response to regional and international circumstances, the NDP was undertaking a series of internal reforms. There was a significant injection of young technocrats, well-versed in the rhetoric of good governance and human rights, accompanied by efforts to modernize party structures. Particularly following the first annual convention of the NDP entitled “Citizens Rights First” (September 2003), the dominant impression was that the ruling party was on the verge of radical change in its workings and as a consequence, the way it perceives its role and interactions in the Egyptian political sphere. The policies and programs of the reformist group – mostly mid-career professionals, young business men and university staff members – circling around the president’s son, though, have proved both fragile and in blatant contradiction to the demands of the major political forces of the country. The public legitimacy given to the party’s reform oriented Supreme Council of Politics headed by Gamal Mubarak, emanating out of the credibility of initiating reform discussions within the party and the undoubted appeal of new slogans such as “let us reform our own house first” and “we invite all forces to dialogue with us on needed reforms,” has withered away. Several structural limits of the NDP approach have become more apparent. The NDP has ignored the wide consensus that existed outside its own constituency, over the three reform imperatives needed to render the dream of democratization a realistic project in progress: amending the constitution; revising the selection process of the president, setting a limit on terms of office and minimizing his powers as head of the executive; and thirdly, changing the laws obstructing political parties and syndicate life. Throughout the period between June 2003 and December 2004, the inability of opposition parties and civil society representatives, liberal as well as religious based, to mobilize broader constituencies along the lines of these reform imperatives and subsequently the absence of internal pressures on the ruling elite have resulted, rhetoric aside, in a complete stagnation of Egyptian politics. Major structural deficiencies which hinder transformation to a democratic governance have remained unchanged. The Egyptian Constitution, which was issued in 1971 and amended a few times since then, vests enormous authority in the president as head of the state and empowers the executive branch over both the legislative branch and the judiciary. The election of the president continues to be an uncompetitive process. The People’s Assembly nominates the presidential candidate by a two-thirds majority and he is then confirmed in a national referendum. The upcoming presidential elections in October 2005 will most probably follow the same pattern, in spite of the ongoing campaign of various opposition parties and movements since the summer of 2003, rallying for a constitutional amendment that allows direct pluralist presidential elections. The major legitimating strategy for the Egyptian model of “democratization” has been twofold: on the one hand systematically evoking, both in discourse and in policy statements, the outworn mantra that economic reforms must come before political reform and on the other hand, that the population should be prepared for democracy. Substantial differences between the apologetic appraisals for restricted pluralism that dominated the political sphere during the 1970s and 1980s and the allegedly reform-oriented NDP of 2003 and 2004, with its overemphasis on economic modernization are difficult to point out. Once again the Egyptian regime has appeared between June 2003 and December 2004 to have assumed the mantle normally worn by democratic governments in liberal polities, having nominated itself as the legitimate representative of the real needs of the Egyptian society and not by freedom of association. In defending its approach the regime has put forward two additional notions: Egyptian particularity and regional exceptions. On the one side, the formula “Egyptian way to democratic transformation” has been systematically put forward by leading regime figures in a rather inflationary mode in the president’s statements during the period of the analysis, to justify cosmetic and minor steps as synonym to required gradualism in introducing...
The third report on Human Development in the Arab world offers an analysis on the lack of freedom and governance in Arab countries. According to the authors of this report, of all the obstacles to the Arab renaissance, the political restrictions placed on human development are the most persistent ones. The report states that rights and freedoms in the Arab world are under constant low-level pressure, since freedoms are being threatened by two kinds of power: non-democratic regimes and traditional tribal authority. Political and civil liberties are at an insufficient level in the majority of Arab countries. Anti-terrorist strategy has led to a greater restriction on freedoms, especially on the freedom of speech and opinion. Moreover, the right to political participation is little more than a ritual in which constitutional provisions are applied rather than a full expression of the will of the electorate. These limitations are also to be seen in the case of basic individual rights of minorities and women, doubly excluded: both in law and in practice.

One of the new techniques used in this report was a survey to attempt to determine Arabs’ opinions on the state of freedoms in their respective countries. The survey was carried out in five countries (Morocco, Algeria, Jordan, Palestine and Lebanon) and the general results showed that, from the point of view of the populace, the level of individual freedoms is comparatively high compared to that of “public” freedoms, which have a very low rating, especially with regard to governance. With reference to the aspects which have improved or deteriorated in recent years, the interviewees emphasised that freedoms connected with gender equality and marriage, opinion, education or minorities were the ones that had improved the most, whereas the greatest deterioration focused on corruption, a lack of transparency, the independence of the courts or inequality before the law.

The report refutes the theories that ascribe the breakdown of democracy in Arab countries to religious or cultural aspects. For the authors of this report, this breakdown is due to the convergence of political, economic and social structures which have suppressed social and political players liable to exploit the crises in the authoritarian regimes, in addition to specific factors like the international support for these regimes for reasons of stability, the lack of important political movements which prioritise freedoms, the appropriation of religion in order to perpetuate oppression or the pitfall of justifying the restriction of freedoms to avoid the accession to power of Islamic groups which would remove them. The report reviews how the various structures of Arab states restrict freedoms. In legal terms there are two types of discrepancies which affect freedoms and rights equally: on one hand, the discrepancies between international standards and national constitutions and those which occur between constitutions and laws and, on the other hand, the gap between the whole legal framework and its actual implementation by governments. Despite the diversity of regimes in existence in the Arab world, the political structures have some similarities, such as the centralisation of power in the executive, which causes the latter to accumulate the greater part of all powers, the crisis in legitimacy, political impoverishment because of the difficulties of opposition parties to overcome restrictions on what is regarded as meddlesome by the authorities and the vicious circle of corruption, in some states considered as “structural” and which will only disappear with a radical reform of the political structure. Social structures also reflect these restrictions on freedom in a sequence which affects the family, education and the productive system and which ends up becoming part of the attitudes of Arab citizens. The report recognises that modernisation has led to remarkable achievements in the fields of health, education and infrastructures, but has not fulfilled the aspirations of development, security and freedom across the political board. Before this overview, the report concludes that to attain a society of full freedom and governance will require an exhaustive reform programme in three related areas: internal, regional and global. Internally a structural reform is necessary which in political terms will involve the reform of certain practices (the abolition of the state of emergency, judicial independence, etc.), legislation (modernisation, adaptation to international standards, practical application of existing laws, etc.) and policies (end of the monopoly on executive power, freedom of expression, parliamentary representation of citizens, development of civil society, etc.). In regional (pan-Arab) terms, it is necessary to transform inefficient institutions into regional mechanisms which will enable disputes between countries to be overcome and will stimulate integration, in order to establish mechanisms for the defence of human rights through the signature of the Arab Charter for Human Rights and the establishment of an Arab Human Rights Council and Tribunal. Finally, in global terms it is necessary to create effective channels for the resolution of conflicts and the development of an international instrument for arbitration, an initiative which the UN, whose credibility will be heightened through this development, ought to implement. The report concludes that reform in Arab countries requires the full respect of freedom of expression, opinion and association, as well as the end of the marginalisation of certain social groups and exceptional laws and tribunals and should be based on principles of transparency and information.

www.undp.org/ibas/ahdr
ing in the direction of political conditionality.
The system of power relationships, as well as the constitutional and legal arrangements organizing political participation, has remained essentially unchanged and semi-authoritarian in nature. Opposition movements, if not co-opted and controlled by the state authorities, have continued to be isolated. Any attempt to criticize the regime for its lack of commitment to reform, or to publicly articulate alternative political views originating out of liberal and religious civil society actors, has been chalked down by the ruling elite to one of two things: that the criticisms or views represent the demands of a handful of isolated intellectuals who have no understanding of what the masses really want, or that they represent a dangerous attempt on the part of Islamist movements to take over society and control the state.

Between June 2003 and December 2004, the Egyptian regime has used different strategies to retain control over civil society actors. The State of Emergency, which was extended by the People’s Assembly on 23rd February 2003 for three more years, continued to limit the ability of political and civic groups to associate and assemble freely. Political parties have been highly restricted in their activities. The Emergency Law prohibits parties from organizing public meetings without prior permission from the Ministry of Interior. Security forces have intensively utilized their unsupervised powers to arrest and detain individuals, a practice that has been systematic in the case of Islamist groups whose members are traditionally arrested prior to parliamentary or local elections. The legal framework for the NGOs in Egypt has been governed since 2002 by Law No. 84, which requires civic associations to register with the Ministry of Social Affairs and opens up the gate of political manipulation through granting the Ministry the right to disband by administrative decree any association deemed to perform illegal activity. Furthermore, it prohibits NGOs from taking part in political or syndicate activities, as well as from receiving foreign funding needed without governmental approval. The Egyptian government has used these legal instruments to control and co-opt a great number of NGOs.

Apart from the restrictive legal framework and the state cooptation, both political parties and NGOs have been facing various internal dilemmas. Opposition parties have not moved beyond the level of creating artificial structures that are not able to function as modern political parties and hence have been suffering from societal marginalization. NGOs have continued to be urban centred and to serve, apart from traditional religious networks, narrow constituencies. In general, the intermediary sphere between June 2003 and December 2004 has been highly controlled and has lacked effectiveness. One of the few positive aspects has been, though, the fact that opposition parties, NGOs and intellectual groups have managed to retain on the one hand their ability to criticize the authority and to keep open a minor space of political articulation on the other. These two factors have been responsible for the difference between Egypt and other more authoritarian states in the Middle East.

In contrast to other countries in the region, the political relevance of radical Islamism in Egypt has been declining in the period of analysis. The last wave of radical Islamist motivated violence can be dated back to the first half of the 1990s. State-led counter violence and repressive policies resulted in the destruction of the power resources of the radical groups. In the last two years a significant revisionist rethinking of the radical Islamist legacy and a questioning of the use of violence for political objectives has been taking place among members of both al-Jamaa al-Islamiyya and al-Jihad Group and partially resulted in a greater distancing to religious motivated militancy. A rather limited number of radical Islamists have continued to propagate violence and to justify it by referring to regional conditions in Iraq, Palestine, etc. as well as to societal crises in Egypt. However, their political relevance has been diminishing rapidly. Within the Egyptian Islamist spectrum in general, moderate movements and activists have continued to gain political ground. They have retained the capacity of reaching out to considerable constituencies, although the government has continued its restrictive policy towards them, in order to limit the political space open to them. The Muslim Brotherhood, in particular and other groups such as the Wasat-Initiative have integrated liberal democracy as an objective in their discourse and programme. Therefore, a normative and pragmatic consensus about democracy has evolved gradually in the Egyptian public sphere, culminating in summer 2004 in different reform campaigns organized by secular and religious movements. A strategic platform for democratization has emerged and gained momentum. To call for constitutional reform, to abolish the Emergency Law, to have competitive elections for the presidency, to legalize political parties and to reform the legal framework that restricts their activities (mainly Law 40/1977) and finally, to form ad-hoc alliances for democratic change across ideological divisions, have been the rare encouraging signs of the stagnant political sphere in Egypt.
The vast majority of liberal Arab academics and professionals are pressing for legal reform not only in Syria but also in other countries in the region. They stated as much in the conclusions of the meeting of the library of Alexandria in Egypt, which took place in 2004. The meeting highlighted the need for constitutional and legal reforms, as well as the need for free elections, the abolition of the emergency laws, the recognition of freedom of expression, the creation of political parties and greater participation by women. In February 2004 more than 700 Syrian intellectuals signed a petition for democratisation and reform and for the abolition of the state of emergency.

In Syria, the current situation is that the government intervenes significantly in all spheres of civil society. But perhaps control and freedom might be better reconciled if the public administration had appropriate managerial training and information resources. Modern and efficient management and an effective capacity to process and pass data between the ministries of home affairs, justice and the economy, for instance, could minimise the need for the government to intervene directly in decision-making by the NGOs. The non-governmental associations and other bodies, the pillars of a pluralist civil society, are, of course, subject to control and restrictions in all countries. However, in those countries which are democratic, the monitoring of legality remains chiefly the responsibility of the associations themselves. Under a democracy, supervision by the government focuses particularly on reviewing the documentation produced and delivered by the associations to the authorities. An association may be hampered in its work because of an irregularity in the documentation submitted to the government or for failure to send in documentation which it was legally obliged to submit. Equally, it may be investigated and checked because of a complaint by third parties alleging that its activities are illegal. Its own actions will be, in turn, restricted by the law and subject to some form or other of judicial authority.

In Syria, the law permits the government, with out being invited, to attend and participate in any meeting of any association. Such intervention appears to derive from the permanent suspicion that any action taken outside the bounds of public administration is illegal. The presence of governmental officials during the decision-making process of a non-governmental association is an adulteration, if not a flagrant breach, of the right of assembly and association. It is, furthermore, an expensive practice and is clearly incompatible with the wish expressed by the Syrian government to promote the creation of associations and thus to recruit allies in its fight against poverty. Syria, a country with a population of 18 million, has a little over 600 registered associations. It is already very difficult for the ministries responsible – the Ministry of Home Affairs and the Ministry of Employment and Social Affairs – to carry out the governmental monitoring laid down by the 1958 law on associations, still in force. If the number of associations were to treble (resulting in a number that is still small in relation to the population, if we compare it with European countries), it would be difficult for the government to treble the number of officials in order to maintain the current monitoring system.

In order to promote freedom of association, there needs to be a change of mentality among the rulers and this could start with an acceptance of the fact that freedom and control are not incompatible. If the government received the teams and the training needed in exchange for evaluating the actions taken by the associations instead of passing judgement on their intentions, the situation would certainly improve. Evaluating actions taken would mean, in this context, examining their achievements, income and expenditure. In Syria, passing judgement on their intentions currently means, for example, sending a political commissioner to listen to and supervise the proceedings of the general meeting and to require an application for official permission to obtain a donation, as the current law on associations provides.

In general, one of the problems with this law is that it is antiquated. It was drafted by an interventionist state* in which the government was the source of the majority of employment and capital. The situation today is not as it was in 1958: the population is growing much more rapidly than wealth and the state is physically unable to provide the fundamental public services to all its residents, much less decent and stable employment. Within this context, the Syrian NGOs could contribute staff and projects for economic and social development compatible with those planned by the government. In this way, the concept of the modern state could be broadened, so that it becomes not only a provider but also a facilitator. This could finally allow non-governmental agents to participate in identifying the needs of the people and in meeting them.

This would, without doubt, be a major change. The reality, however, is that it has already begun and can develop peacefully. In Syria, the state is no longer the absolute provider, and private enterprise is permitted. Companies offer and sell services which previously either did not exist or were offered by the state. By granting licences, such as mobile phone licences, the government is bringing services to a large section of the population without spending anything. The idea of being able to provide other services at no cost to public funds through the NGOs is very attractive to the government. And this genuine attraction could act as a Trojan horse for a gradual shift from the current perception of a society at the service of (or enslaved to) a government and a party to the perception of an executive power at the service of society and with responsibilities towards the citizens. The NGOs, like the multinationals, can bring international resources to the country which the state is not capable of generating. The former can collaborate in identifying and managing basic but non-profitable services and the latter can do the same for profitable services.

* In fact, the law was drafted by Syria and Egypt, during the four-year period when the two countries were united.

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The Balkans: Far from the Objectives of the International Community

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The Western Balkans, using current terminology, or if one prefers to avoid using a euphemism, the former Yugoslavia. Ten years after Dayton and the Serbia and Kosovo operations, the objectives of the international community do not appear to have been achieved, at least not fully. Let us remind ourselves what they were: the ceasing of hostilities, military stabilisation, the restoration of civil institutions, the democratic process and the handing over of those responsible to the Hague Tribunal.

The Sonderweg of Slovenia seems to confirm what it was at the start of the wave of conflicts in the 90s: little combat, fewer deaths, limited population movements and integration into international institutions (starting with the EU and followed by NATO). It is nothing like the other old republics and autonomous territories of Yugoslavia. It is the exception. The universal laying of blame on the Serbs, the permanent suspicion of the Croats and the still unresolved problem of the role of the Bosnian Muslims mean, as a whole, that a high percentage of the affected populations can only wish for emigration as an outlet for frustrations built up after the no less intense hatred. The restoration of infrastructures, fundamental for the normalisation of economic life and for population mobility, continues paralysed in the international courts, which award funding and technical resources out of consideration for stability and security. All of this is linked to institutional stability, that is, to the degree of effective democratisation of the local institutions, as well as the handing over of those responsible for ethnic cleansing and crimes against humanity during the 90s.

The pessimism of the people is even greater in the areas in which the conflicts developed with greater violence and in those where stability in all its forms is far from being normal. This is the case in Bosnia-Herzegovina, in the Srpska Republic, in Kosovo or Serbia, where unemployment, the black economy (when not linked to the mafia) and the absence of prospects makes the latency of the conflict explosive. Only the international presence of armed and security forces guarantees a certain restoration of normality, which can never be compared to pre-war times, or less still to what could be expected of territories which are Central European by history, vocation and contiguity.

Croatia, which was approaching to a greater extent, recognition for its democratic advances, with the liquidation of the Croatian Democratic Union (HDZ) via the urns in successive elections, has seen how the doors have closed to the opening of negotiations for its entry into the European Union in March 2005. This was certainly on the basis of the strict consideration of one of the conditions, that of collaboration with the International Criminal Tribunal for the former Yugoslavia (ICTY), whilst other extremely important conditions appeared to satisfy the most demanding: from economic orthodoxy and public financing, to meticulousness in the observance of the democratic rules for the institutionalisation of political life, or the no less important subordination of the armed forces to civil power. The recovery of economic life, with sectors as important as tourism, pointed to a path of normalization which was even envied by their nearest neighbours.

The disappointment of the Croats, somewhat justified in the March intransigence, will not just have internal consequences but will also affect their closest neighbour, in particular the Croat area of influence within the Croat-Muslim Federation in Bosnia-Herzegovina.

Perhaps, — and I digress —, the formula is not the application of the demands ad littera, but instead the search for compromise, for the complicity of local democratic institutions in solving legal and criminal problems derived from the conflicts of the 1990s. Or, to put it in other words, that it be those affected themselves who pursue, judge and sentence criminals and delinquents. These are not only war criminals against humanity and in favour of genocide, but also those who made their fortune in the wars and during the long post-war period which has still not been concluded.

Bosnia-Herzegovina, or Mostar and Sarajevo are examples. Incredibly high unemployment, a black economy, some recovery of symbols and societies which have turned their backs on each other, that is, Bosnian and Croat Muslims and the Serb minority reduced to negligible levels. Mostar is a divided city, separated into two communities. The Stari Most, symbol of the destruction and at the same time symbol of the city, has been reconstructed and was unveiled on 23rd July.

* European Union Administrator in Mostar, in 1996.
2004. All the paraphernalia, treasured insofar as it committed the international community, could not hide the emptiness of the streets to the Croatian west or the scarcity of the recovery of economic activity or, even, the reconstruction of homes within the 1995 military division lines. A multiethnic community is nowhere to be seen.

Sarajevo in 2005 represents a city which is increasingly Muslim. This process is illustrated by the exponential growth in mosques, which do not have transparent financing as in other cities with a Muslim majority.

And then there are the institutions, certainly elected through correct procedures and under international guardianship, with the presence of the armed and security forces and imposing a coexistence which significant strata of the population reject when not opposing them head on. Economic activity is protected by the presence of international aid, waning insofar as the scenes of violence become distant or, due to the media influence, shift to catastrophes and fresh violence in other scenarios. In other words, activity is subdued, and takes place in an environment in which submerged economy is the norm.

It is definitely not the breeding ground required to regain normality after the conflicts and the long post-war period and consequences. The process of the return of refugees and the displaced is therefore nearly impossible and, according to the current data, has registered ridiculous numbers with respect to the sheer size of the displaced population. Significant returns of people to the areas in which some of the minorities are approaching the majority are not even seen, which could be interpreted as a certain distrust in the future even when sheltered by their own community.

The marginalisation of Serbia and the permanent label of aggressors placed upon the Serbs does not help, of course, to temper the mood. On the contrary, the Kosovo intervention is understood as an international aggression and an additional sentence on its people. The secession of Kosovo seems to be a logical conclusion after the international operations and protectorate which were subsequently established. And this secession is interpreted as an amputation without any defence for the feelings and interests of the Serbs.

The prominence of the EU, through the transfer of NATO functions and missions and the international community, means it faces certain responsibilities which firstly, during the military conflict, it shied away from or did not know how to face and which it increasingly shared during the stabilisation phase.

The reformulation of the objectives is now more necessary than ever insofar as the so-called western Balkans are Europe’s responsibility and the so-called eastern Balkans are immediate candidates to join their institutions. All this is in the presence of the significant and dignified conduct of Turkey. It is a candidate to join the institutions of the European Union, whose presence is not so distant in the scenarios of the tragedies of the end of the twentieth century.

The objectives are economic integration, effective cooperation for the reconstruction of infrastructures and the productive fabric, the reduction of the informality of transactions and the fight against mafias, population mobility and the complicity of the local institutions with these objectives and with the pursuit and sentencing of criminals and their networks, with the addition of the effective establishment of the armed and security forces in our common European systems of security and defence.

Clearly what is required is to put to the test new European proposals for cooperation, security and international relations, so they can truly be European. Such is the wish of the people, all of them victims and this is the moral duty of those with political responsibility and of the populations.
In the eighteen months between September 2002 and June 2004, the Serbian people were called to the polls for no fewer than three presidential elections and a parliamentary one. On two occasions the presidential elections were declared invalid since the level of participation had not reached the required quorum of 50% of registered voters. The democratic candidate Boris Tadic was eventually elected on 27 June 2004, beating by the narrowest of margins his far-right opponent Tomislav Nikolic, the interim leader of the Serbian Radical Party (SRS). Meanwhile, the legislative elections of 28 December 2003 had established the Radicals as the main force to be reckoned with on the Serbian political scene. The far right currently counts more than a third of the members of the Serbian parliament, which gives it sufficient minority bargaining power to be able to block, for example, any proposed amendments to the constitution. Four years after the fall of the regime of Slobodan Milosevic on 5 October 2000, Serbia is finding it far from easy to shake off its nationalist reflexes.

A few statistics suffice to sum up the current political and social situation in Serbia. From one election to the next, at least half the Serb electorate fails to turn up at the polling-booths, and 30% of those who do cast their vote do so for the far right. Socially, the adult population of the country is divided more or less equally into three parts: those in work, the unemployed, and old-age pensioners. The reformers have not lived up to the hopes the population placed in them, and economic reforms have so far scarcely got under way. Serbia has embarked on its economic "transition" ten years after the other Socialist countries, and the huge, grossly unproductive State combines are still awaiting privatization, a process which could itself deprive tens of thousands of workers of jobs which, if they do not provide them with a decent salary, at least constitute a minimum social safety-net.

The main mass of the Radical Party’s natural supporters is to be found among those who feel left out by this bitter, unfinished process of transition. Likewise, nearly 10% of the 8 million people currently making up the population of Serbia (excluding Kosovo) are refugees and displaced persons who have been forced to flee from Croatia, Bosnia-Herzegovina or Kosovo. Many Serbs originating from Croatia or Bosnia have obtained citizenship of the Republic of Serbia, and so no longer have refugee status. However, these orphans of the dream of a “Greater Serbia,” often harbouring illusory dreams of one day being able to take a revenge that may never come, frequently vote for the SRS.

Politically, the unity of the “democratic bloc” has only been forged by a common opposition to the Milosevic regime. Two general opposing tendencies have rapidly manifested themselves: the current Prime Minister Vojislav Kostunica is the rallying force behind a nationalist, conservative bloc which is nonetheless firmly attached to the basic principles of democracy, whilst the late Prime Minister Zoran Djindjic, who was assassinated on 12 March 2003, has become the icon of the liberal, modernizing and pro-European camp. The political heirs of Zoran Djindjic can be identified by tendencies that are either more or less liberal or more or less social (even if the notions of left, centre-left or right are still largely non-existent in Serbia). The two main political groupings have opposite stances with regard to all the key issues, whether it be the question of cooperation with the International Criminal Tribunal for the Former Yugoslavia in The Hague (ICTY), attitudes towards the break-up of Yugoslavia and the wars of the 1990’s, the reform process, or the possibility of the country’s joining the Atlantic alliance.

For liberal democrats, the ICTY is a historical necessity making it possible to draw a line under past conflict once and for all. Cooperation with the international justice system is, moreover, a sine qua non for the normalization of Serbia’s relations with its neighbours and the full acceptance of the country on the international scene, in addition to being a pre-condition for establishing ties with NATO and the European Union. Supporters of Vojislav Kostunica, not content with denouncing the “anti-Serb bias” of the ICTY, add that cooperation with The Hague is perhaps too high a price to pay for renewing relations with Europe, considering that Serbia’s defence of its national interest comes before any question of European rapprochement. At the same time, they vigorously denounce the process of economic reform and privatization as a “cut-price” selling off of the country’s essential interests.

All the main figures on the Serbian “democratic scene” take up their positions along the lines of these two basic tendencies, with variations according to the political contingencies of the moment. Thus the monarchists of the Movement for Serbian Renewal (SPO), headed by the writer and current Foreign Minister Vuk Draskovic, adopt a “moderate” stance...
On 21st February 2003, Croatia formally applied for European Union membership. In April of the same year, the General Affairs and External Relations Committee of the EU Council requested a report in this respect from the Commission. On 20th April 2004, the European Commission adopted a report in which it recommended to the Council that it start the negotiations for Croatia’s accession to the EU. The European Council of June 2004 welcomed the Commission’s report, granting Croatia the status of applicant country. The Council called a bilateral meeting for the beginning of 2005 to start the negotiations. In its conclusions, the Council pointed out that Croatia should maintain full cooperation with the International Criminal Tribunal for the Former Yugoslavia (ICTY) and take the necessary measures to guarantee the detention and transfer of the indictees to The Hague. Finally, the European Council considered that the candidature of Croatia should serve as an incentive for the other countries of the Western Balkans to proceed with their reforms. In December, the European Council held in Brussels reaffirmed the conclusions of June and urged the European Commission to prepare a proposal of a framework for the negotiations with Croatia based on the experience of the fifth enlargement of the EU. The Council fixed the date of 17th March 2005 as the start date of negotiations with Croatia. However, the Council reaffirmed, as it did in the conclusions of June, the need for Croatia to fully cooperate with the ICTY; therefore, in the Council’s summing-up the start date of negotiations remains under the condition of Croat cooperation with the ICTY.

Sources:
European Commission: opinion on the application of Croatia for membership of the European Union 20th April 2004
Brussels European Council – 17th and 18th June 2004
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www.delhrv.cec.eu.int/en/index.htm
European Commission.
http://europa.eu.int/comm/external_relations/see/croat/index.htm#2
EU-Croatia Stabilization and Association Agreement
http://europa.eu.int/comm/external_relations/see/croat/com01_371es.pdf

The Former Yugoslav Republic of Macedonia (FYROM) submitted its application for EU accession on 22nd March 2004 after the Council of Ministers urged the Commission on 17th May of the same year to present a report evaluating its candidature. For this, the Commission created a questionnaire, sent to the Skopje Government on 1st October 2004. This questionnaire attempted to clarify fulfilment of the Copenhagen political criteria on behalf of the candidate country as well as the current situation of their policies in relation to community heritage. Parallel to this, on 1st April 2004 the Stabilization and Association Agreement between FYROM and the EU, signed on 9th April 2001, came into force.

Sources:
European Commission. Stabilisation and Association Agreement 2004 on FYROM.
Delegation of the European Commission in FYROM.
www.delmkd.cec.eu.int/en/about_us/history.htm

On many subjects, whilst Vuk Karadzic, for example, has been one of the most active supporters of full cooperation with the ICTY since himself taking up a ministerial post.
In this way no “natural” electoral majority can emerge, since it seems unlikely that the democratic nationalists or the liberals will have much hope of achieving an absolute majority on their own. Fear of the far right temporarily united the electorates of the two opposing democratic blocs in favour of the candidacy of Boris Tadic in the second round of the presidential election, but the local elections in September 2004 led to a large-scale political splinter-effect, with the formation of disparate coalitions varying widely from town to town.
Whilst the far right achieved outright victories in a large number of districts, the newly-elected councillors belonging to Vojislav Kostunica’s Serbian Democratic Party (DSS) formed alliances in some areas with the Radical Party and in others with councillors of liberal tendencies. Far from favouring a policy of exclusion with the aim of isolating the far right, Prime Minister Kostunica admitted to sharing many of its ideals. Serbian political life is in fact still dominated by regional factors and the unresolved issue of what form the State should take. Since the end of the NATO bombing campaign in Spring 1999, Kosovo has been under the provisional administration of the United Nations. During 2005 negotiations are theoretically due to open to establish the “definitive status” of this protectorate. Among Serbian politicians there is an impression of apparent unanimity in demanding the full implementation of United Nations Security Council resolution 1244, formally guaranteeing Serbian sovereignty over Kosovo.
For their part, the Kosovo Albanians are equally unanimous in calling for independence, and there seems to be no prospect of a possible compromise. In some Serbian political circles, however, alternative prospects are raised, generally based on the idea of a possible partitioning of Kosovo, which could take one of various forms: either Serbian areas would be quite simply detached from a Kosovo that would become an independent state, or a high degree of self-government would be granted to Serbian “cantons” within the framework of a Kosovo that would itself merely accept a status of autonomy. The Bosnian “model” is also sometimes referred to, with
the possible creation of a Serbian “entity” similar to the Republika Srpska in Bosnia.

On the other hand, the prospect of a progressive withdrawal of international forces creates the risk of engendering renewed tensions in Kosovo, and a recurrence of the riots seen in March 2004 seems highly likely. The Albanian nationalists are also playing the regional card by seeking to extend the scope of the possible resolution of an Albanian question which would include not only Kosovo, but also Macedonia (with 500,000 Albanians), Montenegro (with 60,000 Albanians), and the Presevo valley in southern Serbia (with 80,000 Albanians).

The number of Serbs still actually living in Kosovo is difficult to establish, since they undertake frequent journeys to and from Serbia. All the various international organisms agree, however, that more than 100,000 Serbs live in the territory. This community, which up to now has benefitted from no real guarantee of security and is subject to an extremely limited freedom of movement, is in general hostile to the international forces, but remains incapable of organizing itself into a coherent political bloc. The Serbian leaders in Kosovo are constantly locked in bitter backbiting despite the fact that their status is of doubtful legitimacy. The legislative elections held in Kosovo on 23 October, 2004 were boycotted by 99.7% of Serbian voters, in response to appeals made notably by both Prime Minister Kostunica and the Serbian Orthodox Church. This massive boycott can be interpreted above all as indicative of the exasperation of a population caught up in a hopeless dead-end situation since 1999.

If negotiations do take place in 2005, the Serbs of Kosovo risk finding themselves represented by Belgrade, although the Serbian leaders are far from having a clear and coherent policy on the question. Kosovo “experts” try to make themselves heard both in the cabinet of Prime Minister Kostunica and in circles close to President Tadic, not to mention the “Coordination Corps for Kosovo and Metohija,” still led by former deputy Prime Minister Nebojsa Covic.

Another highly sensitive issue is the state of relations with Montenegro. The separatist aspirations of this tiny southern republic were provisionally halted by the Belgrade agreement of 2002, and the proclamation on 5th February 2003 of the State of Serbia and Montenegro to replace the defunct Federal Republic of Yugoslavia. This union of states has very limited and ill-defined powers. Serbia and Montenegro, for instance, have two separate central banks, two different currencies (Montenegro having made the Euro its legal tender), and two separate Customs systems. It is also a state with a “limited lifespan,” since after three years the two republics will have the right to re-define their relationship, and perhaps opt for a separation.

In reality, the unresolved issues of Kosovo and of the relationship with Montenegro continue to paralyse the whole question of reform in Serbia. Of which state is the city of Belgrade the capital? Of Serbia, or of a confederated state with Montenegro? Is Montenegro still included in this state? For the entire twentieth century, from the days of the Yugoslav monarchy through to the time of Marshal Tito’s Socialist Federation, Serbia has always considered itself as the natural centre of gravity of a vast surrounding region. In today’s world, the great challenge for Serbia is perhaps to accept its isolation and to embark upon a process of development within the narrow frontiers with which the course of history has now left it. If this scenario were finally accepted by Serbia, it would surely become easier not only to continue with essential reforms, but also to enter a new period of cooperation with the neighbouring states, an indispensable pre-condition for the integration into Europe of the “Western Balkans” as a whole.

Further reading:

On the Internet:
Le Courrier des Balkans, www.balkans.eu.org
The Application of the CAP Reform and its Repercussions in the Mediterranean Region

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In 2004, through various regulations, the reform of the Common Agricultural Policy (CAP), agreed by the Agriculture and Fisheries Council on 26th June 2003, was formalised. This reform has created a new model of support for agricultural production, which will come into force between 2005 and 2006. Above all, however, 2004 was the year which saw the enlargement eastwards of the European Union. In preparation for this and to avoid any major financial problems for the Union, the European Council held in October 2002 decided to adopt a principle of budgetary stability and discipline. This involved an agreement to freeze agricultural expenditure for the EU-15 for the period 2007-2013 at the 2006 level, which would mean a gradual reduction in agricultural aid in real terms for the EU-15.

Meanwhile, in February 2004 the Commission presented a communication to the Council and to the European Parliament on the EU’s financial perspectives for the period 2007-2013. This proposal reflects the fear of the net contributing countries (Germany, the Netherlands, the United Kingdom and the Nordic countries) of the economic cost of the enlarged Union. Agriculture (with its two pillars: market policy and rural development policy) is included in a chapter entitled Sustainable Management and Protection of Natural Resources, alongside environmental and fisheries policy. Furthermore, this ends with the current differentiation of rural development measures between EAGGF-Guarantee and EAGGF-Guidance. This step was consolidated with the Commission’s proposal of 15th July 2004 concerning the creation of a single European Rural Development Fund.

The aim of the CAP reform, which is currently under way, is to continue along the road opened up by the previous reforms in 1992 and 1999. The tendency is thus to replace a policy based on guarantee prices with an alternative one operated mainly through direct grants, complemented by other measures to support rural development. This new agricultural market policy includes three elements: decoupling, conditionality and modulation. The first refers to breaking the connection (in whole or in part) between levels of assistance to production levels, gradually converting these into a single operational payment. Conditionality refers to entitlement to aid based on compliance with certain extra-operational requirements. Finally, modulation means that grants will be reduced from the threshold of 5,000 euros, with the aim of strengthening the CAP’s rural development pillar.

The Agriculture and Fisheries Council held on 22nd April 2004, approved the reform of the Common Market Organisations for certain Mediterranean products (olive oil, cotton, tobacco and hops), applying the new instruments referred to above. It was thus decided to decouple production grants up to the year 2010 as follows: by a minimum of 60% in the case of olive oil; by 65% in the case of cotton; by 40% in the case of tobacco; and by 100% in the case of hops. This represented a further step forward for the reform, which had already been implemented with other CMOs, such as herbaceous crops and cattle. Meanwhile, 2005 will see the implementation of the reform of the fruit and vegetable, sugar and wine CMOs. In light of the above, it would seem doubtful that the CAP could be readjusted in favour of a greater volume of assistance for Mediterranean agriculture. Under the current CAP, there are two main sources of support for the fruit and vegetable sector: 1) grants for the processing of citrus and other fruits, and vegetables; and 2) operational programmes applied to producers’ organisations. The former type of aid also represents a mechanism for controlling quality (as the best quality fruit is destined for the fresh produce market), while the latter type of aid aims to promote the grouping of producers (an essential element of the fruit and fresh vegetable CMOs).

It remains to be seen how both types of aid will be remodelled in the near future, or if other alternatives will be considered in this area. What is certain is that this is a sector undergoing readjustment and therefore in need of considerable support. The leaders of the Federation of Fruit and Vegetable Producers and Exporters therefore consider that a plan to improve production and trade structures in the sector should be implemented with urgency; essentially this means a plan to improve its competitive position within European Union markets as a whole (including that of Spain).

The implementation of the CAP reform has improved the EU’s position in negotiations concerning a possible opening up of agricultural markets, both at a multilateral level (within the context of the Doha Round) and at bilateral level (within the context of the Euro-Mediterranean Partnership). In the first case, the Geneva Agreement agreed in June 2004 freed up the stalemate which had existed in negotiations since the failure of...
Due to the economic weight of agriculture in Mediterranean Partner Countries (MPC), the Italian Presidency of the EU saw the first Euro-Mediterranean Ministerial Conference on Agriculture on 27th November 2003, having as an aim the strengthening of cooperation on agricultural matters on both sides of the Mediterranean. At the conference a programme was proposed for work initiated by the European Union in collaboration with MPCs, which would be implemented by organisations already present in the region and which could receive funding through MEDA. The programme’s three main objectives would be:

1. **Rural Development** through:
   - the launch of a platform for Euro-Mediterranean dialogue on rural development.
   - stock-taking of the existing rural development programmes and the assessment of possible inter-institutional cooperation, within the framework of the EU “Leader” initiative. Diversification of agricultural activities would be promoted as well as the implementation of alternative activities.
   - development of a study on climate change and water management. Aspects such as soil erosion, desertification and the loss of biodiversity in the natural ecosystems of the region would be assessed and activities encouraging a more rational use of water would be emphasised. In addition, the Euro-Mediterranean Water Network would be involved.
   - adoption of participative approximations and the promotion of women’s role.

2. **Quality agricultural products** through:
   - improving knowledge about legislation on both shores of the Mediterranean in terms of rules of origin and geographical indicators, and the promotion of compliance with the TRIPS agreements.
   - drawing up an action plan to jointly investigate matters such as labelling, logos and packaging.
   - the marketing, regulation and use of logos to identify and promote high quality Mediterranean products placing a greater emphasis on food safety and consumer protection.
   - associative initiatives, to link entrepreneurs on both shores of the Mediterranean in order to ensure that they complement each other.

3. **Initiatives in ecological agriculture** through:
   - the organisation of a seminar on legislation at both sides of the Mediterranean to promote trade in these products.
   - the encouragement of MPCs’ participation in fairs for ecological products.

In parallel, the possibility of establishing a network of institutions and experts (including exchange programmes) to impart information, knowledge and experience would be studied. The recommendations made at this conference were taken on board by the Ministers of Foreign Affairs at the Euro-Mediterranean Conference held in Naples on 2nd and 3rd December 2003.

During the Euro-Mediterranean Conference of Ministers of Foreign Affairs held in Dublin on 5th and 6th May 2004, the conclusions of Venice 2003 were revised, with the aim of including non-commercial aspects (like rural development) in the drawing up of a roadmap for the liberalisation of agricultural products in the Euro-Mediterranean zone. On 7th May 2004, following the recommendations of the Ministerial Conference on the Sustainable Development of Fisheries in the Mediterranean (Venice, 25th and 26th November 2003), the MEDISAMAK association was created to represent the interests of Mediterranean fishery professionals and to contribute to the coordination of initiatives affecting fishing in the Mediterranean: the promotion of the profession, the preservation of resources, standardisation of regulations in force, etc. MEDISAMAK has members from 11 Mediterranean countries (Albania, Algeria, Egypt, Spain, France, Greece, Italy, Libya, Malta, Morocco and Tunisia) and the Technical Secretary has its seat in Tarragona.

For more information:

- MEDISAMAK [www.medisamak.org](http://www.medisamak.org)
- [www.europeche.org/article.php3?id_artic1e=175](http://www.europeche.org/article.php3?id_artic1e=175)

Elisabeth Dalmau
IEMed
The opening up of European agricultural markets to Third Mediterranean Countries (TMCs).

The establishment of the planned free trade area between the EU and the TMCs on the horizon for 2010 will involve the gradual elimination of tariffs and quantitative barriers for industrial products, while for agricultural products, as is known, there exist certain reciprocal trade concessions which are gradually being extended in successive bilateral negotiations. In the case of Morocco, a new agricultural trade concession agreement was reached in December 2003. Through this, the EU managed to substantially increase the tariff quotas for its exports to Morocco (cereals, vegetable oil, sugar, meat and dairy produce). Morocco won an improvement in its quota for tomato exports to the EU (see table 13).

The figures in table 13 demonstrate that we may allay the fears existing in certain areas of Europe (in particular, Spain) concerning the inclusion to a greater extent of agriculture in the liberalisation process of the Euro-Mediterranean Partnership. It may be seen that following the implementation of agricultural trade concessions granted by the EU to Morocco in 1996, the annual value of Moroccan agricultural exports to European markets increased by only 9.3%: the average figure of ECU 642.7 million for the period 1995-1997 and rose to € 693.7 million for the period 2000-2002. This thus considerably reduces any fear of an avalanche of Moroccan agricultural exports into the EU, since Morocco is still subject to considerable restrictions in terms of increasing its agricultural and food output. The truth of this situation is in fact that it presents great opportunities for cooperation (specifically European and Spanish) and for the implementation of joint business projects, within this sector of the economy in particular. Even more so, given the trade opportunities created by the recent enlargement of the EU.

<table>
<thead>
<tr>
<th>Tariff quotas agreed 1986 (tn)</th>
<th>Exports to the (Tn) 2000-2002 Average</th>
<th>% of quota used</th>
<th>Tariff quotas agreed in 2003 (tn)</th>
<th>Increase in quotas (tn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potatoes</td>
<td>120,000</td>
<td>48,004</td>
<td>40</td>
<td>120,000</td>
</tr>
<tr>
<td>Tomatoes</td>
<td>168,727</td>
<td>162,890</td>
<td>97</td>
<td>200,000</td>
</tr>
<tr>
<td>186,828</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Courgettes</td>
<td>5,600</td>
<td>13,427</td>
<td>240</td>
<td>20,000</td>
</tr>
<tr>
<td>Oranges</td>
<td>340,000</td>
<td>154,372</td>
<td>51</td>
<td>300,000</td>
</tr>
<tr>
<td>Mandarin</td>
<td>168,000</td>
<td>85,600</td>
<td>57</td>
<td>No limit</td>
</tr>
<tr>
<td>Clementines</td>
<td>110,000</td>
<td>71,140</td>
<td>65</td>
<td>130,000</td>
</tr>
<tr>
<td>Apricots in syrup</td>
<td>No limit</td>
<td>11,868</td>
<td></td>
<td>10,000</td>
</tr>
</tbody>
</table>

TABLE 13: Main Moroccan agricultural exports and EU tariff quotas
The Role of Small and Medium-Sized Enterprises (SMEs) as a Factor for Development in the Mediterranean

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During this first decade of the 21st century, the Euromed area is reaching a new stage in its development in a world characterised by great changes and, more particularly, by an economy that is becoming globalised at an ever-quickening pace and by dazzling scientific advances, especially in the new Information and Communications Technology field. The European Union is entering this new century strong in its skills and its accomplishments, confident in its capacity to overcome the great challenges of the future and determined to redouble its efforts to accelerate its development, notably by applying a new rhythm and new standards of quantity and quality to its investments in production and to its initiatives designed to promote creation and innovation.

SMEs: sources of Wealth

In all economies, small and medium enterprises (SMEs) contribute very significantly to job creation and sustainable growth, and they will continue to play a vital role in stimulating economic recovery. Policy concerning SMEs is taking on increasing importance for the creation of new job opportunities, above all in the new technology sector. The dynamism and innovative potential of SMEs is recognised, but despite their flexibility and their capacity to adapt to change they have experienced a certain number of problems and have come up against various obstacles. Ways must therefore be found to overcome the difficulties and meet the challenges more effectively. This should prepare the ground for a new generation of business policies.

A high rate of creation of businesses reflects the dynamism of a country, the attractiveness of its geographical situation and its ability to direct its resources so as to carry out the transformation of its economic structures. Unfortunately, in the countries of the southern shore of the Mediterranean, despite the development of various mechanisms for supporting the creation of new businesses, the simplification of the formalities involved, the provision of support structures for day-to-day business management, and the granting of tax and financial incentives, the constraints are still numerous and, for business people in the southern shore countries, entrepreneurial innovation remains a difficult path to follow.

The Need for Partnership

The Euro-Mediterranean Partnership can be seen as a mutually beneficial strategy, in an area with growing economic prospects. The opening up of Europe towards the Southern Mediterranean countries follows a logical pattern of globalisation that encourages the creation of regional spaces including economies with unevenly developed for the greater good of all.

There is something rather paradoxical in seeing how cooperative practices between businesses emerge and assert themselves. In fact, if the situation is considered from a historical perspective, it must be observed that the dynamism which can be noticed everywhere today in the field of cooperation, asserts itself after an intensive period of generalised decline of economic activity. As is often the case, however, the paradox is only an apparent one, as it appears that this is precisely because "externalisation" has reached its peak and that co-operation in various forms has been felt to be a necessity.

That a vast movement to establish associations is well under way is confirmed by the observation of discernable trends now in almost all sectors of production, involving both large firms and smaller businesses. The difficulty is the excessively great abundance of goods. In fact what we have is a considerable number of agreements of an extremely varied nature, although this makes it quite difficult to have a clear view of the phenomenon.

Mediterranean Partner Countries (MPC) have dual economies. One could even talk about double duality: that on the one hand separating the structured, modern sector of the economy from the traditional craft sector – which it is convenient to call the non-structured sector – and on the other hand a geographical duality that tends to perpetuate and accentuate the gap between regions.

Industrialisation has undoubtedly been introduced by the public sector, which has dominated all its branches for three decades, making up for the relative weakness of a private sector which is still being established and does not yet have all the necessary attributes.

This industrial “base” is therefore translated into the establishment of large enterprises. The most important structural handicap for industry remains the limited internal market. It is the limited nature of this market that explains the difficulties found by many businesses in dedicating themselves to import substitution products.
The MPCs have a serious shortage of what one might call “big SMEs.” This gap is clear if French figures are compared to those of Germany or Italy, countries in which the dynamism of their medium-sized enterprises was especially notable in the 1980s. This vulnerability has a particularly penalising effect not only on the competitiveness of the economy as a whole but also – and this is a crucial point – on employment. Nothing prevents businesses sharing the same objectives from forging alliances. From complete mergers to the implementation of certain functions in common, including the development and sale of a jointly prepared product, there are many forms of mutual aid. The ambition of competitive management is to create value. Competitive management at the beginning of this 21st century, in whatever area, involves: the control of reaction times, the use of new information and production technologies and the consideration of changing values, as much as promoting staff for intangible aspects at the expense of material benefits.

National loyalties are no longer very important from the point of view of competitiveness in a given area. What is important is being able to attract and retain the greatest possible investment to bring in technological skills and jobs for qualified workers.

A winning strategy is to opt for a culture of innovation, making it possible constantly to seek better ways of doing things through the acquisition of new knowledge. Innovating. This means getting ahead of the competition. European SMEs will have a historic responsibility for reducing the technological gap and initiating SMEs on the southern shore in new technologies.

Information technologies constitute a formidable potential for creating added value and a source of opportunities for capital in the North and in the South. It is possible to accelerate the explosion of this potential, notably by channelling the amount of savings currently available.

The European Neighbourhood Policy, by basing itself on the results obtained in the context of the Euro-Mediterranean partnership, will contribute to the development of the process of regional integration. It allows the MPCs to glimpse possible participation in the internal EU market on the basis of a rapprochement of legislation and regulations, participation in a certain number of EU programmes and an improvement in connections and links with the EU.

The Future of the Strengthened Partnership

Since 2000, Community aid to the new member states has tripled in volume and the gap should become even bigger with the added fact that the flow of private resources destined for the MPCs is progressing more slowly than that directed towards the CEECs (Central and Eastern European Countries). A reorientation of efforts to attract private capital, rather than public aid, should become a priority concern.

All MPCs, even those that have not signed association agreements, have benefited from European business centre programmes to bring enterprises up to standard and to improve the business environment in their respective countries. SMEs are increasingly taking part in these programmes with more targeted and concentrated actions. They basically concern training actions, finance for equipment and direct technical assistance. In Tunisia, a second stage was launched in 2004 with the establishment of the Industrial Modernisation Programme. This programme seeks to bring practices and standards in the country closer to European ones concerning competitiveness, innovation, quality control, industrial property and the finance of industrial enterprises and services to industry.

FDI (Foreign Direct Investment) made to MPCs, whose structures and production factors are of different type from those in European countries, is carried out with the idea of complementing production centres maintained in Europe, and has often contributed to saving jobs there, even creating new ones.

At Caserta in 2004, the Euro-Mediterranean conference of industry ministers recalled the achievements concerning the promotion of FDI and the creation of networks of SMEs. They called for the strengthening of co-operation for 2005-2006 and a recognition of the vital contribution of innovation, research and the role of the partnership in achieving growth and job creation targets. The budgets already allocated exceed 3 billion euros, plus financing from the EIB.

To assume our historic responsibility, we should work to strengthen the partnerships between the SMEs on both shores of the Mediterranean, with a great capacity for listening and an ability to adapt which will enable us to take the best part of this globalisation.

References


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An Examination of the Myriad Factors Underlying Reform

The development community has seen a shift in the focus on economic reform. Initially, the goal was to define the appropriate elements of policy reform— to identify the obstacles to higher growth and improved living standards and to design a policy reform program to address these obstacles. Increasingly, however, we are appreciating the importance of myriad factors underlying policy reform. Emerging analysis on the subject touches on the issue with terms like the institutional capacity for reform and the political economy of reform. And what is clear from the analysis is that economic policy reform is far from a straightforward undertaking. It is a deeply political issue. It affects the balance of power between actors in society; at its core, it involves finding the economic rents that have built up over the years and cutting them back; it attacks the economic privilege that some have enjoyed for generations. And thus it is no surprise that carrying forward comprehensive economic reform is a profoundly difficult task.

The MENA region (Middle East and North Africa) has been no exception. The region’s reform effort has been characterized by great promise and subsequent disappointment. Starting in the mid-1980s, a few countries embarked on ambitious macroeconomic stabilization and structural reform programs. There were high hopes about the region’s prospects when almost every other country in the region began to follow suit. But observing the subsequent slowdown in the pace of reforms, the reversal of some of them and the inability to tackle deeper and more fundamental arrangements inhibiting growth has certainly confirmed the importance of understanding these forces behind policy reform.

This is a Particularly Important Period for the Region: What does an Economic Boom Mean for Reform?

First, however, it is important to acknowledge what is at stake for the region in terms of reform. This is an interesting time for the region. By all accounts, MENA has been in an economic boom. Over the last two years, growth in MENA has averaged more than 5.6% a year, the strongest growth in a decade. On a per capita basis, MENA’s 3.5% growth per capita was the highest recorded growth performance since the mid-1970s. We have seen stock markets in the region booming. We have even seen a noticeable reduction in unemployment in a few countries. And perhaps most importantly, oil prices are expected to remain buoyant well into the decade. So the first question is what does this mean for reform? Does it diminish the need for economic reform? Are we looking at a new growth trajectory in which major development challenges, including employment creation, are going to be attainable so long as oil prices remain relatively elevated? On this, I think it is clear that the answer is no.

To begin with, even the growth acceleration we have seen in the region has not been broad-based, with only a few of the oil exporters realizing significantly higher growth since the 1990s. The region has changed and the traditional transmission channels of an oil boom to the non-oil economies have greatly diminished since the 1970s. Labour remittances, aid, and investment flows are all significantly lower than in previous oil booms. So only a few countries will see advanced growth prospects based on the current oil market forecasts. Higher growth will depend on more than oil.

Moreover, the region has enormous challenges ahead in the labour market, with some 100 million new jobs needed to absorb the coming labour market entrants and the currently unemployed over the next two decades. Simply keeping pace with new labour force entrants implies sustaining economic growth rates of between 6-7% per year for the next two decades, and we have already seen growth level off below that. In the past year, economic growth has moderated to 5.2%, having peaked at over 6% growth in 2003 as a result of both spurring prices and a large ramp-up in production. Even short-term forecasts for growth, while strong, at 4.9% and 4.3% in 2005-2006, suggest rates of growth insufficient to address a mushrooming problem of unemployment.

It is clear, the development objectives for the region have not changed and the path for meeting those objectives has not changed because of the recent oil price increase. To achieve sustainable levels of growth for the types of job creation needed in the region requires comprehensive reform of the economic structures driving growth.
Reform Progress has been Uneven: Start and Stop

How is the region faring on the structural reform front? We are all familiar with the history of reform in the region, where following the collapse in oil prices and facing high debt, deteriorating budget deficits and a lack of growth, a few countries – Morocco, Tunisia, and Jordan, and subsequently Egypt – adopted programs aimed at restoring macroeconomic balances and promoting the private sector as an engine for growth. By the late 1980s and early 1990s, most other countries in the region had followed suit, adopting some form of economic stabilization.

The question is where does the reform effort stand today? On the macroeconomic stabilization front, the region has achieved a lot. Debt renegotiations and write-offs have helped reduce the very large and unsustainable debt burdens and have helped achieve improvements in the fiscal deficits. Continuing macroeconomic stabilization efforts have helped to contain inflation to about 3 percent between 2000 and 2003, down from an average of twelve percent in 1991. Over the same period, fiscal balances have moved from deficits averaging about 4% of GDP in 1990 to surplus positions by 2000, and total external debt has declined from an average of 40 percent of gross national income in 1990 down to 28 percent in 2002, with the largest declines achieved in Egypt, Morocco, Yemen, and Jordan. These achievements have largely been sustained when one looks at the standard indicators of macroeconomic stability. But we should keep in mind that there are many risks which may make this stability unsustainable because of the many contingent liabilities which have been building up in many countries. These are related to the accumulating implicit debts from many sources such as the pension systems, the banking sectors, the public enterprises and a variety of explicit and implicit government guarantees. In terms of accompanying structural reforms, the results have been more mixed. A few early reformers have implemented more intensive reforms toward market-oriented, private sector led economies, signing Euro-Mediterranean agreements, implementing tax reform, and undertaking trade and financial sector liberalization. Others have pursued reform more sporadically and slowly. Still others have made more modest progress, but by and large, the pace and intensity of the reform effort has been weak.

If you look at some of the standard indicators of market-orientation or private sector development, the region remains well below potential:

- On the trade side, and despite some strong progress with trade liberalization among a few countries, average tariffs remain well above those of other developing regions. Weighted average tariffs average 15% in MENA, higher than in East Asia (9.4), Europe and Central Asia (7.0), Latin America (10.6), and even Africa (13.0).
- Non-oil exports account for only 8% of GDP, compared with an average of 27% among low and middle income economies. Only one country in the region – Tunisia – has exceeded that level.
- FDI inflows to the region average a third of the average levels achieved worldwide, averaging less than 1 percent of GDP (0.7%), compared with almost 3 percent in East Asia, and two-and a half percent achieved in Europe and Central Asia, Latin America, and even Sub-Saharan Africa.
- The private sector remains underdeveloped, both in terms of contribution to output and in terms of contribution to employment creation. The public sector accounts for 33% of employment in the region, well above that of East Asia (9%, excluding China) and Latin America (13%).
- And, examining a broad range of indicators of doing business, the MENA countries continue to have significant barriers to entry and obstacles to doing business. Overall, the MENA region countries rank below every other region of the world but Sub-Saharan Africa in terms of the ease of doing business.3

Why Hasn’t the Region Been Able to Achieve More?

So, what has prevented a more intensive reform effort? Two fundamental factors stand out.

Oil

The first has been the ability to continue to rely on oil and strategic aid to delay implementing a deeper economic reform agenda, which has permitted Arab governments to adopt limited reforms and postpone the fundamental reforms needed for higher growth and employment creation.

So it must be acknowledged that the current climate of high oil prices presents the region a real challenge in terms of moving forward on reform. The history of economic reform movements suggests that deep economic reforms are often most successful and most sustained when countries have faced virtual economic crisis. Often reform is only adopted “once the possibilities of throwing money at the problem are foreclosed.” To their credit, in this current oil boom, many oil economies, including Saudi Arabia and Algeria, are wisely utilizing windfall revenues to retire debt, and there are signs that the region is showing relatively higher prudence with oil windfalls than in past booms. However, there is much more the region could be doing to take advantage of the current favourable economic environment to press forward with more difficult reforms needed to unleash stronger economic growth.

Coalitions

But the second and assuredly more important factor behind why reforms have stagnated has been the lack of

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1 Inflation figures for Algeria, Bahrain, Egypt, Iran, Jordan, Kuwait, Morocco, Oman, Qatar, Saudi Arabia, Syria, Tunisia, and Yemen.
2 Weighted average of external debt/GNI for Algeria, Egypt, Jordan, Lebanon, Morocco, Syria, Tunisia, Yemen, Kuwait, Oman, and Saudi Arabia.
3 Based upon a composite index of indicators found in the World Bank Doing Business database, measured in 2003.
coalitions emerging to press the government for deeper reforms and better policy choices. Structural reform depends on both a perceived need for change and the ability of alliances to develop the capacity to press for those changes. These coalitions for change can emerge from many different places. The private sector can come together and press for changes to enhance profits. Or they may emerge from labour unions or from consumers. These traditional advocates for reform, they are not present in MENA. The private sector is greatly underdeveloped. Private sector activity is concentrated in a small number of large firms that have benefited from protective policies, along with a number of small enterprises, which account for much of employment but have little access to formal finance, markets, or government support programs. Large scale industries do not press for change because they benefit from the status quo, manipulating Government policy for their own gain – the so called “state capture” of government regulation. It ranges from persistent awarding of large public sector contracts to few well-connected groups, to actual change in laws and regulations that lower the costs or increase the profitability of such groups. Trade unions, which could also be an effective vehicle for change, are tightly controlled in MENA region and without real independence from the political system. As a result, they have not been effective in organizing the labour force to press for reforms. More generally, the problem of lack of coalitions for change in MENA region is not the underdevelopment of the private sector or the lack of independent trade unions. There are innumerable other groups which could press for reforms. But the greater problem is that MENA’s governance systems directly hinder any groups from effectively uniting for change. To unite for change, groups need certain central rights. They need access to information to formulate choices, they need the ability to mobilize and they need the ability to contest policies that are poor. But these rights are not present in the region. Government information is not accessible by the public. Freedom of the press is carefully monitored and circumscribed in most countries. There are restrictions on civil society. There are restrictions on freedom of association. And the ability to contest government policies is weak. In a nutshell, we are talking about fundamental weaknesses in governance, both in terms of inclusiveness and public accountability. Inclusiveness reflects the notion that everyone who has a stake in development and wants to participate in governance processes can and on an equal basis with all others. Accountability reflects the notion that governance processes are known and can be contested.

EUMEDIS PROGRAMME
(Euro-Mediterranean Information Society Initiative)

In February 1999, the European Commission approved a regional initiative within the framework of the MEDA programme, which had the main objective of developing an Information Society in the Euro-Mediterranean region, specifically to bridge the digital and technological gap between the north and the south of the Mediterranean. The EUMEDIS initiative, with a total budget of 66 million euros, is a pilot project to demonstrate the concrete advantages that ICTs can offer to the priority sectors of the Euro-Mediterranean Association. The main objective of this initiative is to contribute to the development and qualitative improvement of the Euro-Mediterranean Information Society, thereby promoting economic development and an improvement in quality of life. It is an attempt to achieve a harmonious development of ICTs and an update of technologies and new electronic platforms, with the aim of extending their use in MED countries. The EUMEDIS programme comprises 21 pilot projects and more than 300 associates or partners distributed amongst 9 MED countries (Morocco, Algeria, Tunisia, Egypt, Israel, Jordan, the Palestine Authority, Syria and Turkey). These projects are divided into 5 sectors of intervention: 1. Health and medical assistance 2. Electronic trade 3. Tourism and cultural heritage 4. Industry, trade and development of small and medium enterprises 5. Education During 2004 the EUMEDIS programme has obtained a number of concrete results, including two projects completed: one project in the health sector and another in the industry and trade sector.

EMISPHER (Euro-Mediterranean Internet-Satellite Platform for Health, Education and Research)
1. This project, led by the most important hospital in Germany (the Charité Hospital in Berlin), has installed the equipment required for satellite communication in 10 hospitals in MED countries, with the aim of sharing the diagnosis of serious diseases, to carry out surgical operations in real time (telemedicine) and to teach specialized long-distance courses. 2. The success of this project has convinced partners to continue with two new projects:

- The Mediterranean Virtual University and the Mediterranean Virtual Hospital.

1. This project, led by the Parisian Chamber of Commerce, responds to the needs of the sector, since they coincide with its total liberalization, within the framework of the World Trade Organization (WTO) agreements signed in January 2005.
2. The aim is to create an online portal with three services: Business intelligence (information on markets, consumer tendencies, national and international laws and regulations, etc), Business contact and trade (forum where firms can get directly in touch) and Business benchmarking/Improvement (each operator can administer in real-time its firm’s benchmarking, which includes the setting up of a system for online training).

For further information, see: www.eumedis.net

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Dissemination Coordinator of EUMEDIS
In the MENA region, weaknesses in inclusiveness are reflected not only in differential business opportunities, with large or privileged firms being awarded contracts or favourable legislation, but in rural dwellers having fewer public services, gender inequalities in voice and participation, in nepotism, tribal affinity, patronage or money determining who gets public services and who does not. Weaknesses in accountability are reflected in limited access to government information, limited freedom of the press, restrictions on civil society, and most importantly, a virtual void of opportunity to contest policies.

It is a combination of entrenched interests and uncertainties from those who benefit from the status quo, combined with lack of information and an inability to mobilize and contest for better policies by those who would benefit from reform that prevents deeper reform from taking place.

We can not talk about mobilizing alliances for change without acknowledging that a critical element of moving structural reform forward is addressing this enormous governance challenge. Though the region has had some success with implementing broad, top-down reforms, these have largely run their course, and deeper economic reform cannot proceed without reform of the incentive structure in which reforms are embedded. This is not a separate agenda that can be pursued at its own pace. Addressing the governance weaknesses in the region is a critical cog in the overall machine of economic reform – and the process cannot be moved farther along without fixing that cog.
Since the second half of the 1950s, Europeans from the centre and North of the continent return to the Mediterranean each year to find the eternal elixir of relaxation and entertainment on and around its beaches. For several years now, this phenomenon has consolidated the business of sun, sea and sand in the Mediterranean; what is now happening is that, despite this consolidation, various countries and destinations of the Mediterranean basin are experiencing continual reductions in visitors. This was also the case last year. There are three possible causes: the first is the presence of endogenous factors in the destinations which prevent them from offering what the market demands; the second is the presence of exogenous factors which put negative pressure on certain places, and the third refers to the development model of sun, sea and sand, which needs a complete overhaul. It could also occur that all three factors coincide.

### Endogenous Factors

These are the three milestones of mass tourism that started on Mediterranean beaches some fifty years ago. But the changes in the way Europeans spend their free time have accelerated over the last decade in two major aspects, which we have been able to capture from the results of a survey carried out at ESADE’s Centro de Dirección Turística:

- From a single motivation, the beach, we have passed to a dispersed and rich multi-motivational situation, which is carried out on the beach as well as in the cities and in the interior. In this manner, these three leisure spaces open up to culture, sport, open air activities, events, relationships, gastronomy, conference and business travel, etc.
- And from one main holiday (and in the majority of cases a long summer holiday taken all in one go, lasting several weeks) the trend has passed to a much shorter holiday, to an average of eight days, to several short holidays, to a few weekend trips and to several days of excursions organised throughout the year. This has forged a double process: on one hand, a significant increase in the number of trips made by Europeans (in the case of Spain this could have duplicated over the last three years from an average

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of two to four trips per year)\(^2\) and, on the other, an extraordinary loss of seasonality in Europeans’ holidays.

It turns out that the absolute majority of the tourist infrastructure in the Mediterranean focuses on the first mile surrounding the coast, designed for a sun, sea and sand type of satisfaction. Moreover, construction is still taking place under the perspective of this model in the entire Mediterranean basin in the same way as it has for decades, as if sun, sea and sand were still the only leisure motivation Europeans have. If many more motivations exist and, therefore, less interest in the traditional format of sun, sea and sand, and the number of days of stay on the coast is reduced, therefore focusing more on the summer season, we have to ask ourselves not just how the tourist infrastructure supports itself, but also how it is increasing while it is based on a holiday model, that is over-dimensioned for the new existing supply.

Faced with this series of endogenous factors, the setting of certain criteria for restructuring what is on offer is established, taking into account that Europeans demand very different things from leisure spaces. A radically different redefinition of planning is required.

**Exogenous Factors**

At exogenous level, the Balkan wars threw the whole of Europe into confusion during the nineties, and its Mediterranean coastal area put itself out of business as a destination for sun, sea and sand during the war and for quite some time afterwards. The same has happened as a result of the wars in Afghanistan and Iraq. The border areas beyond Turkey and all the Arab countries which have a coastline on the Mediterranean shore have been heavily penalised. Both military phenomena have had a negative impact in the affected area of the coast, whilst other coastal destinations benefited from the situation. Spain has benefited a great deal in both cases. During periods of military conflict, tourist destinations divide into critical (heavily penalised by it) and into refuge (welcoming those tourists who are afraid to go to the affected areas).

Once the effect of the first military action and the process of getting over the second is finalised, the Balkan countries, Turkey and the traditional Arab states are emerging as much cheaper tourist destinations as a consequence of a series of factors, amongst which cheaper labour costs, raw materials and land prices stand out, as well as the implementation of new cost-cutting technologies. Whilst all the destinations adapt to the new demands of Europeans, a clear segmentation of the Mediterranean coast is asserted in the search for differentiation. It would be an error for the most mature destinations to compete by price with those which are emerging or that the latter wish to compete with the former in aspects such as high quality or the process of creating a service. Price and quality factors determine very different markets at present, despite the fact we are immersed in the wave of low cost products.

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Correction of the Model

The exogenous and endogenous factors dealt with alone or as a whole would not sufficiently justify an answer to the real situation of tourism in the Mediterranean. We have to refer to the model of intensive coastal tourist development which has offered cheap package holidays from the very beginning. The model observes signs of exhaustion in a series of aspects, such as the abuse of territory and heritage, the excessive population density, the high seasonality, the historical specialization of the sun, sea and sand market in the low cost segment and the segregation of the tourist population from the residential population, which can lead to frictions in certain destinations.

The correction of the model will have to pass through a series of active policies in each destination, as well as in each State. These are the aims of the change of model:

- not to continue building on the coast on the basis of an obsolete vacation model
- not to overload the first mile of the coastline, but instead to start structuring destinations facing the coast by opening up towards the interior where all kinds of products can complement each other, including the city and interior spaces
- to create more open spaces in the coastal area
- to seek sustainability of tourist businesses based on the fact that the activity itself does not just generate the necessary funds to support the environmental erosion that the visitors cause, but also all those derived from the constant improvements in tourist products. In this way, the total recovery of the sea becomes the most immediate objective of all the countries which live off tourism in this area.

Currently, various inter-Mediterranean policies with coinciding objectives are being developed. Various community programmes exist which result directly or indirectly in tourism from fields such as agriculture, the environment, the marine environment, forestry, fishing, the development of small and medium-sized enterprises, technologies and innovation. However, the lack of a defined and shared European tourist policy amongst the main outbound countries and the main recipient countries has up to now prevented the EU from considering one of its primordial aspects – that of a Mediterranean tourist policy that takes into account integrally the largest and most desirable leisure space for Europeans.
The year 2004 was marked by a major increase in crude oil prices: in December 2003 the international price of a barrel stood at USD 29.29, while by November 2004 it had already reached USD 44.49/barrel. Although in real terms this price is still significantly below the levels of the 1980s, it is nonetheless a fact that in the first eleven months of 2004 the price of crude rose by 52.2%, thus breaking the psychological 40 dollar barrier. It is generally believed, that in such a situation –of significant increases in the price of crude over a short period of time-, the producing countries make a profit, as by selling the same quantity of oil they see their export income rise considerably, while the consumer countries lose, because for them this increase represents a greater expense in terms of imported energy supplies. This raises the cost of energy and hence it affects inflation rates negatively. Such a concept could thus lead us to the conclusion that within the Euro-Mediterranean area, which includes both types of country, an increase in oil prices would have an asymmetric impact: on the one hand, the (producing) countries of the southern coast, such as Algeria, Libya, Syria and Tunisia would gain, while the European (consumer) countries would be the losers. However, this image of the Mediterranean oil trade as a game in which the countries involved are either winners or losers, fails to reflect the true complexity. To begin with the producing countries, an analysis of the net export income of the two main oil-producing countries in the region, Algeria and Libya, indicates that as a result of the increase in oil prices, Algeria, in 2004, gained USD 22.6 million, and Libya 18.1. However, behind these figures exists a reality which indicates that as the energy sectors in these countries are gradually opened up and deregulated, we should also begin to consider the gains and losses of the companies operating within Algeria and Libya. Taking Algeria as an example (of the two, it has opened up its fossil fuel sector more extensively to foreign investment) we see that between the end of 2003 and the end of 2004, over fifty foreign companies were operating within Algerian territory. The result of this is that part of the oil which comes out of Algeria is not Algerian any more and that therefore a proportion of the income obtained through its sale on the international market is not either. This can be seen from just three figures. According to the first, based on data from the Algerian Energy and Mines Ministry, at the end of 2003, 40% of crude and condensed oil produced in Algeria did not belong to the Algerian national hydrocarbons company, SONATRACH. The second figure indicates that at the end of September 2004, almost 16% of income from crude and condensed oil exports belonged to foreign shareholders in SONATRACH. Thirdly and finally, we can see that although the energy companies operating in Algeria have seen their profits rise with the increase in prices, this is true to a much lesser extent for the Algerians, since, proportionally, the figures show that the taxation take from these companies has fallen by approximately 40% since 1993. In other words, the proportion of income which can be redistributed to the country’s population is in fact falling. Nonetheless, the case of Algeria does show that such significant increases in prices, as those we have seen over the past year do yield profits for those countries where hydrocarbon oilfields are to be found; but these profits are shared out among foreign companies, the national company (in this case SONATRACH) and the Treasury, in proportions which depend on the limits established for foreign holdings and the hydrocarbon taxes applied by each nation’s oil industry legislation. Recent years have seen changes in the international energy scene (IES). On a global scale, legislation has sought to privatise and transnationalise energy companies. This has given private companies on the IES a greater influence, to the detriment of producing states (and their national companies) and of the governments of consumer countries. The corollary of this is that the more open, deregulated and liberalised the energy sector within the GDP.

1 Source: EIA (2005); OPEC revenues. Country details.
2 Source: MEM Algérie (2005); Realisation of Production: Hydrocarbons, Electricity, Petrochemistry.
3 Source: MEM Algérie (2005); Evolution hydrocarbons exportations.
4 Source IMF (various years); Algeria: Statistical Appendix and own calculation. This calculation is based on the relative taxation take for the hydrocarbons sector. In other words, the percentage tax take from the oil industry within government revenue as a whole/the weight of the sector within the GDP.
sector is in producing countries, the lesser the effect of changes in the price of crude on the national income of these. Indeed, over the last year, if the figures are to be believed, Algeria has profited less than Libya in terms of national revenue. If we extrapolate from this situation to consider the other more minor producers in the region (Tunisia, Syria and Egypt), we may affirm that their gains or losses as a result of major variations in hydrocarbon prices, in terms of the national economy, will also depend on the degree of openness and deregulation within their energy sectors. We would therefore suggest that the more the process of signing Euro-Mediterranean Association Agreements continues – which is also connected with the openness and deregulation of the oil industry – the less significant the effect of an oil boom on the national economies of the Mediterranean regions rich in hydrocarbons. Determining the effects of the recent oil boom on consumer countries in the region is a more complex task, although the data available for last year indicate that the presumed negative effect was not as great as had been expected, bearing in mind the experiences of the 70s and 80s. In 2004 the economy of the Eurozone countries seems to have been affected more by the sharp rise of the euro against the dollar than by the increase in the price of crude. Thanks to this rise in those Eurozone countries, the price per barrel rose from EUR 25.10 in 2003 to EUR 30.50 in 2004, and an increase in the price of crude within the Eurozone of 21.5%, which is significant, but much less so than the increase of 52.2% in dollar terms. This first issue could be seen as a factor of the economic cycle, but there is a second aspect which seems to be structural, and which could suggest that today an economy such as that of Europe is less vulnerable than in the past to sharp rises in the price of crude. In 2004, the increase in the price of crude does not seem to have had a major impact on the general level of prices, although there are clearly differences between countries. On average, across the Eurozone the Harmonised Index of Consumer Prices (HICP) varied between 2.2% and 2.4% for this period. Such a rate of inflation is not substantially different from that for the previous two years and so cannot be attributed to rising crude prices. The only slight effect of rising crude prices on the general level of prices indicates that, since the 80s, the situation of the consumer countries has changed considerably. In the first place, because the diversification in the energy sector which has occurred since that time means that currently only 38% of primary energy consumed in the European Union comes from oil. In second place, because energy-saving policies have substantially reduced the quantity of energy used per production unit, although the transport industry continues to be the major consumer. Since 1990, energy used in the European industrial sector has fallen by 23.8% and that of the tertiary sector by 22.6%, while the figure for the transport sector is a mere 3% lower. Despite this, among Europe’s economies as a whole over this period, energy intensity has fallen in real terms from 245.6 (toe of energy consumed/M Euros of GDP) to 208.8. We should therefore be talking of a reduced importance of oil for European economies and a reduced importance of energy costs for the majority of economic activity in the EU. The obvious consequence of all this is that the losses which European countries were expected to suffer as a result of the sharp rise in oil prices have been far lower than had been predicted. In summary, the information provided by the oil boom in 2004 is as follows. In the first place, it seems quite clear that if the countries of the southern shore of the Mediterranean continue to internationalise their energy reserves using the same criteria as they have this far, the future effects of changes in the price of crude will be minimal on the – national – economies of North Africa and the Middle East. And secondly, it does not seem that the economies of Europe are especially vulnerable to these price fluctuations, as they depend to a lesser degree than in the past on energy from oil. Despite this, the future effects of an

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6 Source: ECB (2005), Statistics Pocket Book. Table 5.1.
7 Source: ECB (2005), Statistics Pocket Book. Table 5.3.
8 Source: EU (2004); European Union Energy & Transport in Figures, 2004 edition. Table 2.2.1.
increase in crude oil prices on these economies are unclear, because thanks to the increasing deregulation applied to the energy sector, companies within this sector have the power –the market– to alter these prices in accordance with business strategies which may have little or nothing to do with the needs of consumers. The surge in prices over the last year has therefore taught us that it is increasingly difficult to talk of an asymmetric impact with differing effects on producing and consumer countries. Indeed, given the changes which took place in the IES during the final decades of the 20th century and the growing internationalisation and transnationalisation of national energy sectors, the term producing country ceases to have any real meaning. The corollary of this is that an increase in oil prices leads to an increase in the profit margin for businesses, to the detriment of the income of producing countries (export national revenue). It remains to be seen what will happen with the income of consumer countries.
Investment as an Essential Factor of Mediterranean Countries’ Development

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The attractiveness of foreign direct investment (FDI) has become not just a priority for the countries of the Mediterranean basin, but an indispensable factor in their socio-economic development, to the extent that such investment is now a central feature of national budgets, and even of many five-year plans. What is worse, this investment now represents a common challenge for all the countries concerned, and one in which European governments are increasingly involved. It is in this context that the intensification of the EIB FEMIP (European Investment Bank – Facility for Euro-Mediterranean Investment and Partnership) commitment in the MEDA region in 2003 and 2004 needs to be seen. The results of this last financial year, the first year of implementation of the “intensified FEMIP,” reflects the continuing commitment of this institution to its support for the Barcelona Process. In fact, the activity (long-term loans and venture capital) now reaches 2.2 billion euros. It covers a wide range of investments, the majority of which stem from the private sector. The first Euro-Mediterranean investment meeting held on 13-14 January 2005 in Marseilles, organised by the Euro-Mediterranean Network of Investment Promotion Agencies (ANIMA) and The Economist, with the support of local authorities, revealed the progress made in the MEDA region in attracting FDI, as shown in an analysis provided by the MIPO (Mediterranean Investment Project Observatory). It also made clear how important such investment is for producing the socio-economic changes that are considered necessary before democracy may be advocated. An approach which, nevertheless, continues to differ from that of the United States, whether it be in the case of the former partnership project with the North African countries (nicknamed the “Eizenstat Initiative”), or that launched during the G8 summit (at Sea Island in 2004). The latter has been presented as an instrument to develop freedom, the entrepreneurial spirit and democracy not only in a large region encompassing the MEDA area, but also for other zones, such as the GCC (Gulf Cooperation Council) area or countries further away from the Mediterranean such as Iran or Afghanistan.

The official statements produced by some experts in the field rank the region as an intermediate market which has not so far been particularly attractive (if compared with China or India, for example), and rarely on the “short list” of investors, in particular since it is not considered to be an easy market. The increasing number of investment proposals for 2004 and of forecasts for 2005 is nevertheless promising.

In fact, the balance-sheet shows that the MEDA region succeeded in attracting 400 investments in 2004, against 275 in 2003. What is most revealing about the present situation is that the origin of the investors is becoming increasingly diversified. This means that dependence on Europe is beginning to fall, albeit relatively. Although Europe continues to have the lion’s share of incoming investment (55%), North America’s percentage (19%) is growing, at a time when increasing interest by the Gulf States and the rest of the Muslim world (10%) is also being recorded; this proves that international investors are aware of the region’s future, its potential and its market of over 700 million consumers in 2004, even if the zones’ integrated regional domestic market continues to appear weak for the present, and hence detrimental for investments requiring a minimum level of demand.

Interventions as well as the talks held in Marseilles during the 1st Euro-Mediterranean investment meeting concluded – far removed from the quantitative balance sheet of the FDI – that the MEDA zone is a considerably attractive place. Proof of this is the substantial increase in these investments in the space of a year, with a marked improvement forecast for 2005. This improvement has taken place after the recent years’ deficit during which there was 3 to 4 times less foreign direct investment than in other emerging regions of the world. This is what has produced this really worrying situation, considering the requirements of this region in terms of employment, capital and wealth. It should, however, be noted that in 2004, MEDA region obtained twice as many ICT projects as the Central and Eastern Europe Countries (CEECs). Turkey and Morocco lead in terms of projects. This caused the Minister of Finance of the latter country to declare that “Morocco got its stripes in the MEDA region.” In this same direction, FDI towards the southern Mediterranean countries has been established with a marked improvement for Tunisia recorded in 2004. In fact, the annual...
report of the CBT (Central Bank of Tunisia) revealed that the volume of FDI attracted by this country was close to 800 million dinars (around $630 million), which has enabled the construction of 171 industrial and service units and the creation of 6,000 additional jobs. However, this same report takes into account that the average level of foreign investment attracted by Tunisia during recent years has increased to 990 million dinars (around $800 million) annually, compared with 733 million dinars ($590 million) during the first five-year plan. The report has also emphasised that the Ministry for International Co-operation and Foreign Investments as well as the FIPA (Foreign Investment Promotion Agency) are henceforth concentrating their efforts on attracting FDI in information technology, Internet related services, transport, the environment, health and higher education. Among the reasons which ought to encourage European investors to become much more involved in the region are the powerful synergies that exist between the Southern and Northern Mediterranean. Philippe de Fontaine Vive, Vice-president of the EIB² has endeavoured to explain this, indicating that his institution’s objective is to invest 2 billion euros in the zone between 2003 and 2006, ranging from micro-credits through to very large investments. This proves that the region has become Europe’s border territory. Moreover, experts maintain that the so-called synergies now go beyond the stereotypes based on natural resources, such as hydrocarbons, agriculture or cheap, unskilled labour. Commentators evoke the benefits related to the production of certain goods at a competitive cost, selective schemes for industrial co-operation initiated at both shores, and also, the need of managers in Europe till 2015. Two important factors are added to this: delocalisation, which is progressing successfully, and the existence of a European savings surplus (valued at 30 billion euros annually); a large part of this sum could be allocated to the Mediterranean. In this context, development of so-called “new” sectors, such as informatics, call centres, health related industries, tourism and its corollaries, industrial services and others, should lead to an increase of FDI, more concretely, in those countries which have demonstrated their capacity to undertake new projects during the last two years. Reports written on the subject highlight a noticeable expansion of activity in Jordan, Lebanon, Egypt and Syria. Libya, which has not yet definitively joined the Barcelona Process, could become the centre of attention for FDI in the short term, since not only does everything require rebuilding in a country which was hit hard by an embargo for more than a decade, but it could also become a springboard for the African market through private investment – local as well as foreign. In the same way, Libya, with a surface area greater than that of Egypt, offers “virgin” opportunities for investment; and what is more, it has already got into its stride with LAFICO (Libyan Arab Foreign Investment Company), its secular finance arm. Its portfolio of investments is estimated at over $40 billion.³ It should also be emphasised that the projects implemented with the objective of attracting FDI entail an injection of capital approaching the order of 20 billion euros, which frequently stem from large global enterprises. The good attendance of the majority of them at the first Euro-Mediterranean investment meet- ing is proof of the growing interest on the part of these enterprises in investing in the opportunities the MEDA region will have to offer in the coming years. The 2004 example, with a number of investments announced, including 10 mega-projects worth over 500 million euros as well as 30 large projects valued at between 100 and 500 million euros, spread over 9 sectors accounting for more than 20 projects each (tourism, energy, textiles, banking and finance, car industry, agro-food industry, telecommunications, logistics and public works, software and ICT), contradict the official statements which present a poor picture of MEDA.

However, the latest conclusions announced at symposia or seminars organised by the World Economic Forum on the same theme of investment, whether it be in Algiers, at Marrakech (Morocco), at Al-Akaba (Jordan) or at the Carthage Forum in Tunisia, all agree on the pro-

![Table 15: Aggregated investment (MIPO: Mediterranean Observatory New Foreign Investment Projects)](image)

<table>
<thead>
<tr>
<th>Target countries</th>
<th>Amount FDI (US$m)</th>
<th>Number of projects</th>
<th>Amount FDI (US$m)</th>
<th>Number of projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Algeria</td>
<td>5 857</td>
<td>59</td>
<td>2 519</td>
<td>31</td>
</tr>
<tr>
<td>Cyprus</td>
<td>**</td>
<td>8</td>
<td>**</td>
<td>2</td>
</tr>
<tr>
<td>Egypt</td>
<td>2 468</td>
<td>39</td>
<td>484</td>
<td>87</td>
</tr>
<tr>
<td>Israel</td>
<td>146**</td>
<td>24</td>
<td>2 653</td>
<td>28</td>
</tr>
<tr>
<td>Jordan</td>
<td>1 944</td>
<td>21</td>
<td>124</td>
<td>13</td>
</tr>
<tr>
<td>Lebanon</td>
<td>1 016</td>
<td>26</td>
<td>228</td>
<td>12</td>
</tr>
<tr>
<td>Malta</td>
<td>**</td>
<td>5</td>
<td>264</td>
<td>3</td>
</tr>
<tr>
<td>Morocco</td>
<td>4 032</td>
<td>120</td>
<td>3 765</td>
<td>89</td>
</tr>
<tr>
<td>Palestinian A.</td>
<td>78**</td>
<td>2</td>
<td>10**</td>
<td>2</td>
</tr>
<tr>
<td>Syria</td>
<td>422</td>
<td>11</td>
<td>100</td>
<td>4</td>
</tr>
<tr>
<td>Tunisia</td>
<td>192**</td>
<td>32</td>
<td>94</td>
<td>26</td>
</tr>
<tr>
<td>Turkey</td>
<td>2 944</td>
<td>53</td>
<td>631</td>
<td>43</td>
</tr>
<tr>
<td>Total MEDA</td>
<td>19 099</td>
<td>400</td>
<td>10 862</td>
<td>274</td>
</tr>
</tbody>
</table>

² *Challenge Hebdo* – N°1, 2 April 2004 p. 36-37
mising prospect of investing in the area. Current investors, representatives of the multinationals and other prominent figures have again stressed the advantages on offer, such as the existence of a young population that is eager to learn and come closer to European standards, in addition to other positive factors such as the appreciable efforts to improve the climate for investments.

Despite their positive aspects in terms of attracting investments to the MEDA region, the Southern Mediterranean countries do not conceal their anxiety about what they call the “flagrant” imbalance in the granting of aid and investments in favour of CEECs (Central and Eastern European Countries). In a declaration made by the former ambassador and Tunisian Minister of Finance, Taher Sioud, in 2002 on the occasion of the celebration of the 7th anniversary of the signature of the Association Agreement, he stated that “for each euro which goes to 12 countries of the southern Mediterranean, 10 euros, at least, will go into the coffers of the new EU members.”

Orientation of FDI towards the southern Mediterranean countries now has an irreversible momentum, nevertheless. The Barcelona Process, which will celebrate its anniversary in 2005, is aware of the importance of investment in the Mediterranean basin, since each point of growth in the MEDA region finds its expression in an increased demand for European goods and services. In this context, a study by the Cercle des Economistes (end of 2003) shows that if the EU and MEDA were to benefit from the same level of integration as that existing between China and Japan (an integration which is nevertheless limited), growth would attain 0.75% in Europe and 0.60% in the region.
It is a known fact that the Mediterranean today is one of the world regions where, within a very limited geographical space, great differences exist in terms of development. Income per capita of the countries on the southern shore of the Mediterranean is much behind that of the countries of the European Union: in 2002 the income per capita of all Mediterranean Partner Countries (MPC) was below 20% of the EU average. And this difference, far from being reduced, tends to increase. Already for some time, the European Union has carried out several initiatives and programs to contribute toward development of the region. The Barcelona Declaration (1995) marked the beginning of a structured process of relations with these countries, revolving around three components (political, economic and social) and signifying the start of two very important initiatives: the MEDA program, providing aid for transformation (the so-called mise à niveau of those economies) and the Association Agreements, which, amongst other clauses, proposed the creation of a Free Trade Area in the Mediterranean by the year 2010.

Consequently, an approach that was largely based on the principle of aid plus trade was prioritized, from which, in practice, significant results have been obtained (the economies of the south have partially reformed and their commercial exchanges with the countries of the European Union have increased very significantly), although these improvements are clearly insufficient. It is worthy of note, whilst avoiding at this point any analysis of the reasons of the aforementioned insufficiencies, that the chosen strategy did set aside the promotion of private foreign investment as a primary element of transformation for these economies. In other words, hardly any specific instruments were foreseen to promote direct investment of European companies in countries in the south. Partially due to this fact and partially due to the general development of the region, the evolution of Foreign Direct Investment (FDI) in MPC has been very disappointing. Therefore, although in absolute terms FDI has increased since the launch of the Barcelona Process (except in Algeria), in relative terms, the weight of MPC in the global context has receded significantly. In the second half of the 1990s, MPCs lost attractiveness as receptors of FDI, a situation that has not varied significantly in the first few years of the new decade.

The lack of FDI is not only a consequence, but also a cause of the current bad situation of these countries. Without an important flux of FDI it will be difficult for these economies to grow in a sustainable manner, which in turn makes it very difficult to absorb the new workers that increase the active population every year. This effectively contributes to the perpetuation of high unemployment indexes and, on occasions, of social conflict. In conclusion, it is a vicious circle. Breaking this vicious circle is not easy and most probably requires simultaneous action on several fronts. It is necessary to accelerate the current structural reforms to the economy (sector liberalization, privatization of state-owned companies, etc.), improve the formation of human capital (illiteracy indexes in the region are around 40% of the population), as well as promoting a stronger regional economic integration that permits market sizes to increase, thereby allowing the exploitation of economies of scale and their corresponding reduction in costs. All these steps are necessary and, undoubtedly, an important part of the responsibility for their realization lies in the governments of MPCs themselves.

However, it is also true that there is ample room for improving the financial instruments that the European Union countries put in place to help companies invest in MPCs. It is likely, at present, that the problem does not lie in the availability of resources at affordable costs or in the lack of particular aids or grants, but rather what appears to be lacking are instruments that will help businesses reduce or share the risk from investing in MPCs. Together with a renewed political commitment, this is probably the most important contribution that can be made from the European Union to strengthen Euro-Mediterranean ties.

Historically, Spain has been a leader for the development of these ties. Spain was a decisive promoter of the Barcelona Declaration in 1995, as well as of the

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1 Includes: Algeria, Egypt, Jordan, Lebanon, Morocco, Syria, Tunisia and Turkey.
Valencia Action Plan in 2002; moreover, it was under the Spanish Presidency of the Union in the first term of the same year, when the proposal was made to create a Regional Development Bank for the Mediterranean, following the example of the European Bank for Reconstruction and Development created for Eastern Europe in 1990. This proposal did not prosper, but it was not rejected either. Due to a lack of consensus at the time, it was decided to postpone the decision and, in the meantime, to create a financial facility within the framework of the European Investment Bank (EIB), focusing primarily on promoting FDI in MPCs. For the first time, therefore, the impulse granted toward the installation of European companies in the region is at the core of the EU strategy for the Mediterranean.

In this context, several initiatives have recently appeared toward this aim. The EIB decided to create an investment fund, open to all member States, to promote the creation of specialized instruments to support European companies that set up in MPCs. More recently, the government of the Generalitat de Catalunya (Catalan Government) announced that it intends to promote a risk capital fund to encourage Catalan and Spanish companies to invest principally in Algeria, Morocco and Tunisia, the three Maghreb countries with strongest political and economic links to Catalonia and Spain. The proposal of the Catalan Government is to open the fund to other public administration bodies, as well as to other multilateral financial bodies and private financial institutions. It is an initiative that is already underway and which, despite its state-origin, it is proposed that it be administered using private criteria, with the conviction that this is the best way to ensure an adequate policy for investment of the funds that will ultimately support financially solvent projects.

As all these initiatives finally take off, they will doubtlessly open an interesting path for the promotion of FDI in MPCs. However, one must not forget that, ultimately, the decision of whether to invest or not belongs to the companies and that, even if attractive instruments and incentives are put in place from the public sphere, it is the private investor that inevitably has to take on the risks associated with the investment.
The Agadir Agreement, South-South Integration and the Euro-Mediterranean Partnership

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Université Mohammed V, Agdal-Rabat

The world economy is increasingly dominated by two phenomena: on the one hand, globalisation, and on the other, regionalisation and integration. In order to integrate themselves into these twin processes, the various national economies are increasingly tending to liberalise themselves and develop trade, leading to a certain revival of the various types of integration at regional and international level.

The Mediterranean region has not escaped this general irreversible tendency, trying to adapt itself to this new context through a more progressive policy of liberalisation and economic openness, firstly within Europe and secondly between Europe and the countries on the southern shore of the Mediterranean. One of the strategic aims of Europe’s Mediterranean policy is to promote integration and regional cooperation between countries on the southern shore of the Mediterranean. It is within this context that the scheme to establish a new free trade area (FTA) between the four Southern Mediterranean countries who have signed the declaration of Agadir must be placed. They are Morocco, Tunisia, Egypt and Jordan. It must be emphasised that these four countries have concluded bilateral FTA agreements with each other, as is the case between Morocco and Tunisia, (16th March 1999), Morocco and Egypt (27th May 1998) and Morocco and Jordan (16th June 1998) [Boussetta 2002]. Moreover, these countries are some of the furthest advanced in the process of association and integration with the EU. So, on 8th May 2001, in Agadir, Morocco, these four Mediterranean countries signed a multilateral FTA agreement with the aim of creating a space for free trade between one another and strengthening sub-regional South-South co-operation. This agreement was signed by the Foreign Affairs Ministers of these countries on 8th February 2004 in Rabat. This kind of South-South integration is very important:

- First of all for the countries involved in it, which seek to benefit from the many advantages of the creation of a huge free trade area. Among these advantages, the following possibilities should be emphasised:
  - benefiting from huge export markets and considerable economies of scale. The Agadir Agreement means a market can be created consisting of more than 100 million inhabitants;
  - strengthening the competitiveness of national production networks. In particularly, this involves the national production networks measuring themselves against sub-regional competition before allowing themselves to become exposed to Mediterranean and international competition;
  - promoting the flow of foreign investment, which can benefit from transnational markets (in itself an essential factor which helps determine the location of these investments). The creation of a large market would increase the growth potential of these four countries and encourage investors to establish themselves there.

It can generally be said that the success of this South-South integration is a key component of success for the region as a whole, notably because it would be likely to create economies of scale that would compensate for the small size of local markets (taken separately) and which would thereby encourage the entry of investment into this region. [Femise, Report 2002].

- Secondly, in terms of the whole Euro-Mediterranean process begun in Barcelona in 1995. In effect, one of the basic aims of the Euro-Mediterranean Partnership is to put in place and strengthen horizontal integration between the countries on the southern shore of the Mediterranean in the perspective of the expiration date of 2010 concerning the creation of a Euro-Mediterranean FTA, as the Barcelona Declaration also proposes. Technical and financial support was also envisaged within the MEDA programme, which is the Euro-Mediterranean Partnership’s financial tool. So, a four-million-euro programme, financed under MEDA, is planned for providing technical assistance to both, the signatory countries of the Agadir Agreement and to the secretariat created for the purpose.

Specifically, the Agadir agreement initially foresees the creation of an FTA between Tunisia, Jordan, Egypt and Morocco, which would be introduced progressively during a transitional phase and would come into force not later than 1st January 2005. Within the framework of this agreement, provisions concerning the liberalisation of foreign trade between these countries provide for complete exemption (100%) for industrial products from 1st January 2005 onwards. Moreover, it has been agreed to liberalise trade in agri-
cultural and agro-industrial products in accordance with the executive programme of the trade management and development agreement between Arab countries for the creation of the Great Arab Free Trade Area. The service sector will be liberalised in accordance with the terms of the World Trade Organisation’s (WTO) general agreement on trade in services. [Boussetta, 2004].

So, free trade will take immediate effect for industry and services, while a 2-year transition period is planned for agriculture (from 1st January 2006 onwards). The terms of the agreement also stipulate the application of rules of Arab-Mediterranean origin which are in accordance with the rules of Euro-Mediterranean origin.

Concerning customs barriers, subsidies, dumping, preventive measures, balance of payments deficits, intellectual property, health measures and the phytonsanitary sector, the measures adopted under the relevant WTO agreements will apply. At an institutional level, several structures will be charged with ensuring that this agreement is put into practice:

- The Committee of Ministers of Foreign Affairs, charged with supporting the political framework of the agreement and the definition of political measures to foster and enlarge this instrument;
- The Committee of Ministers of Foreign Trade, whose job will be to study the application of the agreement and define the means of developing cooperation;
- The Technical Committee, responsible to the Committee of Ministers of Foreign Affairs, which will be charged with monitoring the application of the agreement and with providing assistance on regulating litigation, except for issues which will be submitted to it by the ministerial committee;
- Finally, the Technical Unit, based in Amman, whose task will consist of putting into practice the decisions taken by the first two committees and playing the role of technical advisor on various issues raised by the agreement.

Concerning affiliation to the Agadir agreement, it has been agreed that any Arab

<table>
<thead>
<tr>
<th>TABLE 18</th>
<th>Development of trade between Morocco and Egypt (in millions of dirhams)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1998</td>
</tr>
<tr>
<td>I. Foreign trade</td>
<td></td>
</tr>
<tr>
<td>Imports</td>
<td>266.4</td>
</tr>
<tr>
<td>Share of the total in %</td>
<td>0.4</td>
</tr>
<tr>
<td>Exports</td>
<td>384.1</td>
</tr>
<tr>
<td>Share of the total in %</td>
<td>1.1</td>
</tr>
<tr>
<td>Trade balance</td>
<td>117.7</td>
</tr>
<tr>
<td>Reserve ratio</td>
<td>142.2</td>
</tr>
<tr>
<td>II. Travel revenues</td>
<td></td>
</tr>
<tr>
<td>Share of the total in %</td>
<td>0.6</td>
</tr>
<tr>
<td>III. Incomes from residing abroad Moroccans</td>
<td>6.2</td>
</tr>
<tr>
<td>Share of the total in %</td>
<td>-</td>
</tr>
<tr>
<td>IV. Investments</td>
<td>11.1</td>
</tr>
<tr>
<td>Share of the total in %</td>
<td>0.2</td>
</tr>
</tbody>
</table>

Fuente: Office des changes.

<table>
<thead>
<tr>
<th>TABLE 19</th>
<th>Development of trade between Morocco and Tunisia (in millions of dirhams)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1998</td>
</tr>
<tr>
<td>I. Foreign trade</td>
<td></td>
</tr>
<tr>
<td>Imports</td>
<td>119.6</td>
</tr>
<tr>
<td>Share of the total in %</td>
<td>0.2</td>
</tr>
<tr>
<td>Exports</td>
<td>19.1</td>
</tr>
<tr>
<td>Share of the total in %</td>
<td>0.1</td>
</tr>
<tr>
<td>Trade balance</td>
<td>-100.5</td>
</tr>
<tr>
<td>Reserve ratio</td>
<td>16.0</td>
</tr>
<tr>
<td>II. Travel revenues</td>
<td></td>
</tr>
<tr>
<td>Share of the total in %</td>
<td>1.2</td>
</tr>
<tr>
<td>III. Incomes from residing abroad Moroccans</td>
<td>2.0</td>
</tr>
<tr>
<td>Share of the total in %</td>
<td>-</td>
</tr>
<tr>
<td>IV. Investments</td>
<td>-</td>
</tr>
<tr>
<td>Share of the total in %</td>
<td>-</td>
</tr>
</tbody>
</table>

Source: Office des changes.

<table>
<thead>
<tr>
<th>TABLE 20</th>
<th>Development of trade between Morocco and Jordan (in millions of dirhams)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1998</td>
</tr>
<tr>
<td>I. Foreign trade</td>
<td></td>
</tr>
<tr>
<td>Imports</td>
<td>41.4</td>
</tr>
<tr>
<td>Share of the total in %</td>
<td>-</td>
</tr>
<tr>
<td>Exports</td>
<td>39.1</td>
</tr>
<tr>
<td>Share of the total in %</td>
<td>-</td>
</tr>
<tr>
<td>Trade balance</td>
<td>-</td>
</tr>
<tr>
<td>Reserve ratio</td>
<td>-</td>
</tr>
<tr>
<td>II. Travel revenues</td>
<td></td>
</tr>
<tr>
<td>Share of the total in %</td>
<td>0.1</td>
</tr>
<tr>
<td>III. Incomes from residing abroad Moroccans</td>
<td>-</td>
</tr>
<tr>
<td>Share of the total in %</td>
<td>-</td>
</tr>
<tr>
<td>IV. Investments</td>
<td>1.1</td>
</tr>
<tr>
<td>Share of the total in %</td>
<td>-</td>
</tr>
</tbody>
</table>

Source: Office des changes.
country which is a member of the Arab League and of the Great Arab Free Trade Area and linked by an association or free trade agreement to the European Union can join the Agadir Agreement following the consent of all member states at the Committee of Ministers of Foreign Affairs level. This agreement will certainly encourage trade, develop the industrial fabric, support economic activity and employment, increase productivity and improve living standards in the signatory countries. At the same time, it should encourage the co-ordination of macro-economic and sectorial policies of the countries involved in the agreement, particularly in the areas of foreign trade, agriculture, industry, taxation, finance, services and customs, as well as contributing to harmonising legislation about economy in the signatory countries. It must be pointed out that the quantitative importance of trade between these southern Mediterranean countries appears very weak, if not insignificant. Many obstacles and tariff and non-tariff barriers still stand in the way of the encouragement of this kind of trade. In addition, the trade agreements signed between these countries during the 80s and 90s have never been applied.

It is precisely to overcome these obstacles and give a real impulse to trade between these southern Mediterranean countries both with each other and with EU countries, that the Agadir Agreement has been signed. This integration process is all the more important as the factors favourable to this type of integration and the strengthening of trade between these southern countries are quite considerable and appear a great deal stronger than the factors that stand in their way. This is particularly the case concerning historical, cultural and linguistic links. The basic problem is more linked to the absence of a real political will than to purely economic factors;

This type of integration appears, then, not only to be a necessity from the point of view of southern Mediterranean countries but also a vital prerequisite for the strengthening of the Euro-Mediterranean Partnership, which is to some extent running out of steam because, among other reasons, of the very poor progress made in this very process of integration between southern Mediterranean countries. The deepening of this partnership comes through developing this kind of south/south integration. This is also one of the priorities of EU Mediterranean policy.

Although this South-South regionalisation has had little impact up to now on bilateral, let alone multilateral, relations, it could be a trump card in the Euro-Mediterranean integration project. Firstly, it enables these countries to come together in a dialogue with Europe. Secondly, it could be an advantage through which the heterogeneity of the countries is made use of in order to establish complementary features in production structures.

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**ASSOCIATION OF MEDITERRANEAN CHAMBERS OF COMMERCE AND INDUSTRY (ASCAME)**

The Association of the Mediterranean Chambers of Commerce and Industry (ASCAME) was created in 1982 and has become consolidat-ed in recent years throughout the Mediterranean region. In this context, the 2010 Strategic Plan of ASCAME has as an objective to consolidate the role of Mediterranean Chambers of Commerce and Industry as key agents of economic and industrial development of the region. Among the main activities organized by ASCAME during the period 2003-2004 the following ones should be emphasized:

1. North Africa Business and Development Forum (NABDF), 29th and 30th September 2003 (Barcelona), forum organized by the European Institute of the Mediterranean (IEMed) in collaboration with the Barcelona Chamber of Commerce. Throughout the sessions, several topics were discussed, such as the investment opportunities arising from the liberalisation of the energy market in the EU, the consequences of free agricultural trade, the financial architecture of the private sector in the Maghreb, the need for adequate regulation that ensures the success of private-public partnerships and the role that the Maghreb plays between the Mediterranean and the Atlantic.

2. 2nd edition of the Mediterranean Franchise Forum, 19th and 21st February 2004, held within the framework of the Barcelona Business and Franchise Exhibition (BNF) and dedicated to analysing the role of franchises as a model for economic development of countries in the south of the Mediterranean and the Atlantic.

3. Second Mediterranean Logistics and Transport Forum, Barcelona, 25th and 26th May 2004, held in the framework of the International Logistics Exhibition (SIL), which had the objective of analysing topics related to logistics and transport in the Mediterranean region.

4. 1st Mediterranean Insurance Conference, from 7th to 9th July 2004 (Barcelona). This was the first initiative promoted from the “Mesa Mediterránea” (Mediterranean Roundtable), which has the fundamental premise to carry out the objectives fixed in the Barcelona Declaration, which created a specific observatory of the insurance sector in southern European countries.

5. MEDIBIT, Mediterranean Tourism Exhibition, from 1st to 3rd October 2004 (Palermo).

6. 5th Euro-Mediterranean Technology Transfer Convention, 18th and 19th October 2004 (Genoa).

For further information, see: www.ascame.com
Thriving in a Tough World: Challenges for North Africa

Martin Wolf
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We live in a globalising world economy. This is a cliché. It is also true. What does this mean for the countries of North Africa, particularly Morocco, Algeria and Tunisia? This is the question to be addressed here? To answer it I will consider four questions: first, what are the drivers of the globalising economy? Second, what is the challenge for North Africa? Third, how is North Africa responding? And, finally, what is the task ahead for these countries?

Drivers of the Global Economy

Globalisation is, at bottom, an economic process, though one with powerful political, social and cultural consequences. It consists of the integration of economies via markets across frontiers. Three forces are driving globalisation: the worldwide move to the market and, in particular, the liberalisation of barriers to transactions across frontiers; the declining costs of transport and, still more, of communications; and the rise of east and south Asia, which contain, between them, more than half of humanity.

The World Investment Report from the United Nations gives an illuminating picture of the rise of global integration between 1990 and 2003. Over that brief period, world exports of goods and services rose from 18.9 per cent to 25.5 per cent of world product, exports from foreign affiliates rose from 5.3 per cent to 8.5 per cent, the gross product of foreign affiliates rose from 6.4 per cent to 10.2 per cent, the inward stock of foreign direct investment (FDI) rose from 8.6 per cent to 22.8 per cent and the sales of foreign affiliates rose from 25.1 per cent to 48.6 per cent.

In every case, then, the internationally oriented activity rose faster than world product. This then is a world of rapid integration. Most significant, perhaps, is the growing role of FDI. After a long period in which countries struggled to keep multinationals out of their economies, they are now fighting to entice them.

The move to the market is quite general. Particularly significant moments have been the completion of the Uruguay Round of trade negotiations and the creation of the World Trade Organisation, the decision of all the advanced countries to abandon exchange controls, Deng Xiao Peng’s progressive reform of the Chinese economy after the death of Mao Ze Dong, the collapse of the Soviet empire between 1989 and 1991 and the economic reforms in India, under the direction of the then finance minister (and now prime minister) Manmohan Singh, after the foreign exchange crisis of June 1991. About 3bn people have entered the global market place over the past two and a half decades. This transformation is unprecedented in its speed and geographical scope.

Consider just two aspects of this rapid liberalisation. In the 1990s, only about a quarter of developing countries were without controls on capital flows, according to the International Monetary Fund (IMF). By the early years of this decade, the proportion was up to 42 per cent, despite the wave of financial crises that hit the emerging economies. Again, in 1992, the weighted average tariff in China was just over 40 per cent, according to the IMF. By 2002, just ten years later, it was down to 6.4 per cent. Over a decade, therefore, China moved from almost prohibitive levels of protection to levels comparable to those in contemporary advanced countries. In agriculture, China’s levels of protection were even lower than those of the advanced countries.

As significant as changes in policy have been revolutions in technology. This is more obvious for the cost of communications than of transport. The last fundamental revolution in transport technology was aviation, which is already over a century old, though there have been many significant innovations: container shipping is one and bulk air cargo is another. Between 1980 and 2000, the cost of sea freight fell, on average, by 20 per cent and the cost of air freight by 30 per cent.

The big transformation, however, is in the cost of communications and data processing. The decline in the costs of analysing and disseminating information has, among other things, facilitated the integration of production of both goods and services across frontiers. As access to the internet explodes, this revolution will continue to deepen and widen. In 2002, only 13 per cent of the world’s population were internet users, according to the IMF. But this was up from 2.5 per cent in 1997. In emerging Asia the share was up from 1.2 per cent in 2002 to 4.1 per cent in 2005.

US it was already at over a half of the population. How societies respond to the avalanche of information will largely determine their political and economic fate in the 21st century.

The third force — after market-oriented liberalisation and the declining costs of transport and communications — is the rise of Asia and, above all, of China and India. These two countries contain almost two fifths of humanity. Both are now on the move.

China is already the world’s third largest trading entity, ahead of Japan, though behind Germany and the US. It is likely to become the largest trading power within less than a decade. China’s gross domestic product per head, at purchasing power parity, is still less than a fifth of that of the US, even after two and a half decades of very rapid growth. This is lower than Japan’s GDP per head, relative to that of the US, in 1950. At that time, however, Japan still had more than two decades of exceptionally rapid growth in front of it. China may therefore continue to grow very rapidly for another two to three decades. India is even further behind and has, correspondingly, a longer period of rapid growth in front of it.

**Challenge for North Africa**

What then do these upheavals in the world economy mean for North Africa? They mean that a tough world has become even tougher. Yet what needs to be done is enormous. As Mustapha Nabli of the World Bank has noted, the Arab world needs 100 per cent growth in employment over the next two decades.

But China managed growth of only 40 per cent between 1980 and 2000, South Korea achieved growth of 55 per cent and Malaysia attained growth of 90 per cent. To achieve this, economic growth in the Arab world needs to be at least 6 per cent a year, roughly the same as India’s over the past two decades. But over the last decade, the Arab world has only achieved 3.7 per cent a year.

Again, as Mr Nabli has also noted, Arab economies are structurally weak. The ratio of private investment to public investment has hovered at around 1.8, against 5 in East Asia. Arab manufacturing sectors are roughly half the size of those in typical lower-middle-income countries.

The ratio of trade to GDP in the Middle East and North Africa region has fallen from about 90 per cent in 1980 to around 65 per cent today, when most of the world economy has become more open to trade, not less. Exports, other than oil, are a third of what they could be, given the region’s characteristics, while inward FDI could (or should) be five or six times higher. The Arab world is a structural laggard.

It is no surprise to discover that the countries of North Africa are also relatively poor. The richest of them, Tunisia, has a GDP per head, at PPP, about a quarter of that of France and Italy. Morocco is much poorer still, with a GDP per head about a seventh of that of France. Algeria falls between Morocco and Tunisia, but only because of its energy resources. Apart from that, it is quite undeveloped. China is already richer than Morocco and is closing fast on Tunisia. At present relative rates of growth, it will surpass Tunisia’s income per head within a decade. India is poorer than Morocco, but will surpass Morocco within the next decade if relative rates of growth remain unchanged.

Between 1990 and 2002, GDP per head rose at less than 1 per cent a year in Morocco and war-torn Algeria. This dismal performance means these two countries were falling further behind the slow-growing advanced countries to their north, let alone the emerging economies of central and Eastern Europe and Asia.

Tunisia’s performance was much better. Its growth of GDP per head was just over 3 per cent a year, which put it ahead of Portugal, Spain, Greece, Israel, France, Italy and Turkey, not to mention Morocco and Algeria. But even Tunisia’s growth was slower than those of China, Poland, India and Malaysia over that period.

The story of attractiveness to inward FDI is very similar. Tunisia has done well: the ratio of its inward stock of FDI to GDP was 66 per cent in 2003, ahead of Malaysia, Portugal and China. Morocco’s was far behind, on 26 per cent, and Algeria’s even further in the rear, on just under 10 per cent, close to the low levels of Italy, Greece and Turkey.

In short, Tunisia is a reasonably successful emerging economy, though not startlingly so. Algeria and Morocco have been failures by most standards.

**North Africa’s Response**

How then can these small economies respond to the challenges they confront? With difficulty, must be the answer. Labour-intensive manufacturing has become very difficult, because of the rise of China as a manufacturing powerhouse. Agriculture remains highly protected in the principal markets to the north. What these countries have to do, however, is take advantage of all the opportunities they possess. The most important advantage is proximity to Europe, though Central and Eastern Europe is closer still.

If they are to succeed, the investment climate in these countries must be made world class and governance also needs to be transformed. World Bank analyses of the quality of governance ranked the Middle East and North Africa ahead of South Asia in 2004, but behind Central and Eastern Europe and East Asia in most categories.

The Middle East and North African average came in the 25th percentile from the bottom on voice and accountability, the 39th on political stability and regulatory quality, the 50th on the rule of law, the 51st on government effectiveness and the 52nd on control over corruption. Performance of the wider region was mediocre in most categories, therefore, but strikingly bad on voice and political accountability. This is much as one would expect.

If one looks at the individual countries in North Africa, one finds that they all also performed poorly on voice and accountability: Algeria was in the 24th percentile and Morocco in the 33rd, while Tunisia languished in the 18th. In contrast, Tunisia was in the 52nd percentile on political stability, with Algeria in the 8th percentile and Morocco in the 40th.

Tunisia was ranked as high as the 70th percentile on government effectiveness, with Algeria in the 37th and Morocco in the 56th. Regulatory quality varied from Algeria’s lowly 18th percentile ranking to Morocco’s 42nd and Tunisia’s 45th. Again, on the rule of law, Algeria was in the 28th percentile, Morocco in the 52nd and Tunisia in the 58th. Finally, on control over corruption, Algeria was in the 42nd percentile, Morocco in the 57th and Tunisia in the 65th.

On balance, therefore, Tunisia had the most effective...
government, with Algeria’s the worst and Morocco in between. Now turn to the investment climate, more narrowly defined. On time to start a business, Morocco, Tunisia and Algeria all perform well, according to the World Bank, with 11, 14 and 26 days, respectively. Time to enforce a contract also looks good, with Tunisia on just 27 days, although Morocco and Algeria lagged behind (on 240 days and 407 days, respectively). But even this was better than in India, Poland or Italy. The three countries also did quite well, relatively, on the time taken to register property and the time taken to resolve insolvencies.

**The Task Ahead**

What then is the conclusion? In the present age, small developing countries without exceptional human resources or gigantic natural resources (whose management creates huge challenges of its own) need to provide superlative policy and institutional environments. While North Africa is far from being in a dreadful state, particularly in comparison with sub-Saharan Africa, it lags well behind the best standards. It is particularly bad on voice and accountability. What is needed, instead, is a deep commitment to a competitive economy and an open-minded society. If the transformation does not happen soon, the region is most unlikely to catch up.
Environment and Development in the Mediterranean: a New Analysis of the Plan Bleu

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The Plan Bleu course of action, published in 1989, depicted the possible prospects of one of the richest regions of the world in terms of history and diversity but also one of the most vulnerable ones. Fifteen years later, at the request of all the Mediterranean countries and the European Commission, the Plan Bleu has carried out a new regional analysis of the main trends in the environment and development fields in the Mediterranean. This second report will be published in September 2005 when the thirtieth anniversary of the Barcelona Convention and the tenth anniversary of the Euromediterranean Partnership are celebrated.

The alternative course of action in this second report is based on two fundamental assumptions concerning progress: firstly, the implementation of national policies integrating the environment into development and, secondly, the introduction of North-South and South-South co-operation, since the 1989 Plan Bleu had proposed that action should be taken to achieve a more “sustainable” Mediterranean.

Without reciprocal commitments by the countries and considerable North/South solidarity, it seemed difficult for the southern and eastern Mediterranean countries to confront the significant challenges resulting from demographic growth. And without integrating the environment into development, the forecasted evolutions gave cause to fear for high costs in terms of deterioration for a region whose economy (tourism and agriculture) is chiefly based on the environment and natural resources.

With hindsight, we are better able to appreciate the pioneering nature of this regional reflection process, first thought of in 1975 by Serge Antoine and proposed to the countries by Mostafa Tolba, first executive director of the UNEP. It was also of a pioneer nature the concept of sustainable development which in 1992, in Rio, would be established worldwide, as much as the idea of a Euromediterranean Partnership, which became a reality in 1995 in Barcelona.

In spite of some unexpected changes (the break-up of the system of blocks and a much swifter than anticipated fall in birth rates in the South and the East), the negative trends forecast in 1989 have, on the whole, been put into practice as envisaged in our course of action. Demographic upheavals, urbanisation and coastal development, a growth in international tourism and irrigated land all mesh with the forecasts. The gulf in income between developed and developing countries has by and large remained (the gulf remains at between 1 to 5 in purchasing power parity for many countries) and the region has seen its status in the world diminish.

The unsustainable modes of production and consumption which are a feature of many developed countries are spreading, often more rapidly than was imagined, as is the case with packaging consumption or automobile transport. The over-exploitation and deterioration that had been forecast for natural resources (water, soil, coastline) can today be seen in a very large number of countries with increasing problems of reduction and salinisation of water, losses of quality and biodiversity, shortages, growing access costs and disputes and unequal competition between different uses. Lifestyle is also affected by air pollution problems (fairly serious ones in the South and the East, which impact on health), by the exploding amount of waste and by car traffic congestion.

The World Bank calculates the annual cost of environmental deterioration in several countries in the south and the east at between 3 and 5 percentage points of GDP. Vulnerability to natural risks is also constantly increasing with inappropriate urbanisation and construction, and this is also true in the North, where many recent buildings have been constructed in areas at high risk of flooding or forest fire.

However, the last 15 years have also seen significant progress in a number of fields.

The countries which had already joined the EU or which joined it in 2004 have made a lot of progress in political and economic terms, proving that when prospects and means are provided, results follow. Cyprus, Malta and Slovenia have over recent years clearly come close to the average of other EU Mediterranean countries (France, Italy, Spain and Greece). The respective commitments are, however, still inadequate as regards North-South and South-South co-operation, despite the introduction of a Euro-Mediterranean Partnership with ambitious objectives. The indicators show that the EU’s efforts in terms of solidarity have mainly been, in fact focused on

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1 The Plan Bleu is a Regional Activity Centre of the Mediterranean Action Plan, which is part of the United Nations Environment Programme.
the Adriatic East. The Partnership none-
theless constitutes a new co-operation
framework of huge significance for the
future.

Today, Mediterranean countries are much
more aware of the risks to their environ-
ment. All the countries, including in the
Adriatic East and in the South and East,
have put in place environment policies.
Some of them who had done so at an
early stage, like Tunisia, have benefited
from them. Others, such as Algeria or
Albania, have made a lot of progress in
recent years. The countries which have
joined the EU have brought in vigorous
policies, implementing EU directives.
However, environment policies have, on
the whole, retained an “end of the pipe”
character rather than focusing on pre-
vention and integration, and the appli-
cation of laws often leaves a lot to be
desired, due to a lack of application
resources.

Regional cooperation on the environ-
ment also made progress when in 1995
the Barcelona Convention was revised
(extended to include the coastline), a
Mediterranean Commission on Sustai-
nable Development was set up and new
protocols and action plans were adopt-
ed to prevent and reduce pollution ori-
ginating on land or at sea and to protect
biodiversity. Civil society is also much
more active than it was 15 years ago,
with many NGOs organised into Mediter-
nanean networks.

Above all, as emphasised in this second
report of the Plan Bleu, many innova-
tions in the field of the environment and
development have emerged, demonstrat-
ing that, when one looks for them, appro-
priate solutions to the specific features
of Mediterranean problems, lands and
cultures can be found.

However, progress of this kind has
remained much too scarce and limited
to allow a change in attitude, given the
ominous trends which remain.

The new Plan Bleu report explores pos-
sible developments in the region, while
analysing certain choices which ought
to be taken into consideration in order
to build a more desirable future.

Great uncertainty remains concerning
the economic growth possible in the
region in the new context of globalisa-
tion and free trade. The countries of the
east Adriatic and Turkey are due to be-
efit from the prospect of joining the EU.

Without greater reciprocal commitments
(implementation of mobilising regional
projects and economic partnerships, sol-
idarity and internal reforms), the gap
between those in the North and those
in the South could widen even further, in
both economic and environmental terms.

The risks of heightened internal fractures
are also possible. The question of the
future of many poor rural peoples in the
South and the East is extremely preoc-
cupying. The gulf between agricultural
productivity in the southern and in the
northern shores is ever-widening, and
the rural economy is still very undiversi-
fied. Many agricultural communities in
the South and the East are vulnerable
to the shock of free trade, while the pos-
sible benefits of any opening-up have to
be considered in context. The problems
of rural poverty and their repercussions
in terms of driving people towards the
towns, for emigration and for the environ-
ment, might thus increase. Climate
change, with its possible consequences
in terms of availability of natural resources
and an increase in extreme conditions
(droughts, floods) is another problem in
addition to the difficulties forecast.

The expected increased pressure on our
spaces, our resources and our lifestyle
by 2025 remains considerable, includ-
ing the developed countries of the North,
where the population has, however, sta-
bilised. The southern and eastern shores
of the Mediterranean will increase by
another 98 million citizens, a good third
of them in the coastal regions. Tourism
could still grow by 273 million, of which
137 million would be in the coastal re-

gions. The growth in land, sea and air
transport, made worse by free trade and
by shifts in our modes of consumption
and production, will become a major phenomenon in the coming 25 years, with serious consequences in terms of harmful effects and the risk of maritime accidents. Total demand for primary energy could grow by 65% in 25 years, and for water by another 25 km³ in the South and East (it was already at the level of 101 km³ in 2000). The total volume of waste produced each year could more than double. With the development of transport and tourism infrastructure, urban growth and the changes in modes of consumption, the accumulated pressure on the coastal plains and coastlines will be considerable. Urban sprawl, if it is not arrested, will lead to an even greater increase in the waste of agricultural areas and land. It is probable that vast linear conurbations along the coasts will be created. The saturation and congestion of coastal areas will be more and more problematic. Almost half of all coasts could be concreted over by 2025.

There are alternatives which could reverse this rather grim scenario. They must exploit the strengths that are a feature of our region and the experience acquired over recent decades in all the countries bordering the Mediterranean. A major objective will be an improvement in making all those involved responsible for and motivated to achieve sustainable development and to develop a Mediterranean economy which is still, at present, too “leisured” and not very innovative (there are, however, happy exceptions). The report explores several paths in this direction.

A first approach consists of improvements in conserving and making use of our natural resources. In concrete terms, this means learning how to economise water, energy and agricultural land and to reduce pollution while succeeding in deriving greater economic and social profit per unit of resource consumed. Numerous examples, both in the North and in the South, demonstrate the possibility of decoupling economic growth from pressure on the environment and the double benefits, both environmental and economic, which can result from this. Success is in general achieved through the introduction of arrays of tools geared to the various different local or national contexts: using prices, tax treatment and subsidies, rules and labels, mobilising new technologies, training and awareness-raising, organisation of actors, partners and management systems, territorial actions and the creation of infrastructure which is more environmentally friendly (public transport).

In view of the current level of waste and mis-use, analysis of the future shows that considerable gains are possible (agriculture/water, housing/energy, urbanism/agricultural land, waste management), producing much greater resource volumes at far lower costs than supply-based approaches, whether traditional or new (such as the desalination of seawater).

Regional policy represents a second way of achieving significant progress in terms of sustainable development. Each region, and the Mediterranean is a mosaic of towns and local areas, in fact has its own aims, its cultural, natural and landscape riches, its products, its know-how and its businesses. And it is at regional level that it is best to organise the mobilisation factors, the integration of the environment into development, the organisation of functional synergies between different activities (for instance, between agriculture and tourism) and the creation of “clusters” (local activity systems which bring together small and medium-sized enterprises, training and research centres, associations, etc.) capable of making a mark within globalisation. It is also only by participative approaches to local development that real and sustainable progress may be made in order to combat, for example, desertification and rural poverty, as many recent experiments demonstrate, particularly in Morocco. Specific and innovative approaches to protect and add value to the coastline...
or agricultural areas close to the cities are also vital. These two basic approaches need advances in governance. The examples of successes argue in favour of a repositioning of public policies with the promotion of vigorous demand management policies and action for regional planning and local development which take account of the long-term stakes.

A good example of decoupling is provided by the Tunisian strategy on water conservation in irrigated agriculture. A good example of the regional policy to sustainable development is provided by the French regional natural parks which, within the framework of “charters,” draw up and put in place regional plans for a period of 10 years, thus looking beyond the horizon of the electoral cycle. Many examples of urban regeneration and local agendas 21 in Italy and Spain could also be cited.

For the countries of the South and East, the main issue is to reinforce rural sustainable development policies in order to ensure, simultaneously, an improvement in basic services, sustainable management of natural resources and biodiversity and diversification of the economy. A reinforcement in the capacities of the towns is also needed. In comparison with other comparable regions in the world, these are still very limited, as shown by the indicator which measures the share of local resources in the total public resources of the countries. In order to succeed in looking ahead, in integrating the environment into development and in mobilising and developing a sense of responsibility in all actors, it is in the interests of regional cooperation and the countries bordering the Mediterranean to define a shared goal and to introduce an appropriate “cadre porteur.”

The Mediterranean Committee on Sustainable Development has been working for some years on drawing up the “Mediterranean Strategy for Sustainable Development” announced at the Johannesburg Summit. This strategy, due to be adopted at the end of 2005, is a framework strategy. It sets some major desirable objectives for the region in terms of sustainable development and might thus help the Mediterranean countries in the course of drafting or revising their national strategies. It might also help the Euro-Mediterranean Partnership to better integrate sustainable development as a guiding principle and thus to make the Mediterranean a world example of the application of international commitments (Rio, Kyoto, Johannesburg, etc.) while taking into account the specific features of the Mediterranean. The Barcelona Process would gain much from this positive repositioning, which is of vital importance for the region’s future. By setting itself concrete progress objectives that can be measured by indicators, in terms, for instance, of access to water, renewable energies, water and energy conservation, reduction of pollution or promotion of sustainable tourism or high-quality agricultural products, the joint commitment would mean a lot more to the peoples of the Mediterranean than the objective of lowering tariff barriers, often the only one that is translated into figures in Association Agreements. The shift towards regional free trade also makes it necessary to have an increased parallel commitment to sustainable development. In view of the differences in socio-economic situation and environmental responsibility between the northern and southern shores of the Mediterranean, this reciprocal commitment ought to be structured within the framework of joint and differentiated approaches. The Kyoto Protocol, with its Clean Development mechanisms, gives a concrete example of this. The agricultural issue also deserves an asymmetrical approach (gradual change and exemptions in liberalisation) taking into account agriculture’s multifunctional aspects (food safety, rural employment, non-commercial functions: countryside, biodiversity, conservation

![GRAPHIC 16](image_url)

“Decoupling”: Two Plan Bleu scenarios for energy in 2025

ROLE OF THE ARAB NETWORK FOR ENVIRONMENT AND DEVELOPMENT (RAED)
IN ENVIRONMENTAL CO-OPERATION AMONG MEDITERRANEAN STATES

RAED undertakes various activities in the Mediterranean basin from two perspectives:
1. The first relates to coordination between RAED and associations in the Mediterranean basin Arab countries.
2. The second relates to coordination between RAED and non-Arab associations through the Mediterranean Information Office for Environment, Culture and Sustainable Development (MIO-ECSDE) based in Athens. Many meetings were held to coordinate points of view on various environment-related issues among Arab and non-Arab associations affiliated to MIO-ECSDE within the Mediterranean basin.

A series of meetings was held in 2004 to prepare and implement environment-related activities aiming to disseminate and raise awareness about the environment in the Mediterranean basin.

RAED has cooperated with MIO-ECSDE within the field of environmental education through publishing the Arabic version of the book entitled *Water in the Mediterranean*. A ceremony was held in the Arab League’s headquarters in December 2004 to celebrate the event in which both parties participated. In addition, MIO-ECSDE trainers contributed in training 150 teachers and advisers on how to implement the educational activities laid down in the book.

RAED also organized the Arab Youth and Renewable Energy workshop in Cairo from 17th to 18th April 2004, in which seven delegations (Syria, Lebanon, Jordan, Palestine, Egypt, Tunisia, Morocco) participated. The focus of the workshop was on the prospects of and obstacles to using renewable energy. Discussions were also held about how to encourage Mediterranean basin countries to use environmentally-friendly alternative energy. Within the framework of environmental education, RAED organized a semi-regional meeting to revise the environmental expectations of young African people and environmental trends in Africa. The resulting booklet is an environmental point of reference for young people and a tool for disseminating environmental information, through the contributions of young people in preparing an environmental report on Africa. Delegations of young people from Egypt, Tunisia, Algeria and Morocco attended the meeting.

In the field of human development, RAED participated in the events of the international seminar held in Tunisia on *Civil Society and the Quality of Water in Mediterranean Countries* from 11th to 13th October 2004. The seminar was organized by the Mediterranean Network for Sustainable Development. A review was undertaken of the efforts made by RAED to rationalize the use of drinking water and the recycling of waste. RAED also collaborated with the meeting *The Land and Human to Advocate Progress* held in the Kingdom of Jordan by organizing a six-day meeting for young people on sustainable development-related issues in Mediterranean basin countries. States participating in the meeting included Egypt, Morocco, Lebanon, Spain, Italy and Jordan.

With regard to the increasing awareness-raising about environmental issues, the Arab Office for Youth and Environment (AOLYE) is in charge of the publication *RAED Mediterranean Quarterly* on issues related to the environment and sustainable development.

Within the framework of Arab and international participation in environmental events, RAED participates in the World Environment Day (and Arab Environment Day) through directing its coordinators to discuss specific issues and undertaking applied activities of benefit to civil society.

At the Arab League headquarters, RAED also organized a seminar in December 2004 to follow up the Johannesburg Summit’s resolutions for trainees of RAED affiliated NGOs and to analyze the role of society in implementing the Johannesburg recommendations.

Emad Adly
RAED

of water and soil, place for public recreation, etc.) to avoid destabilising any further an environment and communities which are already fragile, while taking the region on a path towards more balanced development and a better positioning within a globalised context. There is also a need for specific support by the developed countries to help in reabsorbing the accumulated weight of environmental damage, protecting regional public assets, particularly the sea and the coastline, promoting innovative actions of looking ahead and integrating the environment into development policies and in taking in hand the problems of desertification, rural poverty and illiteracy. The promotion of decentralised cooperation (between towns and between regions) will facilitate local support.

The environment, both a fundamental preoccupation for our societies and in the Mediterranean, a cultural product just as much as it is a product of nature and a platform for development, is not a "sector." The preservation of the environment, social justice and economic success are the three interdependent aspects of a single development process. Regional development can only gain from the implementation of a plan around this concept of sustainable development, a mobilising force for the 21st century. Measuring progress made by monitoring indicators, analysing case studies, sharing experience, organising debates between opposing viewpoints and promoting and valuing diversity will constitute powerful tools for making our Mediterranean a unique example of sustainable co-development.
Abolishing the NHP’s Water Diversions: a Turning Point for Water Management in Spain

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The ongoing debate in Spain about the National Hydrological Plan (NHP) has accelerated the crisis of the *structural list* model, which has been the ruling model since the beginning of the twentieth century. The civic, scientific and technical movement in favour of the New Water Culture which has arisen over the last decade has, in practice, assumed a certain leadership in Mediterranean Europe as regards a similar debate which took place in the arid and semi-arid states of the western USA at the end of the 1960, and which matured in the 1970s and was concluded in the 1980s. In that case, the presidential veto of the *Hit List* blocked a final wave of major projects, which included massive water transfers over a distance of 2,000 kilometres, from the state of Washington to Los Angeles. The dominance of hydraulic structuralism based on the traditional supply-side strategies, and massive public subsidies, together with the development model prevailing on the Spanish Mediterranean coast and the scarcity of reasonable spatial planning plans, meant that the limits of sustainability of the Mediterranean river and aquifer ecosystems were exceeded. Instead of accepting this diagnosis of the sustainability problem, the previous government based the NHP on the so-called structural deficit of some basins, in contrast with the claimed excess in others, which resulted in the promotion of water transfers as a solution to this so-called hydrological imbalance.

Such concepts and diagnoses, similar to those which formed the basis of the strategies abandoned in the USA in the 1980s, continue, nonetheless, to be current in most of Mediterranean Europe and in the arid and semi-arid developing countries. Today in the EU, the North American experience which made it possible to develop the supply-side strategies into new strategies of demand management and of conservation of ecosystems, may be useful in guiding the implementation of the Water Framework Directive (WFD) in the Mediterranean area.

The change in direction regarding water management advocated by the new Spanish Government entails a turning point similar to that which the veto of the *Hit List* entailed in the USA (Arrojo et al. 1997). This change in direction, at the moment, has focused on getting rid of the planned water transfers and on prioritising the modern desalination technologies. Such changes, in themselves, do not alter the diagnosis of the structural deficit, established in the NHP, nor do they change the consistency of the Plan’s supply-side strategies; however, their value should not be underestimated. Doubtless, the pressure of cultural and political inertia in relation to water explains the new government’s indecision at a time when it is being called upon to adopt a more consistent position, to acknowledge the unsustainability of the demands imposed by the development model currently in force and to definitively prioritise demand management strategies to re-establish a situation based on economic rationality and sustainability, consistent with the WFD.

In fact, the current debate continues to focus on the application of the new desalination techniques, which the government is proposing as an alternative to the water transfer strategies. In spite of this, the debate is significant in terms of the expected progress of implementation of the WFD, which we must achieve over the next few years.

The Key Distinctions between Water Transfers and Desalination

The membrane technologies applied to reverse osmosis and nanofiltration have matured rapidly over the last two decades, reducing energy and economic costs. We will examine the contrasts between the two alternatives by analysing the following elements: quality of resources, guaranteed availability of resources, flexibility and adaptability of the strategies and the energy, economic and financial balances.

The Quality of Resources

In the NHP, the quality of the water that can be diverted is relegated to a second place. The fact that the water of the Lower Ebro now has an average salinity of 1 200 µS/cm (apart from other pollution problems), is never perceived as a problem. The European Commission’s insistence on this matter even led the government to acknowledge officially (although not publicly) that if the new irrigation planned for the Ebro Basin was completed, the salinity would increase and would exceed 1 500 µS/cm (FNCA-2002). It should be noted that the EU sets a maximum recommended salinity for drinking water of 1000 µS/cm, which would require salinity reduction processes for urban uses, but these were never taken into consideration.

With regard to water desalinated by reverse osmosis, its conductivity may be around 400 µS/cm. In this way, as well as improving the quality of water
supply, extremely significant indirect advantages are obtained (lower cost of making water drinkable, better reuse, saving on detergents, longer useful life for domestic electrical appliances, meters and equipment, etc.

Guaranteed Availability of Resources

In graphic 17, an original from the NHP, the profile of expected water flows in Tortosa is shown, based on the last 50 years, with a recession of 10% for climate change. As can be seen, even assuming only the 3,000 hm³ fixed by the NHP as minimum environmental water flows for the delta, in eleven of the 55 years there would be no water flows available for transfer, which implies a significant technical inefficiency factor which would increase the cost per cubic metre of water actually available and divertible (Arrojo-2003). On the other hand, with regard to marine desalination, there is an almost 100% guarantee of availability.

The Flexibility and Ability of the Strategies to Develop

The uncertainties derive not only from climate change. Future domestic demands are extremely uncertain. The development of tourism, birth rates, migration flows, irrigation demands, the development of the agricultural markets in the context of liberalisation, among others, make expectations particularly uncertain in the Mediterranean region. Given these prospects, it is vital that the options should be flexible and adaptable. The structuralist strategies suffer from serious inflexibility problems. In the planned water diversions, 50% of capacity was destined for urban demand that will be growing over the coming decades. Therefore, during these initial decades infrastructure should have been amortised using demand at much lower levels than the amounts given in the water diversion, increasing unit costs by approximately 26%. This rigidity would have been, most likely, exacerbated by the traditional tendency to over-inflate the size of the project.

Desalination allows a significant margin for flexibility in production. An appropriate design can be drawn up which avoids bottlenecks – seawater pumping capacity, backup lines, membrane racks – so that at crucial times there can be a switch to an emergency system. Conversely, the adaptability of desalination makes it possible to gear supply better to actual demand, in terms of time and space, avoiding over-supply and facilitating the allocation of costs to the real user in each area.

The Energy Cost

On the basis of the data available in the annexes to the Economic Analysis of the NHP volume, table 21 shows the energy balance of pumping and turbines in the various sections of the water diversion (Valero et al-2001).

As we can see, the energy required to bring one cubic metre to Almería (leaving out of consideration the recoverable energy in descending sections) amounts to over 4 kwh/m³, the equivalent of pumping volumes from a depth of some 1,200 m.

Today, desalination through reverse osmosis, applying the latest techniques for recovering the residual energy from the brine, requires less than 3.5 kwh/m³. Current developments in isobaric chambers and the use of membranes which function at a lower pressure already herald energy requirements of less than 2.5 kwh/m³.

Economic and Financial Balance

The Economic Analysis document (MIMAM-2000) annexed to the NHP claimed to prove that overall, the planned water diversions of the Ebro were profitable. This document suffered from serious errors, the most significant of which were:

- 

TABLE 21 Energetic Balance of the Ebro diversion

<table>
<thead>
<tr>
<th>SECTION ORIGIN</th>
<th>DESTINATION</th>
<th>Gross head m</th>
<th>Height rate Kwh/m</th>
<th>Accumulated Kwh/m³</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 Tous</td>
<td>Embalse</td>
<td>144.0</td>
<td>0.577</td>
<td>2.114</td>
</tr>
<tr>
<td></td>
<td>de Azorin</td>
<td>148.0</td>
<td>0.596</td>
<td>2.710</td>
</tr>
<tr>
<td></td>
<td></td>
<td>148.0</td>
<td>0.589</td>
<td>3.300</td>
</tr>
<tr>
<td>5a Azorín</td>
<td>Antiparano</td>
<td>175.0</td>
<td>0.693</td>
<td>3.992</td>
</tr>
<tr>
<td>6 Azorín</td>
<td>Emb. Mayés</td>
<td>-166.0</td>
<td>-0.383</td>
<td>2.916</td>
</tr>
<tr>
<td>6a Mayés reservoir</td>
<td>Canal PMI</td>
<td>-164.0</td>
<td>-0.389</td>
<td>2.527</td>
</tr>
<tr>
<td>7 Mayés reservoir</td>
<td>El Saltador</td>
<td>116.0</td>
<td>0.462</td>
<td>3.378</td>
</tr>
<tr>
<td></td>
<td>tunnel</td>
<td>41.0</td>
<td>0.173</td>
<td>3.551</td>
</tr>
<tr>
<td>8 El Saltador</td>
<td>tunnel</td>
<td>130.0</td>
<td>0.516</td>
<td>4.067</td>
</tr>
<tr>
<td>TOTAL LOWER EBRO ALMERIA</td>
<td>Average</td>
<td>2.893</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL LOWER EBRO BARCELONA</td>
<td>Average</td>
<td>3.172</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL LOWER EBRO</td>
<td>Average</td>
<td>1.802</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a) energy costs were underestimated, as the government itself ended up by acknowledging, when it doubled its calculations three years later;
b) the costs of reducing the salinity of water for urban use were left out (0.2 €/m³);
c) expected leaks in transport and storage were not taken into account (15%);
d) 22% of investment corresponded to plant which should be amortised over 15 years and not 50 years;
e) there was a failure to adopt a realistic timetable, with intercalated interest (Sahuquillo-2001) and amortisation based on the trends in actual demand and the predicted availability of water flows (FNCA-2002).

Correcting these errors causes the average cost estimates in the Economic Analysis document to be doubled. With regard to the costs of desalination, the previous government fostered confusion by disseminating costs which were not up to date. Today, the large desalination plants are entering into contracts on international markets for less than €0.4/m³. For this, they must take on costs in a range of €0.40-0.44/m³, with a medium-term horizon which might approach the threshold of €0.35/m³. These costs mean that desalination wins hands down against water diversion projects of over 400-500 kilometres. In mid-2003, the previous government published the so-called Study on utilisation of system and tariffs, presenting the financial plan for the water diversions in which:

- 30% of financing would come from European non-refundable funds;
- 30% would come from state public funds without interest, to be paid back in 50 years; and
- 40% would be loans on the capital market at 4% interest.

It should be pointed out that the loan of 30% from state public capital was without interest and there was no plan to compensate even for inflation, with a single payment in 50 years. With regard to the 40% of private loans, the rate of 4% included inflation of 2%, leaving net interest of 2%. Obviously, terms such as these were only viable with a state guarantee, which would conceal another subsidy proportional to the risk of failure, which as we will see was very high. These terms and other creative accounting devices resulted in a government amortisation cost of only €0.0405/m³, which implied a real subsidy of 60%. In spite of this, when adding the energy costs, the average cost came to €0.25/m³. When basic errors, such as those pointed out above, are corrected, the average costs to be paid by users would have amounted to approximately €0.43/m³, while the costs in the more remote sections (Murcia-Almería), would have exceeded €0.5/m³ (Arrojo et al. 2004).

In view of such high costs, the financial analysis by the previous government opted to obscure its own tariff calculations and ended up by deciding that the tariffs would only be negotiated with the users once the investments had been made and the operational phase had started.

On the basis of these data, and in view of the ability to pay and willingness to pay estimated by the government itself in the areas benefiting from the water diversion (€0.12/m³ and €0.8/m³, in the Júcar basin, €0.24/m³ and €0.15/m³ in Castellón, and €0.36/m³ and €0.20/m³ in Murcia-Almería) it is clear that this financial plan was destined for failure from the outset.

Viability and Priority of the Demand Management Strategies

In spite of the interest of the debate, focusing the issue on choosing between the water diversion option and desalination is a mistake, since desalination is not in most cases the cheapest alternative to water diversions. In so far as the majority of net benefits generated by the actual use of water in various productive activities (particularly in irrigation) are lower than desalination costs, it is clear that the expediency value of water in the various Mediterranean basins is, at the present time, lower than the cost of desalination. The regional valuation, basin to basin, of these expediency values (using the net benefits generated as the reference), has been set out in FNCA-2202-b. The curves obtained, integrated into the corresponding sections at the divertible volumes in each basin, result in the average values per basin set out in table 22 and a weighted average for the value of divertible flows of €0.14/m³.

Seville provided a practical example of this during the drought at the beginning of the 1990s. After dramatic instances of hundreds of thousands of families having their water cut off, the problem was resolved by offering €0.04/m³ to the farmers of the surrounding region, if they ceded their irrigation rights during the drought period. In short, if we adopt a strictly economic rationale, before deciding on desalination of marine water, much cheaper options should be used, through appropriate demand management strategies (Arrojo-2003) (Albiac et al-2002).
In order to do this, it would be necessary, on the one hand, to make the current system of allocating surface water more flexible and, on the other, to put an end to mismanagement of groundwater. The transfer of resources from less-profitable uses to more profitable ones, with appropriate economic compensation, would offer significant possibilities, particularly regarding management of drought periods.

The experience of the Water Banks in California (Arrojo et al-1997) offers interesting lessons in this respect, which should be studied and made use of in our country. The curves of the expediency value of water are reference points for the prices which such possible Water Banks could activate at basin level in periods of drought, under the control of the relevant hydrographic confederations.

The experience of the Income Compensation Programme for irrigators in the Mancha, where compensation is given for withdrawing land from irrigation or producing products which consume less water, offers us an example of demand management in action, even though clearly many improvements could be made, together with the emblematic cases of over-utilisation of aquifers in the wetlands of the National Park of las Tablas de Daimiel.

However, such demand management approaches will not be viable unless, first of all, an end is put to the ruling situation of mismanagement, which makes the systematic opening of new illegal wells possible, since this destroys the tension of scarcity which acts to make any kind of market (whether more or less regulated) efficient. Because of this situation of mismanagement, even the free markets in private groundwater are inefficient at present, in so far as this mismanagement punctures and destroys the tension in these markets.

By adopting these priorities, focusing on demand management strategies, would enable the new technologies of desalination, salt level reduction, regeneration and reuse to take their optimal places both now and in the future.
At the beginning of this millennium, the Mediterranean area, a lofty place of great civilisations where a continual mix of cultures has evolved from antiquity until the present time, is undergoing geopolitical developments, in particular within the framework of European integration and the new European Neighbourhood Policy, but also from the perspective of the evolution of the MEDA countries and their influence in the region.

Among these developments, the accession of Malta and Cyprus within the framework of the latest enlargement of the EU is worthy of mention for the period 2003-2004, as well as the willingness on the part of Turkey to finally commit itself to the accession process and the interest of the 10 other MEDA countries in precisely defining the new European Neighbourhood Policy for the Mediterranean zone.

But before addressing recent co-operation in the Mediterranean zone, it should be noted that it does not come from nowhere but is part of an ongoing process. More precisely, within the context of EU regional policy, an initial “Western Mediterranean and Latin Alps” programme was implemented as part of the 1996-1999 round of programmes. This programme has financed 23 transnational projects between the Mediterranean regions of Spain, France, Greece and Italy for a total of 30 M.€.

The Interreg III B Medoc project (Western Mediterranean), the successor to this programme, constitutes part of the 2000-2006 round of programmes. In reality, it did not get underway until the current 2003-2004 round and until now has only consisted of 77 financed transnational projects (end of 2004). This programme, which is financed by the European Union structural funds, has a total budget of 214.9 M.€ and develops along 4 priority axes (see graphic 18, logical framework of the programme). These include cultural collaboration between the two shores of the Mediterranean, territorial development, the environment, sustainable tourism, management of hydros resources and the prevention/management of natural disasters. Topics which really address the challenges faced by the Mediterranean area.

From a spatial perspective, the Interreg III B Medoc programme has considerably expanded in relation to its predecessor. It currently covers the Mediterranean regions of the 7 EU Member States as well as participation of 10 MEDA countries (see map 1) with Switzerland, not being an EU Member State, associated to the programme.

European Spatial Development Perspective (ESDP)

Adopted in 1999 by the EU Council of Ministers responsible for managing the region’s resources, the ESPD constitutes an appropriate orientation framework for sectoral policies that have a spatial impact in the EU and the Member States, as well as for regional and local bodies, with a view to attaining balanced and sustainable development of the European territory.

Like the other EU structural funds programmes, ESDP has been the main driving force behind the Interreg III programme. In fact, taking into consideration the persistence of disparities in regional development, and the effects of EU policies which are still partially contradictory, all the actors responsible for spatial development should be able to derive inspiration from the territorial guiding principles as well as from the fundamental objectives. In this sense, ESDP endeavours to pursue a threefold objective, namely economic and social cohesion, preservation of the basic conditions of life and the cultural heritage, and a more balanced competitiveness in the European region. Above all, the ESDP offers a future vision for the EU. A general reference framework for the measures that have a spatial impact aimed at public and private decision makers is defined on the basis of the objectives and guiding principles that it has set itself. In addition, its aim is to motivate the public to play a greater role in political decision-making debate at European level and its consequences for the towns and regions of the EU. This leads us to the principal objectives and options affecting the European territory, such as spatial polycentric development and the new town-country relationship, access to infrastructures, as well as the main trends,

1 SDEC, European Spatial Development Perspective: Towards a Balanced and Sustainable Spatial Development of the European Union Territory, Potsdam, May 1999.
perspectives and challenges affecting the EU territory.
ESDP principles and priorities in the Interreg IIIB Medocc Operational Programme, transposed to the specific problems of the Mediterranean area. For this purpose, the programme has used the SWOT analysis (strengths/weaknesses – opportunities/threats), applying two types of concepts: endogenous concepts (strengths/weaknesses) and exogenous concepts (opportunities/threats). This analysis as well as the experience of the IIC predecessor programme have facilitated a precise definition of the axes and measures as well as the corresponding budgets by annuality, such as those found in the Complement Programme.²

² Both the Operational Programme and the Complement Programme are available on the programme site and constitute the principal tools for the programme: www.interreg-medocc.org

³ The other sections are: Section A (cross-border co-operation) and section C (interregional co-operation).

The programme is part of section B³ (transnational co-operation), and each project must take place on a territory which covers regions from at least two Member States. Each project has a project co-ordinator with legal and administrative responsibility, and a varied number of partnerships emanating from 7 Member States (sometimes up to twenty partnerships, depending on the nature and requirements of the project). Each project thus constitutes a form of transnational consortium.

How did the Programme Progress in 2004?
Despite a certain delay in starting, which is customary for the majority of Interreg programmes, 77 projects have already been chosen during 3 rounds of selection for a total of 71 M € from the European Regional Development Fund (ERDF) and a total budget of 129 M €.

Axis 1 Mediterranean basin

Specific objectives
• Strengthen cultural ties and integration between the two shores.
• Manage national Mediterranean specificities.
• Advance economic integration of the Mediterranean Basin.

Axis 2 Territorial development strategy and urban system

Specific objectives
• Formulate territorial development perspectives for the MEDOC area.
• Promote co-operation between decision-makers to manage the territory on different scales.
• Develop co-operation between regional economic actors.

Axis 3 Transport system and Information Society

Specific objectives
• Encourage the establishment of an integrated transport system to increase economic, territorial and social competitiveness and cohesion.

Axis 4 Environment, heritage enhancement and sustainable development

Specific objectives
• Combine conservation of the natural and cultural heritage and sustainable management of resources for the purpose of development.
• Promote awareness of natural disasters and preventive measures, natural disaster management and prevention, and management of water resources.

Axis 5 Technical assistance

Specific objectives
• Ensure implementation of decision making, technical co-ordination, management and control of the programme.
• Contribute towards education, information and advertising costs.
tary heritage in the Mediterranean); *Maghreb* (project to incorporate young professionals in internationalised European enterprises); *Merite* (Rural Mediterranean Excellence: Innovation – Territory – Enterprise) or also *Tela di Aracnae* (Strengthen and increase the proportion of female interpartnerships in the Mediterranean textile industry) and *Téthys* (numerical platform for managing the knowledge about Mediterranean cultures and regions: application of an interregional approach towards the management of natural resources and public health in the Mediterranean Basin).

The following projects financed in **Axis 2** may be cited: *C2M* (Co-operation of Mediterranean Metropolises), *Isolatino* (traditional marketing of Mediterranean islands), *RestauRonet* (Encouragement of the resources and the government of historic polycentrism in the Mediterranean), and also *Urbacost* (Coastal urbanisation and rural zones with a high level of historic structure representation: a model of intervention) or *Ruralmed* (Co-operation between the two shores of the Mediterranean area), *Fleuve* (Water problems from the perspective of the rivers affected and from an environmental protection and development perspective), *Formation zone* (Follow-up consolidation and the effects of ozone on Mediterranean vegetation for the protection of the environment and sensitisation of public actors), *Recoforme* (Network structuring of and co-operation actions on the Mediterranean forest), *ETSM* (Sustainable tourism and open-air sport: the type of sustainable development opportunities for tourist destinations in the Mediterranean Basin) or also *Amphore* (Application of methods for hydrometeorological forecasting oriented towards environmental hazards), and *Sedemed* (Draughts and Desertification in the Mediterranean Basin).

**Participation of Third Mediterranean Countries (TMC)**

One of the bastions of collaboration in the Mediterranean area is precisely that which is expressly included in **Axis 1**, namely strengthening the ties and collaboration between the two shores of the Mediterranean. The current round of programmes already provides for participation of the southern shore countries and a significant number of partnerships emanate from the 10 MEDA countries. Until now, however, European
Medcities is a network of Mediterranean cities, created in November 1991, whose main objective is the reinforcement of the environmental management capacity of local administrations. The most important projects undertaken by this network are:

**Mediterranean Urban Waste Management Programme (MUWMP).**

Financed by the SMAP (Short and Medium-Term Priority Environmental Action Programme - European Commission) and completed in July 2003. The project was designed under the direction of the UNDP and Medcities. Other partners included CEDARE, the European Waste Club (EWC) and Alexandria, Barcelona, Limassol, Rome and Zarqa Municipalities. Its main objectives included the promotion of decentralised environmental management in the area of urban solid waste and the promotion of the transfer of technology and know-how. The project also included three sub-projects with specific objectives in Alexandria, Limassol and Zarqa, as well as a regional component with the aim of empowering regions and to reinforce the cooperation and the exchange of experiences and information in order to improve the management of solid waste in Mediterranean cities.

**Improvements to the Koraet Sbaa district in Tetuan.**

The plan was completed in January 2004 and included the restructurin of the district, composed by spontaneously built houses, as well as public facilities, street works and public services. This project was developed by a Moroccan consultancy, with the participation of local organisations and the Tetuan Urban Agency. The City Councils of Barcelona and Rio de Janeiro also collaborated. At the end of the project, a seminar was organised on 22nd and 23rd January 2004 to inform other Moroccan cities of the results.

**European Sustainable Cities Campaign.**

Within the framework of this campaign, the 4th European Sustainable Cities Conference (Alborg+10) was organised from 9th to 11th June 2004. Medcities organised a session focused on Mediterranean cooperation and in the conclusions, the importance of international cooperation was highlighted in order to improve sustainable urban development.

**Mobility Plan of Sousse.**

The City Council of Sousse, the Barcelona Metropolitan Region Organisation, the Spanish International Cooperation Agency (AECI), the Tunisian National Agency for Renewable Energies, Barcelona City Council and the international mobility consultancy Formaplan all participate in this project. Up until now various technical missions have been undertaken in Barcelona and Sousse, as well as two traffic flow measurement campaigns and proposals have been made on short-term measures to improve the traffic and other factors.

**Sustainable development strategy / Local Agenda 21 of Sfax.**

Medcities is developing a project in the Tunisian city with the objective of cooperating with the City Council to form a Sustainable Development Strategy (within the framework of the Local Agenda 21 methodology). The projects partners are the City Councils of Rome and Sfax, with the technical assistance of the Barcelona Metropolitan Environmental Agency.

**Air quality improvement plans in Limassol, Larnaka, Tripoli and Tetuan.**

Counting on the support of the European Commission SMAP program and as well as these four cities, the Catalan Institute of Energy (ICAE) and the Environment and Housing Department of the Generalitat (Government) of Catalonia are participating in the project. Diagnoses of the air quality in the four cities and of the mobility in Limassol and Larnaka have been made. Also, laboratories have been installed in Tripoli, Limassol and Larnaka to study the air quality.

**Regional management of solid waste in Mashreq and Maghreb countries.**

Coordinated by the World Bank and the Tunisian National Agency for the Protection of the Environment, the project has advanced at regional level with the finalising of the country profiles on solid waste management, the elaboration of a guide on the regional management of solid waste and the implementation of a Web page for the communication and transmission of knowledge. The first regional forum was held in Algiers from 26th to 28th January 2004, with delegates from Medcities and the Barcelona Metropolitan Area in attendance. In September 2004, a seminar was held in Barcelona to present the Spanish experiences in urban solid waste management with representatives from Mediterranean Arab countries.

For further information:

http://www.medcities.org

Union rules, in particular the fact that third countries are unable to benefit from the ERDF funds, have been a major obstacle. These rules are expressed by the fact that partnerships in these countries must bring their own funds with them or look for financing from other budgetary lines. In their own budgets, European partnerships may only include expenditure to enable the participation of representatives from these countries (mainly plane tickets and hotel expenses). In practice, this limits their participation to the role of observer, which is hardly conducive to attaining the initial objective announced.

One of the greatest challenges for the next round of programmes (2007-2013) will be to make this participation effective and profitable for the Union and MEDA countries within the context of a true partnership. The famous new European Neighbourhood Policy and the major funds which support it should meet these needs. Furthermore, it should already have been introduced in 2005-2006 and be totally integrated in the next round of programmes from 2007 onwards with a new European Neighbourhood Instrument.

2005 will be the year of two last calls for projects (the end of the selection process for the one launched in 2004 and the last call which will be launched in mid 2005), but also a year of evaluation for the 44 projects already completed and capitalisation of experience acquired. This will be a small treasure house of valuable information to orientate Mediterranean collaboration towards an even greater optimisation of resources.
The demand for new instruments for decentralised co-operation

The announcement of the progressive establishment of the EU’s new European Neighbourhood Policy and the role of the Euro-Mediterranean Partnership in this future context has meant that the organisations responsible for establishing co-operation between the north and south of the Mediterranean, now make reference to the new opportunities to set up exchanges and collaboration. There are basically two questions to analyse: the increase in the number of opportunities within the MEDA programme and the creation of new instruments for decentralised co-operation.

This is the case of the Committee of the Regions (CoR) and the Euro-Mediterranean summit of the Economic and Social Councils and Similar Institutions. The former makes, at the request of the Commission, a valuation of the Euro-Mediterranean Partnership and the cooperation of the regional and local bodies.* It considers that after 2006, the strategy laid out implies the creation of an adequate financial instrument for decentralised co-operation for use by the local and regional authorities in the Euro-Mediterranean region. A meaningful, indicates, and economically powerful enough instrument, in order to pursue the creation of a more ambitious programme, namely MEDPLUS. This programme goes beyond being an exchange and can be based on the already existing pilot experiences and has the financial support, not only from its own resources, but also from the Facility for Euro-Mediterranean Investment and Partnership (FEMIP) and possibly the Euro-Mediterranean Investment Bank. MEDPLUS can profit, this way, from the advantages of co-operation between regional and local bodies, which, according to the CoR, will benefit various sectors due to the proximity and greater knowledge about areas such as, regional and urban planning, agricultural development, employment policies, education and many others. This programme will require the joint management of the decentralised bodies and the EU, in a similar way as was seen in the integrated Mediterranean programmes between 1986 and 1992.

Similarly, there are calls for initiatives to improve the connections and the coherence of the MEDA programme and other programmes such as, for example, INTERREG III, as it is believed that the MEDA programme, as it is currently operating, could be of greater use if it looked at important areas like the urban dimension or the impossibility of inclusion in some geographical areas.

As this first document indicates, the demands start by acknowledging the existence of various conflicts in the area, the increasing economic disparity between the two sides of the Mediterranean since the signature of the Euro-Mediterranean Association Agreements and the isolation in which lack of dialogue between the political elite and cultural circles takes place, with little contact with the citizens.

In this respect, the Euro-Mediterranean Summit of the Economic and Social Councils and Similar Institutions** held in Malta in November 2003, assists the decentralisation efforts to apply the MEDA II programme, to undertake small-scale projects that respond to the actual needs of the people, and with the objective of finding particular solutions to particular problems. Also supported is the development of a network of agents to promote dialogue and the sharing of knowledge, and which can instigate joint activities and studies.

The initiatives of this organisation include the creation of consultant positions, who are specialists in civil society, in the delegations of the European Commission and to assign these agents to awareness missions in the population. Similarly, the need for interconnection is emphasised between the different initiatives that the EU makes available to the south and east Mediterranean countries and between the various organisations, such as the Economic Councils and the EuroMed Civil Forum.

Helena Oliván
Responsible for Euro-Mediterranean Policies
IEMed


** Final declaration. Malta, 6th and 7th November 2003.
The Urban Network as a Vertebral Element of the Euroregion of the Mediterranean Arc

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In recent decades, Europe has experienced an important development in geo-economic axes. The territories that form the Northwestern Mediterranean have been forming one of the principal axes of growth on the continent. Despite the recent displacement of the centre of the European Union towards the east, its importance, with a significant population density and some considerable traditional industrial centres, is being reinforced by its indisputable role in acting as a link between Europe and the African continent and therefore, to one of the principal routes to the Middle and Far East. However, today as in the past, the strength of the axis is above all found in its network of dynamic cities that have been building a history of relations (often as rivals) that have now become its great potential.

Notwithstanding, this region has not had, until now, any type of political-administrative body, but is now being recognised by the numerous studies, projects, programmes and agreements between administrations, business associations and academic bodies. This lack of political-administrative recognition has caused its territorial development to be rather variable. The new system of Euroregions, of increasing importance within the European Union, or the agreements between the provincial administrations, are examples of timid steps in the right direction.

It is worth mentioning from the outset the initial idea of the Mediterranean arc. One of the first times that this concept was debated was at the 1ª Conferència Econòmica de la Mediterrània Occidental that was held in Barcelona in 1985. Also, it is interesting to note that at that time, the definition was wide-ranging, in order to be able to incorporate contributions and speakers that looked at various areas: in effect, the framework that they were drawing up covered a wide area from Murcia to Calabria.

Shortly afterwards, the already classic interpretation of Europe, made by the group GIP RECLUS from Montpellier, in their report Les Vil·les Europeïennes, at the request of the French DATAR in 1989, highlighted an important growth axis in the Mediterranean arc. This study had a great impact on the debate concerning the European growth axes, with its conceptualisation of the “Blue Banana,” which is still today a reference point in European regional geography. The appearance of the autonomous governments in Spain is a key to understanding the subsequent impulse in the area. This led to the definition of the first Euroregion in 1991 between Catalonia and the French regions of Midi-Pyrenees and Languedoc-Roussillon, or seen in terms of their capitals, between Barcelona, Toulouse and Montpellier. Although not sufficiently developed, the proposal laid the foundations on which, for instance, an Atlas of the Euroregion was published in 1995, produced by GIP RECLUS itself and the Cartographic Institute of Catalonia, with the support of the statistical services of the three territories. Furthermore, in this period and significantly from the pronouncements made by the cities within the Mediterranean arc, a network of cities was created, namely C6. This network, made up of Barcelona, Montpellier, Palma de Mallorca, Toulouse, Valencia and Saragossa, reinforced the idea of using the territory capitals as motors of trans-border cooperation in the Mediterranean Pyrenees region. It was an important step forward, because they moved on from the questions of defining areas, analysis and studies of the region, to co-operation and collaboration between the cities. It is worth remembering that both of these initiatives had originated from Barcelona, the city with the greatest weight amongst all its members.

During the nineties, various other academic studies were undertaken (chiefly by economists and geographers, but also by sociologists, from Catalonia, Valencia and France); even the university manuals started to reflect the existence of the geo-economic axis in different formats. Also in this decade, the European Community started confirming the existence of this area of cooperation. This led to the report ‘Europe 2000 plus’: Cooperation for European Territorial Development’, published by the European Commission in 2004, which outlined in detail a set of large European regions, one of them being the Mediterranean Europe that makes up what is known as the Latin arc. This macro region includes Andalusia up until Lazio, as well as the Balearic Islands, Corsica and Sardinia.

In recent years, the initiatives on this subject have been numerous and, furthermore, diverse. In 2000 the Eurocongress was held, with an increasing number of regions involved, including a number of French regions such as Aquitaine and Rhone-Alps and some Italian ones, including Piedmont and the Aosta Valley. Its principal objectives were, to contribute effectively to the cohesion of the European Union, reinforcing and creating debate forums between states and to contribute to promoting Latin Europe,
from its central base (known as the Central Latin Euros搔pace). Shortly after-
wards, in 2002, the Latin Arc Association was formed in Montpellier, made up
of 66 NUTS III level entities. Its objective was to formulate a definition of an
integrated strategy of sustainable development and the organisation of the Latin
Arc area, as outlined by Europe 2000+, and to create an area of cooperation with
the countries in the south of the Mediterranean. It needs to be pointed that not
all of the NUTS III local administrations of this area are currently involved with
the Association (as is the case for some Spanish provinces: Girona, Almeria,
Murcia, Castellon, Alicante, Valencia and the Italian provinces of Calabria and
Sicily). In the same year, 2002, the Ignasi Villalonga Instituto de Economia y
Empresa was created in Valencia, with the objective of encouraging coopera-
tion between the regions of the Northwestern Mediterranean arc Euroregion
(EURAM) that is made up of Catalonia, Andorra, Valencia, Balearic Islands and
North Catalonia. Finally, in the spring of 2004, an initiative was announced to
create a Euroregion to be politically recognised by the European Union. This
region would be made up of Catalonia, the Balearic Islands, Aragon, Languedoc-
Roussillon and Midi-Pyrenees. Although the authorities in Valencia have not yet
accepted to be a part of the group, negotia-
tions are taking place to find possible cooperation formulas and the Valencia
business community is keen to find a solution.

All these initiatives, so different in their formats, objectives, areas covered, pro-
tagonists and creators, have in common the idea of a network of cities forming a
unifying framework for the Northwestern Mediterranean region. Still, while up until
now the role of the regional capitals has been highlighted, when considering the
system of cities as a whole, those of a lesser hierarchy are found to be equally
necessary as those occupying top posi-
tions, whatever their population and terri-
torial function is. The city systems are at
any one time, dynamic structures that
reflect the transformations in their eco-
nomic and social fabrics and the politi-
cal initiatives launched from the different political-administrative bodies. These
city systems are not only everyday more open, but also present structures that
are more and more complex and diver-
sified. As well as the hierarchical func-
tions and relations, there is a wealth of
relations between the cities, in the areas of common and shared interests, invol-
vement and strategies.

The urban system of the Mediterranean arc, whatever specific terms are adopt-
ed, is a complex system made up by a
vast network of cities of different levels, with diverse and complementary func-
tions. Together with the metropolitan conurbations (such as Barcelona, Valen-
cia or Toulouse), there is within the arc, a large number of intermediate cities and
each one has a role to play and a spe-
cific function in the totality of the system. We would like to emphasise that this
system of intermediate cities of differing levels and functions represents one of
the great potentials of the Mediterranean arc and one of its most specific charac-
teristics.

Regarding this question, it is worth high-
lighting another significant aspect. If we
discard the definitions that led us as far
as Lazio or Calabria and that would imply
the incorporation of Rome in the group, one of the characteristics of the Medi-
terranean arc, is the lack of a city that is a
state capital. This fact can either be seen
as a potential strength or as a weakness:
the strength lies in the fact that it helps
facilitate the coordination and collabo-
ration between the principal cities, which
are all capitals of autonomous commu-
nities (in Spain) or of regions (in France),
without any reticence that could devel-
lop if one of them was also a state capi-
tal. The predominance of Barcelona, due
to its dynamism and as the capital of the
region, could lead some to be fearful of
its leading position. One of the clearest
examples of articulation between large
cities, already in existence, is the net-
work of large cities in the Mediterranean arc known as the C6.

However, not having a state capital within
the group weakens its position, as this
European area is not reinforced by any
specific political measures of the states
that make part of the area. For the Span-
ish and French states, the configura-
tion of a geo-economic axis in the North-
western Mediterranean area has never
been a priority. Good examples are the
policies concerning the infrastructure of
communications and even more, those
of the rail network. A consequence of
this is the weakness in the articulation
within the group. If on the one hand we
can speak of a strong link and bond in
the socioeconomic fabric between the
cities of Valencia, Barcelona and Sara-
gossa (if we consider the proposals to
incorporate Aragon in this arc) and a
cohesion that reaches as far as the city
of Murcia, the trans-border articulation
is still limited and even more so if we
include Liguria and Lazio in the arc and
weaker again if we include Calabria, des-
pite the existence of the C6 network.

This lack of articulation is even greater
when we take into account the nume-
rous intermediate cities in the territory.
The trans-border relations and the dia-
logue between these cities still have
much room for improvement. We are not
only referring to the infrastructure weak-
nesses that make transport and commu-
nication between the participating cities
more difficult, but also the lack of rela-
tions between the social and economic
fabrics. Some studies show the strong depen-
dency of nearby metropolitan conurba-
tions: Marseilles, Milan, Turin and Lyon,
principally, are an evidence that the lack
of articulation within the Mediterra-
nean arc will consequently hold back its
strengthening. Even so, it is evident that
for the arc to be strengthened, it is neces-
sary to improve the connections with all
the large metropolitan neighbours, not
only those previously mentioned, but also
with Bilbao, Bordeaux, Madrid and others.

Despite the mentioned weaknesses, it is
clear that the current dynamics allow
us to speak of reinforcement and growth
in this geo-economic axis, as the con-
centration of activities and infrastruc-
ture projects in this corridor is unques-
tionable. It is also clear that this territory
is receiving an increasing amount of atten-
tion from different quarters –we have
made a brief summary at the beginning,
which shows the recent increase in these
initiatives– despite being still undefined.
Also, we should highlight the general
dynamic of the cities to establish net-
works of collaboration between them-
selves. This dynamic already affects a
good number of cities in the Medi-
terranean arc and will soon lead to impor-
tant articulation over the whole area;
already planned transport infrastructure
projects and in lines of execution that
will improve the accessibility of the whole
system. The role of the cities, their governments and their social and economic actors is and will be the key to this process, as in the dynamic territories the cities are already the principal players. To continue along this path, however, studies need to be undertaken over the whole urban system in the region in order to assess the current dynamics, the degree of cohesion within the system and to identify the principal actors and protagonists that will be the motors of the consolidation of this region.

Bibliography


In 2003, the Conference of Peripheral Maritime Regions (CPMR) celebrated its thirtieth year. On this occasion, it carried out a restructuring of its activities on three fronts, with the aim of adapting to the new changes in these regions caused by the evolution of the EU.

1. To implement the Lisbon strategy for territorial cohesion
The CPMR is invigorated by the conviction that growth will occur from the association of all the European regions with policies that aim to increase competitiveness, a process that will renew the European Union. It is for this reason that it has been working toward promoting the success of a regional governance that is egalitarian and ambitious (1st Local and Regional Authorities Forum), celebrated on 24th February, 2004, with the presence of Commissioner Michel Barnier, influenced the proposals of the European Commission from 17th February until 15th July, 2004, which included the essential CPMR proposals. It has also warned the member-regions about the Commission’s proposals for change that affect State subsidies in the regions.

The CPMR has worked on sector-policies that have a strong impact on the regions:
- the role of regions in matters of rural development (Seminar of 30th April 2004, in collaboration with the Tuscan region).
- transport: specifically, the CPMR has promoted the proposals of its geographical commissions concerning the Trans-European Transport Network and Maritime Highways. Finally, the CPMR organised on 22nd October 2004, in collaboration with ARE, and the participation of the Sicilian region as a guest, a seminar for reflection on “European territorial co-operation after 2006.” This allowed the regions to formulate their proposals and to carry them to a higher level.

2. To build a European governance that associates the regions
At the end of the conference on the future of Europe, the CPMR obtained particularly favourable support for the recognition of regions, as well as for valuing the principle of territorial cohesion. This text, adopted in July 2003, was to be rapidly adopted by the Heads of State of Government. These achievements were defended by the CPMR immediately afterwards and they were preserved in the adopted text of June 2004.

In parallel, the CPMR participated in the drafting of the white paper on governance. This white paper particularly tried to enrich the concept of “territorial dialogue” of the European Commission and to which representatives of European regions and cities have committed.

3. To promote the maritime dimension of Europe
The CPMR has a maritime interest in nature. Maritime security is one of the major concerns of member-regions. This is the reason why the CPMR asked for and obtained the status of observer of IOPCF. Further, it organised on 13th and 14th October 2004, a seminar in Nantes on “maritime security and the role of the regions.”

The nomination, within the new Commission, of a Commissioner in charge of fisheries and maritime affairs, is the first step toward specifying the demands of the CPMR: that the European maritime dimension be considered and valued at a European level. The announcement of the writing of a green paper on the European maritime policy is a second step and the CPMR has established an ambitious partnership to actively participate in it.

The Conference of Peripheral Maritime Regions of Europe (CPRM) gathered 150 regions from 25 different states, comprising European Union members as well as non-members. It aims to favour a more balanced development of community territory. In fact, the centre of Europe (The “Pentagon” London, Paris, Milan, Munich and Hamburg) represents 14% of the territory, although it comprises 32% of the population and produces 46% of community GDP. The regions have been working together for thirty years to propose an alternative to this spontaneous concentration of population, of activities and infrastructure, but above all to develop the periphery.

Mediating between national governments and community institutions, the CPRM strives so to make the needs and interests of these territories be taken into account. This concerns all policies that have a strong territorial impact, namely community regional governance, sustainable development, transport, agriculture, fisheries and research.

To favour regional development, the association is also a pool of co-operation projects between members. It is organised in 6 geographical commissions around the EU maritime basins: islands, Atlantic, Mediterranean, Baltic, North Sea, Balkans/Black Sea; it initiates and catalyses co-operation projects between regions to tackle shared problems.

The regions of the CPRM are the shores of Europe, for better (i.e., exchanges with the rest of the world, an exceptional environment, quality of life, marine resources) or for worse (i.e., distance from economic and decision-making centres, pollution). Their joint work, with the CPRM as creator of ideas, aims at the carrying out of actions by the States and the European Union as a whole, to reduce their handicaps and give value to their successes.
The Mediterranean is one vector of flow of Euro-Mediterranean and transatlantic exchange. It is an interface between the countries located on its shores, a strategic platform and a significant force to be reckoned with for all the great powers. It is a "transport surface," a forced passage between countries along its shoreline and also a transit space between other maritime areas. Nevertheless, this space suffers from several deficiencies, notably the lack of infrastructure: "we might say that, on the shores of the Mediterranean, we have network systems typical of under-developed areas," especially on the southern shore. Only the Mediterranean can deal with these deficiencies and only they are able to change them into opportunities for the development of regional trade and the establishment of alliances between operators and institutions on both shores of this "Mare Nostrum."

While one of the priorities in developing this enormous Mediterranean logistics centre is currently the development of a network of transport infrastructure, this will need to be accompanied by measures facilitating the flow of goods between the inhabitants of the Mediterranean shoreline. The REG-MED network, coordinated by CETMO (Transport Study Centre for the Western Mediterranean) has been a genuine laboratory for the analysis of concrete situations as far as transport between the two sides of the Mediterranean is concerned, and have enabled obstacles to be identified, together with the efforts underway to overcome them.

Customs procedures and checks on goods at borders are the main obstacles to the fluidity of exchange. Customs clearance documentation, complex nomenclature and the lack of reliable, up-to-date and simplified information are acting as restrictions on transportation movement. The countries on the Southern side of the Mediterranean are buckling down to change their customs systems to make them conform to the Kyoto Convention and the agreements on international road transport, precisely in order to diminish these obstacles and to join World Trade Organisation (WTO) and Free Trade Area agreements.

Operators unanimously agree that the major customs barrier is at the borders of the Maghreb countries. Notwithstanding this criticism, the Moroccan customs system has made remarkable progress, but other links in the logistics chain have unfortunately not followed this example. Information technology can reduce customs clearance times, while also improving the quality of checking procedures. The three Maghreb countries each have their own systems: BADR (Morocco), SIGAD (Algeria) and SINDA (Tunisia). In Morocco, advance submission of customs declarations is possible for all products. In Tunisia, this procedure is currently being established. In Algeria, this procedure does not exist yet. Similarly, Morocco is the only country in the Maghreb which runs physical spot-checks on goods using a selective verification approach based on an objective risk analysis technique. In Algeria, physical spot-checks are almost an integral part of the customs procedure. The problem comes when health and phytosanitary and, more recently, security checks are involved. The procedures for these checks are weighty, uncoordinated and cost time and money, which the laudable efforts of the customs service alone cannot offset.

The TIR (International Road Transit) system, in spite of its advantages, has been under-used in the Maghreb countries for various reasons: in Morocco, TIR carnets are not very much used, in Tunisia, TIR traffic represents a very small percentage of Tunisian transport companies’ operations and in Algeria the system has been suspended. Secondly, there are aspects of maritime transport services and passage through ports which restrict transport fluidity in the region. The main feature of maritime transport between Mediterranean countries is the presence of national ship-owning companies with multiple, conflicting regulatory systems. In the Maghreb, the existence of a large enough national ship-owning concern is considered to be a precondition for any liberalisation of the maritime transport sector. At present, these countries’ fleets are very old, cost too much to run and their performance is mediocre. However, new provisions regarding security and safety (deriving from the International Maritime Organisation [IMO], the EU, the International Ship and Port Facilities Security Code [ISPS Code], etc.) have significantly raised the costs of renovating the fleets. The Maghreb countries consider the costs of entering the maritime transport sector as transport operators very high, so officials responsible for the sector are trying to find a regulatory framework which might enable private national ship-owning to compete with their competitors on the Northern shore of the Mediterranean.
There are various types of passage through ports on the Southern and Eastern shores of the Mediterranean. Nevertheless, the bottlenecks are more or less the same: concentration of traffic in a reduced number of ports, bureaucratic delays, long waits in the roadstead or in dock, intermodal transfer between the ship and the quayside warehouses (as is the case in most Moroccan ports), insufficient draught, involvement of several agents, which is a source of conflict and time-loss, cranes and plant that are too few and/or badly-maintained (Tunisia and Algeria) or which do not conform to international standards (Goulettes-Rades, Algiers), cramped container terminals, institutions and regulations which are badly suited to the development of port services optimised for globalisation, working hours which do not meet the requirements of the maritime sector, badly-integrated information systems, the problem of illegal immigration, poor allocation of port space, etc.

Praiseworthy efforts have been made to overcome these obstacles, such as major investment, the reorganisation of passage through ports, regulatory provisions to keep passage through ports fluid, BOT (Build, Operate, Transfer) concessions and privatisations. Partnerships between port agents and their customers are being forged and firmed up in various ways: the de-monopolisation of the port services sector, with the separation of port management from commercial management (law of 1998, in Algeria; draft legislation for Moroccan ports, 2005), creation of one-stop offices, installation of scanners (Algeria, Morocco), of gantries and video surveillance (Morocco), privatisation of handling (Tunisia, Morocco, Turkey, etc.), efforts to change systems (Lebanon and Syria) to overcome excessive bureaucracy, the concession of new global ports to mega carriers (Port Tanger-Med Port, in Morocco) and efforts to federate all parties involved in passage through ports by creating Port Communities (Port of Casablanca).

As far as overland transport is concerned, and more specifically door-to-door transport, various obstacles are holding up the development of multimodal transport. In the Maghreb, overland transport is predominantly by road. In order to dynamise this sector, the Maghreb authorities have completed institutional and regulatory reforms: there has been a shift from public regulation to regulation by the market (law 16-99 in Morocco). These reforms have resulted in the emergence of a multitude of carriers, unfair competition, problems with professional qualifications, over-capacity, difficulties in finding funding for renovating fleets, etc. As far as international road transport is concerned, it is operated by European carriers. The lack of development of this method of transport on the southern side of the Mediterranean is due to a number of obstacles. In terms of international private law, there is the problem of the inconsistency between the provisions of the CMR (Convention on the Contract for the International Carriage of Goods by Road) and the agreements regulating maritime transport and the inconsistencies between the jurisdiction of the States on either side of the Mediterranean.

At the fiscal level, many problems are yet to be solved: multimodal transport, which by its very nature affects several countries, may often be subject to a great number of duties. In terms of insurance, some states require local importers to be insured locally and this requirement can lead to non-transparent methods of minimising local risk cover.

The flow of goods between the countries of the Mediterranean and the flow of goods which have to cross it have led to the emergence of several logistical centres. Some already exist, others are in the process of being created (in Casablanca, Tangier, Marrakesh, etc.), and yet more are on the drawing board. We should also note that Information and Communication Technologies (ICTs) can play a part in facilitating international transport in the Mediterranean. Such technologies have given rise to new forms of organisation and relations (Supply Chain Management: SCM), through the creation of infrastructures and transversal alliances. Computerised information systems can be linked together, which enables flexibility in the work process and a controlled response by the SCM to just-in-time production. Against this background, port logistics are increasingly being used to help in the fluidity and flexibility needed for international just-in-time production. In this way, logistical chains are becoming more complex in order to respond to any changes engendered by the information flow. Consequently, the control of information flows is a competitive advantage. Such control involves the establishment of upgradeable EDI (Electronic Data Interchange) systems.

As far as the integration of ICTs into Euro-Mediterranean transport and passage through port is concerned, we can safely say that customs services are obtaining or have already obtained information and communication systems which will reduce customs clearance delays and eventually lead to the computerisation of this operation (the BADR and SINDA systems in Morocco and Tunisia respectively). In terms of the management of ports of call, ICTs have begun to be extended to every activity, for the sake of simplification. The EDI is being installed everywhere. The interoperability of customs and port systems is increasing (one-stop office: Tunisia, Morocco, Spain, France, Italy, etc.). However, in Algeria the systems are still separate.

As far as overland carriers are concerned, there is no common information link scheduled covering Europe and the Maghreb. On the other hand, several liaison projects for railway information are underway in Spain, France, Italy, Tunisia and Morocco.

However, the growth of ICTs poses problems: the legal status of the “e-document” (paper remains king when it comes to respecting the spirit of the law), little understanding of the real needs of port operators and trade flows, resistance to change, lack of information and the difficulty of estimating costs.

Having identified these problems, we can make various recommendations. In terms of EU conventions, agreements and regulations, it is clear that it is in the interest of the Third Mediterranean Countries to join international conventions and agreements and to harmonise their national regulatory frameworks with the EU regulatory framework. This means it is a necessity to have a thorough knowledge of the international conventions and agreements and the EU regulatory framework.

With regard to international maritime transport services, the opening-up of markets should be accompanied by the upgrading of the southern countries’ fleets, with the EU’s support.

As far as passage through ports is con-
cerned, an institutional upgrade is necessary, taking into account all the interests of the port community. Similarly, support is required for the reforms and modernisation of customs management, to enable the total integration of the e-customs system and to reduce customs clearance paperwork to zero through promoting integral customs clearance by the electronic information system.

In terms of customs transit systems, their advantages would need to be optimised in order to clear the congestion in certain southern ports and to harmonise national and EU transit systems so that a transit procedure between the EU and the Maghreb could be drawn up.

It would be necessary to create a legal framework to promote the computerisation of information and to encourage the formation of electronic port communities through the adaptation of tariff systems to the operators’ actual capacities and by facilitating the development of customer-friendly interfaces. We also need to encourage the interoperability of information systems between the ports of both shores.

Finally, for road transport, we need to apply the new regulations as part of a permanent dialogue between administrations and the private sector. For international road transport, we recommend that southern carriers improve their capabilities, that efforts be made to achieve businesses of an optimal size and that the EU sign individual agreements with each non-EU Mediterranean country. Regarding this mode of transport, it would be necessary to create a uniform terminology among the users of the multimodal logistical chain and to make it into an international framework. This makes the harmonisation of jurisdictions on both sides necessary. Drivers from the south are handicapped by the need to obtain visas. One solution could be to borrow a method used by sailors: professional registration booklets authorised by the ILO (International Labour Organisation) convention.

Finally, rail transport must be included in intermodal transport. This requires connections between rail and maritime services at the ports. Rail will have a place as a competitive transport method in this vision of Maghreb integration.
The European Union is by far the major partner for a great number of countries in the Southern and Eastern Mediterranean with regard to trade and passenger traffic alike. The development of a network of Mediterranean transport infrastructures is therefore a crucial factor in strengthening the economic and financial partnership in the region and in creating a Euro-Mediterranean free trade area. For non-EU Mediterranean countries this network of transport infrastructures has been of an unarguable importance ever since the start of the Barcelona Process, but it has taken some time for Europe, and especially the European Commission, to explicitly recognise and accept this fact. This certainly explains why we have had to wait for about two years before the EU started a genuine debate on the extension of the trans-European transport network to neighbouring Mediterranean countries.

This article is a summary review of the regional initiatives worthy of mention which started between June 2003 and December 2004 related to the development of the said Mediterranean transport network. All these initiatives were to conclude in a programme of action which is in principle to be ratified by the Transport Ministers of all the Mediterranean countries before the end of 2005.

Before reviewing more recent initiatives, let us remember that, until 2003, only the discussions in the western Mediterranean had really progressed, thanks to the establishment of sub-regional cooperation based around the CETMO and the driving force of the Transport Group of the Western Mediterranean (GTMO). This work in common led to the conclusion, at the beginning of 1997, of the INFRAMED1 study, which enabled priority corridors in the region and common transport infrastructure needs to be identified, especially in the Maghreb countries. That same year, the European Commission instructed the French Ministry of Public Works to propose – based on the results of INFRAMED and other studies sponsored by the European Commission as part of the Middle East peace process – a priority multimodal network for all the Mediterranean partner countries,2 in order to submit it to the Third Pan-European Transport Conference in Helsinki.

Taking the INFRAMED study, it is interesting to emphasise the criteria according to which infrastructure needs were selected. Projects were classified into several groups. The first group contained projects whose fundamental goal was the facilitation of Euro-Maghreb trade and involvement in the strengthening of relations between the two sides of the Mediterranean. The second group contained projects supporting the facilitation of Maghreb integration (trans-Maghreb motorway and train), even if the predicted international traffic was fairly small compared to national traffic. The third group contained public works projects for the region which were part of economic development and could have an important impact on regional transport.

In any case it was in 2003 that the European Commission began to place the question of infrastructure at the heart of the debate on the transport sector in the Mediterranean, firstly, with the publication in June 2003 of a Communication on the development of a Euro-Mediterranean transport network.3 This communication intended to flesh out the concept of a Euro-Mediterranean transport network by means of defining the aims of the network, its characteristics and the consideration of the inherent constraints on its development. In order to make this network a reality, the Communication proposed a first stage of planning and identification of priority projects in concert with all the countries involved. The main point in such a step was to promote a global and coherent approach to the network which would enable the mobilisation of public and private capital investment for projects identified as priorities.

Two other initiatives, specifically focused on the field of infrastructure, started in 2003, with EU funding: the "Infrastructures" component of the Euromed Transport Project4 and the DESTIN project.

The "Infrastructures contract" of the Euromed Transport Project4 is the tool...
created by the European Commission to support, from a technical point of view, the process of reflection and debate at an institutional level for the whole Mediterranean. This contract – financed through the MEDA programme – is also intended to build the capacities of Mediterranean partner countries to prepare and implement projects and manage infrastructures, as well as the performance of a limited number of feasibility studies.

DESTIN is, on the other hand, a project of the 5th Framework Programme for research with a sub-regional scope. Although its goal may be the identification of a strategic transport network in the Western Mediterranean and priorities for its development in the Maghreb, emphasis is placed on the development of planning and evaluation models suited to the region. In order to implement the project, a consortium made up of European and Maghreb partners has stepped in, within which the CETMO is acting as a coordinator. For their part, the Transport Ministers of the region are following up the project in order to verify that the methods used are practical and lasting and to validate the results obtained.

In addition to the previous initiatives a High Level Group for the extension of the major axes of trans-European transport to neighbouring countries was created in 2004, on the initiative of the European Commission. The formation of this group follows the thrust of the European Neighbourhood Policy, which will create a new financial instrument from 2007 onwards – the European Neighbourhood and Partnership Instrument – which will replace MEDA and other aid programmes connected to neighbour countries. The group – presided over by the former Vice-President Mrs Loyola de Palacio – met for the first time in Brussels in October 2004 and aims to finish its work in autumn 2005. The aim of the High Level Group is to make recommendations on the way the major trans-European transport axes should be extended to all neighbouring countries – not only Mediterranean countries – and to identify the priority projects along these axes. The group’s approach, in connection with the Euromed Transport Project, focuses on the north-south axis in the Mediterranean area and on a very limited number of major corridors linking the EU with neighbour regions. The group’s conclusions will enable an agreement to be reached with the non-EU countries over which projects should be targeted for investment in infrastructure over the next few years, taking into account the restrictions on available resources.

All the initiatives mentioned above seem promising for Third Mediterranean countries, along with already existing ones aimed at reforming the sector and improving the efficiency of transport operations. For a long time, the representatives of the partner countries had had to defend the need for complementarity between the development of a network of infrastructures and the implementation of measures for the facilitation of transport, and also their priority for international transport in the Mediterranean, to European Commission officials. In 2003, these two priorities were finally integrated into a programme of regional cooperation.

However, there are still some doubts to clear up in the months to come. Some are strategic – such as the planned link between the European Neighbourhood Policy and the Barcelona Process – while others are more practical, for example, the way the results and conclusions of the various initiatives in progress will be integrated once they are completed. Above and beyond that, however, there is a basic unknown factor, the problem of financing the action plan which will be submitted to the coming Euro-Mediterranean Conference of Transport Ministers. There is no doubt that the next stage in Mediterranean cooperation in the field of transport should concern the way in which the various sources of funding, private and public, and which include funding from the EU, can best be mobilised and brought together.
In January 2005 the Spanish Co-operation’s new Director Plan 2005-2008 was approved. The elaboration of the new Director Plan coincided with the beginning of this new legislature and the change in Government that allowed us to introduce a new political direction, based on the commitments stated by the Socialist Party in its electoral programme. The elaboration of the Director Plan was carried out with the participation of a wide range of social actors which, in one way or another, are involved in the implementation of international cooperation public policies: non-governmental organisations, unions, business and social economic organisations, universities, etc., in conjunction with the public administration, including different levels such as municipal councils, autonomous communities and the state administration. The most important new features of the 2005-2008 Director Plan are, first of all, the principle of moving from an aid policy to a development one. The other novelty is to grant international cooperation the status of state external action. The economic growth that Spain has experienced during recent decades obliges us to demonstrate our willingness and capacity to extend some of the benefits of our own development beyond our borders. From another point of view, the launch of a Spanish Official Development Aid (ODA) policy and its evolution were strongly determined by the historical relations with Latin America and being it also possible to perceive the influence of commercial and geo-strategic interests. Currently, the amount of resources allocated for co-operation is increasing, the range of countries and areas of intervention has been enlarged and there is an increasing number of public and private agents participating in its management. However, the operations have been implemented in the absence of an appropriate legal framework that specifically regulates public action related to cooperation. It is a matter of establishing the relation that ought to exist between Co-operation policy, Foreign and Security Policy and Commercial Policy, aiming at clearly defining the principles to guide it as much as the objectives to be achieved. The Law of International Development Co-operation (LCID1998) having been approved by all the political groups and in agreement with civil society, tried to overcome these problems by establishing the principles, objectives, priorities and types of instruments to be used by the Spanish International Development Cooperation Policy. In its statement on its motives it states: “The International Development Co-operation Policy constitutes a fundamental aspect of the action of democratic states in relation to those countries that have not reached the same level of development and it is based on the concept of the interdependence and solidarity of both, the international society and the relations that are developed within it.” This concept of interdependence of international relations and the necessity of a Development Co-operation Policy is a specific response to the mandate contained in the preamble of the Spanish Constitution, that is, to contribute to the strengthening of pacific relations and effective co-operation with all the Earth’s peoples. As this policy concept is regarded as constitutionally fundamental, the Law makes an appeal to the consensus that ought to be at the heart of this policy and to the need of obtaining adequate collaboration, complementariness and co-ordination between the different public administrations and the various co-operating actors. This Law of International Development Co-operation is also part of the State’s Foreign Policy which is conceived within the framework constituted by the international agreements and the respect for the commitments adopted by the Spanish State within international organisations. The attainment of the development objectives is, therefore, an essential element of the State’s Foreign Policy. The Director Plan is the basic element of a four-year plan; it determines the general lines and basic directives, indicating the objectives and priorities and provides, in advance, the indicative budgetary resources for this period. The Director Plan is made up of a planning cycle which will be completed by the elaboration or revision of documents of sectorial strategy, geographical areas and countries that are of priority for co-operation.

Geographical Priorities: The Arab World and the Mediterranean Area

One of the priorities for co-operation is the Arab Mediterranean area. This co-operation is articulated through three pillars, the two great sub-regions of the Maghreb and the Middle East and a third...
one which is the Mediterranean region, all of which is directly tied to the Barcelona Process, thus allowing to act with greater coherence and impact, complementing the bilateral action, and fulfilling the mandate of the Law of Co-operation with regard to the coherence with the policies of the European Union.

For the new Spanish Foreign Policy, the Maghreb is a very important region which suffers from great deficiencies in terms of human development. These necessities, its strategic importance and the need to assist in its development and stability, have to directly make it a high priority for co-operation, thereby considering every component of this region of priority: Morocco, Mauritania, Algeria, Tunisia and the Sahrawi population.

The Middle East is the most troubled region and the origin of the majority of the strategic problems the world faces. At the same time its development indicators continue to worsen as time goes by. It is evident that to support the peace process between Israel and Palestine is a top priority and thus it is necessary to give support to the Palestine National Authority.

The Mediterranean is the new dimension to our new Foreign and Co-operation Policy and is shaped by the Barcelona Process. The Euro-Mediterranean dimension deserves its own chapter, regardless of the consideration given to the two previously mentioned regions and the framework drawn up in the Barcelona Agreements in order to regionally support economic and social transition, as well as, on the one hand, the partners that form part of the free trade area with the European Union and, on the other, to the dialogue and its human and cultural dimension.

A regional strategy for the Mediterranean countries is being developed in order to define specific performances in the area. The basic objectives of this strategy include: support of institutional reforms in the framework of the Barcelona Process, with special attention to the Association Agreements, the strengthening of institutions and the new European Neighbourhood Policy, thus contributing to a sustainable development based on a valuation of natural and human resources, with special emphasis provided to local development, that would allow to slow down the rural exodus through the support of sustainable productive sectors; making a greater effort, when required, to reinforce cultural links and the valuation of historic heritage; greater investment in the knowledge and endeavours of the links between communities through the social organisations that incorporate civil society throughout the development process, as well as taking into account the migratory phenomenon in the development policies, providing special attention to the areas of origin and to the participation of immigrant communities in Spain in the development of their regions.

Many autonomous communities have prioritised the Mediterranean area in their respective co-operation plans. They have begun to draw up the scope of action in a joint and co-ordinated way, in order to fulfil the commitment of reaching foreign actions between the various public administrations, so as to improve the quality of the Spanish co-operation. The Spanish municipalities are especially dynamic in this respect, contributing to the strengthening of a horizontal net of relations between cities on both sides of the Mediterranean, where the transfer of experiences in development and local governance help to stimulate the development processes.

On 30th November 2004, 35 European, North African and Middle East Foreign Ministers declared, at the Euro-Mediterranean summit in The Hague that 2005 would be the Year of the Mediterranean. In this way, they highlighted the firm commitment from the countries of the region to use the tenth Anniversary of the Barcelona Declaration to promote the Euro-Mediterranean Partnership and to move it into a new era that takes into account the balance of the last decade and integrates the neighbourhood policy into the structure and objectives of the Partnership.

As is already clear, during 2005 Spain will play an active role in the re-launching of Euro-Mediterranean relations. Apart from the celebrations for Barcelona +10 and the high level meeting that will take place in November 2005 to culminate the anniversary of the Partnership, many events related to the Mediterranean region are being organised. Many initiatives, proposed by various social and institutional sectors, are being worked out with the aim of generating a wide participation, both, to take stock of these ten years and to put forward proposals that enlarge and consolidate our bonds of friendship and neighbourhood.
Reforms in Family Law in the Maghreb

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The King of Morocco, in his capacity as commander of believers, has decided to authorize amendments to the Mudawana, and nobody, not even the Islamist militants, has criticized him for it. According to Nadia Yassine, spokesperson for Al Adl wal Ihsane (Justice and Development), the Islamists even consider that the new code is the product of “an intelligent reinterpretation of the sacred texts.” These reforms have been greeted with great joy and lucidity by part of the Moroccan women’s movement. The latter know that the struggle still continues, for, as Leila Rhiwi has said, “it is necessary to work for changing mentalities and passing on to the 61% of Moroccan women who are illiterate or to Berber women hidden away in the Rif and the Atlas mountains the message that they have the same rights men have.”

This modification of the Mudawana has been received favourably by part of the Algerian women’s movement, which has been fighting for the last twenty years against the discrimination confirmed by the current family law, which was passed in 1984. Whilst on the one hand congratulating their Moroccan sisters on this important breakthrough, Algerian women nonetheless feel frustrated at being overtaken in the process of legal reform, which has fallen behind in their own country due to the demagogical policy of the country.

The first draft of the proposed modifications to Algerian family law were looked at by the Council of Ministers in August 2004. This text aroused the anger of the Islamic radical parties, who denounced the abolition of the custom of “matrimonial guardianship,” and the fact that the practice of polygamy should be made subject to prior authorization by a judge. A process of debate nevertheless took place in society at large with regard to these issues. When it was first announced that the draft modifications to the law were going to be examined by the Council of Ministers, there was no reason to think that a further reworking of the text was being prepared. What was actually discussed at the Council of Ministers, was a project of legal ruling. The subsequent discovery that it was planned to maintain “matrimonial guardianship” for adult women came as something of a bombshell. This aroused the wrath of women’s associations, who did not hesitate to claim that too many concessions had already been made to conservative Islamic groupings, the latter being clearly delighted by the new draft proposal. The legal ruling modifying family law was duly adopted by the Algerian parliament on 14th March.

The changes made to Algerian family law resemble those relating to the Moroccan Mudawana. The new legislation in the two countries is based on a conception of the institution of the family which departs from the vision traditionally found in this type of text.

The Moroccan and Algerian law-makers have placed relations between husband and wife on a more balanced footing. The shared obligations of husband and wife replace the concept of obedience and the notion of “head of family.” The minimum age for marriage in Morocco has been fixed as 18 years old for both men and women, thus shielding girls as young as 15 from marriage. In Algeria the minimum age for marriage has been fixed as 19, when young people reach the legal adult age.

The concept of “matrimonial guardianship” in Moroccan law, i.e., the rule by which a woman is automatically placed under the guardianship of a male member of her family for the duration of her marriage ceremony, has been abolished, and adult women have been granted the right to act on their own behalf. Women thus become responsible for their own choices and exercise this right by their own will and of their own free consent. This means, in reality, that a woman has the right to seek, or not to seek, the assistance of a guardian when concluding arrangements for marriage.

The changes instituted by the Algerian disposition do not dispense with the role of the matrimonial guardian. Article 11 has been redrafted so as to enable an adult woman to conclude her own marriage contract in the presence of her wali (guardian), who may be her father, a close relative, or any other person of her own choosing. One might well question the importance to be given to the presence of the guardian, and ask what would happen if the guardian did not attend the wedding ceremony. Would the woman still be able to marry? This is just one of the many questions posed by the proposed new law.

By establishing the equality of rights and duties of husband and wife, the Moroccan and Algerian law-makers have placed the family under the joint responsibility of both partners. Thus both the concept of a wife’s obedience to her husband and the notion of the “head of the household” are dispensed with. There is in fact no marriage regime as such in either Moroccan or Algerian law. Each partner keeps his or her own property, under an arrangement which legally is known as division of property. Nowadays, husband and wife pool together their
revenues to pay for their household needs, the acquisition of consumer goods, or long-term investments. In order to protect the possessions acquired by husband and wife during the course of their marriage, they are given the opportunity, by means of a document that remains separate from the marriage contract, to reach an agreement concerning how to manage and exploit these possessions. Should there be a dispute, they are required to appear before a judge, who applies the general criteria of the evidence available in order to evaluate each partner’s contribution to the sum of possessions acquired during the marriage. Polygamy continues to exist in both countries, although it is subject to draconian legal requirements and to the specific authorisation of a judge. The judge must be convinced that there is no basis for unequal treatment, and ascertain that the husband can treat the second wife in a way that is directly comparable with the way he treats the first wife, guaranteeing the same living conditions to both wives. The fact that such an institution continues to be tolerated, even if restrictions are nevertheless imposed on its operation, reduces the impact of the principle of joint responsibility of husband and wife in family life. Another very important change which has now been introduced in Morocco, although it has always existed in Algeria, concerns the establishment of the contested divorce. The custom of repudiation has continued to exist, but is subject to prior authorisation by a court of law. It should be explained in this respect that in Muslim law repudiation is the exclusive right of the husband, and that it is a right that is subject to no other constraints or conditions. Before requesting the authorisation of a court of law, the husband could express his repudiation orally and without legal control. On the other hand, when a request for separation is presented by the wife, it is considered in terms of a divorce to be defined as the dissolution of the ties of marriage. This definition has now also been extended to cases of repudiation. It has even been envisaged that a woman should have the right to ask for divorce on the grounds of ill-treatment (in the case of wives who have been physically assaulted, neglected, or abandoned without means); in such cases, divorce is announced by the judge at the wife’s request. In Arabic, talāq means repudiation, i.e., the husband’s right to end the marriage, whilst tatliq represents the wife’s right to ask for a divorce. Divorce by mutual consent has been added as a new case of dissolution of the ties of marriage under Moroccan law. This type of rupture of the bonds of marriage already exists under Algerian law. With a view to preserving the Moroccan institution of the family and in a spirit of ensuring fairness and equality between husband and wife, the possibility has been introduced to reject the request for divorce presented by the wife on the grounds of neglect, if it can be proved that the wife has means sufficient to meet her needs, and that the husband has insufficient means. The creation of a family aid fund and the opening of specialised family proceedings courts are examples of measures taken to permit the efficient implementation of Family Law. This type of measure is not envisaged by Algerian law-makers. By establishing the principle of equality between men and women, the law-makers have accorded Moroccan women a certain number of rights which they may now enjoy, and have recognised women’s status as individuals in their own right. This is in accordance with all the International Conventions concerning women’s role in society and recognising women’s right to individual action. Women in this way become full-fledged citizens. Giving rights to women also means protecting children’s rights. By placing relations between men and women in the family on an equal footing,

![Graph](image-url)

**THE SITUATION OF WOMEN IN THE ARAB WORLD (AHDR, 2004)**

The Arab Human Development Report (AHDR) for 2004, which focuses on freedom in the Arab world, conducted a survey in five Arab countries (Algeria, Morocco, Jordan, Lebanon and Palestine). The survey included a series of questions about gender equality, some of which are set out below:

### TABLE 23

<table>
<thead>
<tr>
<th>Country</th>
<th>It has improved</th>
<th>It has deteriorated</th>
<th>Net change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jordan</td>
<td>28.69</td>
<td>18.46</td>
<td>10.23</td>
</tr>
<tr>
<td>Lebanon</td>
<td>22.57</td>
<td>12.84</td>
<td>9.73</td>
</tr>
<tr>
<td>Palestine</td>
<td>13.18</td>
<td>25.3</td>
<td>-12.12</td>
</tr>
<tr>
<td>Morocco</td>
<td>43.68</td>
<td>14.94</td>
<td>28.74</td>
</tr>
<tr>
<td>Algeria</td>
<td>34.22</td>
<td>15.93</td>
<td>18.29</td>
</tr>
</tbody>
</table>

Morocco has also considered it very useful to reinforce children’s rights by inserting the texts of many international agreements to which Morocco has adhered in the context of family law. The child’s own interest is taken as the basic criterion for any decision to be taken concerning the child’s future. The child (whether it be boy or girl) is from the age of 15 onwards given the chance to choose freely the person to whose care he or she shall be entrusted.

The innovation and departure from Muslim law here resides in the possibility given to a woman to keep custody of her child even after re-marrying or moving to an area other than the place of residence of the husband. It should be noted that under former Moroccan law and still today under present-day Algerian law, a woman who re-marries loses right to custody of her children, and may even lose her right to it if she moves to more than 120 km from the husband’s home. The husband will be the children’s guardian, since it is he who exercises paternal authority. It is regrettable that changes have not been extended to the question of shared parental responsibility between husband and wife, or the possibility of transferring guardianship to the wife in case of divorce. In the same way, no mention is made of the concept of parental responsibility, which nevertheless appears in the Convention of Children’s Rights.

There have also been changes to the order in which custody is allocated, going first to the mother, then to the father, and subsequently to the mother’s side (e.g., the maternal grandmother). The judge in the interest of the child, giving custody to the most suitable of the near relatives should there be a problem with the father and the mother. In Algerian law, the right to custody of the children falls to the mother’s side of the family, whilst the father comes only in the sixth position in terms of priority to receive custody. The new proposals bring this principle into question, and establish a system of alternating custody between the mother’s and father’s sides of the family, although the father always comes second after the mother.

The child is guaranteed a decent home, in keeping with his social status before the divorce. In Algeria this question has been much more problematic, since the conjugal home reverted to the husband. Today the situation is that the parent who has custody of the child keeps the right to the conjugal home. If this person is the mother, the father must provide the mother with a decent home, or if not provide the rent to pay for one. The woman who is granted custody must be maintained in the conjugal home until the father puts into action the legal decision concerning accommodation.

It is important to underline that the new Moroccan law to protect the rights of children born outside marriage has introduced and established the concept of recognition of paternity for cases in which marriage is not formalised by a legal ceremony.

This procedure existed formerly in Algeria, but it was abolished by Islamist parliamentarians elected in 1990-1991, since they started to demand (and still do so) the production of a family allowance book for all declarations of birth.

The changes in Moroccan law have also affected the order of inheritance, since grandchildren on the daughter’s side can now inherit from their grandfather in the same way that grandchildren on the son’s side can. Thus discrimination between grandchildren has been removed.

These new measures improve the status of women in the Moroccan family, and in Moroccan society in general. Although equality in the relations between men and women in Moroccan families has only been partially introduced, it is nonetheless true that these new measures are real advances which open the way to the modernisation of family structures and of the whole country. Moroccan women can thus mark a milestone in the pursuit of their struggle to help change mentalities.

Aided by the political will, the Ijtihad method (meaning “effort to interpret”) has borne fruit in Morocco. In the case of Algeria, the proposed changes to family law are greeted by some as too revolutionary. It is nonetheless true that, until women have regained all their legal power to exercise their civil rights, it remains impossible to consider that the draft law completely emancipates women from all form of guardianship.
Repercussions of the Reform of the Family Code in Morocco

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On 3rd February 2004, after due consideration, the Moroccan parliament adopted the “Family Code” bill (Moudawwant Al Ousra) in a context marked by an unprecedented debate on the status of women in a country which is supposed to be in transition towards democracy, but where resistance to change is everywhere.

The combined result of a struggle by women for almost three decades and a certain degree of real political will, the Family Code is more than a simple legal reform. The philosophy supporting the new text and the provisions it is structured into have an effective symbolic impact, calling into question a practice largely shared between the countries of the southern shore of the Mediterranean; that is, the use of religion to uphold patriarchy.

The Family Code replaces the Personal Status Code (PSC) which was drawn up in 1958 immediately following independence, with reference exclusively to Muslim law. Its eminently discriminatory character was therefore legitimised and it had the direct effect of keeping women in a subordinate status as minors for life.

In 1993, and under pressure from the women’s movement, there was a superficial reform, but a dynamic has really been put in place to tackle this reform since 1999, with the National Plan for the Integration of Woman to Development (PANIFD) which bore fruit five years later with the current reform. The new features of the code can be broken down into three points:

• A significant advance concerning the spirit with which the text is structured, calling into question the discriminatory essence of the old PSC. Three major provisions confirm this tendency: that is, the abolition of matrimonial wardship; the recognition of the “co-responsibility of the two spouses” concerning the family, and the “equality of rights and duties between spouses.”
• Specific measures putting into law equality between boys and girls in many areas, such as the age of marriage (18 years old), the age for choosing a parent/guardian (15 years old) and inheritance from the grandparents. Other measures establishing more equity and justice in male-female relationships, such as the introduction of new divorce procedures in favour of women and the right granted to women to remarry without losing custody of their children, under certain conditions.
• Terminology which tends to get rid of degrading, disparaging terms for women, alongside a simplification of the text following the example of other legal texts making it accessible to the general public and not only to the Foukaha, or specialists in Muslim law.

One of the special features of this reform, linked to the Moroccan context, lies in the fact that it was demanded from two directions: the purposes of sharia and through ratified international conventions. It is, therefore, the result of negotiation that is translated into its limitations, including the maintenance of polygamy or the discriminatory aspect of inheritance. Nevertheless, the code’s advances have been unanimously considered as of the highest importance because of the impact they can have in the short and long term.

The new reform reduces the gap that was opening up between the law and social reality. Morocco has gone through far-reaching demographic and socio-economic changes in the half century separating it from the promulgation of the first code. These changes have had a real impact on families, and particularly on women, notably, in fact, on their access to education, to paid work and

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1 Independent organisation advocating Women’s Rights, founded in 1985.
2 The PANIFD was launched a month before the arrival of the Youssoufi government (March 1998), which took it up. Of 200 measures, 7 concerning the PSC have been considered by conservatives not to comply with Islam. It is in this context, marked by a considerable presence of the women’s movement, that the King’s involvement took a practical form, with the establishment of a Commission to head the reform.
3 See chronology.
4 Polygamy is subject to the authorisation of a judge and to draconian legal conditions that make it almost impossible.
5 The issue of inheritance has been approached only by recognising the right of grandchildren to inherit from their grandfather on the mother’s side with the same rights as grandchildren on the father’s side.
6 For example, the percentage of nuclear families has moved from 51% in 1982 to 62% in 1995, according to data from the Statistics Office (2000).
**FAMILY CODE: A FEW LANDMARKS**

- **1958**: Promulgation of the Personal Status Code based on discrimination.
- **1993**: First reform, superficial.
- **March 1999**: The Prime Minister, A. Youssoufi, presents the Action Plan for the Integration of Women into Development (PANIFD), drawn up with the participation of women’s associations. 7 out of its 200 measures concern the reform of the Personal Status Code.
- **April – May 1999**: Violent reaction of conservatives leading to government backtracking.
- **July 1999**: Creation of the “PANIFD Support Network,” made up of more than 200 women’s, human rights, citizens’ and development associations to support the Plan.
- **12th March 2000**: Organisation of the women’s march in Rabat, within the framework of the World March Against Poverty and Violence, under the slogan of reform of the code – Islamist counter-march in Casablanca.
- **5th March 2001**: King Mohammed VI receives a delegation of women representing women’s associations, political parties and national personalities.
- **16th March 2001**: Establishment of the group “Spring of Equality,” a network of feminist associations in favour of reforming the code (initially 9 associations, subsequently enlarged to 30).
- **20th March 2001**: This group sends the King a memorandum on its aspirations concerning the reform.
- **26th April 2001**: The King sets up the Committee in charge of reforming the Personal Status Code.
- **12th September 2003**: The commission issues its report.
- **10th October 2003**: The King presents the Family Code Bill in the Parliament
- **5th February 2004**: The code is published in the Official Gazette and comes into force.

...to contraception. The economic role of women (30% of the active population, 20% of heads of households) is a statistic which has not been without its effect on the hierarchical male-female relationship so that men are not the sole family breadwinners.

Several new provisions will have a structural effect. The abolition of wardship, considered by the women’s movement as the main advance of the code, is equivalent to the enfranchisement of women because of the fact that they have finally recognised the legal capacity to contract marriage without a guardian (except for those who so wish). Reciprocity of rights and duties between spouses brings down the pillar of the ancient Mudawanna; that is, the duty of obedience more worthy of slave-owning societies.

Although divorce may not be judicial in the true sense of the term for the two partners (repudiation has not been abolished, but is only subject to authorisation by a court), women will have resources that have not existed up to now so they can demand divorce because of ill-treatment, without having to prove it as in the old text. Despite their limitations, these measures should reduce the suffering of women who spent years going to court and who often gave up because of lack of means or, above all, lack of protection from the laws in force.

One of the issues for which the Code has attempted to provide an answer involves the division between the spouses of the goods acquired during the marriage in the case of separation. The new text introduces the possibility of the partners agreeing, in a document separate from the act of marriage, to define a framework for the management of this property. In the case of disagreement, the judge assesses each one’s contribution. Children’s rights have also taken a step forward. For the first time, explicit reference is made to the harmonisation of family legislation with the Convention on the Rights of the Child and its two founding principles; that is, non-discrimination and the superior interest of children. Legislators have been particularly interested in the problems resulting from the dissolution of marriage bonds, and in issues of filiation, custody and maintenance, but also in children’s rights to harmonious development and protection by their parents from ill-treatment and from all forms of exploitation and negligence. In the case of difficulties, responsibility falls on the State.

Ultimately, the new code marks an advance in terms of the recognition of individual rights within the family. It breaks the vicious circle which legitimised the subordination of women because of the “sacred” nature of the Mudawana and which, because of this, halted any attempt at reform respecting personal rights. This aspect of the reform, which is based on an evolutionary interpretation of the founding texts of Islam, should have a certain impact at a social and cultural level; in view of the dynamic aroused by this new code at national level. The code and the values of equality and equity that sustain it, has created quite a stir in several areas such as universities, regional educational academies, young people’s organisations, the premises of associations, etc. and this since the presentation of the bill to the Parliament by King Mohammed VI on 10th October 2003.

Women’s organisations have actively supported the reform process and taken action in it, and have deployed and are continuing to deploy, enormous effort to ensure the controlled application of the code.

This new dynamic brings elements favouring a change in practices and mentalities in the sense of enshrining equality between men and women and consolidating democracy and the rule of law. But the effectiveness of this tendency is now dependent on preliminary measures to be taken by the State in esta-

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7 Recognition of paternity in the case where marriage has not been formalised by act for reasons of force majeure (extension of the field of legal tests, including DNA testing).
Guaranteeing the application of the code by practitioners impregnated with the spirit of the reform and not only with its technical and procedural side, giving rise to the need for far-reaching awareness-raising and training work with magistrates, lawyers and other professionals in related fields, both men and women;

• Publicising the reform with a systematic, extensive and sustained campaign targeting the general public, using powerful tools such as the audiovisual media;

• Educating the younger generation, boys and girls, to live together, respecting differences and rejecting discrimination, and making the culture of equality the backdrop to the education system.

The Moroccan experience concerning reform of the Family Code allows very useful conclusions to be drawn for different Muslim countries, taking into consideration their diversity, where the legitimisation of discrimination is justified in terms of religion. It shows that our societies can attain modernity and appropriate its universal values, while still safeguarding their own identities (because they are plural); that a political will to act is fundamental, and that it is essential for women to have a combative spirit in order to achieve and consolidate their objectives.
The Evaluation of Cairo+10 in the Mediterranean Region

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On the occasion of the tenth anniversary of the approval of the Programme of Action of the International Conference on Population and Development (ICPD), which took place in Cairo in 1994, the majority of the 179 countries which reached the historic consensus to improve the quality of life of millions of men and women have carried out the corresponding work on assessing the progress made. Half-way towards finalising the Programme of Action, which will coincide with the goal for 2015 of the Millennium Development Goals, the assessment made in 2004 under the remit of the United Nations Population Fund (UNFPA), a great defender of the Cairo agenda, will have been a good moment to report the advances made specifically in the Mediterranean area. Nevertheless, not all Mediterranean countries have made the effort to respond to the progress inspection requested; this is why it is perhaps the region of the world that has contributed least to the assessment of Cairo+10. In fact, only 75% of the Arab countries have replied to the field inquiry sent by the UNFPA in 2003, whereas other regions such as Latin America, the Caribbean and Sub-Saharan Africa have responded 100%. This combined with the almost non-existent response from the southern European countries, with the absence of France, Italy, Greece, Slovenia, Cyprus and Malta limiting this assessment.

Furthermore, it should be stressed that this assessment of Cairo+10, in reference to the Mediterranean countries, is not made on the part of the United Nations system as a whole. To be able to analyse the advances and difficulties according to population and development it becomes necessary to confront two distinct processes which are carried out separately, basically because the contexts are hardly comparable. On one hand is the process of the European region (which includes North America and Central Asia), carried out at the European Population Forum in Geneva in January 2004 and on the other is the Arab Population Forum, which took place in Beirut in November 2004 and which includes all Arab countries, not just those on the Mediterranean. In both Forums the results of the field inquiries that the UNFPA carried out throughout 2003 were presented with the intention of observing the achievement of the ICPD Programme of Action.

Given the poor response of the Mediterranean European countries obtained at the European Population Forum in Geneva, of which the advances made in coverage of health services and good practice in Albania, Bosnia-Herzegovina and Turkey could be emphasised, only the results obtained at the Arab Forum were mentioned.

The Arab Population Forum: From Cairo 1994 to Beirut 2004

The Arab Population Forum took place on 19th to 21st November 2004 and assessed the achievements of the States of the region and the challenges to be faced in the field of population and development. Organised by UNFPA, the Economic and Social Commission for Western Asia (ESCWA) and the League of Arab States, the forum served to review the principal themes of population and development over the previous decade and their future perspectives, including tendencies and structural changes to the population in the Arab region and the main challenges and political solutions which arise from these changes. The regional analysis of the implementation of the ICPD Programme of Action was also presented. The areas tackled were the relationship between population, poverty and gender, the situation of health and reproductive rights, with particular emphasis on maternal morbidity and mortality, the barriers against the application of reproductive rights and gender equality, the opportunities and challenges for young people in their cultural, economic and social dimensions, as well as the position of the demographic transition process of these countries. Furthermore, the forum discussed potential sources of support and partnership, including the mobilisation of financial resources and the participation, transfer and use of information and communication knowledge and technology. With respect to the central axes of the forum, as regards population and development a general view of the political and programmatic solutions of the Arab countries was given, covering the tendencies in key operative themes at a national and regional level, including the mobilisation of financial resources and the participation, transfer and use of information and communication knowledge and technology. In addition, the debates concentrated on the potential role of private sector initiatives. The relationship between population, poverty and gender was also dealt with, emphasising that globalisation, uncertain economies, poor governing and war have exacerbated insecurity and mobility of the
population in the Arab region and have affected the securing of basic rights of survival, freedom of thought and intellectual advancement. Around 22% of the population of the region currently live on less than one dollar a day and 52% survive on 2-5 dollars a day. This poverty is highly correlated with the parameters of population and reproductive health of the region, including elevated birth rate, high morbidity and mortality, early marriage age, low use of contraceptives, and a high ratio of dependency, large family size, low female education and a predominance of homes headed by women in the communities. The nature and magnitude of the causality between population, poverty and gender were defined and new elements for keeping poverty in check by improving reproductive health and promoting the rights, awareness raising, access to quality services and empowerment of women were identified. The empirical evidence and qualitative parameters that were presented permit analytical support to the theory that poverty, composed of social and cultural values, can be beaten by empowering women and promoting reproductive rights and governance.

CULTURE MATTERS. AN INITIATIVE FOR THE INTEGRATION OF HUMAN RIGHTS AND CULTURAL DIVERSITY IN CO-OPERATION FOR DEVELOPMENT

A general consensus already exists that international co-operation for development is in need of profound reforms in terms of quantity and quality. After more than half a century of experience, the flow of resources being mobilised is very much insufficient, programming strategies have become steadily more inefficient and, as a consequence of this, the results obtained are on the whole somewhat lacking in relation to the needs of today’s world.

Although the reform debate remains open, all actors (Governments, bilateral and multilateral agencies, as well as civil society organisations) seem to at least be in agreement on the fact that a conceptual renovation is needed and, at the same time, changes in cooperation strategies and practices.

In a search for this renewed agenda of international co-operation, the Millennium Development Goals (MDGs) for 2015 promoted by the United Nations play a central role as they represent a test to measure the degree of political willingness and moral responsibility of Member States as well as the civil society of all countries, with the aim of meeting commitments and achieving the goals agreed upon.

As well as political willingness and resources, to turn the MDGs into reality, it is essential to understand that the relationship between the promotion of universal human rights and the preservation of cultural diversity is not a contradictory process that necessarily leads to a zero-sum outcome. In reality this is an interactive and synergistic process, where both sides of the equation mutually reinforce each other.

If we understand development as freedom – of the equation mutually reinforce each other. In reality this is an interactive and synergistic process, where both sides of the equation mutually reinforce each other.

This inclusive approach, which incorporates the cultural dimension to co-operation for development, has been manifested in an initiative by the United Nations Population Fund (UNFPA), backed by the Netherlands with the support of a group of countries from the European Union. The launch of this initiative took place in Amsterdam on 8th March 2004, with the organisation of an international forum in which representatives from United Nations agencies, governments, aid agencies and civil society organisations from all over the world participated.

The title of the forum, Cairo and Beyond: Reproductive Rights and Culture, highlights the innovative nature and scope of the initiative which explicitly sets out the relationship between rights and culture.

The main conclusion of the forum is that human rights cannot be transplanted as external principles onto people or their communities but that, in fact, have to be understood and taken on from their own cultural coordinates. But it is also therefore recognised that there cannot be areas exempt from the validity of human rights, according to the particular traditions or particular values of a country. It is precisely through an interactive approach that these tensions can be best dealt with, as the use of the cultural prism permits those responsible for public policies to understand the context in which the co-operation programmes have to be implemented.

There is certainly no other region like the Mediterranean where the suppositions and objectives of the Amsterdam Forum fit better. Great cultural diversity alongside growing interaction between its peoples, constitute a rich laboratory of experiences to put Euro-Mediterranean relationships to the test from a renewed vision of international cooperation.

All developing countries on the Mediterranean basin, from the Maghreb and the Middle East to the Balkans, face a strategic challenge to meet the MDGs. They all also have co-operation programmes in progress regarding population, in some cases with obvious advances in the reduction of infant and maternal mortality and unwanted fertility, but in many countries are still significantly behind in fully guaranteeing women’s rights, especially in relation to sex education and reproductive health.

The growing feminisation of migration and the processes of family regrouping extend this challenge to the receiving European countries themselves and especially the host communities.

This opens up a previously unseen perspective of cooperation on both sides of the migratory process, where the cultural dimension plays a key role. It will be necessary to contribute with more and better quality cooperation in the countries of origin in order to meet the MDGs. The main challenge for the destination countries is to design and implement an entire series of new generation public policies, above all at municipal level, which takes into account the multicultural nature of their populations at the initial stages of integration.

Given its position as a North-South border country and its new commitment to multilateralism, a clear opportunity exists for Spain to be incorporated and, in its case, to lead this initiative to integrate human rights and cultural diversity in co-operation for development, as promoted by the Amsterdam Forum. The ideal occasion could be the commemoration of the tenth anniversary of the Barcelona Process and the construction of a renewed European Union agenda for the Mediterranean.

Further information: www.reproductiverightsandculture.org

Tomás Jiménez Araya
Ex-representative of the United Nations Population Fund in Central America
As regards reproductive health and rights, it was stated that significant progress has been made. Nevertheless, certain factors hinder the capacity of women and men to fully enjoy their reproductive rights and protect their reproductive health. These factors, which include poverty, gender inequality and lack of access to basic social services, can lead to unwanted pregnancies, gender-based violence and growing risks of sexually transmitted diseases (STDs) and HIV/AIDS. Furthermore, these factors are aggravated by sociocultural barriers, including discriminatory practices against women and girls, such as early or enforced marriage, limited education of girls and violence and crimes committed against women in the name of honour. The forum paid special attention to the opportunities and challenges of youth. Young people are the most rapidly growing population group in the Arab region, representing between a third and half of the national populations according to the country. This wide and rapid increase in population is already having a substantial impact on all facets of life in the region. Whilst these young people are typically more educated and enjoy better access to knowledge, technology and resources than other age groups, a number of challenges and growing sources of risk exist which impede their development. The risks highlighted are growing poverty, unemployment and underemployment, decreasing quality of education and skills development, worsening living conditions, less community support, which can lead to emotional anxiety, violence and abuse, increase in risk of exposure to illnesses and infections, particularly STDs and HIV/AIDS, incidence of gender-based violence, and issues related to fertility rate, unwanted pregnancies and premature marriage.

Finally, the demographic situation of the Arab countries was dealt with. Some Arab countries have completed their demographic transition whilst others are experiencing a situation where birth rates are still comparatively high. From a socioeconomic and development perspective, the forthcoming decades will be characterised by a greater percentage of population of active age, bringing opportunities for investment in human development and economic policies, but also heavy loads in the form of a growing number of older people in need of social security, pensions and health care. The necessity to maximise the gains in the demographic transition from high to low mortality and fertility rates was examined – this is labelled the demographic dividend. Numerous studies of success stories were also highlighted to stress the benefits that can be reaped by investing in reproductive health and rights, gender equality and empowerment of women.

The forum concluded its work with the Beirut Declaration of 2004, which reasserts the commitment of the region to the ICPD Programme of Action. The Beirut Declaration expresses appreciation of the efforts of the UNFPA, the Arab League and the ESCWA in their support of the implementation of the programme of action. A call is made to the Arab governments to set in motion population policies and human development strategies and develop independent sources to finance these efforts. The declaration also invites the civil society and governments to cooperate more closely, transparently and democratically, in order to create a favourable environment for partnership in the field of population and development. It underlines the importance of giving absolute priority to youth, supporting programmes destined to pay attention to their needs, improving their quality of life and opening perspectives for their effective participation. The Beirut Declaration also expresses the importance of translating the recommendations of the forum into commitments through new programmes and projects. It emphasises the importance of diversifying sources of financing to include national, regional and international sources. The need of countries and donor institutions to face up to their ICPD commitments is underlined (particularly quoting the figure of 3 billion dollars at the end of 2005). The Beirut Declaration 2004 ends by declaring the intention of the participants to continue working for the full realisation of the ICPD objectives and millennium development goals, with the conviction that the achievement of the ICPD Programme of Action serves as a base for achieving the millennium goals and other development goals, which will bring about economic prosperity and social wellbeing for Arab peoples.
Partnership’s Failure to Effectively Improve Press Freedom in North Africa

Said Essoulami
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As members of the Euro-Mediterranean Partnership, Maghreb countries (Algeria, Morocco, and Tunisia) look after their own interests and pursue different strategies to achieve economic advantage and political support. However, since the enlargement of the EU, the Maghrebi political elite is wary of their special relationship with the EU and of the weakness of the Barcelona Process. Civil society groups in the region, which are searching for financial and moral support from the Partnership, are more and more critical about the inefficiency of the Euromed mechanisms, especially with regard to the implementation of the human rights chapter of the Barcelona Declaration. The impact of the Partnership on human rights – and press freedom in particular – in the Maghreb countries has been minimal, if not absent. Press freedom in the three countries has been mainly influenced by internal economic and political factors.

Different Experiences of Press Freedom in Maghreb

During 2004 press freedom gained new ground in Morocco, but stagnated in Tunisia and experienced difficult times in Algeria.

The Moroccan government has abolished the state broadcasting monopoly and instated an independent broadcasting authority whose responsibility would be, once the new law on Broadcasting passed by the Parliament comes into force – to grant licenses to private investors and to control their programming obligations. The Algerian government has ruled out any privatisation of broadcasting, but announced a series of measures to develop regional and thematic broadcasts, including television in Berber language. In Tunisia, the government authorised in November 2003, the first commercial radio station, which had an impact for its professionalism and entertainment programmes, especially with young people. However, this station has not been given the freedom to comment on political affairs and it is said to be owned by associates of the president. A new private television station will be launched in February 2005.

In Algeria, the private press is heavily in debt to government printing houses and with tax arrears. Information was circulated in the press that the government intended to privatise state newspapers, but this was denied by the Minister of Communication. The State continues to own and manage several dailies and weeklies and most of the printing presses.

A newly established federation of Algerian Newspapers, made up of editors of state newspapers, has caused a war of words between the new syndicate and the existing National Journalists Syndicate. The first accused the publishers of the private press of despotism and of pursuing personal wealth to the detriment of their journalists and the latter accused the new syndicate of being a puppet of the government with the single aim of destroying the private press.

A draft information law is being prepared by a special commission, set up by the Ministry of Communication, to amend the 1990 information code which contains severe restrictions to freedom of expression, including the defamation provision, amended in 2001, which has been used in 2004 to criminalise journalists’ investigative reports on corruption and criticism of the head of state and other officials. The new law will include provisions on ethics and the right of reply during election campaign periods, as well as on the conditions of the deliverance of press cards and journalists’ rights to access publicly held documentation and information.

1 Younes Hamidouche, La Tribune, 20th December 2004.
2 Boudjemaa, Haichour (Minister of Communication) "Pas de privatisation des médias publics ", Le Quotidien d’Oran (8th December 2004).
a law on advertising and opinion poll activities.
The public printing sector is also in crisis, because of the insolvency of many press titles and the growing debts to the state newsprint company which supplies the government printing houses. For example, the printing company Simpral announced in July 2004 that 1.6 billion dinars are owed by newspapers and that 370 million dinars were lost because of the bankruptcy of some newspapers. In July, La Societe d’impression d’Alger (SIA) has forced Le Nouvel Algerien and El Jarida to close down because of their insolvency.

In Tunisia, most of the print media was still controlled by the ruling party, or by individuals close to the ruling party. The private press benefited, in return for its support to President Ben Ali’s re-election, from financial favours, such as public advertising and other subsidies. Partisan press had suffered low circulation and constant censorship and other economic pressures. Many would-be publishers are still prevented from launching their newspapers and magazines because of the licensing system, which discriminates against President Ben Ali critics.
The Tunisian Journalists’ Association, suspended from the International Federation of Journalists –after it awarded President Ben Ali the prize for press freedom in May 2003 entered into negotiation with the Federation to reintegrate the Federation. The Tunisian Editors’ Federation, a strong supporter of President Ben Ali, was still banned from the World Association of Newspapers.

The Persecution of Journalists Continues in Algeria...

During 2004, the prosecution of journalists in the countries of the region has increased. In the run-up to the presidential elections in Algeria on 8th April, most of the main national dailies campaigned against the re-election of Bouteflika and supported Benflis. Bouteflika, who was elected with more than 80 per cent of the votes, turned against its critics by allowing the government to legally pursue many journalists. The cases which have mobilised Algerian journalists and international press freedom groups, were those of Hafnaoui Ghoul, a correspondent of the daily in Djelfa, who was sentenced in May 2004 to 8 months in prison for a series of defamation cases brought against him by different government departments. The main case concerned an article he wrote about corruption in the governorate of Djelfa and the death of toddlers in a local hospital.

Mr Hafnaoui was released on 24th November 2004 after his family intervened on his behalf to the President Bouteflika.

Others cases concerned Benchichou editor-in-chief of Le Matin who, on 14th June 2004 was sentenced to a two-year prison sentence and a fine on charges of “illegally transferring money abroad.” His lawyers denounced the proceedings and the verdict as political because Benchichou accused President Bouteflika and the Defense Minister of corruption in a pamphlet he released.

On 28th December 2004 Fouad Boughanem, the editor of the daily Le Soir d’Algerie, and three of his journalists, Mohamed Bouhamidi, Hakim Lalaam and Kamer Amarni, were given one-year suspended sentences by the Sidi M’Hamed court for “insulting the president.” The newspaper was also fined 2.5 million dinars (approx. US$34,000; 26,000 euros). They were prosecuted for several articles published before the April presidential elections about abuse of authority by President Abdelaziz Bouteflika and political corruption.

Redouane Boudjemaa, a journalist with the daily El-Youm, received an 18-month suspended sentence for libel over a series of articles criticising the management of public funds, the choice of programmes and the recruitment methods at state television broadcaster ENTV.

The Arabic-language daily Essabah was closed on 1st December, ostensibly due to financial problems. However, all signs indicate that the paper was closed because it published an article about President Bouteflika’s alleged attempts to find out about “illegal” money deposited in Switzerland by Algerians.

Government action against the press has also attained foreign journalists and media. In June 2004, the authorities closed down the office of the Arab satellite television al-Jazeera because of an alleged programme the television broadcast in which opposition figures criticised Algeria’s military and President Abdelaziz Bouteflika’s national reconciliation policy. Foreign journalists, who entered the country with accreditation to cover the elections, were banned from travelling to the Kabylie region for three days. The ban was lifted on the condition that the journalists were escorted by minders from the Ministry of the Interior.

… in Morocco...

In Morocco, 2004 started with good news of the King’s pardon of the jailed journalists Ali Lmrabet, Mohammed El-Hourd, Mustapha Alaoui, Abdelmajid Ben Tahar, Mustapha Kechnini, Abdelaziz Jallouli and Miloud Boutirguie.

Ali Lmrabet, editor-in-chief of Demain Magazine and Douman was sentenced on 21st May 2003, by a Rabat court to four years in prison for “insulting the king’s person,” “threatening the integrity of the national territory” and “undermining the monarchy.” On 17th June, his sentence was reduced on appeal to three years in jail.

El-Hourd, managing editor of the Oujda-based weekly Asharq, was sentenced on 4th August 2003 to three years in prison for “incitement to violence” under Morocco’s anti-terrorism law. Ben Tahar, editor-in-chief at the same paper, was also sentenced on the same day to one year in prison for “incitement to violence.” Alaoui, managing editor of the Arabic-language weekly Al Ousboue, was sentenced on 11th July 2003 to a one-year suspended jail sentence and his publication was banned for three months. He was charged with “condoning acts constituting terrorist crimes through publications offered for sale” after he published a letter by an islamist organisation claiming responsibility for the terrorist acts on 16th May in Casablanca.

On 3rd November 2003, Kechnini was sentenced to two years in prison, and
In accordance to the philosophy of the Interculturality and Human Rights Euromed Observatory, a series of activities have been developed centring on the promotion of the defence of dignity and values of liberty, safety, equality and education in the Mediterranean area.

Through these activities it has been made possible to diffuse information, increase awareness and provide the training necessary for civic involvement, solidarity and development.

At the same time, the study, research and the generation of information systems and internationally interconnected knowledge banks have given support to the co-operation activity and contributed to the development of the public administrations and co-operating agents.

Launch of the electronic magazine Ulisses Cibernètic
(www.ulisses-cibernetic.net).

Research, studies and reports on the Mediterranean basin
Fact sheets about countries in the Mediterranean basin. In 2004 information was published corresponding to three Mediterranean countries: Morocco, Tunisia and Libya.

Report: The Berber minority group in Morocco and Fundamental Rights. The result of the research has brought to light the level of respect enjoyed by these peoples in their daily lives and on an institutional level.

Study: Female Genital Mutilation in the Mediterranean basin. This study highlights the differences between north and south, both from the economic viewpoint as well as that of human rights. The evolution seen in Egypt where this practice has been eradicated is analysed.

CD-ROM: Women in the Arab World. The situation of women in the Mediterranean is reflected in this CD-ROM from the sociological, religious, political and cultural viewpoints.

Course on Human Rights.

Freedom of the Press
Report about freedom of the press
Congress: Press Freedom in the Mediterranean Area. (October 2004) Round tables (The situation of the press in the Mediterranean area; War journalism; Journalism from countries in process of democratisation; Journalism under pressure) were formed by different professional journalists and experts from the Mediterranean area.

Official Presentation of web sites regarding Freedom of the Press. Result of research on freedom of the press in the Mediterranean area and a testimony of the continuity of the project as well as an example of its committed and energising character.

www.tinet.org/~pfreedom

More information on the Observatory’s activities
www.humanrights-observatory.net

Jallouli and Boutrigui to 18 months. All of them for “failing to respect the king,” “undermining the monarchy” and “incitement through printed words to acts likely to harm internal security.”

However, the positive atmosphere that the royal pardon created in the country was quickly polluted with the arrest and harassment of several journalists. On 2nd April 2004, Anas Guennoun, director of the weekly Al Ahali, was sentenced to a 10 month prison term after being charged with criminal defamation for an article he wrote in which he allegedly defamed a politician. Released in August 2004, the journalist went into hiding after the police.

Regarding foreign journalists, one case concerned the editor of the Arabic daily newspaper al-Ahdath al-Maghribia, Tel Quel and Al-Ayam. One serious case concerned the editor of the Arabic daily newspaper al-Ahdath al-Maghribia, Mohamed Lbrini, who on 5th January 2004, was sent a booby-trapped letter but escaped without injury when a member of staff spotted suspicious looking wires and took it to the police.

Regarding foreign journalists, one case was recorded in June 2004 which concerned two Norwegian journalists, Tor Dagfinn Dommersnes and Fredrik Refvem, a reporter and photographer respectively, with the Norwegian daily Stavanger Aftenbladet, who were expelled from Morocco. They were accused of breaking the law and they were told that they were persona non grata for making contact with a Western Sahara activist who had campaigned for a referendum on self-rule to be held in the territory.

…and in Tunisia too

In Tunisia, censorship and self-censorship increased dramatically in the run-up to the recent elections which returned the incumbent president Zine el Abidine Ben Ali to power with close to 95 per cent of the popular vote. According to reports, voters were deprived of independent news and opinions as President Ben Ali and his ruling Constitutional Democratic Rally (RCD) party received a disproportionate share of time and space in the media compared with the other candidates and parties. One report concluded that the Tunisian media “demonstrated significant bias in their coverage of the elections favouring the RCD Party and the presidential candidate Ben Ali.”

There have been also cases of titles being delayed printing by the Ministry of the Interior because of the censorship system in place. These delays concerned, among others, El...
Maoukef (Opinion) for more than 24 hours and Ettarik El Jadid (The New Path) up to 72 hours. There have also been cases whereby the authorities have confiscated foreign newspapers when they have criticised the internal situation in Tunisia (Le Monde, El Quods El Arabi, Al Hayet).

On 5th January, Salema Bensedrine, a journalist and human rights activist, was the victim of an assault that she believes was linked to her strong stand in support of free expression in Tunisia. On 13th January 2004, the Tunisian authorities refused the editor Sihem Bensadrine, authorisation to register her magazine Kalima. That was the third attempt since 1999, and on 14th January, she was subjected to a particularly thorough search at Tunis airport before boarding a flight to Germany. A copy of Kalima was confiscated from her as well as three CD-roms containing personal data.

In February 2004, the suspended Islamist weekly al-Fajr journalist Abdallah Zouari went on hunger strike to protest against the worsening of his prison conditions. On 9th October 2003, Zouari was sentenced, on two separate charges, for a total of 13 months in prison for “defamation” and “failing to obey an administrative order.” The journalist had been released on 6th June 2002, having served an 11-year sentence for “belonging to an illegal organisation.”

Tunisia is also scheduled to host the second session of the UN-sponsored World Summit of the Information Society (WSIS) in November 2005. Many press freedom groups expressed concern over the government’s poor human rights record and have called on UN member states to press the Tunisian government to improve free expression conditions. Internet regulations are considered to be the second toughest in the world after China. Human rights groups complained about the systematic blocking of websites and the interception of e-mails by the authorities. On 8th December 2004 the Tunisian Court of Cassations decided to uphold heavy prison sentences against eight young Internet users from the southern city of Zarzis. They were convicted of using the Internet to promote terrorism, on the basis of downloaded files and confessions obtained under torture. The Zarzis Internet users were all accused of belonging to an al-Qaeda-linked terrorist group, although no evidence was ever presented to support this claim.

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8 IMS Report.
In 2004 there was an important stimulus to incorporate the migration issue into the global agenda, with the creation in February 2004 of the Global Commission on International Migration (GCIM), an initiative of the United Nations Secretary-General, Kofi Annan. The GCIM aims to place the international migration issue in the world’s agenda, to analyze the existing failings in current migration policies and to examine the links between migration and other problems.

The GCIM itself makes a global distinction between the North and the South, with the aim of taking into account the regional differences and specific issues that occur in the field of human movements. At the same time, by making this distinction the GCIM highlights the existence of intermediate countries such as Mexico, South Africa, Morocco and Egypt. To find two Mediterranean countries in the intermediate space between the North and the South raises the issue of whether the Euro-Mediterranean zone can be analysed as a migratory system, since it is where the North and the South intersect. In this context, it is worth considering the results from the World Congress on Human Movements and Immigration (HMI) held in September 2004, since one of its sessions referred to the specific geography of Mediterranean migration. The increasing differences in economy, demography, politics and security matters between sending countries and receiving countries are key to understand the flows of migration between countries in the South of the Mediterranean and the North. These disequilibria, added to the geographical proximity, may explain why Europe is, and will remain, the main destination of Mediterranean migration, despite the increasing effort to reduce entry of immigrants, whether regulated, unregulated or asylum seekers.

The GCIM has held regional meetings both in the Mediterranean and Middle East, as well as in Europe. In both cases, the agenda included unregulated immigration, the economic aspects of international migration, the integration of immigrants into the host societies, the Human Rights of immigrants and on the governance of international migrations. This international migration agenda highlights, for the Euro-Mediterranean area – the main issues addressed in the debate on migrations in this region: on the one hand, a debate on whether migration flows should be contained and orderly managed and on the other, the arguments presenting the positive impact of human mobility. This debate is also present in the EU agenda and in the agenda of the Euro-Mediterranean Partnership. It has been argued in the context of this debate that, whereas on the one hand a well-organized management can promote stability in the region, on the other, the European Union and the Euro-Mediterranean area can be examples of how migration can lead to an overall positive result (win-win game). It has also been realised that migration must be considered as providing part of the solution to the excess workforce in sending countries and, to the North of the Mediterranean, as the solution to population aging and the reduction of the workforce. However, this potential will only be realised if Europe is capable of attracting immigrants with the appropriate skills and, moreover, if these immigrants are allowed to enter the formal workforce market. Finally, another important underlying reason for the need of a well-organized migration policy is that this management of migrations can be a key to provide stability and security. This last concept, in the context of migration, must be considered from a multidimensional perspective, in the sense that it must encompass concepts such as governance, cooperation, human security and political and social stability, assuming that the issue of security reflects a much more complex phenomenon.

On the other hand, positive effects of

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2 World Congress on Human Movements and Immigration. www.mhicongress.org
5 Ibidem.
6 Ibidem.
human mobility refer to the role of immigrants as crucial actors in the development of Euro-Mediterranean relations, as well as to those issues related to the duo migrations-development, as it is the case, for example, of co-development as an instrument for collaboration with the countries of origin in the sense that migration may serve development cooperation. Also emphasized is the potential for a positive impact on the country of origin that remittances of immigrants can provide, as well as the impact on civil society arising from trans-national relations.

In fact, the past year has seen differing stances towards the aforementioned two points of view. The European Union, for example, is more focused on well-organized management, which is reflected through the increasing importance that the European Commission places, on the one hand, on regulating the entry of an immigrant workforce, and on the other, on the fact that none of the member states wants to lose their central management of immigration that settles in their own societies.

As regards the Euro-Mediterranean Partnership, it has been noticeable in the Euro-Mediterranean conferences that have been held in the past year, that there has been a softening of the budgets of the Naples summit of December 2003, where security played a vital part, highlighting the need to combat illegal immigration through re-admission agreements. The Dublin Conference celebrated in June 2004 stated that the fight against unregulated immigration in the Mediterranean remains a key issue, although a change in tack can be seen in the mention of the need to have a global approach to migrations, considering that, properly managed, migration can provide a positive factor for socioeconomic growth in the whole region. In November 2004, under the Dutch presidency of the EU, the influence of the new European Neighbourhood Policy (ENP) became evident. The ENP Action Plans became bilateral tools for cooperation, but once more consider migration as a threat, together with drug-trafficking, terrorism and organised crime. Nevertheless, as in Dublin, space is provided for the co-operation in relation to the main causes of migration and to the negative effects of transitory migration. Therefore, two tendencies are noticeable: the control of human movement as the most important issue and a stronger engagement by all the members of the Partnership, sharing priorities in the field of migration and reinforcing their commitment to amplifying the concept of shared responsibility. In this sense, the conclusions from The Hague refer to the necessity of action against the negative effects, starting with co-operation in matters such as illegal migration, border management and migration-related capacity building, as a first step toward making migrations a positive factor toward growth in this area.

Work-related migration offers a point in common between migration manage-

<table>
<thead>
<tr>
<th>TABLE 24</th>
<th>Workforce emigration policies</th>
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</thead>
<tbody>
<tr>
<td>Workforce emigration policies in the south of the Mediterranean: preferences</td>
<td>Convergence of interests South-North</td>
</tr>
<tr>
<td>Balancing the internal labour market</td>
<td>NO</td>
</tr>
<tr>
<td>Control of illegal transitory migration</td>
<td>YES</td>
</tr>
<tr>
<td>Maximize the benefits of immigration</td>
<td>NO</td>
</tr>
<tr>
<td>Ensure the welfare of emigrants</td>
<td>YES</td>
</tr>
<tr>
<td>Adjust to the demands of the labour force by European countries</td>
<td>YES</td>
</tr>
</tbody>
</table>

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7 This last aspect has been claimed by the Euro-Mediterranean Civil Forum, where the importance of the immigrant as an active partner of co-development (ECF Barcelona, 1995) and as an agent of co-operation (ECF Marseilles, 2000) has been highlighted, and in which migrations have been recognized as a resource and cultural asset in the development of the Partnership (ECF Naples, 2003).

8 It is worth highlighting the process of drafting the Green Paper on migrations, which has the aim of establishing whether there is a need for immigration into the EU and to address the possibilities for regulating the workforce (admission, requisites etc.) at a common level, to avoid 25 different legislations. The working document is available in: “Green Paper on an EU Approach to Managing Economic Migration” (COM (2004) 811 final). http://europa.eu.int/comm/justice_home/doc_centre/immigration/work/doc/com_2004_811_en.pdf

9 One must remember that the concept of root causes of migration is not exempt from discussion. To follow the discussions on this political concept, see: Gérin, S; (2002) “The Root Causes of Migration: Criticising the Approach and Finding a Way Forward.” Sussex Migration Working Paper n. 11 www.sussex.ac.uk/migration/publications/working_papers/mwp11.pdf
ment and the positive effects of mobility. In the context of policies on workforce emigration of Mediterranean countries, there is both convergence and divergence with European countries.\textsuperscript{10}

The prime aspect that can be identified from the preceding table is the importance of adjusting the demands for labour force of European countries in promoting collaboration between both shores. In this sense, temporary immigration linked to the labour market is considered one of the models capable of maximizing the mobility of people in the Mediterranean.\textsuperscript{11} Nevertheless, it is necessary to follow the discussions concerning this model. On the one hand, in respect to implementation, there is talk about promoting temporary migration linked to the labour market, both for qualified migration (GATS 4\textsuperscript{12}) and unqualified migration; the existence of a flexible system for visas that will permit wide mobility, whilst guaranteeing the economic and social provisions relating to retirement pensions (retirement will be in the country of origin\textsuperscript{13}), continues to be a basic condition to establish movement of the workforce. On the other hand, to what extent temporary migration may be positive must be considered. Questions remain to be answered about the opportunities for integration and representation of temporary immigrants within the society, and questions related to money transfer. Equally, one should ask what effects sending a large part of income to the countries of origin may have on the working– and residence-conditions in the host country.\textsuperscript{14} These aspects should point toward timeframes of temporal migration adapted to its requirements. At present, temporary migration schemes are a basic priority for receiving countries and the involvement of sending countries is crucial to achieve positive-sum solutions.

\begin{figure}[h]
\centering
\includegraphics[width=0.5\textwidth]{graphic20}
\caption{European Union. Immigration with origin in Mediterranean partner countries (MED12)}
\end{figure}


\textsuperscript{11} AWAD, I. ob.cit.

\textsuperscript{12} Mode 4 of GATS (General Agreement on Trade and Services) refers to temporary movement of people in the context of service-provision. Mode 4 represents a very specific sector of temporary immigration between WTO (World Trade Organization) countries and normally relates to highly-qualified workers. In this context, the WTO speaks of the necessity to "coordinate" the commercial and migratory policies and to improve the transparency of policies and actions relating to immigration.


Assessing Migration and Remittances Trends: a Problematic Exercise

In spite of the growing efforts made by some international organisations and lately by Eurostat, international migration statistics are still “patchy, of varying degrees of reliability and subject to problems of comparability.”¹ This is especially true if we consider statistics collected from the point of view of sending countries, concerning for instance the overall volume of emigration and of returns, either temporary or stable; also detailed mappings of regional provenance of migrants are deficient, when not entirely missing, in most sending countries relevant for Europe, including Mediterranean ones. Such deficiencies seriously undermine the possibility to produce solid and comprehensive knowledge on Euro-Mediterranean migration processes and particularly on their developmental impact on areas of origin.²

Despite all these structural obstacles, it is nevertheless possible to point out some recent migration and remittances trends that affect any serious policy reflection on co-development perspectives in the Mediterranean.

a) Irregular migration flows from North Africa are still sustained, with Morocco and to a lesser but growing extent, Egypt, as leading source countries. However, as demonstrated by the results of the 2001 Spanish regularisation and of the 2002 Italian one, migrants from Maghreb to Southern Europe lost relative weight in the overall unauthorised inflow, to the advantage of Latin Americans and Eastern Europeans (Ecuadorians were the first group in the 2001 Spanish amnesty, whereas Romanians were predominant in the 2002 Italian one).

From this reduced centrality of North African nationalities in migratory flows to Southern Europe, we can not infer, though, that the migration pressure and the propensity to emigrate from the area have on the whole decreased. It is more plausible that the described effect derives on the one hand from an increased effectiveness of migration controls in the region and on the other hand, from a general preference granted by employers (and by governments, through the negotiation of bilateral labour agreements) to nationalities other than North African.

b) Even in the absence of reliable, systematic and comprehensive data on financial transfers from Europe to the Southern shore of the Mediterranean, the evidence existing for some key emigration countries suggests that the volume of remittances is expanding. Since the impressive increase of 57.5% in 2001, Moroccan remittances – for example – seem stabilised on this new and remarkable level.³ As for Egypt, another major recipient of remittances on the world scene, official figures continue to describe Europe as a relatively marginal source of transfers compared with the USA and Gulf countries.⁴ Nevertheless, ongoing empirical studies on recent waves of irregular Egyptian migration to Italy, for instance, show that remittances are on the rise, even though they take almost exclusively informal channels.

c) Finally, a trend that has marked very visibly and even dramatically the Mediterranean scene in the last few years is the growth in irregular transit movements across the Sahara desert to the Maghreb (Libya, Morocco, Tunisia) and from there, through dangerous maritime smuggling routes, to Italy (Sicily, predominantly the island of Lampedusa), Malta and Spain (especially Canary Islands). The reason to mention this phenomenon in this chapter is that, besides its human security dimension, unauthorised transit migration has sizeable economic implications. Once prosperous commercial centres situated along the main caravan routes – Tombouctou in Mali, Agadez in Niger, Tamanrasset in

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² A recent and potentially very important novelty is the availability on-line of the statistical database collected and managed by CARM (the Euro-Mediterranean Consortium for Applied Research on International Migration, based at the Robert Schuman Centre for Advanced Studies of the European University Institute, Florence); see the database at www.carim.org/.
⁴ International Organization for Migration (IOM), Contemporary Egyptian Migration, Cairo, 2003. See in particular Chapter 4.
In December 2004, the Presidency of the European Council adopted the Hague Programme, an agenda for the next five years following the Area of Freedom, Security and Justice, which was also known as the Tampere Programme and represented the first step towards the creation of a common EU immigration policy. Certainly, one cannot make a too positive assessment of the Tampere objectives, since only very basic legislation has been established in matters related to standards for asylum applications, and the directives on the long-term residence of non-EU nationals, regulations for students and family reunification, with a deadline for transposition into the legal system of each Member State of February 2005.

The major contribution of the Hague programme compared to the Tampere programme is a new policy which has as its goal the effective integration of non-EU nationals. Nevertheless, the policy of integration of immigrants is not based on legislation that has been adopted, but on coordination between policies of the Member States. Faced with the difficulty of managing to harmonise this policy, the Member States have agreed to apply the open coordination method, which has already been used to implement the Treaty of Lisbon. To this end, 11 basic common principles have been adopted (political but not legislative principles) which can act as the foundation for the beginning of a certain degree of coordination in terms of the integration of immigrants. However, this is not a case of achieving a common asylum policy. The Hague programme does not indicate a clear path towards the establishment of a common asylum system nor for the acceptance of legal immigration, leaving the Member States to take the lead in formulating these policies and thus reducing the possibility of moving consistently towards a common immigration policy. However, we must not forget certain aspects proposed by the European Commission which over the last year have acquired great significance: on the one hand, the correlation between migration and development and, on the other hand, the debate over civic citizenship. With regard to the first aspect, the European Commission recognises the correlation between immigration policy and development, in which immigrants play the role of agents of development (exchange of human capital, social capital and know-how). During this period, the European Council is influencing the encouragement of immigrants to qualify to follow this path and is calling on the Commission to draw up a report on Migration and Development, which discusses aspects which need to be developed, such as the improvement of connections and contacts among trans-national communities, the efficient use of transfers and support for a policy of hiring a highly-qualified labour force which would be consistent with the policies for development cooperation.

With regard to civic citizenship, even though it amounts to nothing concrete in legal terms, there is significant potential for recognition in this mixed status, through which people attain some rights and duties specific to the Member State in which they live, in addition to the major Community rights and duties in force in the EU.

Draft Council conclusions on migration and development (8472/03) www.statewatch.org/news/2003/may/128473-03-pa.pdf

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Policy Attention: Booming but still Confused

For a long time and still at the end of the 1990s, when European leaders drew the influential Conclusions of the Tampere extraordinary European Council (October 1999), the relationship between migration and development policies was still very much shaped by what can be labelled as the “root causes approach”: it was widely and somewhat naively believed that addressing underdevelopment as a determinant of international mobility could almost automatically reduce migration pressure. It was only at the end of 2002 that a deeply different and more realistic view of the relations between migration and development found expression in an important, although still preliminary, EU policy document.5 Following this paradigm shift, migration started to be viewed increasingly, by European policy-makers, as a potential vector of social and economic development, rather than just a side-effect of poverty and instability.6

This new approach paved the way for a greater convergence of policy objectives between European receiving States and the governments of origin countries, traditionally more aware of the development potential of international mobility. Such convergence around co-development objectives manifested itself, at the rhetorical level at least, also in the Euro-Mediterranean context. In the groundbreaking Tunis Declaration of the 5+5 Ministerial Conference on Migration in the Western Mediterranean (October 2002), for instance, an entire section was devoted to co-development; among several other items, the governments representatives engaged themselves to “recognize the economic, social and cultural contribution of migration in the countries of the Western Mediterranean” and to “improve conditions to enable migrants

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6 On this crucially important evolution in the European political culture around migration, see F. Pastore, “More development for less migration” or “Better migration for more development”? Shifting priorities in the European debate, special issue of Migration Europa. Periodical analysis bulletin on migration policies in Europe,” Centro Studi di Politica Internazionale (CeSPI), Rome, December 2003, available on www.cespi.it/bollMigraction/MigSpecial3.PDF.
to fully play their rightful role in the development of their country of origin, in particular through savings and investment” (points 13 and 14).  

More recently, the co-development approach “European style” found its way even further and started influencing some global fora, such as the G8, whose Sea Island Summit (8th to 10th June 2004) produced for the first time a document specifically dealing with remittances, where some French and Italian pilot-projects on Morocco were mentioned as specifically Mediterranean experiences in this area. 

In spite of these important, although still vague, advances at the highest institutional levels of the policy debate, when we turn to the drafting and implementation of concrete policies still much remains to be done. Too many politicians, in Europe, still believe and let their voters believe that migration could be stopped through some modest increase in international charity. A persistent cultural delay of politics in dealing with the migration-development nexus is to be observed also in most Mediterranean sending countries, where the role of migrants as development actors is often rhetorically claimed but not yet entirely accepted with all its implications. Full empowerment of migrants is undoubtedly a great development chance, but it would bring with it deep political and social changes that are not necessarily welcome. 

Towards a Map of Policy Practices 

In spite of the lack of any clear and consistent policy paradigm, a few interesting policy experiments in linking migration and development are being conducted in the Euro-Mediterranean region. Some models are de facto emerging and a few promising practices may cautiously be pointed out. Greater efforts for better mapping, networking, and carefully assessing the impact of such dispersed policy practices are key-preconditions for further improvement. The idea here is not to give an exhaustive description of experiences linking migration and development but, looking especially at the Italian context, to highlight some interesting similarities and discrepancies in co-development practices adopted in comparative terms in two other EU Member States of the Mediterranean region: France and Spain. These three countries have a great array of co-development practices and while Italy and Spain present similar developments, France stems as a different experience and a more advanced context from which to critically learn. 

In France, a co-development approach – based on the idea of enhancing the contribution that migrants can make to the development of their countries of origin and of involving civil society in this process – was developed progressively and was eventually formulated as a policy at the end of the last decade. In France therefore, the central government has developed a policy scheme and a co-development strategy that, far from being perfect, is in place. Programmes progressively focused on the quality of returns rather than on their quantity; the issue of brain drain was taken into consideration to make co-development successful, facilitating the circulation of migrants by allowing them to take advantage of training opportunities in France and put the skills acquired at the disposal of home communities once migrants return to their countries of origin; the cooperation of countries of origin and co-development conventions were signed with different countries; the question of remittances has been addressed in different programmes where banks have also been involved. 

In Spain instead, at the national level, the law and the norms on development co-operation policy do not mention any links between migration and development. Experience tells us that it is at the local levels that authorities deal with immigration on a day-to-day basis and indeed local authorities at the local, sub-regional and regional levels have come up with different strategies in the field of integration (jobs, race relations, etc.) and amongst them and most innovatively, the implementation of development projects with migrants. Legislation of autonomous regions and practices of local bodies recognise the evident connection between migration and development. In particular, we can mention here the experience of the Catalan Fund for Development Cooperation (Fons Català de Cooperació al Desenvolupament) that has financed more than 20 projects based on the creation of trust and communication between immigrant bodies, local public authorities and communities of origin of migrants. The positive effect of this strategy is twofold: on the one hand it encourages development projects defined and executed by migrants and, on the other, it promotes their integration into their communities of origin. Another interesting example is represented by the Catalan farmers’ union (Unió de Pagesos), which has managed its own solidarity programme with the aim of helping to regulate migration flows: putting in place a strategy of co-development framed in the seasonal work of immigrants from the Maghreb and Latin America to Catalonia. The objective of this initiative involves three phases: a) hiring on origin, giving information and training on the usual wage rates and working practices in destination areas; b) promoting immigrant groups who work to the advantage of their community’s development; c) the creation of a Course for Development Agents, enabling training of seasonal workers in order that they may return to their country of origin and share their expe- 

7 The full text is available at www.iom.int/en/know/dialogue5-5/index.shtml. 
9 This part is drawn on the following sources: a) Petra Mezzetti, Alessandro Rotta, Andrea Stocchiero, co-ordinated by Ferruccio Pastore ‘The role of the regions in co-development policy in the Mediterranean and the Balkans’ – Outline document for Working Groups II and III, Bari Conference (23-24 October 2003) – [www.cespi.it/PASTORE/Mig-Bari/Comm-seconda.PDF]; b) a recent background paper containing a research study carried out in November 2004 by CeSPI, Centro Studi Politica Internazionale, for the Municipality of Milano, Migranti e città: un patto per il co-sviluppo. Flavia Piperno’s and Jonathan Chaloff’s chapter on Italy in Jan Niessen and Yongmi Schibel, 2004. International migration and relations with third countries: European and US approaches, MPG, Brussels.
rience, promoting collective projects for economic and social improvement. It is however important to mention that in France also, co-development initiatives were not only promoted and funded by the central government, but equally operated within the framework of decentralised cooperation between local communities.

In Spain and in Italy the only practices conducted at the national government level, have been temporary labour schemes. Such schemes are operationally and are likely to be extended significantly in the coming years. In particular we can mention here the Labour Agreement between Morocco and Spain signed in 2001 and the Integrated Migration Information System Project between Egypt and Italy. Temporary labour migration schemes will not have significant development effects unless greater attention is paid to the needs of the countries of origin: these agreements have the potential to guarantee a regular supply of labour and ensure some degree of return of qualified migrants, if they can be fixed in the long-term. This has yet to be implemented in current schemes because of concerns over labour demand flexibility.

In Italy in recent years, as in Spain, sub-national governments rather than the central government have played an increasingly important role in shaping a co-development approach in migration and cooperation policies. Italy became relatively recently a country of ‘immigration’ and migration flows have affec-

10 This part is drawn on: Jan Niessen and Yongmi Schibel, 2004. *International migration and relations with third countries: European and US approaches*, MPG, Brussels.

11 The convention is signed by the Minister of the Interior, Work and Social Affairs, Spain and the Minister of Employment, Professional Training, Social Development and Solidarity, Morocco.

12 Which began in June 2001 as a result of a collaboration between the Emigration Sector of the Egyptian Ministry of Manpower and Emigration, the Italian government as the donor partner and the International Organisation for Migration, IOM as the implementing agency.


Don't evenly the different regions according to the needs of the labour markets, this implying moreover a difficulty to manage and monitor this demand at a central level. During the 1990s sub-regional governments have played an increasingly important role regarding both in migration and decentralised development cooperation. Since the beginning of the last decade local governments have intensified and institutionalised international cooperation activities in particular matching geo-political priorities, therefore towards the Mediterranean countries and the Balkan region, but also towards some Least Developed Countries in Sub Saharan Africa.

Migration and development are two policy areas that have been often – at the regional level – structurally connected and therefore a range of pilot schemes in the area of co-development have been put in place especially in the recent years. These practices can be grouped in the following explanatory typologies:

1. Mobilization of economic circuits and productive returns
2. Recruitment projects
3. Mandatory and assisted returns of weak categories
4. Community development projects
5. Channelling and fostering remittances

The actors promoting such practices include, as mentioned, Municipalities, Provinces, Regions, as well as migrant's associations, NGOs and the private sector: in a word, the whole set of actors of the so-called 'decentralised cooperation'.

Despite the significant amount of experimentation and creativity in the Italian regional and local co-development projects, they suffer from a series of structural shortcomings. The most frequent are associated with isolated actions, the excessive sectorialisation, and the lack of continuity (lack of long-term planning), as well as with an inadequate coordination with programmes and activities with similar objectives undertaken by other regions or central institutions. Two overall problems are the need for specialised staff within the administrations and the scarce coordination and promotion of migrant associations. Furthermore, the budget allocated for the management of migratory flows is very low and concentrated on urgent needs, on issues of integration and assistance, and therefore co-development projects based on a transnational approach, as well as the number of beneficiaries, are numerically limited. Due to the fragmentation of the situation, it is still early to speak about 'best practices'. However the ways in which some projects have been handled seem rich of perspectives for the future. In particular the elements that constitute models of intervention of great interest are: the multi-situated management of flows, developed through activities that are undertaken simultaneously in the origin and in the destination country, and often within interregional partnerships, or "city to city" agreements, and the involvement of a network of multiple actors working in the same territory. Trans-local territorial partnerships in managing migration for co-development seem to be a new tentative path for integrating the Mediterranean basin, but it needs a more decisive and coherent commitment of central governments and the European Union.
It is a well-known fact that the Barcelona process cannot be accurately described as being based on interdependent relationships between the partners involved, owing to the resilience of asymmetric patterns of development between the North and the South of the Mediterranean. Actually, few years ago, the European Commission itself stressed that, despite enhanced economic openness in Mediterranean non-member countries (MNCs), substantial progress was still needed in such fields as economic and social reforms, economic liberalization, privatization, respect for human rights and democratisation.

Nonetheless, despite the resilience of such asymmetric relations, the externalisation of EU migration and asylum issues, together with the explicit desire of the EU to intensify its cooperation on migration management with third countries, have led to the emergence of new forms of interconnectedness between the European Union (EU) and some MNCs, in the context of the joint management of migration flows and border controls.

With reference to the main developments that occurred from 2003 onwards, the purpose of this study lies in analysing the various factors which have contributed to shaping the aforementioned interconnectedness, on the one hand, and in explaining the reasons for which some MNCs have been responsive to the joint management of migration flows, on the other.

The Ad Hoc Approach to Cooperation in Migration and Border Management

When Greece and Italy took up the EU Presidency, respectively during the first and second semesters of 2003, both European countries undertook to implement most of the initiatives that were already introduced in the wake of the June 2002 Seville European Council. In fact, the Greek presidency presented in May 2003 a road-map which reasserted the need to intensify cooperation in the management of asylum and migration flows with third countries, including the conclusion of readmission agreements, the cooperation in the effective management of the external borders of EU Member States, the formal establishment of Immigration Liaison Officers’ (ILOs) networks in third countries and the implementation of effective return policies in cooperation with third countries.

The June 2003 Thessaloniki European Council fully reflected these priorities. Moreover, it also emphasised “the importance of developing an evaluation mechanism to monitor relations with third countries which do not cooperate with the EU in combating illegal immigration.”

This monitoring mechanism draws extensively on the principles of “differentiation” and “progressivity” that were presented in a previous communication from the Commission to the Council in March 2003, introducing the European Neighbourhood Policy (ENP). It is part and parcel of the EU cross-pillar approach to migration linking financial aid and development assistance with the actual adoption, on the part of third countries’ governments, of policies aimed at curbing illegal migration. Furthermore, with regard to Mediterranean third countries, the new

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4 Council of the European Union, Road-Map for the Follow-up to the Conclusions of the European Council in Seville, 6023/04/03, Brussels, 5 May 2003.
neighbourhood policies illustrate the desire of the EU and its Member States to reframe the patterns of partnerships already existing in the EMP, while offering "credible incentives," as stated in the December 2003 Euro-Mediterranean Conference, to further implement economic and political reforms and to cooperate in the field of justice and home affairs, particularly border controls, legal and illegal migration, police cooperation and the fight against human-trafficking. Importantly, the ENP reflects not only the prominence of asylum and migration issues in the EU’s external relations with third countries, but also the EU’s desire to broaden the comprehensiveness of its approach to migration and asylum by giving third countries’ governments incentives:

- to fully comply with the 1951 Geneva Convention on refugee protection;
- to effectively implement readmission agreements;
- to cooperate in the control of the EU external borders;
- to adopt provisions aimed at tackling illegal migration and human-trafficking.

As far as Mediterranean non-member countries (MNCs) are concerned, the rationale is not to include them in the minimum common list of safe countries of origin that was presented in March 2004, as part of the draft EU asylum procedures directive. Actually, none of the MNCs would currently qualify in a credible manner for the basic criteria contained in the notion related to safe third countries of origin. Rather, the issue at stake is to find short-term solutions aimed at turning the management of migration flows (whether legal or illegal), including the reinforced control of the EU external borders, into a growing shared priority among the partners involved in the reframed Euro-Mediterranean Partnership. It also lies in assessing the willingness of some MNCs to participate in the migration management programme “in a spirit of shared responsibility.”

The Hague multi-annual Programme, adopted at the November 2004 Brussels European Council, following the completion of the five-year Tampere Programme, constituted a decisive step in stressing the external dimension of asylum and migration issues, and consequently in acknowledging the need for reinforced cooperation with transit and origin countries, in the fields of border management, the fight against illegal migration and human-trafficking, police cooperation, readmission programmes and refugee protection. Given the centrality of justice and home affairs matters, this reinforced framework of cooperation in migration management could not but be predominantly security-oriented, at least in the short term. This orientation became explicit in the three-to-five year action plans which were presented by the Commission in December 2004, particularly in those related to Morocco and Tunisia. By stressing that “asylum and migration are by their very nature international issues,” the EU acknowledges that the credibility and effectiveness of its common asylum and migration policy is also dependent on the participation of origin and transit countries in the joint management of migration flows. In other words, the growing externalisation of the EU migration and asylum policy has been gradually conducive to the emergence of unprecedented forms of interconnectedness between the EU and MNCs, while turning some of them into strategic partners. In this respect, Morocco and Tunisia are a case in point.

MNCs’ Policy Responses to Migration and Border Management

To understand the factors which motivated some MNCs to participate in the joint management of migration flows, it is important to break away from the taken-for-granted vision that their participation has been dictated by pressures exerted by the EU and its Member States. In fact, this assumption is based on a cause-and-effect relationship that does not properly reflect the reasons and magnitude of their responsiveness. Also, this assumption tends to overlook the fact that many MNCs have for long been concerned by the need for migration management and policy response to illegal and human-trafficking. In fact, as early as the 1990s, most of them participated in the numerous consultative meetings on migration management, which were organised by various intergovernmental organisations, such as the ministerial conferences held in Rabat (October 2003) and in Algiers (September 2004) in the framework of the 5+5 dialogue on migration in the Western Mediterranean. Since 2003, the participation of some MNCs in these consultative meetings, together with the adoption of measures and provisions aimed at fighting against illegal migration and human-trafficking, have turned them into credible players in migration talks. Indeed, in the field of illegal migration, Morocco adopted in 2003 restrictive legal provisions aimed at dealing with the presence of foreigners and illegal migrants on its territory. These provisions included not only the enactment of law 02-03,

8 These criteria are based, amongst others, on the rule of law, the respect of human rights and democracy. See Council of the European Union, Amended proposal for a Council Directive on minimum standards on procedures in Member States for granting and withdrawing refugee status, 12888/1/03, Brussels, 30 September 2003, p. 9.
12 Law 02-03 was adopted by the Moroccan Parliament and published in the Bulletin Officiel on November 13th 2003. This law contains articles regarding the release of residence permits (Chapter 2), the duration of stay in the Kingdom, the mobility of the foreigner in the Kingdom.
but also the creation of two institutions aimed at controlling borders, at fighting against migrant-trafficking and at defining a national strategy in the field of migration management. The adoption of these provisions was positively viewed by the US Department of State which mentioned in its 2004 annual report on human-trafficking that Morocco “fully complies with the minimum standards [of the US Trafficking Victims Protection Act] for the elimination of trafficking.”

Concomitantly, the government of Tunisia responded to the management of migration flows, by adopting in February 2004 Law 2004-6 on passports and travel documents. Chapter IV of Law 2004-6 contains 55 articles related to the entry and exit of citizens and non-citizens. It makes provisions for severe sanctions against whoever (citizens, foreigners, carriers, organisations) facilitates the illegal crossing of the border. Article 50 also provides for the expulsion from Tunisia of the convicted foreigner, “once the sentence is served.” The adoption of law 2004-6 raised many criticisms among human rights organisations, not so much because of the severe sanctions contained in it as because it tends to excessively criminalize migrants, including those trying to use Tunisia as a country of transit, and also because it includes administrative and judicial restrictions that disregard migrants’ human rights.

Law 2004-6 draws extensively on the Protocol against the Smuggling of Migrants by Land, Sea and Air, supplementing the United Nations Convention against Transnational Organized Crime, which was adopted in November 2000 and which entered into force in January 2004. The government of Tunisia ratified this protocol in November 2003. The ratification constituted a way of showing that the government of Tunisia was intent on giving itself the adequate legal means with a view to countering the illegal migration of Tunisian citizens and of foreign migrants in transit through Tunisia. It also constituted a way of showing that Tunisia could act as a credible player in the joint management of migration flows. The need for enhanced credibility, in this specific field, became all the more crucial for the government of Tunisia as the national and international media reported, in June 2003, the death of over 200 people, trying to cross illegally the straits of Sicily, on board of a trawler which capsized off the coast of Sfax. A political response was hence needed.

**Interconnectedness and Stronger Leverage**

The adoption of drastic measures aimed at curtailing illegal migration and fighting against the smuggling of migrants, were not the only steps that the government of Tunisia and the government of Morocco undertook to play the efficiency card and to enhance their international credibility in the management of migration.

In fact, unprecedented bilateral agreements on sea border controls materialised in January 2004 between Tunisia and Italy, in the framework of the Neptune project, and in December 2003 between Morocco and Spain. As a result of the bilateral agreement on migrant-trafficking signed between Morocco and Spain, a substantial financial protocol, amounting to 390 million Euros, was signed in Marrakech between Spain and Morocco in December 2003, with a view to supporting the delocalisation of Spanish firms to the Moroccan market in various sectors of industry. In January 2004, Italy followed suit and rewarded the involvement of Tunisia in the Neptune project by sustaining Italian FDIs to Tunisia, for a global amount of 36.5 million Euros.

Importantly, the search for enhanced credibility cannot exclusively account for the participation of Morocco and Tunisia in the global migration management agenda. The terrorist outrages that severely hit Tunisia and Morocco in 2002 and 2003, may also constitute explanatory factors of the above-mentioned patterns of cooperation in the field of migration management.

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13. In fact, following a ministerial meeting presided over by King Mohammed VI on November 10th 2003, two institutions were created. Firstly, the Direction de la migration et de la surveillance du territoire mobilises the Ministry of Interior, as well as the national gendarmerie, the army and the marine. Secondly, the observatoire de la migration, whose major mission consists in elaborating a statistical database on migration flows, is expected to propose to the Moroccan public authorities, concrete actions to be taken in the field of migration management. See Maroc Hebdo International n. 580, 14-20 November 2003, p. 8.


17. The Neptune project is a joint operation aimed at strengthening controls at the sea borders of the EU, in the Mediterranean. This project was introduced by Italian Interior Minister Giuseppe Pisani under the 2003 Italian Presidency of the EU and was initiated on September 10th 2003. Since then, the Neptune project has been backed by Cyprus, France, Germany, Greece, Malta, the United Kingdom, The Netherlands, Spain and Europol. A joint centre of surveillance was established in Palermo with a view to preventing and acting quickly against illegal migration and human-trafficking in the Mediterranean.

18. The agreement was signed on December 4th 2003 between Spain and Morocco. It is aimed at fighting against human-trafficking through joint sea border police cooperation in the area surrounding the Canary Islands and in the straits of Gibraltar. See the Moroccan weekly *Maroc Hebdo International n. 584*, 12-18 December 2003, p. 6.

19. This amount was undoubtedly the most important ever granted to Morocco from Spain. It was expected to stimulate Spanish foreign direct investments (FDIs) to Morocco and to turn Spain into Morocco’s major investor. See *Maroc Hebdo International n. 584*, 12-18 December 2003, p. 6.
THE DEVELOPMENT OF EMIGRATION INTO THE EU FOR WORK PURPOSES

According to the OECD, in the period 2002-2003 it was observed that after various years of continuous growth, international migration to OECD countries stabilised. However, this cannot be seen as the start of a stabilisation of migration flows, since there were other relevant factors (the fight against international terrorism, the war in Iraq and the SARS epidemic) and a slow economic recovery, especially in the Eurozone countries, which could have contributed to slow down these migration flows.

However, we must not forget that there are structural factors in the OECD countries, such as an ageing population, the need for labour (especially qualified labour) and the importance of family reunification, which continue to influence migration flows. Even though the general trend is for the stabilisation of migration dynamics into EU countries, updated data enable us to observe the dynamic of the flows to EU countries over the period 1990-2002, and we can differentiate between three groups of countries: those in which numbers are declining (amongst which Belgium and France stand out), those experiencing sustained growth (like Austria and Germany) and those experiencing an acceleration in migration (Greece, Portugal, Italy and Spain), these last two countries having an important Mediterranean component in the immigration flows. This fact might be an indication of a possible reorientation of the flows coming from the Southern Mediterranean towards the EU, with a reduction of migration into countries which have traditionally received migration flows from the Mediterranean. Thus, although in 1997 immigration from Third Mediterranean Countries was almost a third of the total immigration figure, in 2002 this percentage fell to 23.6%. In 2004 data, this percentage fell to 20.6% and this trend may continue with the enlargement of the EU to 25 countries, since from enlarged EU data immigration from Third Mediterranean Countries stands at 18%.

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- *Euro-Mediterranean Consortium for Applied Research on International Migration (CARIM).*

management. These factors have generated links of interconnectedness in the field of security and border controls. Additionally, a direct consequence of these reinforced links of interconnectedness lies not only in the possibility for the government of Tunisia and the government of Morocco to capitalise on their participation in the joint management of migration flows and border controls, but also in their ability to exert more leverage on the enlarged EU, in terms of financial aid and development assistance. There is no question that, since 2003, this leverage has become a strategic issue for both North African countries whose expectations have been made more explicit on the international arena. In fact, during the 15th symposium of the Tunisian ruling party, the *Rassemblement Constitutionnel Démocratique (RCD)*, which took place in November 2003, President Zine El Abidine Ben Ali was keen to recall that the security concerns of the EU regarding migration flows should not conceal the fact that such flows are “the direct consequence of the economic changes with which Southern countries are being faced in their development process and in the context of their [economic] openness to the North.”

Similarly, on the occasion of the first Summit of the Heads of State and Government of the Western Mediterranean Basin, which was held under the auspices of the government of Tunisia, in December 2003, a common declaration was issued stressing “the importance of seeing the European Union accompany its enlargement process [i.e. Wider Europe] by similar supportive efforts towards the countries of the South-West Mediterranean [...]” In the same vein, Nezha Chekrouni, Minister Delegate in charge of the Moroccan émigré community abroad, underlined that Morocco’s involvement in the fight against illegal migration is contingent on the “great responsibility of the EU to support [Morocco’s] development efforts.”

The case studies of Morocco and Tunisia are important to show that the growing externalisation of the EU migration and asylum policies, as well as the reinforced control of its external borders in cooperation with some MNCs, has led to the emergence of unprecedented forms of interconnectedness between the north and the south of the Mediterranean, in the fields of security and border controls. Concomitantly, the two case studies have also demonstrated that such forms of interconnectedness have allowed the government of Tunisia and the government of Morocco to exert more leverage on the EU and its Member States, in terms of development assistance and financial aid. In other words, this means that the two North African countries are intent on responding proactively to the externalisation of the EU’s migration and asylum policies and to capitalise on the convergence of their security concerns with those of their Northern Mediterranean neighbours.

Finally, although this interconnectedness is becoming the dominant character of today’s joint management of international migration in the Euro-Mediterranean area, it is important to stress that this framework of cooperation has its own limits. These limits shape in turn the policy options and the degree of responsiveness to the joint management of migration flows on the part of MNCs. To give an example, the proposal made by Germany and Italy, during the October 2004 G5 meeting in Florence, to create centres in North Africa aimed at processing asylum-see-

21 The text of the Declaration of Tunis is accessible at www.5plus5.tn
Kers' claims en route to the EU, was vehemently rejected by all the governments of North Africa. This negative response reflected the threshold beyond which the joint management of migration flows cannot prosper. It also allowed some MNCs, including Morocco, Algeria, Tunisia and Libya, to voice that the credibility of the joint management of migration flows in the Euro-Mediterranean area will also depend on the enlarged EU's commitment to supporting their economic challenges by the introduction of accompanying measures.

So far, the interconnectedness has been predominantly founded on the convergence of short-term security concerns and on few concrete actions aimed at alleviating poverty, promoting institutional reforms and sustaining economic development in origin and transit countries, i.e., the actual root causes of migration. Unfortunately, the November 2004 Hague Programme did not consistently address these resilient root causes. As a matter of fact, in the near future, the EU will need to find additional innovative solutions and incentives to address these long-term issues. These solutions are all the more essential as it has now become clear that some MNCs intend to capitalise on their empowered position and leverage to make the joint management of migration in the Euro-Mediterranean area more responsive to their economic and developmental needs.
The Mashreq in 2004 remained both a recipient and exporter of migrants. The largest groups of migrants in the region are from Sudan, Egypt, India, Pakistan, Bangladesh, the Philippines, Sri Lanka and Yemen. In terms of origin, the majority are from Sub-Saharan Africa, and South and Southeast Asia. Apart from the Sudanese living in Egypt, Indians, Pakistanis and Filipinos form the largest group of third country nationals in the region. Egyptians and Jordanians mostly move to Gulf countries, particularly Saudi Arabia, while Iraqis move mainly to Jordan and Syria.

The gender dimensions of migrants are increasingly important in the Mashreq, with the feminization of migration creating new economic and social realities. The last few decades have witnessed a growth in female migration to the region, as Mashreq countries have undergone economic expansion and restructuring and the majority of female migrants work in Jordan and Lebanon. The demand for female migrants in the Mashreq has increased, particularly in the service industries, through the creation of low and unskilled jobs that migrant women are willing to take while the local population is reluctant to do so. These jobs are filled by women from the developing countries of Asia, principally Sri Lanka, the Philippines, Indonesia, Thailand, Bangladesh, Pakistan and India. The majority of them tend to work in private households as domestic workers and also in the hotel and entertainment industries.

Irregular migration occurs throughout the Mashreq, with all countries involved as origin, transit and destination points. Furthermore there is evidence that both smuggling and trafficking of people occurs regularly and on a large scale. Comprehensive research is needed to fully grasp the magnitude of these phenomena, but the table below shows the region’s key smuggling routes, as derived by the International Organization for Migration (IOM) from cases of apprehensions documented by governments and the media.

Migration within the region is also important. For example, many Egyptian migrant workers – as well as those of other Mashreq nationalities – are also working in Jordan illegally and this is an issue that the Jordanian Ministry of Labour has been trying to address. The Ministry, which has been getting tougher on foreign labour in the past few years, tightened procedures further in 2004, when it started inspecting the country’s private sector establishments more rigorously to check on their compliance with the labour laws and regulations. Nearly 100 inspectors were assigned to the campaign, which covers more than 55,000 companies and factories in the country.

Meanwhile, for many Egyptians at home, the unemployment problem continues. It has been estimated that Egypt needs to achieve a sustained real GDP growth rate of at least 6% annually for joblessness to decline to manageable levels, but such expansion has not been regularly forthcoming. For the time being, however, remittances by expatriates are among Egypt’s largest foreign-revenue earners, with nearby Jordan remaining a destination favoured by Egyptian migrants. At the same time, Jordanians working abroad have played a key role in the Jordanian economy. Jordan ranks in the top ten largest recipients of remittances among developing economies, after such countries as Lebanon, Turkey, and Egypt. Remittances sent home by Jordanian expatriates are the equivalent of between a fifth and a quarter of GDP. This percentage is the highest in the Mashreq region, followed by Lebanon with a seventh. Mashreq governments’ efforts at Diaspora management and the degree to which remittances are actually or potentially contributing to unemployment mitigation are considerable and increasing. Egypt has an active Diaspora management strategy, as does Lebanon and more recently, Syria.

As Gulf economies have been growing at high rates in the past two years and are forecast to do well in 2005, demand for Mashreq labour in the Gulf is therefore likely to rise for the rest of the decade. However, this will only happen if

<table>
<thead>
<tr>
<th>Origin</th>
<th>Areas of Transit</th>
<th>Destinations</th>
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<tbody>
<tr>
<td>Iraq</td>
<td>Turkey</td>
<td>Europe, Indonesia, Australia</td>
</tr>
<tr>
<td>Palestine</td>
<td>Lebanon, Turkey</td>
<td>Southern Europe</td>
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<tr>
<td>China, Eastern Europe</td>
<td>Egypt</td>
<td>Israel</td>
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<tr>
<td>Turkey</td>
<td>Jordan</td>
<td>Israel</td>
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<tr>
<td>Syria/Turkey/Iran/Iraq</td>
<td>Lebanon</td>
<td>Europe (especially Cyprus, Greece, Italy)</td>
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<tr>
<td>Nigeria, Senegal</td>
<td>Egypt</td>
<td>Lebanon, Saudi Arabia, Western Europe</td>
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From the 2nd to the 5th of September the Universal Forum of the Cultures Barcelona 2004 housed the World Congress of Human Movements and Immigration, organised by the European Institute of the Mediterranean and Forum 2004. With the aim of contributing to identifying the challenges and perspectives implied by the existence of nearly 200 million migrants throughout the world, the Congress brought together experts, civil society actors and the relevant politicians from all over the world.

Starting with the shared idea that human mobility can be a true vehicle for the complete development of human potential and in order to achieve a fairer world, nearly 1,900 participants and 269 speakers from 64 different countries shared ideas, opinions and experiences through a wide range of activities (plenary sessions, debates, regional sessions, experiences, “I was an immigrant too” sessions, cinema workshops and exhibitions). The central subject matters of the Congress, globalisation, cultural diversity and justice, provided a framework to address specific themes and debate proposals in each of the sessions, whose results can be consulted on the congress web page: www.mhicongress.org.

The final conclusions document of the MHI Congress covers 10 points that include the principle aspects analysed and debated during the congress, while at the same time summarising the challenges faced by the international community; among them we emphasise: Migration as a growing phenomenon: the processes of globalisation that contribute to the intensification of migratory movements. Demographic complementarities: areas where the population is decreasing and ageing can benefit from others with a much younger population. Complex causes: while some movements are caused by the difference in economic opportunities, others are in response to injustice, persecution and the violation of human rights, whether through violent conflicts or the deterioration of the environment. Avoid undesired effects: which makes us question whether our current way of managing migration helps us create the societies we want. Rethinking concepts: this means that, if we want migration to contribute to economic progress, social cohesion, justice and peace in the 21st century, there is a need to re-examine the way we think about migration.

Negotiation-based policies: States must find the right tools and strategies for promoting the forms of migration that best serve their interests, and for protecting the basic rights of the migrants and contributing to the development of their countries of origin. International co-operation: the need is considered to build a coalition of interests, not only within each country, but also between different countries, to establish more orderly forms of migration, and to generate the political will to share the responsibility of its management. On a Mediterranean level, the session dedicated to the EuroMed space stands out, in which it was agreed that immigration must be considered as a factor of change in the Mediterranean, because organised immigration can contribute to the stability of the region. On the other hand, migrations must be understood to be a partial response to the excess of workforce in the countries of origin and to the decrease of active population in European countries. But migration can only perform this key role if Europe is capable of attracting immigrants with the necessary training and if they have easy access to the labour market, in a regulated, official way.

Regional stability is maintained. Otherwise, the delicate balance of the segmented labour markets, which brings prosperity to the Mashreq and the Gulf countries alike, through specialization and maximizing comparative advantages, will go into reverse and lead to serious economic disruption in the Arab region and beyond.

With these complex migration patterns in such a volatile region, a policy framework to manage regional labour mobility becomes necessary. Mashreq countries have experienced increasing cooperation with international agencies, in order to achieve this kind of migration management, but it is still mostly on a case-by-case basis, dealing with crises or responding to disasters outside a regionally coordinated strategic framework. Whatever happens to the labour markets in the Mashreq and the Gulf over the next few years, a deeper, cross-border, strategic approach to migration is needed, preferably involving international organizations, as well as regional bodies such as the League of Arab States.

At about 15%, the Mashreq has a high unemployment rate, about three times the global average. Job creation, although rapid in some Mashreq countries from the mid-1980s to the early 1990s, has not matched the growth in the work force. Population growth is adding millions of labour-force entrants every year and this flow is proportionately greater than in any other region in the world. Since the unemployment rate is also one of the highest among all regions, the task of job creation is probably more formidable than in any other.
The Mediterranean Dimension of the Universal Forum of the Cultures

Mireia Beil
Director General
Universal Forum of Cultures
Foundation and
Barcelona 2004 Forum Dialogues
Director

The Universal Forum of Cultures – Barcelona 2004 exuded Mediterranean with its views of the sea, the daily sea breezes, the heat on some of the days, the Spring showers, the tourists and the festive atmosphere in the Summer, the noise and the musicians, the sunset and sunrise light, and many more things. A side from making an appraisal of its organisation, the very idea of the Forum can be considered one very much adapted to Mediterranean life: that of bringing citizens together, in a shared environment of enjoyment and reflection through culture, considered in a broad sense and as a way of life. The aim of Barcelona 2004 was to analyse the possibilities of combating the tensions generated by globalisation while embarking on reflection, dialogue and celebration. In this respect, the Barcelona Forum had a certain amount of cacophony with the differences in which the citizens were expressing their visions of the world, their diagnosis and their proposals for action through different formats. The Barcelona Forum featured urban development, citizenry and dialogue, in differing proportions and intensities over 141 days. The privileged position of Barcelona as a meeting point for cultures and peoples, the city’s Mediterranean and open character and its proven determination to help, reflect and protest against the world’s problems, contributed to attract to Barcelona a wide range of artistic, academic and social communicators.

The Forum project set out to also undertake urban redevelopment thought for finding solutions to the problems that particularly occur in the cities of the Mediterranean coast as a consequence of their history and development. The integration of urban infrastructures in the citizen’s lives, the recuperation of the Barcelona coastline and its beaches, the revival of the biotope, the construction of the city basing it on the existing model and structures, are all innovative operations that go beyond their urbanistic or social valuation.

The Mediterranean is a historically privileged region of contact between cultures, religions, languages and peoples. Contacts that often have not been free of conflict. The advance of economic and media globalisation has implied an increase in the circulation of ideas, images, people and information that have produced a Mediterranean region full of complexities, contradictions, tensions, opportunities and creativity.

The Barcelona Forum 2004 was a clear reaction to these complexities, tensions, contradictions, opportunities and creativity. The music, the exhibitions, the scenic arts, but, above all, the dialogues, had the Mediterranean and its challenges and conflicts as a source of inspiration and reflection.

The Universal Forum of the Cultures’ three core themes: sustainable development, cultural diversity and the promotion of the conditions for peace, have shown, in all of the Forum’s output (music, theatre, dialogues, exhibitions, workshops), a Mediterranean dimension, since this region, despite being so small and so diverse, is a microcosm that brings together many of the essential themes that affect the development of humanity at the beginning of the 21st century. The Mediterranean has to revise its geopolitical position in the globalised world and with the increasing relations between the two sides of the Pacific. In this space, we can see the effects of climatic change and of the over exploitation of resources, North-South relations and the effects of globalisation, terrorism and war, contact between the three principal monotheistic religions, the birth of many polytheistic religions, commerce, great linguistic diversity, three continents and many centuries of history.

A great number of debates, thoughts and exhibitions focused on the conditions for peace, especially taking into consideration a part of the world (Palestine, Libya, Syria, the Balkans and Lebanon) considered as a source of terrorism and conflicts. The denunciations against unilateral and monolithic approaches were made in parallel with a reflection about the role of Europe in ensuring stability in the area, through international aid as much as the position of upholding the values that have provided wellbeing to the continent. But, above all, the Forum brought together differing proposals for conflict resolution: defense of a culture of peace, promotion of disarmament and measures to be implemented during the process of reconciliation following a conflict. In the dialogues, the protagonists of the conflicts that fill our newspapers, or have already been forgotten, reflected on various aspects. Some of the themes dealt with the realities of social coexistence during or after a conflict (how resistance and the push for peace is organised in the middle of a conflict; how to reconstruct the social fabric and coexistence after a conflict; the recuperation of the memory after what they have lived through, the dignification of the victims, the reinsertion of the perpetrators into...
society...), the role of justice (what is the relation between reconciliation, truth and justice; which are the mechanisms that one can put into effect), and the role of the international community in the conflicts and in achieving a sustainable peace, especially in the Arab-Israeli conflict. Progressive disarmament, development and promotion of democracy were proposed as solutions once and again. The right to an informed public opinion and to economic growth are some of the positive aspects of globalisation. The right to know is the right to live. The world-wide spread in communications has not led to an improvement in the right to an informed public opinion and the regulators, in an environment which guarantees the quality of the broadcasts and the interventions of cultural minorities. Regulation of the communications sector is the instrument that guarantees not only economic efficiency, but also pluralism and cultural diversity.

When so much is spoken about God and the devil in political strategies and discussions are full of moral terminology, it is high time to recuperate democracy. During this recuperation one has to consider consolidating civil society and not imposing institutions, leaving them to be built by society itself. Throughout the history of humanity, God’s name has been used to justify wars, dictatorships, torture or any action that violates human rights. The Mediterranean has been the scene of many of these conflicts. At the Parliament of the World’s Religions it was strongly stated that the different religions have to work to put an end to this. The world’s religions have to undertake a process of deep self-criticism.
ticism, because it is a great contradiction to speak of love and peace and at the same time to justify the use of violence in order to resolve intercultural conflicts of religious background. The world’s religions have emphasised their differences throughout history and have always left aside the universal principle that unites them all, that is, the ethics of respecting each other. Society today is contaminated by intolerance and fragmentation. Religions can help to promote a new international order. “The convictions that are shared by the Christian, Jewish, and Buddhist, as well as by the Chinese religions, ought to be emphasised, because they can greatly contribute in creating a new model of international relations,” stated the Catholic theologian Hans Küng, when making a plea for all religions to enter into a political-social debate, even if it means acting against the wishes of their political leaders. “There will not be an improvement in the international order without a common global ethics,” he asserted.

Sustainable development and the fight against poverty marked the proposals put forward for the Mediterranean. Water, energy geopolitics, biodiversity, sustainable management of tourism and the need to reflect about human movements were established as the principle challenges in the development sphere. Shared water resources, the access to them and the management of international trans-border water supplies, can be a key to achieving peace or becoming sources of conflict, especially in Europe and the Mediterranean (the rivers Rhine, Danube, Jordan, etc.), and in Africa (the Nile, Congo and others).

The Mediterranean Sea is also experiencing a process of globalisation. The biodiversity, the landscape and the coast are changing rapidly due to human activity and climatic change. The Mediterranean is the main tourist destination of the world and is a victim of its own success. The degradation of its coastline is unprecedented and many of its species are on the point of extinction. Research into the cleansing of sewage, the promotion of more sustainable types of tourism that do not put so much pressure on natural resources and the development of cultural exchanges ought to help to establish an equilibrium, first, between human evolution on both shores of the sea and, second, between this evolution and the marine and terrestrial ecosystems. Today’s society invests much energy in order to achieve access to the basic rights for all citizens, without discrimination of race, colour or beliefs. However, the increasingly deteriorating environment and the growth in social, economic and cultural discrimination, endangers the wellbeing of future generations.

The management of human movements is an essential part of the mentioned future wellbeing and the relations between the populations of the developed and developing world. The territorial complexity of the migratory processes, the relations between partnership, security and development, shared identities, the processes of integration and living together in the cities and in its public areas, the protection of immigrants basic rights, the contribution to development, the coordination with other commercial policies or social integration, the dialogue between all the stakeholders have been the subjects dealt with in the regional analysis of migrations in the EuroMediterranean region.

By reflecting about the problems, challenges and opportunities of the Mediterranean in all its dimensions, the need for a new paradigm of coexistence, understanding and integration is evident; one which is based on a series of parameters that have been repeated in thousands of different ways and points of view. The alleged Clash of Civilisations has been transformed into a clash of interests and ignorance. More dialogue and knowledge is needed in order to move away from stereotyping and monolithic thinking. The contemporary intellectual structures are not capable of recognising alternative ways of thinking that allow the articulation of agreed solutions in accordance with the reality of a diverse and constantly evolving society. It is necessary to develop an alternative vision that embraces diversity in its widest sense in order to be able to address today’s needs. Apart from knowledge, further understanding of interdependency and human vulnerability, as much as intellectual curiosity and the promotion of education to break down barriers are the ways forward to a fairer world. In a sea as small as ours, the present great division is unsustainable.

The Mediterranean is an area where various different peoples arrived and imposed their respective Roman peace, Arabic peace, Britannic peace and American peace”: “It is now time to speak of a Mediterranean peace, reached by us” (Guido de Marco).

The Universal Forum of Cultures set out to be a place for a coming together of minds, creativity and a little common sense in which frontiers disappear.

More information about the ideas, participants, programmes, legacy and conclusions of Barcelona 2004 at:

- www.barcelona2004.org
- www.fundacioforum.org
108 years after they were first held, the modern Olympic Games have returned to Greece, their birthplace. For this country, the nature of the victory is political rather than sporting. The stakes, however, were huge: economic, political and also in terms of credibility for a country with only 10 million people. The first hurdle in the credibility stakes, especially following 11th September 2001 and 11th March 2004, was the security of the Games.

On 29th August, when the Games ended, Jacques Rogge, President of the IOC, declared that Athens had won a gold medal for organisation. But at what a price!

Greece began serious preparations in 2001. Quarrels between factions and political parties stopped. The beautiful and dread Gianna Angelopoulos-Daskalaki was appointed head of the ATHOC (Athens Organisation Committee), obtaining the backing of the PASOK socialist government, politicians as a whole and economic decision-makers. The change in the political landscape in the general election of 7th March 2004, in which Kostas Karamanlis’s New Democracy party (ND) won, changed nothing.

The 2004 Games had become a national cause and, in a country where patriotism is not an empty concept, everyone rallied round the flag. Government, opposition, press and the unions united to ensure that everything went well and that there were no dissonant notes. The Athenians were more pragmatic and, as usual, took their holidays in August, avoiding the crowds of Athens. As for the settling of political scores, this was not to take place until after the end of September, once the Paralympic Games were over.

It has to be said that Greece had been harshly criticised by the Western media. The Greeks would never be ready in time, it was said, since six years were needed to carry out the necessary construction work and Greece had started three years late. Behind these criticisms lay a certain anti-Mediterranean racism.

The critics had not reckoned with the national pride of the Greeks. The Olympic Games had never been so well organised. On the other hand, there was no criticism of the economic and social costs of this sporting megalomania.

In early 1996, Kostas Simitis, the social democrat and ardent European, replaced Andreas Papandreou, the old populist socialist. The new Prime Minister incessantly demonstrated Brussels that his country was no longer the black sheep of Europe. The organisation of the Olympic Games formed part of this plan.

Kostas Simitis insisted on sound organisation, particularly as in the first six months of 2003, his country held the EU presidency and it was in Zappeion palace in Athens that on 17th April 2003 the ten new members signed the treaties of accession to the EU, before the leaders of the fifteen old Member States, the UN Secretary General and the leaders of other candidates for accession to the EU. Finally, the Games made it possible for Greece to slyly evade the siren voices of the US, calling for the Greeks to be part of the coalition against Saddam Hussein. Giorgos Papandreou, Minister of Foreign Affairs, declined the “invitation" on the grounds that all Greek forces were mobilised for the security of the Games and the combating of terrorism in the country.

There were also domestic political issues at stake. In fact, on 7th March 2004, the Greek legislative elections were set to be a close-run thing and PASOK’s socialists wanted to show that they had been able to win the Olympic Games, implying that the ND conservatives would have been unable to achieve as much. The latter, through national honour, did not make the Games into a campaign issue, but simply emphasised the delay in construction work, the budget overspending and the corruption of the Socialist administration. On 7th March, the Socialists were heavily defeated and the ND immediately made public the budget overspending.

Between politics and economics, security problems came along to get entangled in the issues. After the attacks of September 11th, and then of March 11th, there was enormous pressure on Athens. Greece wanted to take sole responsibility for security issues, but US pressure, for both political and economic reasons, was so great that the new government was forced to accept foreign assistance. In order to ensure the security of the Games and the sites, including the Olympic village and the large hotels, 80,000 people were mobilised. The security budget, rocketed sky-high. It was at least ten times the size of the Atlanta security budget. From 650 million euros, it increased to 1.2 billion. And also, on 12th March, the day after the Madrid attacks, Athens officially requested assistance from NATO, which provided air and sea radar cover. On 1st
European aid was to rise to 2.9 billion euros (including the work begun earlier on the metro system and the Spata-Athens airport).

The budget rocketed for two main reasons: the cost of the security programmes and the construction delays. The delays led to widespread use of subcontractors which, because of the delays, increased the level of their tenders, making fine profits along the way while under-paying their employees. And also, hundreds of construction machines had to be hired urgently in western Europe. And also, the use of sub-contractors inevitably led to security problems regarding workers and to defects.

Almost 100,000 jobs were created. The construction sites were short of labour and the Greeks employed huge numbers of Albanians and Kurds. In view of the delays, however, workers from Southeast Asia and sub-Saharan Africa had to be brought over, too. This did nothing to improve the security of work on the sites. To overcome the delays, the workmen worked in three 8-hour shifts, 24 hours a day. In Sydney, two workmen had died. In Athens, at the beginning of August, while the press was talking about forty deaths, a top official in EKAV (the Greek first aid service) stated that in one year, 108 deaths had been recorded by IKA (the Greek social security body). Now, the deaths recorded by IKA concern Greek and Albanian regularised workers. Knowing that the deaths of illegal workers are not declared, it is easy to imagine the worst. By the end of May, almost 4,500 workmen had already been injured.

The foreign workers had contracts stipulating pay of 35 euros per eight-hour working day. In reality, they were paid 24 euros for ten to twelve hours per day. The state bore full responsibility for this huge financial cost, not the private sector, as had been the case for the most part in Atlanta. In autumn 2004, all the economic indicators went into the red, after a calm period from 1996 to 2000. Under the EU’s convergence criteria, public debt must not exceed 60% of GDP. In January 2004, Greece was at 103%, and in September at 112%. As for the budget deficit, which must not exceed the fateful 3% ceiling, it was 2.8% in January 2004, 3.3% in June and 5.3% in September. In July, experts in Brussels had also initiated an excessive deficit procedure, demonstrating that Athens had been doctoring its figures since 2000.1 Now the Greeks were worried. Who was going to pay? Obviously, the taxpayers. It would of course be necessary to pay off the loans and the debt interest, and the country would be in debt for 20 to 25 years. The General Consumer’s Federation of Greece (INKA) already feared that inflation would take off again in the autumn. Officially, inflation was at 4-5%. According to the trade unionists, it was 12%. Price increases have affected bars, restaurants, clothes, meat and dairy products. The tourism industry has also pushed its luck too far. Inflation in the tourism sector has been reflected this past summer by a 20% drop in visitor numbers.

ATHOC is proud to have sold 3.5 million tickets as against 3.2 in Sydney. But it had expected to sell 5 million. And also, some of the tickets were sold off cheaper. As for return on investments, this will not be easy. Certainly, the transport infrastructure will speed up Attica’s development. But the tourism sector is very fragile. The tiniest terrorist bomb can spoil a whole season and, let us not forget, prices have rocketed in a country which has since the 1970s been used to mass tourism at low prices. And also, the sports facilities will need to be managed. The cost of maintaining these facilities has been estimated at 140 million euros per year.

To sum up, in the short term the Olympic adventure is likely to leave a bitter taste in the mouths of the country’s citizens. Since the end of September, the marriage of convenience between the left and right wings broke up. Giorgos Alogoskoufis, Minister for the Economy and Finance, revealed the doctored figures of the Greek economy, pointing the finger at the previous Socialist government. He did not do this through the

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1 In 2000, Athens reported a 2% deficit when it was in fact 4.1%, in 2001 and 2002 1.4% instead of 3.7%, and in 2003 1.7% instead of 4.6%.
goodness of his heart, but because he had made his calculations. The debt caused by the Olympic Games meant it was no longer possible for the ND government to keep its electoral promises, which added up to 11 billion euros. Reform of the civil service, health insurance, unemployment insurance and an increase in direct and indirect taxes were unofficially being studied and the privatisation of public services was to be speeded up. Olympic patriotism will cost Greece dear, at the very moment when EU aid is about to be redirected towards central Europe.

The WINPEACE network was created at a time of open conflict between Turkey and Greece over the sovereignty of an island in the Aegean. It consists of representatives of non-governmental organizations from both countries and is designed to work for reaching peace between them. The main emphasis of this network, something that can be applied in other cases of hostility and conflict, is to promote dialogue and to bring the different peoples together by working on joint projects. The year 2003 began with an initiative proposed by members of WINPEACE. It organized a trip to Baghdad with a group made up of international personalities to assess the situation and to promote peaceful solutions to problems between Iraq and the United States. Humanity demands alternative methods of conflict resolution other than acts of violence; it also demands absolute protection for the women and children as part affected by the decision taken. Violence brings a cauldron of hate and revenge, in this case with the entire Arab world, decreasing any chance of stable international relations. The emphasis must be on the primacy of values, norms, ideas, laws and ethics.

In the years 2003 and 2004, youth workshops were set up to train young people from Greece, Turkey, and the divided island of Cyprus on conflict resolution techniques. This has been highly successful and creates the opportunity for the younger generation to understand methods of peace-keeping. Participants continue to communicate extensively through group e-mail and the youth workshop website that has been created by student members and WINPEACE alumni, themselves.

In the area of Katabouroun, near Smyrna, Turkey, Greek and Turkish women worked together on an Agrotourism project which, in addition to generating income, empowered women. Working together with the rural women allows us to explain our belief that women must extend their influence into areas of international relations. Security must depend on a commitment to joint survival rather than on the threat of mutual killing and destruction.

We lobbied on both sides for a decrease in the defense budget by 5% the first year, a tendency that should have continued for many years thereafter. The beginning of a process of arms reduction has a psychological impact and makes a political statement itself – that governments are acting in good will.

Some time after our campaign started the Greek government made a decision to withdraw its order for a Eurofighter airplane. The Turkish government postponed its decision to acquire $19.5 billion worth military procurements. This is the beginning of a disarmament process much desired by women.

Margarita Papandreou
Coordinator Winpeace
Ten years on, after the Declaration of Barcelona, all analysts agree and emphasize the fact that one of the most important advances in the Process has arisen in the field of educational cooperation and, more precisely, in higher and university education. These advances have not only been visible as a result of community assistance, but have been noticeable mainly due to the important role that university institutions have taken on, thus reintroducing an old tradition. However, there is a sociological factor which should not be underestimated; the fact that a large number of the directing and leading members of universities today formed part of what we might call the nineteen-sixty eight generation, which is to say, those who grew up with the ideals of that famous “revolution” and with this socio-political conscience and who, most probably, far from the principles of that revolt, have maintained their altruist spirit and one of cooperation. At the same time, it refers to a generation of university leaders who carried out their studies just before the end of the decolonisation process and who, therefore, shared another perception of the process of liberation and that of North-South relations.

The interaction at the outset of the Barcelona Process, the presence of two generations of university leaders and a certain return to the old tradition of university solidarity, has given rise to a strengthening of the networks, first, most certainly, between universities on an individual basis and later between university institutions.

One should recall that the Declaration of Barcelona in 1995 particularly affected “the essential nature of the development of human resources, both with regard to education and training of young people, in particular, and in the field of culture.” Later on, it was declared necessary to carry out “a long-lasting policy of educational and cultural programmes.” The strengthening, therefore, of the role of universities as the fundamental agents in a civil society, promoted exchanges and the creation of co-existing networks between universities on both shores of the Mediterranean. It should be pointed out that these networks were in existence before the different European programmes resulting from the Process of Barcelona and the introduction of the latter found an ideal breeding ground for their success. Indeed, first the Med-campus programme, in particular, and then the Tempus-Meda programme, which, while insufficient, was very effective, and opened up the way for this interuniversity cooperation to become noticeable. In the bases of the Tempus programme it is declared, following the Declaration of Barcelona, that the latter’s aim is “to contribute to the structural development of higher education, including the improvement of human resources and professional qualifications adapted to the economic reform and, in like manner, contribute to the development of structures in public administration and in matters of teaching in the target countries. The activities in the Tempus-Meda programme have coincided with the growing need of higher education establishments, as acknowledged by UNESCO, to become internationalised, which is to say, to increase the international and cultural component in their formative activities of research and of service to the community, with the aim of increasing their academic excellence and its pertinent contribution to social and economic improvement. This is a long-standing university tradition which has made the collaboration with their counterparts in the rest of the world easier.

However, as UNESCO and OCDE have pointed out, this internationalisation and cooperation must be accompanied by the pertinent mechanisms which guarantee the quality of a higher education. It is, therefore, necessary to be very cautious at the time of taking stock of cooperation since 1995. That is to say, that although we have seen that the Declaration of Barcelona refers to the importance of universities as social agents of a high level, in practise, the European Commission has not been of much assistance, at least not before the terrorist attacks of 11th September 2001. We should recall that, in the assessment made by the European Commission of the first five years of the Barcelona Process, at no time was any mention made of educational cooperation and even less so of the importance of higher education. Indeed it was not until December 2002 that notice for an examination was given by Tempus-Meda and, in all fairness, it should be said that this programme was made available to Meda countries on the insistence of the Spanish Foreign Minister at the time. As it has been acknowledged by certain European officials in charge of the programme, the quality of the projects put forward has surpassed that of other Tempus regions, with a 60% success rate. In this manner, higher education has been consolidated in its role of agent...
and has played a leading role in the preparation of the free exchange zone and in the Euro-Mediterranean Association as a whole, but particularly in the strengthening of the civil society in that area. In this framework of Euro-Mediterranean and multilateral university cooperation a constant dialogue has been made possible which has resulted in a flow of communication which, of course, has had a great impact on the perception of culture of all those concerned, above all bearing in mind the mobilization of human resources that the Tempus-Meda programme has generated. However, one should insist that the European Commission’s university “vocation” has only become evident in the last two or three years, which is to say, in the latter part of the decade from the start of the Barcelona Process. We might add, in like manner, that the Erasmus programme was initially approved by the EU with certain reluctance, only to prove finally that it was much more effective for the European structure than many other seemingly more competent European programmes and the Tempus-Meda programme has also proved its efficiency in the structuring of the Euro-Mediterranean Partnership. In recent times, and nearing the date of the celebrations for the tenth anniversary of the Conference in Barcelona, two declarations bear out the success and perception of the Mediterranean university cooperation programmes. The first, being the work programme to strengthen the Euro-Mediterranean association, made public by the Commission in April 2005 where, in an explicit and priority manner, it was declared, as an essential objective of this plan of work, the increase in the quality of education and the commitment by the EC to increase by 50% the financial aid devoted to education and to set up a system of networks for grants for university studies in Europe, reserving a high number of places for women from the South. The second, was the report on the ten years of the Barcelona Process, prepared by EuroMeSCo in May 2005 where it was acknowledged that education has gained a growing visibility in the Partnership initiatives and that there is a need for the strengthening of the Tempus-Meda programme to guarantee a “mutual understanding and knowledge between countries, and guarantee the conditions for young people to participate in public life and, especially, for women while ensuring and giving priority to a more structured educative policy.” However, in the same report it is acknowledged that cooperation in the field of higher education comes up against a lack of knowledge of the educational structures and systems on the one hand and on the other, that this limits the prospects of cooperation and becomes an obstacle for the commitment by the universities as the main actors in the Partnership. Although these difficulties do exist, it is still possible to establish university networks that, with the help of Information and Communication Technologies (ICT), will make the plan for joint strategies easier, faced with the challenges of interculturality and globalization. In this sense, the interests of southern and northern universities (particularly those of Mediterranean universities in EU countries) are coincidental and very committed to modernization and the guaranteeing of quality in the educational system. The leaders on both shores find themselves more and more immersed in similar processes. Therefore, the Process of Bologna has influenced both one side and the other, so that one can find similar processes of adaptation in all the Mediterranean Area. From our experience of Tempus-Meda programmes, and others of EuropeAid, we would point out five key points with regard to the difficulties found in this inter-university Partnership cooperation:

a) In general, of the lack of a culture of quality in southern universities.
b) The danger of certain procedures being present in administration which are not clear.
c) The difficulties of ensuring positive discrimination criteria for women.
d) The mutual lack of knowledge of the educational systems and procedures.
e) The problems deriving from the low level of linguistic skills among students from the South.

Nevertheless, it is important to point out that these five matters existed until quite recently in our own universities. However, it is fair to point out the factors that have been clearly positive in this cooperation.

a) The enormous interest and commitment of the southern universities in this cooperation.
b) The expectations generated among the civil society.
c) The real possibilities of the creation of new leading organizations.

Finally, and with reference to another European programme which is not directly bound to the Partnership nor to Euro-Mediterranean cooperation, but which will greatly affect university life in the area, the Erasmus Mundus programme, which has aroused an unusual amount of interest, more than ever before. The programme responds in fact to the community concern for the low level of interest towards our universities due to the pressure that American universities exert on universities all over the world. Therefore, this is a programme which aims to make universities in the old world more competitive on a world scale and which, consequently, aspires to educate future leaders from developing countries “European style.” However, in like manner, this leadership and this possibility of appeal of European universities must also have scope in the Partnership, as a result of the necessary cooperation between universities in the Southern Mediterranean area. While it is true that the Erasmus Mundus programme is not a project of great magnitude for the time being, with less than forty Masters chosen between 2004 and 2005, in the long run, it should become an attractive referent and one of contrasted quality which will signify, of course, a point of reference for the best students from all countries and also for those from the Mediterranean developing countries (MDC).

All things considered, it should be said that the EU has only quite recently become aware of the importance of cooperation in the university sphere, but in the short term, it has established itself as the most extraordinary and most far reaching driving force for the creation of an authentic area of integration for the Euro-Mediterranean community.
"MastEuroMed" is, in many ways, a clear illustration of the cultural dialogue advocated within the framework of the Euro-Mediterranean Partnership. Supported by the European Union’s TEMPUS programme, this Egyptian Master’s degree in Euro-Mediterranean Studies is also one of the first projects made possible through the extension of the university programme launched in Central and Eastern Europe fifteen years ago to support democratisation and the opening up of the “Other Europe” after the fall of the Berlin Wall. The adventure began in the Faculty of Economics and Political Sciences at the University of Cairo two years ago. Founded in 1960, this faculty, which at one time had Boutros Boutros Ghali as Dean, is known in Egypt for being one of the alma maters of the Egyptian elite. Its graduates make up around 60% of candidates for Egyptian diplomatic corps positions, and it also trains senior Civil Servants, Business Managers, Bankers and Journalists. It has many post-graduate courses in Economics and Political Science, as well as numerous research facilities, including a centre for European studies. During its basic four-year degree course, teaching is conducted in three languages (English, Arabic and French). It is the Faculty’s French-speaking department that has played a key role in setting up the Master’s project, particularly in applying for its participation in the TEMPUS programme.

The first aim of this Master’s degree is to teach Egyptians and the Arab world at large about Europe. With this aim in mind, it offers, for two-semester multidisciplinary courses in addition to a course, programmes ranging from the History of Europe to EU foreign policy, the study of European institutions and the Euro. However, the most original aspect of the course is its attempt to promote a real cultural dialogue whilst teaching, at the same time, about the significance of the Arab world and the Euro-Mediterranean Partnership. Thus, although initially intended for Arab students wishing to specialise in European affairs, the programme may also be of interest to European students wanting to specialise in Euro-Arab relations and Euro-Mediterranean issues. After the first two semesters, a seminar, specifically focussed on these themes, is organised to help the Masters students in preparing their dissertations.

First drawn up in 2002, it took one year of administrative and technical preparation—after receiving confirmation of support from TEMPUS—to set the project in motion. The course finally got under way in September 2004, following approval from the Egyptian Ministry of Higher Education and Scientific Research. The TEMPUS/MEDA programme has given substantial support to the launching of the course, paying the expenses for 22 visiting European lecturers, in addition to about fifteen training courses for Egyptian lecturers in Europe and almost the same number of study grants for European and Egyptian students. It has also financed the establishment of a European Documentation Centre in Arabic, English and French. This project is supported by a consortium of prestigious European institutions: University of Political Sciences in Paris, the Universities of Amsterdam and Barcelona, and the Free University of Berlin.

"MastEuroMed" has achieved its initial aim, attracting a very considerable number of students (more than a hundred) in its first year, a proof that it has really met a need. Thus, over the next few years, it will probably also contribute to reforms taking place in Egyptian higher education (including validation of qualifications, the introduction of systems of credits and assessment, etc.). In fact, the Egyptian government has launched a crucial programme for university modernisation, known as “National Strategy for Higher Education Reform 2000-2017.” One of the main aims of this strategy is to improve the quality and recognition of Egyptian university qualifications. The idea is to ensure that Egyptian universities come close to world standards for Higher Education so that they can respond to the demands of the international market. Over the next few years, MastEuroMed will, hopefully, make its humble contribution to this ambitious project.

Jean Marcou and Wafaa El Cherbini, Co-ordinators of the TEMPUS/MEDA "MastEuroMed" Project
Appendices
July 2003

Spain

- Attacks perpetrated by the Basque terrorist group, ETA intensify during the summer months, targeting tourist sites. Similarly, attacks continue on the two main parties in the province (the People’s Party (PP) and the Spanish Socialist Workers’ Party (PSOE)).
- On 9th July, Santiago Arrospide Sarasola (better known as Santi Potros) and Idoia Lopez Riaño, members of ETA, are convicted of the murders of 12 policemen in 1986.

France

- On 1st July, President Jacques Chirac sets up a committee, made up of 15 members and chaired by the French Ombudsman Bernard Stasi, with the aim of examining the application of the constitutional principle of “secularisation” in everyday life. One of the issues to be tackled concerns the growing tension between the secular state and the 5 million Muslims living in France.
- On 4th July, a Corsican named Yvan Colona, accused by police for the murder of Chief Commissioner of Police Claude Érignac in 1998, is arrested. On 6th July, Corsicans reject, by referendum, the government’s plan to decentralise power. This plan contains a series of proposals to devolve additional powers to the island. The results of the referendum lead to an intensification of attacks by separatist militants. On 11th July, 8 Corsicans are convicted of the murder of Chief Commissioner of Police Érignac. On 11th July, in protest against the sentences, the National Liberation Front of Corsica, (FLNC) ends the ceasefire which had lasted for 7 months and on 17th July the ‘Corsica Nationale Movement’ withdraws from the Corsican Assembly.

Italy

- On 22nd July the Senate adopts a law on reform of the media which is criticised by the left-wing opposition parties and by media interest groups, since it gives untoward advantages to Mediaset, Berlusconi’s media company.
- At the end of July, a governmental crisis erupts following Roberto Castelli, the Justice Minister’s attempt (using the new immunity law passed on the 18th June and ratified, among others, by the Prime Minister) to block an investigation into tax fraud and false accounting on the part of Berlusconi’s media company, Mediaset. On 27th July, the Democrats Centre Union party (UCD) threatens to withdraw from the coalition if the investigation is not conducted. On 28th July, the UCD states that it will support the motion of no-confidence in Castelli to be proposed by opposition parties on 29th July. Finally, on 29th July, Castelli announces that the investigation will be conducted.
- On 31st July, the former Minister for Home Affairs, Claudio Scajola, is appointed to the new post of Minister for the implementation of governmental programmes.

Malta

- On 1st July, the United States decides to suspend military aid to 35 countries, amongst them Malta, in retaliation for their refusal to grant immunity to Americans accused of crimes by the International Criminal Court.
- On 16th July, an agreement is signed between Malta and Slovenia to strengthen cooperation between the police forces of the two countries in the fight against organised crime and other serious crimes.

Slovenia

- On 17th July, the government submits the documents ratifying the Convention on Transfrontier Co-operation between Territorial Communities or Authorities and the Civil Law Convention on Corruption to the Council of Europe.

Bosnia-Herzegovina

- On 11th July, Resolution 1491, adopted by the Security Council, extends the mandate of the NATO Stabilisation Force by one year.
- On 28th July a mass grave containing hundreds of bodies of men and boys killed during the massacre at Srebrenica in 1995 is discovered at Crni Vrh, near the town of Zvornik.
- On 31st July, the Bosnian Serb Milomir Stakic – who, according to the accusation made against him, killed about 200 non-Serbian prisoners in August 1992 – is acquitted of genocide and complicity in genocide but convicted of crimes against humanity and of the violation of the laws and customs of war. He is sentenced to life imprisonment with the possibility of conditional release only after 20 years, the longest sentence ever handed down by the International Criminal Tribunal for the former Yugoslavia (ICTY).
Serbia and Montenegro

- On 9 and 10 July, for the first time since the independence of Slovenia in 1991, a President of Serbia and Montenegro makes an official visit to Slovenia.
- On 16th July, during the first trial of former members of the Kosovo Liberation Army (KLA) for war crimes in Kosovo, the former commander Rustem Mustafa is sentenced to 17 years in prison by three international judges appointed by the United Nations.
- On 22nd July, Vladimir Vukcevic is appointed special prosecutor for war crimes in Serbia. It is an important step which will lead to several trials at the national level of Serbians suspected of war crimes.
- On 24th July, the last Russian contingent leaves Kosovo after four years of peace-keeping mission.
- On 28th July, Nikola Bajic, one of the prime suspects in the murder of the Serbian Prime Minister, Zoran Djindjic, is arrested.

Albania

- On 18th July, the Deputy Prime Minister and the Foreign Minister, Ilir Meta, resigns after a disagreement with the head of the government, Fatos Nano. The latter criticises the lack of speed and inability of the Albanian diplomatic service to forge relations with its European partners. On 19th July, the Minister for Integration, Sokol Nako, also resigns.

Greece

- On 22nd July, NATO states that Turkey and Greece have undertaken complementary reciprocal confidence-building measures, including the exchange of military personnel.

Cyprus

- On 2nd July, Cyprus sees the birth of its first commercial Greco-Turkish magazine intended to relaunch trade on both sides of the divide.
- On 14th July, the Greek-Cypriot Chamber of Representatives unanimously approves the accession of Cyprus to the EU on 1 May 2004.
- On 14th July, the Greek party of Cyprus opposes the reopening of Nicosia airport, which was closed in 1974.
- On 20th July, during the celebrations of the 29th anniversary of the Turkish occupation of the north of the island, the President of the Turkish Republic of Northern Cyprus (TRNC), Raul Demko-tash, denounces the United Nations peace plan which, according to him, will lead to a state dominated by Greek Cypriots.

Turkey

- Relations between Turkey and the United States deteriorate when on 4th July US troops arrest 11 people from the Turkish Special Forces during a raid on a town in the north of Iraq. This event follows Turkey’s refusal to authorise the Americans to use Turkish territory to launch an attack on Iraq.
- On 30th July, Turkey’s Grand National Assembly (GNAT), the Turkish parliament, approves the seventh “harmonisation package” of reforms required by the EU before the opening of accession negotiations. In this context, the Turkish army’s wide powers are reduced, for example by removing the executive powers of the national security council, dominated by the army, and changing it into a consultative body. In addition, allegations of torture must be investigated and civilians may no longer be prosecuted by military courts in peace time.
- On 30th July, the GNAT adopts a law on a partial amnesty for militant Kurds from the Kurdish Workers’ Party (PKK).
- On 30th July, Ankara’s Security Court refuses the request to commute the death sentence on Abdullah Öcalan to life imprisonment, thus ending the legal proceedings.

Syria

- On 19th July, Syria states its intention to resume the peace negotiations with Israel, (suspended since January 2000), on the basis of the terms agreed upon.

Lebanon


Jordan

- On 10th July, Samih al-Batkh, the former director of the General Intelligence Department (GID), is sentenced to prison for his involvement in a bank fraud and for abuse of power.
- On 21st July, King Abdullah II appoints a new cabinet, once again headed by Prime Minister Ali Abu al-Rageb.

Egypt

- From 3rd to 6th July, a congress is held in Cairo entitled “Towards a new cultural discourse,” bringing together 150 Arab intellectuals who discuss despotism, the failure of the Arab world and the omnipresence of religion in their state. The congress concludes with the adoption of a final document entitled the “Cairo Cultural Proclamation.”
- On 31st July, eleven Muslims, suspected of being linked to the Islamic group behind the Luxor attack in 1997, are arrested.

Libya

- On 3rd July, the Italian Minister for Home Affairs meets with Nassar al-Mabrouk, his Libyan counterpart, and Muammar Gaddafi, the Libyan leader, offering them his assistance in combating illegal immigration. Libya opposes the sending of Italian soldiers onto its territory to stem the arrival of illegal immigrants in Italy.

Tunisia

- On 2nd July, the sixth Conference against terrorism opens in Tunisia, bringing together various Arab countries, representatives of the Arab League and of the Nayaf Arab Academy for security studies.
- During his visit on 14th and 15th July to Morocco, Mohamed Ghannouchi,
the Tunisian prime minister, speaking at the eleventh joint Tunisia-Morocco committee, declares his wish "to strengthen relations and consolidate ties" between the two countries.

- On 23rd July, an agreement is signed between Tunisia and Algeria on water use and distribution.
- On 28th July, President Ben Ali announces that he will stand for a fourth term in the 2004 elections.

**Algeria**

- On 2nd July, two key leaders of the Islamic Salvation Front (FIS), Abassi Madani and his deputy Ali Belhadj, are freed after having served a sentence of 12 years' imprisonment. Their release is accompanied by a court order prohibiting them to participate in any kind of political activity. Mr Madani signs the order, whereas Mr Belhadj refuses.
- At the end of July, the government agrees to the introduction of Tamazight, the minority Berber language, into the educational system.

**Morocco**

- On 3rd July, the Moroccan government announces that it has opened its doors wider to Portuguese investment in order to make Portugal its main trading partner.
- On 21st July, the trial begins for 700 Muslim militants, suspected of having taken part in the Casablanca attacks of the previous 16th May.

**European Union**

- On 1st July, Italy takes over the Presidency of the European Union from Greece. Its priorities are the holding of the Intergovernmental Conference, economic support, the eastward enlargement of the European Union, an increased role for Europe on the international scene and the security of citizens.
- On 2nd July, Silvio Berlusconi, the President of the European Union, calls the German social democrat Martin Schulz a Nazi, during a speech before the European Parliament at Strasbourg.
- On 3rd July, Mr Berlusconi telephones Mr Schröder to apologise, but refuses to make formal apologies. Tensions between Italy and Germany increase when Stefano Stefani, the Italian Under-Secretary of State for Productive Activities, and responsible for tourism, among others, describes German tourists as arrogant and hyper-nationalist. On 11th July, Mr. Stefani resigns from the government.
- On 9th July, following a scandal, Romano Prodi, President of the European Commission, replaces the Director-General of the Statistical Service, Eurostat, and launches financial proceedings against him and two of his deputies. The scandal is considered to be the largest since the resignation of the European Commission in 1999. On 23rd July, the European Commission terminates its contracts with four companies and adopts new rules on the financial responsibilities of its officials.
- On 15th July, the European Court of Justice (ECJ) extends the investigative powers of the EU's anti-fraud office (OLAF) to the European Central Bank (ECB) and the European Investment Bank (EIB).
- On 22nd July, the ministers of agriculture adopt new rules, including the obligation to indicate on the label when a product contains more than 0.9% of genetically modified constituents.

**August 2003**

**Portugal**

- During July and August, two forest fires kill 18 and destroy 10% of the country’s forests. They are the largest fires since 1980.
- A heat wave, spreading across the whole of Europe kills 1300 people.
- On 1st August, Lieutenant General Luis Valenca Pinto is appointed Army Chief-of-Staff, following the resignation of General José Manuel da Silva Viegas, who had lost all confidence in the Minister of Defence.
- On 3rd August, ETA, the Basque separatist group, announces its intentions to attack tourist targets and causes alarm among tourists who want to visit Spain.
- On 14th August, Spain orders Innocencio Arias, its Permanent Representative to the United Nations, to return to New York. He had stated at a summer school that the failure to find weapons of mass destruction in Iraq called into question the war in Iraq, thus running counter to the government’s official position on this subject.

**France**

- On 5th August, the French Government confirms the partial (31.5%) renationalisation of Alstom.
- Following the deaths of many elderly people during the summer heat wave, Lucien Abenhaim, the Director-General of Public Health, resigns on 19th August, while the Minister for Health, the Family and Disabled Persons refuses to resign, despite the opposition’s demands. On 21st August, Jacques Chirac, the French President, admits that the public health system has been unable to handle the situation and promises to devote more resources to emergency services, calling on French society to become more responsible and to show kindness to their fellowmen.
- On 22nd August, the Minister for Agriculture, Food, Fishing and Rural Affairs announces that emergency assistance will be granted to assist farmers affected by six months of drought and the heat wave.
- On 28th August, the Corsican National Liberation Front-Union of Combatants (FLNC-UC) claims responsibility for over twenty attacks following the end of the ceasefire.

**Italy**

- On 19th August, Silvio Berlusconi, the Italian Prime Minister, cancels his holidays to attend a crisis cabinet meeting to put an end to the proliferation of legal actions by football clubs and thus avoid relegation to a lower division. The cabinet agrees on a decree prohibiting regional courts from holding any proceedings on this case, but the Northern League threatens to vote against this measure.
- On 28th August, the government...
agrees on the strengthening of the Prime Minister’s powers. A bill is to be tabled before the end of the year. The opposition criticises the conflict of interests between the roles played by Mr Berlusconi, both political leader and businessman.

Slovenia

- On 6th August, Mr Bekes, Slovenia’s Ambassador in Croatia, meets with Mr Bekic, the Croatian Deputy Foreign Minister, and requests him to kindly provide an explanation on the position of the Croatian Ministry of Agriculture regarding the proclamation of a Croatian Exclusive Economic Zone (EEZ) in the Adriatic. The Slovenians oppose any such unilateral declaration of a Croatian exclusive economic zone.

Croatia

- Croatia has to deal with its most serious drought in 50 years.
- On 22nd August, for the first time since the country’s independence in 1991, a Croatian President, Stipe Mesic, visits Montenegro.
- On 27th August, a former soldier from the Yugoslavian army pleads guilty before the International Criminal Tribunal for the former Yugoslavia to charges of war crimes during the Dubrovnik bombardments.
- On 28th August, four Croatian Serbs are convicted by a Croatian court for genocide during their participation in the Serbo-Croatian war (1991-1995).

Bosnia-Herzegovina

- On 15th August, Mitar Rasevic, the Bosnian Serb turns himself in to the International Criminal Tribunal for the former Yugoslavia. He is indicted for crimes against humanity, violations of the laws and customs of war and grave breach of the Geneva Convention when he was commander of the Foca Kazneno- Popravni Dom detention centre between 1992 and 1995.

Serbia and Montenegro

- On 4th August, Satish Menon, a United Nations police officer, is assassinated. He is the first member of an international organisation to be killed since the end of the war in 1999. Anti-UN feeling rises after the conviction of several members of the KLA for war crimes.
- On 7th August, 16 of the 51 generals and admirals in the Supreme Defence Council (the highest military body) are dismissed on suspicion of being loyal to Mr Milosevic. Several lower-ranking officials suffer the same fate.
- On 7th August, Zoran Janjusevic, security advisor to the Serbian Prime Minister, resigns after being accused of corruption, which he flatly denies.
- On 12th August, the Serbian Government adopts a draft declaration describing Kosovo as part of Serbia, thus triggering dissatisfaction among the Albanian majority of the province. There are several reports of Serbian aggression towards Albanians crossing Serb enclaves.
- On 21st August, 44 people are accused of being suspicious of conspiring or participating in the murder of Prime Minister Zoran Djindjic. One of the suspects directly charged with this murder, Milorad “Legija” Lukovic, was a member of the Special Operations Unit during Milosevic’s time.
- On 25th August, the trial of Slobodan Milosevic resumes with testimony from a soldier who claims to have acted under threat of death.

Macedonia

- On 28th and 29th August, a Regional Forum is held, organised by UNESCO, on the “dialogue between civilisations.” The Presidents of Albania, Bosnia-Herzegovina, Bulgaria, Croatia, Hungary, Slovenia and Serbia and Montenegro participate, as well as representatives from the EU, the UN and other international organisations and NGOs. The aim is to reinforce cooperation between the countries of Southeast Europe and to provide mutual support for European integration.

Albania

- From 22nd to 24th August, the Balkan leaders meet for the first time to encourage rapprochement between the regions and put an end to ethnic tensions, pre-requisites for living in a stable and peaceful region.

Greece

- On 11st August, Greenpeace criticises lack of concern for environmental issues in the organisation of the 2004 Olympic Games in Athens.
- On 14th August, a violent earthquake (6.4 on the Richter scale) strikes the southwest of Greece, slightly injuring 27 people.

Cyprus

- On 8th August, Abdullahi Sener, the Turkish Deputy Prime Minister, and the President of the Turkish Republic of Northern Cyprus (TRNC), sign a framework agreement for a Customs Union which will allow products from the Republic, currently under an international blockade, to be exported to the international markets through Turkey. The latter undertakes to lower port and airport duties and to encourage investment in the TRNC. The agreement is criticised for running counter to certain agreements signed between the EU and Turkey.

Turkey

- On 6th August, President Ahmet Necdet Sezer approves the seventh package of European Union harmonisation reforms, designed to limit the Turkish army’s extensive powers.
- At the end of August, Turkey acknowledges the failure of its law on a partial amnesty for Kurdish militants from the PKK, after only eight members of the PKK have benefited from it.

Syria

- In mid-August, William Burns, the U.S. Deputy Secretary of State for the Middle East, meets President Bashar al-Assad in the south of Lebanon to discuss the situation in Iraq and Palestine, and the Middle East peace process in general.

Lebanon

- On 8th August, members of Hezbollah attack Israeli military positions near the Golan Heights. These attacks follow Israeli reports on the reinforcement of Israeli troops on its north border af-
ter Hezbollah’s announcement to continue its military activities. On 10th August, tensions are rekindled at the border.

- On 8th August, Abdullah Shuraydi, the Palestinian Islamic leader of the Isbat al-Ansar group, is assassinated in the Ain al-Hilweh refugee camp, near Sidon.

Jordan

- On 3rd August, a new Chamber of Representatives is elected. It immediately rejects the temporary law brought in by the Cabinet in December 2001, authorising women to divorce without their husbands’ consent. On 10th August, demonstrations by women’s movements and human rights activists are carried out in protest.

Egypt

- On 23rd August, the Egyptian security services arrest 37 members of the radical Islamic movement Jamaa islamia, who want to relaunched the armed struggle.
- On 29th August, the Muslim Brotherhood calls on all Muslims to lend both moral and financial support to the Palestinians’ jihad against Israel.
- The same day, nine members of the Muslim Brotherhood movement are arrested and placed in custody for having “incited the public to rise against the Egyptian regime.”

Libya

- On 15th August, Libya, the United Kingdom and the United States come to an agreement on compensation for the families of the 270 people killed in the Lockerbie attack in 1988. This compensation is to be paid in stages, as United Nations continue to ease sanctions. France threatens to veto the easing of UN sanctions if Libya does not offer increased compensation to the victims of the another attack (UTA Flight 772) in September 1989. On 17th August, Kofi Annan, the UN Secretary General, calls on the General Council to ease the sanctions on Libya. The following day, the United Kingdom and the United States present a letter to the Security Council in this regard.

Tunisia

- On 17th August, the journalist Abdallah Zouari is arrested for the second time since his release in 2002, and sentenced on 30th August to nine months in prison for contravention of the order prohibiting him to leave his home town of Zarzis. Human rights organisations in Tunisia and abroad condemn Mr Zouari’s detention and accuse the Ben Ali government of muzzling the press in order to silence opposition. After his arrest, Mr Zouari goes on hunger strike.

Algeria

- On 18th August, militant Islamic Algerians, members of the Salafist Group for Call and Combat, free 14 European hostages in Mali who they kidnapped in the Algerian Sahara in February. Most of the hostages are German nationals, but Germany denies having paid any ransom.

Morocco

- On 6th August, Mohamed Bouzoubaa, the Justice Minister, states that 1,042 persons belonging to various organisations have been arrested in connection with the Casablanca attacks on 16th May the previous year. Eleven of them belong to the al-Qaeda network.
- On 19th August, in the Casablanca attacks trial, a Casablanca court sentences 4 people to death and 83 people to prison for their participation in the Casablanca attacks.

European Union

- On 27th August, Romano Prodi, the President of the European Commission, warns the euro-zone Member States, stating that the Commission will take steps against those which do not comply with the 3% public deficit criteria as contained in the Stability and Growth Pact. This warning follows talks between Mr Prodi and Jean-Pierre Raffarin, the French Prime Minister, and the meeting on 17th August between Pedro Solbes, Commissioner for Economic and Monetary Affairs, and German leaders. These two countries, whose public debt in 2003 was higher than 3%, are requested to meet the 3% criteria in 2004.

September 2003

Portugal

- On 1st September official sources in Portugal, France and Spain declare that since November 2002, 47,225 tonnes of fuel have escaped from the Prestige, the shipwrecked oil tanker.
- On 15th September, Jorge Sampaio, the Portuguese President, accompanied by 50 Portuguese businessmen, undertakes a state visit to Turkey in order to strengthen economic and trade relations between the two countries. During this meeting, the President states that Turkey should be treated like any other country applying for accession to the European Union and criticises the possibility of turning the EU into “Christian club.”
- Luís Filipe Pereira, the Minister for Health, announces a reduction in the numbers of heat-wave-related deaths occurring between July ending and August ending. The official figure is 545 deaths.

Spain

- On 4th September, Prime Minister José María Aznar announces that Mariano Rajoy Brey, the current Vice-President, has been unanimously elected as Secretary-General of the Popular Party (PP) and as the PP candidate for the post of President in the next elections.
- On 5th September, 4 people, suspected of being members of ETA are arrested and on 14th September a member of ETA is killed in an exchange of fire with the police.
- The proposal by Juan José Ibarretxe, the regional Basque President, for Basque independence to be made greater through the creation of a “Free associate state” is rejected by Prime Minister Aznar.
- On 11th September, Tayseer Alouni, a Spanish journalist from Al-Jazeera who interviewed Osama Bin Laden shortly after the 11th September attacks, is arrested on suspicion of belonging to the al-Qaeda network and
having supplied it with information and money. On 13th September, 16 immigrants of North-African origin are released after two months’ imprisonment on suspicion of terrorist activities. They intend to sue Prime Minister Aznar for defamation. On 22nd September, four other persons are arrested for their alleged involvement in terrorist activities.

France

• On 18th September, Nicolas Sarkozy, Minister for the Interior, Internal Security and Local Freedoms, states that he is going to close mosques where radical Islam is preached and will expel foreign imams who give fundamentalist sermons. He also announces that foreign Muslims will be refused visas for attending conferences in France if they cannot “prove their compliance with the laws of the Republic.”

• On 23rd September, Ali B., of Franco-Algerian origin, is arrested on suspicion of having provided logistic support to the ‘Frankfurt cell’, in which alleged members of al-Qaeda, arrested in France and Germany in 2000-2001, participated.

• On 24th September, the controversy about headscarves resurfaced when two girls who refuse to remove their headscarves are expelled from a school in the Paris suburbs.

• On 25th September, the National Institute for Health and Medical Research (Inserm) estimates the number of exceptional deaths caused by the high temperatures in August at 15,000.

• On 25th September, the 8 representatives of Corsica Natione resume their seats in the Corsican Parliament, after having abandoned them in June.

• On 29th September, the trial begins for former Prime Minister Alain Juppé and 26 other persons at Nanterre. They are charged with abuse of public and company funds between 1988 and 1995, when Alain Juppé was advisor to the former mayor of Paris and current President, Jacques Chirac and the secretary-general of the Rally for the Republic (RPR).

Italy

• On 11th September, an article is published in the magazine The Spectator in which Berlusconi described Benito Mussolini, the Italian fascist dictator, as well-meaning and never having killed anyone. Berlusconi ends up apologising and, in spite of this incident, he is honoured in New York on 23rd September with the Jewish Anti-Defamation League’s Distinguished Statesman Award, in recognition of his support in the Iraq war and to the Israeli government.

• On 11th September, the Ministry of Health releases the official figures on heat-related deaths: 4,175.

• On 25th September, a petition is submitted to the Supreme Court of Appeal, requesting a referendum on the new immunity law (June) granted to the Prime Minister.

• On 28th September, almost all of Italy is without electricity, in some cases for 18 hours. (GRTN, the Italian national grid operator, blames it on the malfunctioning of two supply lines from France and Switzerland. Experts from these two countries state that the incident could have been avoided if GRTN had reacted more quickly to the line malfunctions.) This incident reopens the debate on nuclear power in Italy.

Malta

• Malta and Cyprus are not invited to the Prague Conference to take place on 23rd September, at which the small and medium-sized countries of the EU and future EU members gather to discuss the European Constitution.

Slovenia

• On 9th September, Prime Minister Anton Rop announces the abolition of compulsory military service.

Croatia

• On 10th September, for the first time since Croatia’s independence, Stipe Mesic, the Croatian President, visits Belgrade, where he meets Svetozar Marovic, President of Serbia and Montenegro. The two Presidents exchange symbolic apologies for the suffering and damage their people have inflicted on each other.

Bosnia-Herzegovina

• On 4th September, Drogan Nikolic, a Bosnian Serb comes to an agreement with the prosecutors of the International Criminal Tribunal for the former Yugoslavia (ICTY) and consents to plead guilty to persecution, murder and torture of Muslim prisoners and to having aided and abetted sexual violence in a detention camp in the east of Bosnia.

Serbia and Montenegro

• On 3rd September, the judges of the International Criminal Tribunal for the former Yugoslavia (ICTY) refuse the request by Slobodan Milosevic, the former Serbian President, to be released for at least two years in order to be able to prepare his defence.

• On 4th September, the UN Security Council appoints Carla del Ponte for a renewed term of 4 years as chief prosecutor of the ICTY (Resolution 1504 (2003)).

• On 24th September, Maja Kovacevic, a Serbian judge, announces that Milosevic will be prosecuted for having ordered the death of Ivan Stambolic, the former Serbian President. The trial is to start in two months’ time.

Macedonia

• On 4th September, security forces suffer an attack perpetrated by ethnic Albanian guerrillas on the border with Kosovo. It is one of the most serious attacks since 2001.

• On 8th September, 4 members of the Albanian national army (ANA), the extremist group, are killed by the Macedonian police. This paramilitary group, considered a terrorist group by the UN mission in Kosovo, does not recognise the Ohrid peace accords of 2001.

Greece

• On 25th September, Greece and Turkey ratify before the UN the Ottawa convention on the prohibition of antipersonnel mines, which will lead them shortly to de-mine their shared border. The same day, seven illegal immigrants die in these minefields.
Cyprus

- On 4th September, the three main opposition parties in the Turkish Republic of Northern Cyprus (TRNC) form an election coalition for the December parliamentary elections. Their aim is to create a unified Cyprus, based on the plan by Kofi Annan, Secretary-General of the United Nations. They also oppose Rauf Denktash, the current President, blaming him for the failure of the negotiations to reunify the island.

Turkey

- On 2nd September, the Congress for Liberty and Democracy in Kurdistan (Kadek – the former PKK) announces that an end to its 4 years of unilateral ceasefire, alleging that the Turkish Government has not respected the freedoms and rights of the Kurdish people.
- On 22nd September, John Snow, U.S. Treasury Secretary, and Ali Babacan, the Turkish Minister for the Economy, sign a loan agreement in Dubai for 8.5 million dollars in order to alleviate the impact of the Iraq war on the Turkish economy. This loan follows discussions between the two countries on the possibility of a deployment of Turkish troops in Iraq.

Syria

- On 10th September, Prime Minister Mohammed Mustafa Mero hands over his resignation. On 18th September, a new government is put in place, headed by Mohammed Naji al-Itri, former Speaker of the Parliamentary Assembly. The key posts, such as the Foreign Minister and the Defence Minister, remain in the hands of its former holders.
- On 16th September, John Bolton, U.S. Under-Secretary of State for Arms Control, accuses Syria (considered by the United States to be a "Rogue State") of developing weapons of mass destruction and criticises its inability to prevent militants from crossing the border with Iraq to attack U.S. soldiers.

Lebanon

- On 4th September, following accusations against Libyan leader Muammar Gaddafi in a disappearance case in 1978, of the Lebanese Shi'ite leader Imam Moussa Sadr, Libya closes its embassy in Beirut, without, however, breaking off relations with Lebanon. Amr Moussa, secretary-general of the Arab League, volunteers to mediate.
- On 24th September, the Belgian judicial authorities finally abandon the prosecution for crimes against humanity of Israeli Prime Minister Ariel Sharon and Amos Yaron, the Israeli general.
- On 25th September, the Lebanese judicial authorities launch proceedings against Michel Aoun, former head of government (in exile in France) for the remarks he made about Syria before the U.S. Congress, considered detrimental to relations between Lebanon and Syria.
- On 26th September, Lebanese President Emile Lahoud reiterates his support for the Palestinian resistance and his refusal to interfere with banking secrecy, indirectly rejecting a freeze on the bank accounts of Hamas leaders, as requested by Washington.
- On 28th September, in commemoration of the third anniversary of the second Intifada and in homage to the martyrs, thousands of sympathisers of Hamas, the Palestinian movement, and the Lebanese Hezbollah demonstrate in southern Lebanon.

Jordan

- On 2nd and 3rd September, for the first time since the Iranian revolution in 1979, King Abdullah II of Jordan, makes an official visit to Iran where he meets with Iranian President Seyyed Mohammed Khatami and Ayatollah Ali Khameini, the supreme spiritual leader.

Egypt

- At the end of September, authorities release 900 members of Gamaat-i-Islamiya, the Islamic group implicated in the assassination of former President Anwar Sadat in 1981 and in the attack on tourists in Luxor in 1997. Since 1999, the group has been observing a ceasefire.

Libya

- On 9th September, Libya, opposed to the participation of Hoshyar Zebari, the new Iraqi Foreign Minister, boycotts the meeting of the Arab League’s Ministerial Council.
- On 11th September, France declares that it will not veto the lifting of international sanctions imposed by the UN on Libya, after the latter has agreed to increase the compensation for families of victims of the UTA flight attack (1989). On 12th September, Resolution 1506, adopted by the Security Council (13 votes for, and two abstentions: the United States and France), lifts with immediate effect the sanctions on Libya, thus paving the way for the payment of the first instalment of compensation to families of the victims of the Lockerbie attack.

Tunisia

- On 4th September, the Tunisian army destroys its last antipersonnel mine reserves, thus complying with the Treaty of Ottawa, signed in 1997.

Algeria

- On 5th September, President Abdelaziz Bouteflika carries out a partial reshuffling of government, dismissing certain ministers considered loyal to his rival, the former minister Ali Benflis, who was removed from power in May.

Morocco

- On 11th and 13th September, two Jews are murdered. King Mohammed VI sends a message of condolence to Morocco’s Jewish community.
- During September, the trials of people suspected of involvement in the Casablanca attacks in May continue. 33 people are sentenced various prison terms, including three life sentences. On 25th September, two Muslims are sentenced to death for planning terrorist attacks, which brings the total of death sentences passed since the May attacks to 16.
- On 30th September, two 14-year-
old twin girls are sentenced to 5 years’ imprisonment for having planned an attack against a supermarket in Rabat.

European Union

- On 6th September, the Ministers for Foreign Affairs of the 15 Member States agree to add the political wing of Hamas, the Palestinian movement, to the list of organisations supporting terrorism. This means that Hamas’s financial assets in the European countries will be frozen and that any donation to Hamas will be prohibited.
- On 18th September, President Chirac and Chancellor Schröder announce their intention to inject massive public investment into high-technology industrial projects (TGV train between Paris and Frankfurt, Galileo, the satellite navigation system, etc.) in order to foster an upturn in economic growth in Europe.
- On 23rd September, the Commission announces that the European Solidarity Fund for disasters will release 48.5 million euros for Portugal (forest fires), 47.6 million euros for Italy (earthquake) and 8.7 million euros for Spain (oil spill).
- On 25th September, the European Commission opposes France’s draft budget for 2004, with a planned public deficit of 3.6% of GDP in order to promote growth and employment.
- On 25th September, Romano Prodi, the President of the European Commission, opposes the demand by the European Parliament for the resignation of three commissioners, accused of being unable to deal with the corruption scandal in Eurostat, the statistical service. Romano Prodi acknowledges that errors have been made but emphasises that the corruption dated from before the current European Commission took up office.
- On 30th September, the European Association for Animal Production states that the cost of mad cow disease was EUR 90 million, meaning that the disease is the most costly ever to have affected European cattle.

Arab League

- On 9th September, the Arab League’s Ministers for Foreign Affairs agree to give Iraq’s seat temporarily to the representative of the interim Iraqi Council of Government, formed under the aegis of the United States.
- From 26th to 30th September, the first economic forum between the Arab League and the United States is held.

October 2003

Portugal

- On 6th October, Minister for Science and Higher Education, Mr. Pedro Lynce resigns on allegations of nepotism, and on 7th October, Foreign Minister, Mr. Antonio da Cruz follows suit.
- On 21st October, President Jorge Sampaio, in a televised statement, asks the Portuguese people to retain confidence in the judicial system, after recordings of telephone calls made public suggest that politicians are trying to undermine investigations into a paedophile scandal in which several public figures have been arrested.

Spain

- On 8th October, 34 people are arrested on suspicion of belonging to ETA, the Basque terrorist group. On 12 October, a Spanish national holiday, ETA explodes two bombs in a parking lot in the Basque town of Irun, there are no casualties.
- On 15th October, the police arrest 550 illegal immigrants from Morocco on southern coasts and in the Canary Islands. At least 32 people drown at the end of October attempting to reach the Spanish coast.
- On 26th October, Juan José Ibarretxe, President of the Basque Government, presents a proposal for a referendum on “the independence of the Basque country in association with Spain.” The Spanish Government opposes it and on 31st October the government announces that it will bring a case before the Constitutional Court.

France

- On 2nd October, an investigating judge in Paris issues writs to 8 banks and 100 individuals (including several rabbis), accused of money laundering between France and Israel.
- On 5th October, the government calls on the trade unions and employers to review the law on the 35-hour working week (2002) to make it more flexible, thus preventing the French economy from worsening.
- On 9th October, suspected members of the Islamic Salafist Group for Call and Combat (GSPC) appear in court, accused of having planned an attack on the occasion of a France-Algeria football match in October 2001. On 14th October, Larbi Moulaye, an Algerian, is extradited to Algeria, accused of being the “key man” and chief recruiter in the southwest of France for the GSPC.
- On 10th October, two attacks are committed in Nice and Paris, wounding one person. The Corsican National Liberation Front-Union of Combatants (FLNC-UC) claims responsibility for the attacks. On 15th October, two people are arrested in connection with the Paris attacks. On 17th October, the Council of State refuses the request by Corsica Nationale to annul the referendum (6 July), which rejected by a very narrow margin proposals for decentralisation. Several attacks take place before the visit by Nicolas Sarkozy, Minister for the Interior, to Corsica on 30 October.
- On 17th October, Abdelkader Sahaf, a Frenchman, is arrested on suspicion of being a member of the “Chechen cell” made up of anti-Russian Muslims.

Italy

- On 1st October, the Chamber of Representatives approves two amendments to the bill on media reform, which is beneficial to Mediaset, President Berlusconi’s media company. The bill is sent to the Senate for its approval.
- On 15th October, the Spanish Constitutional Court suspends investigations into allegations of tax fraud against President Berlusconi, protected by the Italian law on immunity. President Berlusconi’s company Fininvest holds shares in Telecinco, a Spanish television channel.
- On 20th October, a boat carrying illegal immigrants is found with 15 people on board. According to the survivors, some 50 people must have lost
their lives during the crossing from Libya.

• On 24th October, 6 alleged members of the Red Brigade are arrested for their alleged implication in the murder of Massimo d’Antona in 1989, when he was an advisor to the Minister for Employment. On 27th October, it is announced that there will be an en-quiry into the police’s selection proce-dure, since one of the suspects in the case had been given authorisation to have access to classified state documents.

• On 24th October, the three biggest unions organise a strike in protest at the government’s proposed pensions reform. Under the new reform, from 2008 the full pension will only be received after payment of contributions for 40 years, not 35 years as is the case cur-rently.

Malta

• On 22nd October, Alvaro Gil-Robles a Spaniard and Human Rights High Commissioner for the Council of Eu-rop, following a visit to the island from 20th to 21st October, describes the conditions in which illegal immigrants are detained in Malta as “shocking.” He considers it “unacceptable” that the il-legal immigrants sometimes spend two years in these centres, waiting for a de-cision on their asylum request. The Maltese authorities promise that these prob-lems will be remedied.

Slovenia

• Several meetings between France and Slovenia take place at the begin-ning of October, including the visit to Slovenia on 23rd October by Dominique de Villepin, the French Foreign Minister, who meets his counterpart Dimitrij Rupel, Prime Minister Anton Rop, President Janez Drnovsek and officials from the Slovenian parliament. The visit is de-voted to bilateral relations and Slovenia’s accession to the European Union (EU) in May 2004. Following the meeting, both parties reaffirm a closeness in their positions on EU constitution.

• On 28th October, Mitja Gaspari, governor of the Slovenian central bank, states that Slovenia ought to think about joining the euro zone in 2007.

Croatia

• On 9th October, Pierre-Richard Prosper, the US Ambassador-at-Large for War Crimes Issues, announces $5 million reward (in a ‘Reward for Justi-ce’ programme) in exchange for infor-mation on the whereabouts of Ante Gotovina, a Croatian general. He has been on the run since his indictment by the International Criminal Tribunal for the former Yugoslavia (ICTY) was made public in July 2001. The outcome of this case is an important factor for Croatia’s accession to the European Union.

Bosnia-Herzegovina

• On 19th October, Alija Izetbegović, President of Bosnia during the war of independence and the civil war (1992-1995), dies at the age of 78. On 22nd October, the day of his burial, a spokesman for the International Crimin-als and Security Organisation (OSCE), which was fully involved in the organisa-tion of the elections, is to make its con-clusions public.

Greece

• On 9th October, thousands of pub-lic sector workers demonstrate on the streets of Athens in an attempt to im-prove their salary terms and working conditions. Costas Simitis, the Prime Minister, rules out any increase in pub-lic sector salaries, since the public deficit will probably grow considerably as a result of the costs of the 2004 Olympic Games in Athens.

Cyprus

• On 14th October, 10,000 Turkish Cypriots demonstrate against the de-cision by their government to grant Cypriot nationality to thousands of Turks. In the opinion of many, this is an at-tempt by Rauf Denktash, President of the Turkish Republic of Northern Cyprus (TRNC), to gain votes in his favour in the next elections.

Turkey

• On 4th October, the Supreme Board of Elections declare, after months of
speculation, that the November 2002 elections results are valid.

- On 7th October, the Grand National Assembly (Turkish Legislature) adopts the government resolution making provision for the sending of Turkish troops to maintain peace in Iraq. Neither the number of soldiers nor the date of their despatch is specified in the despatch plan. On 14th October, the Turkish embassy in Baghdad is attacked. On 18th October, Prime Minister Recep Tayyip Erdogan states that no definitive decision on deployment has been adopted and that therefore there is still a possibility that troops will not be sent.

**Syria**

- On 5th October, following a suicide strike the day before in Haifa in which 21 people died and for which Islamic Jihad claimed responsibility, the Israeli army attacks a base at Ain Saheb, 20 kilometres south-west of Damascus. According to Israel, it is a training camp for Palestinian terrorists, including Hamas and Islamic Jihad. Syria rejects the Israeli’s assertions and maintains that it is not a training camp but the home of some Palestinian refugees. Syria brings a complaint before the UN Security Council. On 7th October, Ariel Sharon, the Israeli Prime Minister, states that Israel will attack in any place and using any means necessary in order to defend its citizens. Syrian President Bashar al-Assad rejects the U.S. demand to expel representatives of Palestinian factions.

- On 8th October, the U.S. position towards Syria toughens with the adoption by the U.S. Chamber of Representatives’ Committee on International Relations of the ‘Syria accountability act’ under which Syria has to, if it wants to avoid any economic or diplomatic sanctions, end its support of terrorism, suspend all her programmes to construct weapons of mass destruction and withdraw from Lebanon.

**Lebanon**

- Following the Israeli attack on a Palestinian training camp in Syria on 5th October, tensions mount on the border between Israel and Lebanon. On 28th October, clashes break out in a disputed zone of the Israel-Lebanon border, near the Golan Heights, between the Israeli army and Hezbollah fighters. These clashes coincide with the meeting between Emile Lahoud, the Lebanese President, and Lieutenant-General Hassan Turkmani, Chief-of-Staff of the Syrian troops.

**Jordan**

- On 22nd October, King Abdullah II accepts the resignation of Prime Minister Ali Abu al-Rageb’s government. The same day, he designates Faysal Akif al-Fayiz, who until then has been chief of protocol at the royal court, as the new Prime Minister and on 25th October the king accepts the make-up of his government.

**Egypt**

- On 6th October, anniversary of the Israeli-Arab war of 1973, the Egyptian authorities release some 2,400 Egyptian prisoners, including 400 members of the Islamic movement Al Gama’a al Islamia, which is implicated in the plotting of President Anwar Sadat’s assassination in 1981, and which had proclaimed a truce in 1997.

**Libya**

- During October, negotiations between France and Libya on increased compensation for families of the victims of the UTA flight 772 attack in 1989 fail. On 24th October, Sayf al-Islam, leader of the Libyan negotiations, and son of the Libyan leader Colonel Muammar Gaddafi, blames the failure of the negotiations on bad personal relations between Gaddafi and Jacques Chirac, the French President.

**Tunisia**

- On 13th October, Radia Nasraoui, the Tunisian female lawyer, begins a hunger strike in protest at the systematic obstacles she faces in pursuing her profession as a lawyer and the constant harassment to which she, her family and her clients are subjected. She accuses the authorities of wanting to “silence her” and of having caused her “isolation” because of her defence of human rights and denunciation of torture in the country.

**Algeria**

- On 23rd October, the United Nations General Assembly elects the 5 new non-permanent members of the Security Council for a period of 2 years starting on 1st January 2004. Algeria is elected alongside Benin, Brazil, the Philippines and Romania.

- On 30th October, Tayeb Belaiz, Justice Minister, sets up a committee to revise the Family Code, adopted in 1984 under pressure from Islamic fundamentalists and considered discriminatory towards women. Tayeb Belaiz emphasises that in the revision, both universal values and Islamic values will be taken into account.

**Morocco**

- On 10th October, King Mohammed VI presents his bill to reform the Family Code to Parliament, which should be adopted without any particular problems. The changes announced constitute a real liberation for Moroccan women. The new family code is undoubtedly the most significant decision made by the king since his accession to the throne in 1999. A special jurisdiction of family tribunals will be set up in order to implement the new law.

- On 17th October, Reporters Without Borders condemn the severity of the courts towards Mohammed el Hourd, publisher of the newspaper Asharq, and Mustapha Kechnini, editor of the newspaper Al Hayat al Maghribia. On 22nd October, Ali Lmrabet, journalist, who has been in prison since 13 May 2003 and sentenced to three years’ imprisonment, tells the press that he is under threat in his cell.

- On 25th October, 39 Moroccan fundamentalists, suspected of belonging to movements involved in the fatal attacks of 16th May in Casablanca, are arrested there.

**European Union**

- On 1st October, Romano Prodi, President of the European Commission, puts forward a 220 million euro programme for the construction of a trans-
port infrastructure project linking 28 European countries, including the construction of motorways and high-speed train lines between the 10 future EU members states and 15 current members. The project also includes the construction of a bridge linking Sicily to the Italian peninsula and the improvement of communications between the Alps and the Pyrénées.

• On 4th October, the intergovernmental conference (IGC) to finalise the European Constitution begins. The IGC of 16 and 17th October highlights the divisions within the 15 members and 10 future members of the EU. Apart from France, Germany, Italy and the Benelux countries, the other governments want to make changes to the draft put forward by the Convention on the Future of Europe. These states oppose the reduction of the members of the Commission to 15 from 2009, with a rotation system. Spain and Poland oppose the double majority system for the adoption of decisions in the Council. Another point of controversy is the reference in the draft constitution to increased cooperation in the realm of defence, as advocated by France, Germany, Belgium and Luxembourg. The United Kingdom and other NATO members fear that a military structure outside of NATO will supplant it.

• On 9th October, Franz Fischler, European Commissioner for Fisheries, presents his plan to combat the extinction of certain species of fish under threat in the Mediterranean.

• On 13th October, the Ministers for Foreign Affairs of the ten European countries due to join the EU in May sign an agreement to become members of the European Economic Area on their accession. On 14th October, however, Liechtenstein refuses to ratify the agreement, provoking a diplomatic crisis.

• On 15th October, following an investigation by the European Anti-Fraud Office (OLAF) into the international sale of grain, the Belgian and French police arrest 8 people, including a Dutch official from the European Commission. Shortly afterwards, official reports are presented on financial irregularities in the EU’s Committee of the Regions (CoR) and in the Eurostat statistical service.

• On 16th October, the Brussels Summit confirms the appointment of Jean-Claude Trichet as President of the European Central Bank (ECB) as of 1st November.

• On 21st October, France rejects the European Commission’s compromise, giving it an extra year to comply with the budget deficit rule in the Growth and Stability Pact, provided that France takes measures to reduce its deficit by 2004. The French refusal means that the Finance Ministers of the 15 EU Member States will have to decide in November whether to impose financial sanctions on France for failure to comply with the 3% public deficit rule for three consecutive years.

November 2003

Portugal

• At an Iberian summit on 7th and 8th November, Portugal and Spain reach an agreement on the construction of four high-speed rail links between the two countries and on the launch the following year of an Iberian Electricity Market (MIBEL). The two countries reach various agreements: one on the strengthening of police cooperation to combat terrorism, another on energy and infrastructure and a third on combating forest fires.

• On 25th November, Eduardo Ferro Rodrigues, the socialist leader of the opposition, accuses the centre-right government, headed by José Manuel Durao Barroso, for “lack of consistency” in his opposition to the European Commission’s application of measures against the excessive deficits of France and Germany, while he is correctly applying the Growth and Stability Pact within Portugal.

Spain

• On 6th November, the report on the damage caused by the Prestige accident to the Spanish coasts in 2002, by the WWF, the worldwide organisation to protect nature, states that its consequences – on shoreline pollution and on marine species as well as on tourism – might last for another decade.

• On 17th November, two members of ETA are sentenced to 20 and 61 years in prison for the murder of three civil guards in 1980. On 18th November, 11 suspected members of ETA are arrested in the Basque Country.

• On 16th November, in elections held for the Catalan autonomous government, the Catalan Republican Left (ERC), doubles its number of seats. This forces the two main parties, the Catalan Socialist Party (PSC) and the Convergence and Union Party, to include the ERC in the forming of a government. For the first time in twenty years, Catalonia is led by a left-wing government, formed through a coalition between the PSC, IC-EU-Els Verds and the ERC.

• On 21st November, the office of the United Nations High Commissioner for Refugees criticises the living conditions of asylum seekers in the Spanish enclave of Ceuta in Morocco.

France

• On 11th November, proceedings are brought against Pierre Messmer, a former Prime Minister, for crimes against humanity. He is charged for having, as Minister for the Army from 1960 to 1969, abandoned the pro-French Algerians (Harkis) at the end of the Algerian war of independence. 100,000 Harkis were massacred after the French retreat in 1962.

• On 14th November, the Corsican National Liberation Front-Union of Combatants (FLNC-UC) announces that it will resume the ceasefire that had been suspended on 6th July in order to facilitate the creation of an alliance of moderate and radical nationalist groups to stand for the 2004 elections to the Corsican Assembly. The ‘FLNC-October 22’ group condemns the ceasefire and continues to commit attacks during November.

• On 17th November, following an attack on a Jewish school in the north of
Paris, French President Jacques Chirac summons his ministers in order to put in place an action plan to combat anti-Semitism, which is to include increased surveillance of Jewish schools, exemplary sentences for anti-Semitic activities and educational measures.

- On 17th November, the French police, with the help of the Italian authorities, arrest 13 alleged members of Taktir, the radical Islamic fundamentalist organisation, which form part of an Islamic fundamentalist network operating between France and Italy.
- On 28th November, Prime Minister Jean-Pierre Raffarin and Nicolas Sarkozy, Minister for Home Affairs, declare their support, before the National Council of the Union for a Presidential Majority (UMP – the ruling party), for a new law prohibiting Islamic veils and all other religious symbols. Several cases of the wearing of veils occur in November: the expulsion of two girls wearing veils from a school in Paris, the replacement of a female judge who wore the veil on 25th November by Dominique Perben, the Justice Minister and the expulsion of another girl wearing a veil from a school in Thann on 27th November.

Italy

- Romano Prodi, President of the European Commission and former Italian Prime Minister, has to face criticism for his interference in Italy’s domestic affairs and for his inappropriate electoral campaign, in which he called on the Italian opposition parties to work together for their role in the “war against terrorism” and the Iraqi crisis. The United States suspended its military aid to these six countries that Slovenia, alongside the three Baltic countries, is the best prepared in terms of the transposition of the existing EU laws and agreements into those countries’ legislation.
- From 13th to 15th November, Ariel Sharon, the Israeli Prime Minister, visits Italy to reinforce links with the country, since the ruling party supported Israel on many occasions.
- On 22nd November, Cesare Preti, Mr Berlusconi’s business partner, is found guilty of corruption and sentenced to 5 years in prison.
- On 25th November, during an official visit to Israel, Gianfranco Fini, Deputy Prime Minister and member of the National Alliance Party (AN), describes the fascist regime of the dictator Benito Mussolini as “hell.” His remarks lead to the resignation of Alessandra Mussolini, grand-daughter of Benito Mussolini, from the AN party. On 30th November, she announces that she is to form her own party.
- On 27th November, demonstrations force the government to abandon the project to dump nuclear waste near the town of Scanzano Jonico, in the Basilicata region.

Malta

- On 6th November, the European Commission publishes a report on the state of integration of existing EU laws and agreements in the 10 future EU countries. The European Commission recommends that Malta, which is a particular target of its criticisms, should make “substantial efforts” on marine safety before its accession to the European Union on 1st May 2004.

Slovenia

- On 6th November, the European Commission states in its report on the state of integration of existing EU laws and agreements in the 10 future EU countries that Slovenia, alongside the three Baltic countries, is the best prepared in terms of the transposition of the existing EU laws and agreements into those countries’ legislation.
- On 21st November George W. Bush, the U.S. President, partially lifts restrictions on military aid to Slovenia, Bulgaria, Estonia, Latvia, Lithuania and Slovakia to reward these countries for their role in the “war against terrorism” and the Iraqi crisis. The United States suspended its military aid to these six countries in July, as well as to many others, for not having signed any bilateral agreement exempting U.S. nationals from being tried before the International Criminal Court (ICC).

Croatia

- On 18th November, Milan Babic, former Croatian Serb rebel leader is indicted for war crimes by the International Criminal Tribunal for the former Yugoslavia (ICTY). He is charged, among others things, with leading ethnic cleansing campaigns against Croats in rebel parts of Croatia held by the Serbs. On 23rd November, Mr Babic states that he will not appeal against his conviction.
- On 23rd November, elections are held for the Chamber of Representatives following which the Croatian Democratic Union (HDZ), a right-wing party which led the country to independence in 1991, wins with 66 seats, 20 more than in the previous elections. On 24th November, Ivo Sanader, the leader of HDZ, states that his government’s priorities will include joining NATO in 2006 and Europe in 2007.

Bosnia-Herzegovina

- On 3rd November, a local television station in Banja Luka (capital of the Republic of Srpska, the Serbian entity in Bosnia) makes public the details of a report that until then had been secret on the massacre of Muslims in Srebrenica in 1995. For the first time, the government admits that Bosnian Serb troops were responsible for the massacre.
- On 13th November, for the first time since the end of the 1992-1995 war, Svetozar Marovic, the President of Serbia and Montenegro, visits Sarajevo, the Bosnian capital. President Marovic apologises for the hell suffered by the inhabitants of Sarajevo during the war, when the city was besieged.

Serbia and Montenegro

- At the beginning of November, Lord Owen, former European Union mediator in the former Yugoslavia (1992-1995) and one of the authors of the Van-Owen plan, testifies before the International Criminal Tribunal for the former Yugoslavia (ICTY) in the war crimes case against the former Yugoslav President, Slobodan Milosevic. He describes Mr Milosevic as a “pragmatist” who wanted the Serbs to be in the majority and states that Mr Milosevic could have encouraged a Bosnian peace agreement at the outset of the 1990s and could have avoided most of the massacres.
- On 13th November, the Prime Minister announces that early elections will be held on 28th December, after the withdrawal of two minority parties in
the governmental coalition, the Democratic Opposition of Serbia (DOS), leading to the loss of its parliamentary majority.

- On 16th November, a new attempt to elect a Serbian President ends in failure, with a turnout of less than the 50% needed for the elections to be valid.
- On 18th November, the parliament of Kosovo agrees to implement the proposal by the Popular Movement to incorporate Kosovo into Albania. This proposal was backed by 46,000 signatures, representing 3.5% of Kosovo’s electorate.
- On 20th November, Milan Filipovic, Montenegro’s Minister for Home Affairs, resigns because the sexual trafficking and cigarette smuggling scandal in which he seems to be involved is continually rocking the government.

Macedonia

- On 3rd November, Ljuben Paunovski, former Defence Minister and opposition member in the Internal Macedonian Revolutionary Organisation – Democratic Party for Macedonian National Unity (VMRO-DPMNE) is sentenced to 66 months’ imprisonment for abuse of power and embezzlement.
- On 5th November, Prime Minister Branko Crvenkovski dismisses 4 of his ministers. On 7th November, the appointment of the replacement ministers is approved by the Sobotranje (the Legislature).

Albania

- On 5th November, Albania concludes an agreement with the European Commission in Tirana in which it undertakes to take back any of its nationals who are in one of the EU countries illegally.
- On 24th November, some 3,000 supporters of former Albanian President Sali Berisha demonstrate in the centre of Tirana to “denounce the results of the municipal elections” of 12th October in the Albanian capital. According to the electoral board, Edi Rama, outgoing mayor of Tirana and the Socialist Party’s candidate, won the election with 58% of the votes, as against 38% to his opposition rival, Spartak Ngjela.

Greece

- On 14th November, Amnesty International expresses its preoccupation with the ill-treatment inflicted by Greek police officers and soldiers on Albanians suspected of being illegal immigrants.
- On 25th November the organisation calls on the Greek authorities to conduct an independent enquiry into the behaviour of the local police, accused of excessive use of force during the June European Summit in Thessaloniki. On 26th November, the Greek courts order the release of five militants of ‘Another World is Possible’ advocates. They have been held since June after incidents having nothing to do with the summit.

Cyprus

- On 11th November, The Times states that Asil Nasir, charged in the United Kingdom with having stolen £34 million from his company, which went bankrupt in 1993 (Polly Peck International), is standing for presidential elections in the Turkish Republic of Northern Cyprus (TRNC).
- On 24th November, the UN Security Council adopts Resolution 1517 (2003), prolonging the mandate of the United Nations Peacekeeping Force in Cyprus (UNFICYP) by 6 months.
- On 27th November, Tassos Papadopoulos, the President of the Republic of Cyprus, announces that his government is planning to grant “equal rights” to Turkish Cypriots to enable them to vote, if they wish, in the European Union elections in June 2004. Implementation of this measure will depend on how the Cypriot parliament votes on this bill.

Turkey

- On 8th November, Abdullah Gul, the Turkish Foreign Minister, and Colin Powell, the United States Secretary of State, abandon the plan to send Turkish peacekeeping troops to Iraq, as decided by Turkish Grand National Assembly (parliament) in October. It is a setback in the attempt by the U.S. to enlarge the coalition in Iraq. The decision follows the systematic opposition by Kurdish members of the Iraqi Governing Council to the deployment of Turkish troops in Iraq.
- On 15th and 20th November, 4 bomb attacks take place in Istanbul. On 15th November two almost simultaneous attacks blow up two lorries loaded with bombs outside two synagogues, killing 25 people and injuring over 300. On 20th November, two other coordinated attacks targeting British interests (the United Kingdom consulate in the Beyoglu district and the Hong Kong and Shanghai Banking Corporation (HSBC), whose headquarters is in London), kills 31 and injures over 450. Several groups claim responsibility for the attacks, but the size of the tragedy, the sophistication of the operations and the simultaneous attack method point to the hand of al-Qaeda. Several demonstrations are held against the attacks, but also against the United States and the United Kingdom for the war in Iraq. DNA tests demonstrate that the authors of the attacks against the synagogues are two young Turkish citizens originally from the Kurdish province of Bingol (known as the centre of Islamic fundamentalism) and known to have had military training abroad. The authors of the attacks on the British consulate and the HSBC are also Turks. The four perpetrators of the attacks are suspected of having links with extremist fundamentalist groups abroad. Azad Ekinci, a key suspect and a radical Islamic fundamentalist, flees the country. On 30th November, Syria expels 22 Turks suspected of being involved in the attacks. By the end of the month, 21 people are already convicted in connection with the attacks.

Syria

- On 10th November, according to the London-based newspaper Al-Sharq al-Awsat, Lieutenant-General Amin el Hafez, the former Syrian President (1963-1966), has been authorised to return to the country after 36 years of exile in Iraq.
- On 20th November, the Al-Jazeera television network announces that a new opposition group has been created, called the Democratic Alliance and led by Farid al-Ghadiri, the founder of the Al-Islah Party based in Washington. Two political figures in Syria’s opposi-
tion, based in Germany, are members, as well as Badriyah Khalil, President of the Syrian League of Women and Children, and Tawfiq Hamdush, leader of the Democratic Party of Kurdistan – Syria.

**Lebanon**

- On 10th November, as part of an agreement reached with the help of German mediation, Ariel Sharon’s cabinet undertakes to release some 400 Palestinian and Lebanese detainees, in exchange for an Israeli businessman and the bodies of three Israeli soldiers assassinated by Hezbollah in 2000 at the border between Israel and Lebanon. Hassan Nasrallah, the secretary-general of Hezbollah, informed the German mediator of his refusal to exchange prisoners with Israel if the operation did not include a Lebanese man whom Israel refuses to release: Samir Kantar, aged 41, who has been in prison for over 20 years for having killed three Israelis in cold blood in 1979.
- On 20th November, Fadi Abboud, president of the Industrialists’ Association, returns to Damascus leading a delegation to discuss the plan to create a joint Syrian and Lebanese industrial zone.

**Jordan**

- On 17th November, King Abdullah II appoints a new Senate, enlarged to 55 members. The number of women increases from 3 to 7. Among the new Senators are several former Prime Ministers, Ministers, Army Chief Officers and a Director of Information Services.
- On 23th November, the Israeli government decides to make a gesture towards Jordan by releasing ten Jordanian prisoners, including one woman, on the occasion of the Muslim holiday of Fitr, which marks the end of Ramadan.

**Egypt**

- On 6th November, a committee of the United Nations General Assembly adopts a resolution tabled by Egypt demanding Israel to protect Palestinian children.
- On 22 November, in a press release, Amnesty International calls on Egypt to combat “the persistent phenomenon of torture and ill treatment” of detainees.

**Libya**

- On 24th November, it is announced that three judges in the Supreme Court in Glasgow have decided that Abdel Basset al-Megrahi, the former officer in the Libyan intelligence service, sentenced to life imprisonment for having placed the bomb in the aeroplane which exploded over Lockerbie in 1988, must spend at least 27 years in prison before being eligible to apply for release on parole.

**Tunisia**

- On 18th November, Tunisian journalist Zouhair Yahyaoui is released on parole after having been sentenced on 10th July 2002 to two years in prison for spreading incorrect information on his Internet site, Tunézine. Reporters Without Borders, which had called for his release, is satisfied, although it points once again to the ill treatment he suffered in jail as well as the lack of press freedom in Tunisia.

**Algeria**

- On 20th November, Algeria’s newspaper Le Soir d’Algérie states that Rachid Ouakali, the leader of the Armed Islamic Group (GIA), has been arrested by the security forces. This information should be handled cautiously since in July 2002 Rachid Ouakali was presumed to have been killed by the army.

**Morocco**

- On 22nd November, 39 people are sentenced by Rabat’s criminal court to various prison terms ranging from two to 20 years in prison for their involvement in the Casablanca attacks in May.

**European Union**

- On 3rd November, an opinion poll organised by the European Commission shows that EU citizens see Israel as the only country constituting the greatest threat to international peace. Natan Sharansky, the Israeli Minister for Diaspora Affairs, reacts by saying that the EU ought to stop “demonising” Israel before Europe turns once again to the dark pages of its history.
- On 13th November, in Rome, seven Balkan region countries (Albania, Bulgaria, Bosnia-Herzegovina, Croatia, Macedonia, Romania and Serbia and Montenegro), sign a series of agreements creating a free trade area with the EU. This is the first step towards their inclusion within an enlarged Europe. These seven countries agree to abolish Customs duties, except on agricultural products.
- On 18th November, the Court of Auditors publishes its report on the EU budget accounts for 2002, but for the ninth successive year, it refuses to sign off the accounts because of “shortcomings caused by weaknesses in the design of the accounting system.” On the same day, Romano Prodi, addressing the European Parliament, presents his new proposals to combat fraud, including the creation of a new post of chief prosecutor to head a stronger and more independent European Anti-Fraud Office. On 3rd November, Chris Patten, the Commissioner for External Relations, is questioned by the European Parliament regarding his possible involvement in the Eurostat scandal.
- On 20th November, NATO and the EU test NATO’s Response Force (NRF) for the first time in a joint exercise, involving the land, air and sea forces of 11 countries.
- On 25th November, the Growth and Stability Pact which governs participation in the euro zone collapses after the EU Finance Ministers decide not to impose sanctions on France and Germany (who are breaching the Pact’s terms), as requested by the European Commission. The decision is criticised by a minority of the Member States, by the Commission and by the European Central Bank (ECB). On 26th November, the European Commission announces that it is examining the option of appealing to the European Court of Justice.
- On 28th and 29th November, the Foreign Ministers of the EU and of the 10 future members due to join in May 2004 meet in Naples to discuss the draft European Constitution. They reach an agreement on the relation between enhanced cooperation in the area of
defence and the existing structure of NATO.

December 2003

Portugal

• On 30th December, 10 politicians and media personalities are charged in a paedophile case. On 3rd December, another paedophile case erupts in the Azores, also involving local public figures.

Spain

• On 2nd December, for the first time since the beginning of the war in Iraq, President José Maria Aznar makes a speech before the parliamentary body on the country’s participation in the war. He confirms his support for the deployment of 1,300 military personnel in Iraq and rejects the demand for a withdrawal, although a survey has shown that 85% of the Spanish people are opposed to the war.
• On 4th December, Ibón Fernández de Iraldi, the alleged leader of the Basque terrorist group ETA, who had escaped from a French prison in December 2002, is arrested by the French police. On 9th December, 9 alleged members of ETA, including Gorka Palacios Alday, the military and logistics commander, are arrested.
• On 14th December, three left-wing parties (Socialist Party of Catalonia (PSC), the Republican Left of Catalonia (ERC) and the Initiative for Catalonia-Greens (ICV) form the new Catalan government, headed by Pasqual Maragall, the leader of the PSC. The coalition’s aim is to obtain greater autonomy, to create a Catalan revenue service and to increase social expenditure. The ruling People’s Party criticises the coalition, saying that any step towards independence is unconstitutional.

France

• On 1st December, a strike by employees at the Foreign Affairs Ministry in protest against cost reduction measures has a detrimental effect on French diplomatic services and consulates worldwide.
• On 17th December, French President Jacques Chirac, on the recommendation of a report by the committee investigating the secularisation of the state, published on 11th December, announces that a law will be passed before the start of the 2004 academic year prohibiting the wearing of the veil and any other religious symbols in state educational establishments and other public buildings. He declares that this law should also put an end to the growing tendency of forbidding female family members to be treated by male doctors. He also stresses the need to have mixed swimming lessons and to encourage the participation of all in sports lessons. The report’s recommendation to adapt school holidays to fit in with Muslim and Jewish festivals meets with opposition from Jacques Chirac. The bill receives wide support from politicians and the public, but is described as discriminatory by the leaders of the Muslim community in France.
• On 12th December, the Corsican National Liberation Front (FLNC) – October 22 claims responsibility for 36 recent attacks.
• On 16th December, a Paris court sentences the Algerian Idriss Aklouf to five years imprisonment for his involvement in a terrorist conspiracy and for using false identity papers.

Italy

• On 15th December, President Carlo Azeglio Ciampi refuses to sign a media bill which would have benefited the interests of Prime Minister Berlusconi, since the latter is planning to privatisate the public channel RAI without regard for the constitutional rules on the “plurality of information.”
• At the end of December, the largest financial scandal in Italy’s history erupts, when it is made public that Parmalat, the seventh-biggest company in Italy, has hidden debts amounting to 10 billion euros. On 23rd December, Prime Minister Berlusconi’s government modifies the law on bankruptcy to enable Parmalat to obtain temporary legal protection against its creditors. On 29th December, Parmalat is declared insolvent. On 30th December, Calisto Tanzi, the company founder, is arrested for fraud and admits having misappropriated over 5 million euros. The opposition criticises Mr Berlusconi for having liberalised the accounting rules and decriminalised accounting fraud.
• On 20th December, hidden weapons belonging to the Red Brigade group are found in a flat in Rome.

Malta

• On 1st December, President Guido de Marco makes a two-day visit to Egypt to discuss bilateral relations and the situation in the Middle East. During his visit to the Middle East, the President also meets Amr Moussa, head of the Arab League.

Slovenia

• On 9th December, the city of Ljubljana authorises the construction of the first mosque in the country. The Muslim community represents between 0.5 and 1.1 % of the population.

Croatia

• On 23rd December the newly-elected Chamber of Representatives approves the new government formed by the right-wing Croatian Democratic Union (HDZ). Ivo Sanader is the new Prime Minister.

Bosnia-Herzegovina

• On 2nd December, General Enver Hadzhasanovic and Colonel Amir Kuluru, the first Bosnian Muslim officers to appear before the International Criminal Tribunal for the former Yugoslavia (ICTY), are charged with responsibility for the death of at least 200 Croats and Serbs during Muslim attacks on the Serb forces between 1993 and January 1994. The same day, the ICTY sentences Momir Nikolic, a Bosnian Serb officer involved in the Srebrenica massacre in 1995, to 27 years in prison. On 5th December, the former commander of the Serbian army in Bosnia who led the troops responsible for the 1992-1995 siege of Sarajevo is sentenced to 20 years imprisonment.

Serbia and Montenegro

• In mid-December, Wesley Clark, a
commander of the NATO forces that compelled Mr Milosevic’s Serbian forces to leave Kosovo in 1999, testifies against Slobodan Milosevic before the International Criminal Tribunal for the former Yugoslavia (ICTY).

- On 18th December, Dragan Djurovic is elected Minister of the Interior, following his predecessor’s resignation in November.
- On 22nd December, the trial opens in Belgrade of 36 people suspected of the assassination of former Serbian Prime Minister Zoran Djindjic.
- On 28th December, parliamentary elections are held in which the ultra-nationalist Serbian Radical Party (SRS) is successful.

**Macedonia**

- On 6th December, an opposition coalition named the ‘Third Way’ is formed, with its members including the party of the former Foreign Minister (Democratic Alternative) and the party of the former Minister of the Interior (Democratic Alliance).
- On 15th December, the EU puts an end to the military mission Concordia, in Macedonia, and launches a police mission, named Mission Proxima. It is led by the Dutch Bart D’Hooge, with the participation of the 15 EU Member States, several countries applying for accession and of the United States.

**Albania**

- In mid-December, the Socialist Party of Albania (PSS), the ruling party, changes the party’s internal rules, forcing PSS members in the People’s Assembly (parliamentary body) to vote according to the party’s parliamentary line or else give up their seats. This way, supporters of Fatos Nano, party leader and current Prime Minister, hope to put pressure on the rival faction in the party, led by former Prime Minister Llir Meta, who has recently brought the opposition together in order to block attempts by Fatos Nano to appoint new ministers.
- On 29th December, the parliament approves the government reshuffle by Prime Minister Fatos Nano, who had previously signed a coalition agreement with two small parties, Social Democratic Party of Albania (PSD) and the Union for Human Rights (PBDNJ), which each obtain a ministerial portfolio.

**Greece**

- On 17th December, 6 leaders of the “November 17th” left-wing militant group, responsible for the death of 23 people since its creation in 1973, are convicted, and some of them are sentenced to life imprisonment. 12 other people receive shorter sentences.

**Cyprus**

- On 2nd December, the European Court of Human Rights (ECHR) sentences Turkey to pay compensation to Greek Cypriot Tatiana Leyzidou for the loss of her house in 1998 during the Turkish invasion of Cyprus. Hundreds of similar cases are before the ECHR.
- On 14th December, parliamentary elections for the Turkish Republic of Northern Cyprus (TRNC) are held. The parties in favour of reunification and access to the EU and the Cypriot Greek party win with a small majority, but both the pro-EU and the anti-EU parties win 25 seats. On 16th December, Dervis Eroglu (Party for National Unity – UBP), the anti-EU Prime Minister, resigns. President Rauf Denktash asks Mehmet Ali Talat of the pro-EU Turkish Republican Party (CTP), which won the most votes, to form a new government. On 30th December, Mr Talat proposes a CTP-UBP coalition, but no agreement is reached.

**Turkey**

- On 2nd December, the Supreme Court of Appeal in Ankara sentences Necmettin Erbakan, the former Islamic fundamentalist Prime Minister, to two years in prison for misappropriation of funds from his Welfare Party (RP), which no longer exists.
- On 26th December, Muammer Guler, governor of Istanbul, states at a press conference that the suicide attacks on the British consulate and the Hong Kong and Shanghai Banking Corporation (HSBC) and on the two synagogues were orchestrated by a Turkish cell with links to the al-Qaeda network, whose members had been trained abroad. He also announces that, of the 159 people arrested in connection with the attacks, 39 have been charged.

**Syria**

- On 12th December, U.S. President George W. Bush signs the Syrian Accountability and Lebanese Sovereignty Restoration Act, giving it the force of law.

**Lebanon**

- On 4th December, at the second conference organised by the Arab Thought Foundation in Beirut, Arab officials and intellectuals, including Amr Moussa, secretary-general of the Arab League, conduct a critical examination of their regimes and institution. Mr Moussa proposes the creation of an “Arab parliament elected by the peoples of the region.”
- On 10th December, a Lebanese and a Palestinian are arrested by the Lebanese army as they are about to attack the U.S. embassy.
- On 18th December, Reporters without Borders (RWB) condemns the action by the Lebanese authorities, prohibiting the private television channel NTV from broadcasting political programmes for two days.
- On 20th December, 27 people charged with having participated in the anti-U.S. attacks in Lebanon are sentenced by the Beirut military tribunal to heavy prison terms, including one for life. Some of the attacks had targeted fast-food outlets from the end of 2002 to April 2003.

**Jordan**

- On 30th December, the Education Minister announces the launching of a comprehensive education reform with the aim of helping children to make a distinction between terrorism and “legitimate resistance.” School books will no longer contain “violent concepts”
and efforts will be made to teach “fundamental values and the principles of human rights.”

Egypt

• On 20th December, President Mohammed Hosni Mubarak meets the Iranian President Seyed Mohammed Khatami during the World Information Summit, held in Geneva. The meeting is the first since their countries broke off diplomatic relations following the Islamic revolution in Iran in 1979.

Libya

• On 19th December, the United States and the United Kingdom announce that, after nine months of secret negotiations, Libya has agreed to reveal and dismantle its programme to build weapons of mass destruction, authorise international inspectors to come to verify and eliminate any existing programme and has undertaken to sign the international treaties to reduce nuclear and chemical weapons. On 27th December, a delegation from the International Atomic Energy Agency (IAEA), headed by Muhamad al-Baradri, arrives in Libya to begin inspections and on 29th December Muhamad al-Baradri’s states that Libya’s nuclear programme is at a low level of development and that there is no trace of depleted uranium.

Tunisia

• From 3rd to 6th December, Jacques Chirac makes a state visit to Tunisia, where he reconfirms France’s support for President Zine El Abidine Ben Ali’s economic and social policy, despite a controversial record in the field of human rights.
• On 5th and 6th December, the inaugural conference of the ‘5+5 dialogue group’ is held; the group consists of Algeria, Libya, Mauritania, Morocco, Tunisia, France, Italy, Malta, Portugal and Spain. The participating states issue a joint declaration against terrorism and in favour of enhanced security cooperation. On 19th December, Middle East International declares that the conference, mainly concerned with ensuring EU’s enlargement to the east, does not jeopardize North Africa.

Algeria
• On 22nd December, the Arab Maghreb Union (UMA) meeting due to have taken place on 13th and 24th December is cancelled due to the refusal of 3 of the 5 states to participate.
• On 30th December, a court in Algeria declares the eighth congress of the National Liberation Front (pro-governmental FLN), held in March 2003, to be invalid, and freezes the party’s funds. At the congress former Prime Minister Ali Benflis (dismissed from his post in May 2003 by President Abdelaziz Bouteflika) had been re-elected as party secretary-general. The court’s decision follows a complaint by a faction within the FLN opposed to Ali Benflis and backing his rival, President Bouteflika.

Morocco
• On 8th and 9th December, the Spanish Prime Minister José Maria Aznar makes a visit to Morocco. In a joint statement, the two countries undertake to step up their cooperation to combat the criminal networks that organise illegal immigration operations. Spain decides to lend US$ 478 million to create jobs in Morocco in order to discourage illegal immigration to Europe. In mid-December, it is announced that the two countries have agreed on the creation of a rail tunnel under the straits of Gibraltar.

European Union

• On 12th December, the European Summit endorses the agreement between France, Germany and the United Kingdom on the setting up of an ad hoc military planning unit aside NATO.
• On 13th December, the intergovernmental conference that had been due to finalise the European Constitution collapses. The main point of disagreement is the refusal by Spain and Poland to use to double majority voting system (a simple majority of countries and 60% of the population of Europe) for the adoption of decisions at the Council of Ministers.
• On 15th December, Austria, France, Germany, the Netherlands, Sweden and the United Kingdom call on Romano Prodi, President of the European Commission, to freeze the budget until 2013. It had been envisaged that Spain and Poland would be the main net beneficiaries of the 2007-13 budget.
• On 19th December, the EU Fisheries Ministers come to an agreement on fishing quotas for 2004, maintaining the drastic reduction in the total allowable catch (TAC) of cod, as decided in 2003 to protect the shrinking reserve in the North Sea, and reducing the number of days per month on which such fishing is allowed. The TAC for certain species out of danger is increased.
• On 21st December, two bombs explode in garbage bags near the residence of Romano Prodi, President of the European Commission. The Informal Anarchist Federation, a group opposed to the EU claims responsibility for the attacks. On 27th December, another bomb explodes inside Mr Prodi’s residence.
• By the end of 2003, only 8 European countries (Belgium, Denmark, Finland, Ireland, Portugal, Spain, Sweden and the United Kingdom) have complied with the deadline for introducing the European arrest warrant into their national legal systems.

January 2004

Portugal

• On 23rd January, the two main unions, the General Workers’ Union (UGT) and the General Confederation of Workers of Portugal (CGTP), call a general strike of public servants in protest at the freezing of salaries for the second year running. The Secretary of State for the Civil Service states that this is a temporary budgetary measure designed to reduce public debt.

Spain

• On 9th January, Prime Minister José Maria Aznar calls a general election for 14th March and confirms his promise not to stand. President Aznar’s successor is the Deputy Prime Minister, Mariano Rajoy.
• On 27th September, Josep Lluís Carod-Rovira resigns as Head Councilor of the Catalan government after hav-
ing met with members of the Basque terrorist group, ETA, with a view to bringing about a ceasefire. This move ran counter to the government’s policy of non-negotiation with ETA.

France

- On 4th January, a petrochemical plant in Lens is closed, suspected of having been the cause of the 7 deaths from legionella that have occurred since November 2003.
- On 6th January, six alleged members of the Islamist ‘Chechen Cell’ are arrested in Lyon, including the radical imam Chellali Benchellali and several members of his family. On 9th January, officials from the Ministry of Interior reveal that, according to the members of the family, one of Chellali Benchellali’s sons, Menad Benchellali, arrested in December 2002, had been trained in poison preparation techniques in the al-Qaeda camps in Afghanistan and had been planning an attack in France.
- On 19th January, 5 days after the Algerian Aïssa Dermouch became the first immigrant and first Muslim in 40 years to be appointed Chief Commissioner of Police in Jura, a bomb blows up his car. Two other bombs had previously exploded, targeting the management school of Nantes formerly headed by Mr Dermouch and another school of one of his sons.
- On 26th January, Bruno Mégret, the leader of the extreme right-wing National Republican Movement (MNR), is convicted for corruption in party funding, given a one year provisional sentence and prohibited to hold any public office.
- On 28th January, the government adopts a bill banning the wearing, in public schools of “symbols and clothing which visibly display the religious affiliation of the pupils.” The teachers are left to interpret the law, but ministers clearly declare that the wearing of Muslim veils is the main target. The bill meets with wide public support and is backed by many French Muslims (especially women), but is challenged by radical Muslim leaders. President Daïlal Bouabkeur, of the French Council of the Muslim Religion (CFCM), sponsored by the government, calls on Muslims to accept the ban and not to take part in the demonstrations organised by the French Muslim Party (PMF). There is also a certain degree of concern within the Sikh community at the ban on the Sikh turban and beard.

- On 30th January, former Prime Minister Alain Juppé, found guilty of corruption in the funding of the Paris mayor’s office from 1988 to 1995, is given an 18-month provisional prison sentence and banned from holding public office for 10 years. Of the 25 other persons charged, 15 are also convicted.

Italy

- On 13th January, the Constitutional Court declares the law of immunity granting legal immunity for the duration of their mandates to the occupants of the five highest public posts unconstitutional, since it runs counter to the principle that all citizens are equal in the eyes of the law. Therefore, the trial of Prime Minister Silvio Berlusconi, charged with having bribed the judges during the privatisation of SME, the state food conglomerate, in the 1980s, is due to resume on 16th April.
- On 14th January, two members of the Red Brigade organisation are arrested in Cairo. They are Rita Algranati, implicated in the murder of former Prime Minister Aldo Moro in 1978, and Maurizio Falesi, charged on the basis of his activities within the Union of Combatants, linked to the Red Brigade. On 22nd January, two members of a left-wing militant group, Anti-Imperialist Territorial Nuclei, which has links with the Red Brigade, are arrested.
- In January, the Parmalat scandal mushrooms. A provisional estimate of Parmalat’s debt, not including the last quarter of 2003, amounts to more than 14 billion euros. Investigations are carried out by several international banks, such as the Bank of America, Deutsche Bank, JP Morgan, Citigroup and Morgan Stanley, which had issued and backed Parmalat bonds. Investigations extend to the Netherlands, Brazil and Luxembourg. On 15th January, Finance Minister Giulio Tremonti addresses the parliament and proposes reforms on financial regulation. He criticises the Central Bank and the Bank of Italy. On 23rd January, Alessandro Bassi, an advisor to the former financial director, Fausto Tonna, commits suicide. 11 people are arrested in connection with the scandal, including former employees of Grant Thomson and the Bank of America.
- On 20th January, a disagreement within the government concerning a constitutional bill permitting the formation of regional assemblies threatens the stability of the four-party government coalition. Umberto Bossi, leader of the Northern League (LN), threatens to sabotage Mr Berlusconi’s proposals on pension reform and to withdraw the LN from the coalition if the bill is not adopted.

Malta

- On 27th January, the Council of Europe’s parliamentary assembly suspends the right of the exclusively male Maltese delegation to vote, to penalise the lack of equality in the delegation. According to a new regulation, adopted in September 2003, the national delegations must “include the under-represented sex at least in the same percentage as is present in their parliament and in any case one representative of each sex.”

Slovenia

- On 30th January, the heads of State and of Government of Italy, Croatia, Slovenia and Hungary meet at Brdo kod Kranj (Slovenia) with a view to step up regional cooperation. The topics dealt with include the situation in the Balkans, protection and cooperation in the Adriatic. Finally, these countries reaffirm their support for Croatia’s candidacy for membership of the EU and NATO.

Croatia

- On 28th January, the International Criminal Tribunal for the former Yugoslavia (ICTY) finds Milan Babic, the Serbian leader of Croatia, guilty of persecution of non-Serbs. Milan Babic reaches an agreement with the prosecutors at The Hague, to receive a reduced sentence in exchange for full cooperation.
- On 30th January, Carla del Ponte, the prosecutor of the ICTY, declares that she has confidence in the wish of the
new Croatian authorities to cooperate with the ICTY and states that she is prepared to support Croatia’s candidacy for the European Union. Mrs Del Ponte had criticised the previous centre-left government for having done nothing to arrest the chief Croatian war criminal now in hiding, Retired General Ante Gotovina. This matter remains the chief stumbling-block to Croatia’s efforts to join the EU in 2007.

**Bosnia-Herzegovina**

- On 18th January, the High Representative of the international community and the European Union’s Special Representative in Bosnia-Herzegovina, Lord Paddy Ashdown, appoints the American diplomat, Susan Johnson, as the new supervisor of the district of Brcko.

**Serbia and Montenegro**

- Serbia has been in an institutional impasse since the elections on 28th December, still without a head of parliament or government. On 29th January, the four pro-reform and pro-European groupings in the Serbian parliament state that they are ready to form a government together and to reject any alliance with the ultra-nationalists, but do not manage to agree on a Speaker of the parliament. On 30th January, a parliament meeting which is due to appoint a Speaker is indefinitely postponed.
- On 30th January, the President of Kosovo, Ibrahim Rugova, tells the Foreign Minister in Brussels, Louis Michel, that he would like to see Belgium and the European Union support Kosovan independence.

**Macedonia**

- On 13th January, for the first time since the establishment of diplomatic relations between Macedonia and Israel in 1995, the Foreign Minister, Ilinka Miteva, visits the Israeli Prime Minister Ariel Sharon. The two countries agree to sign mutual agreements on economic cooperation, the Middle East peace process and international terrorism.
- On 16th January, the Prime Ministers of Montenegro, Macedonia and Albania meet in the Macedonian capital Podgorica in order to reinforce regional cooperation in all areas (trade, transport, combating smuggling, etc.).
- On 21st January, parliament legalises an Albanian-language university, an issue that has been a source of major tensions between the two ethnic groups of the countries.

**Albania**

- On 12th January, a day of national mourning is announced for 20 Albanians who died on 9th January as they tried to cross the Adriatic to Italy. The Prime Minister, Fatos Nano, in a speech, promises to take drastic measures against the human trafficking outside Albania and demands the adoption of strict measures against people trying to cross the border illegally. Some opposition politicians call for Mr Nano’s resignation after the tragedy.

**Greece**

- On 7th January, Prime Minister Kostas Simitis announces his resignation as leader of the ruling party, the Panhellenic Socialist Movement (Pasok) and calls a general election for 7th March, saying it is time power passed to the younger generation. On 8th January, Foreign Minister Georgios Papandreou announces his candidacy for Pasok leadership.

**Cyprus**

- On 12th January, hopes of a reunification increase when President of the Turkish Republic of Northern Cyprus (TRNC) Denktash states that the UN reunification plan is “always on the table.” On 15th January, during a visit to Ankara, the President of the European Commission, Romano Prodi, states that the resolution of the Cypriot question would be a point in Ankara’s favour when it applies for EU membership.
- On 13th January, President of the TRNC Rauf Denktash approves the new government led by the pro-European Turkish Republican Party (CTP) in coalition with the anti-European Democratic Party (DP). Ali Talat (CTP) becomes Prime Minister and the leader of the DP, Serdar Denktash, deputy Prime Minister and Foreign Minister. On 16th January, the Chief Public Prosecutor, Akin Sait, declares the appointment of three ministers unconstitutional because they do not live in the TRNC.

**Turkey**

- On 13th January, the United States adds the Kurdistan People’s Congress, affiliated to the Kurdistan Workers’ Party (PKK), to the list of organisations it considers “terrorists.”
- On 22nd January, The Guardian announces that a proposed law has been put forward to compensate innocent Kurdish victims of the Turkish security services’ operations from 1984 to 1999 against the armed insurrection by the PKK, now called the Freedom and Democracy Congress of Kurdistan (Kadik). Almost a million Kurds could benefit from this law.
- On 28th January, the National Assembly (GNA, the Parliament) approves the proposal by the Finance Minister, Ali Babacan, to eliminate 6 zeros from the Turkish lira. One ‘new Turkish lira’ will be equal to a million old lira. Both currencies will be in concurrent circulation until 30th December 2005.
- During an interview at the World Economic Forum, Babacan states that by 2007 the Turkish economy will have fulfilled the requirements for accession to the EU.

**Syria**

- On 6th and 7th September, a Syrian head of state, President Bashar al-Assad, visits Turkey for the first time. Both countries, with large Kurdish minorities, agree on the importance of the territorial integrity of Iraq. Regarding the peace process between Israel and Syria, which has stalled since 2000, Turkey, which has good relations with Israel, offers its help to Syria to improve its relations with the latter.
- On 31st January, a presidential pardon enables the release of 130 political prisoners, including 84 religious activists and members of the dissolved Iraqi Ba’ath party. Other releases are made on humanitarian grounds.

**Lebanon**

- On 19th January, Hezbollah fighters kill an Israeli soldier and wound another...
er during a missile attack on their bulldozer, which is operating close to the Lebanon-Israel border. Israel reply on 20th January with an air attack on Hezbollah targets in southern Lebanon.

- On 29th and 30th January, there is an exchange of prisoners between Israel and the Lebanese group Hezbollah of 427 Palestinians, Lebanese and other Arabs, two Lebanese militant leaders, and the bodies of 59 Hezbollah fighters and three Israeli soldiers. Israel also gives information on the disappearance of 24 Lebanese people during the Israeli invasion in 1982, as well as maps of minefields in southern Lebanon.
- On 30th January, the UN Security Council adopts Resolution 1525 (2004) extending the mandate of the UN Interim Force in Lebanon (UNIFIL) until 31st July.

Jordan

- On 13th January, the Jordanian authorities officially accept the end of a 13 year-old agreement, by which Jordan obtained all its petrol from Iraq, half at a reduced price and the other half as a "gift."

Egypt

- On 3rd January, a plane belonging to the Egyptian airline Flash Airlines operated in France crashes in the Red Sea shortly after taking off from Sharm el-Sheik, killing 148 people, 135 of them French. The possibility of an attack is immediately ruled out. Shortly after the crash, the Swiss civil aviation authority reveals that Flash Airlines had been forbidden from entering Swiss airspace in October 2002, for serious shortcomings.
- On 14th January, after the death on 9th January of its leader Ma’mun al-Hudaybi, the Muslim Brotherhood appoints his successor, the 75 year-old Mohammed Mahdi Akef, who calls for dialogue with the government in the light of outside threats.

Libya

- On 9th January, after several months of tension between France and Libya, the Libyan government agrees to pay US$ 170 million in compensation to the families of victims of the attack on flight UTA 772 in 1989.
- On 14th January, the International Atomic Energy Agency (IAEA) announces that Libya has signed the Comprehensive Nuclear Test Ban Treaty (CTBT). On 20th January the IAEA, which is responsible for verifying the dismantlement of Libya’s nuclear programme, comes to an agreement with the United States and Great Britain under which representatives of the two countries will oversee the destruction of Libyan nuclear capabilities.

Tunisia

- On 14th January, President Zine el-Abidine Ben Ali reshuffles his cabinet.
- On 28th January, the regional council of Jendouba, in the presence of the head of state, decides to include the El Faïja reserve (in north-western Tunisia), one of the richest ecosystems in the Mediterranean “in the list of areas slated for regional development as sites for ecological tourism in the region.” The World Wildlife Fund (WWF) praises the decision and states that it is prepared to consolidate cooperation with Tunisia by establishing a network of protected areas in Kroumirie-Mogod.

Algeria

- On 5th January, the members of the National Assembly (parliament), supporters of the former Prime Minister Ali Benflis, President Abdelaziz Bouteflika’s main rival at the next elections (April), demands President Bouteflika’s resignation, describing him as a threat to stability and an insult people’s dignity. On 9th January, the army declares that it will remain neutral during the elections.
- On 14th January, members of the National Liberation Front (FLN) demonstrate in Algiers against the decision by a court in December 2003 to ban the party’s activities. 20 people are arrested.

Morocco

- At the beginning of January, King Mohammed VI pardons 33 prisoners, including some Islamic fundamentalists, some independence fighters from Western Sahara and Ali Lmrabet, a newspaper publisher sentenced to three years in prison for insulting the King. According to the authorities, these pardons mark the start of the Commission for Equality and Reconciliation set up by the King in December 2003 in order to assess human rights violations over the previous decades and to allocate compensation to the survivors.

European Union

- On 5th January, 3 letter bombs are sent from Bologna to the Brussels offices of MEPs: Hans-Gert Pöttering, German leader of the European People’s Party (PPE), and José Ignacio Salafranca, head of the Spanish conservatives in the European Parliament, as well as to the Manchester offices of Gary Titley, leader of the British Labour Party in the European Parliament. A group called the Informal Anarchist Federation (IAF) claims responsibility for these attacks.
- On 5th January, world and European Jewish leaders accuse the European Commission of anti-Semitism for having published an opinion poll in November 2003 revealing that Europeans considered Israel the major obstacle to peace in the world and for repressing a Commission report revealing that Muslims are responsible for the increase in anti-Semitic incidents in the EU. Shocked by the accusations, the President of the Commission Romano Prodi announces on 6th January that conditions are no longer favourable for the organisation of a seminar on anti-Semitism already scheduled. On 23rd January, the Commission, having received the support of various Jewish leaders, announces that the seminar will take place on 19th February.
- On 13th January, the Commission announces that it will take legal action in the European Court of Justice against the Finance Ministers’ decision made on 25th November 2003 to suspend the Growth and Stability Pact and not to impose sanctions on France and Germany for their excessive public deficits.
- On 22nd January, Justice and Home Affairs Ministers of the 15 Member States meet in Dublin, where they come to an agreement on a 30-million-euro programme to fund the repatriation of
illegal immigrants and asylum seekers by chartering flights which could stop in one or more EU countries. The programme will be managed by a European Border Control Agency, which will be set up by the end of 2004.

February 2004

Portugal

- On 17th February, charges against 7 women who had abortions in 1997 and their accomplices, including the doctors and the women’s companions, are dropped even though Portuguese law forbids abortion. A public survey published on 3rd February reveals that 64.7% of Portuguese people are in favour of decriminalising abortion.

Spain

- On 10th February, on the Franco-Spanish border, French police arrest two people suspected of being members of ETA carrying 38kg of explosives. On 29th February, a van containing more than half a ton of explosives is stopped in Madrid, and two people suspected of being members of ETA are arrested.
- On 18th February, the Basque separatist group, in a video sent to television channels, announces a partial ceasefire limited to the autonomous region of Catalonia. The government of José María Aznar, which had adopted a draconian policy towards ETA, describes the partial truce as "blackmail" and as a "trap" intended to divide Spain.

France

- On 1st January, Corsica Nazione / Indipendenza and two other Corsican nationalist groups form a Corsican nationalist alliance in view of the parliamentary elections in March. They launch the Lista d’Unione Nazionale, led jointly by Edmond Simeoni and Jean-Guy Talamoni.
- On 2nd February, President Jacques Chirac praises former Prime Minister Alain Juppé and contests the verdict of three French judges who found him guilty on 30th January of corruption in funding the mayor of Paris’s office from 1988 to 1995, when Chirac was mayor. While waiting for his appeal, Juppé states that he will remain a member of the National Assembly and mayor of Bordeaux, but he will step down as chairman of the Union for a Popular Movement (UMP), the ruling party, at the party congress in November.
- On 5th February, the president of the Bastia football club in Corsica is arrested and subjected to investigations on suspicion of having extorted money from travel agencies which in exchange, were spared attacks by Corsican separatist militants.
- On 10th February, the National Assembly (lower house of the parliament) adopts a bill authorising state schools to forbid the wearing of the veil and other visible religious symbols on school premises. The law still has to be adopted by the Senate.
- On 11th February, thousands of lawyers demonstrate against the adoption by the National Assembly of a law granting increased powers to public administration and police in combating organised crime. They regard this as an attempt to weight the scales of the judicial system in favour of the state.
- On 18th February, a court forbids Jean-Marie Le Pen, leader of the National Front (FN) from standing in the Provence – Alpes – Côte d’Azur regional elections in March since he has not been able to prove that he has paid taxes in that region. Le Pen considers that the taxes he is paying for the FN office in Nice are sufficient for him to stand as a candidate. On 22nd February, the administrative court in Marseille rejects the National Front’s appeal. Le Pen accuses the government of using “totalitarian methods.”

Italy

- On 3rd February, following the Parmalat financial scandal, the government adopts a bill diminishing the Bank of Italy’s jurisdiction and tightening controls on stock markets. Consob, which controls the stock exchange and which is heavily criticised in the scandal, is to be replaced by a Savings Protection Authority, given the task, among other things, of checking on company bonds, until then the responsibility of the Bank of Italy. On 17th February, 4 members of the Tanzi family, founders of Parmalat, are arrested. 900 million euros from Parmalat accounts had been invested in subsidiaries in the hands of the family.
- During February, criticisms of the former Prime Minister and current President of the European Commission, Romano Prodi, continue. On 14th February, he makes a speech at the launch of the June 2004 European elections campaign of the centre-left coalition and states that he wants to reunify the Olivo coalition he led to power in 1996. The centre-rightist Italian government considers these remarks incompatible with his role as President of the Commission and demands his resignation.
- On 17th February, the Chamber of Deputies approves, the media law adopted by the Berlusconi government for the second time, even though the Italian President, Carlo Azeglio Ciampi, refused to sign the law in December 2003.
- It is an attempt to thwart the measures imposed by the constitutional court against the interests of Berlusconi’s television channel Rete 4.

Malta

- On 28th February, the ruling Nationalist Party (PN) elects Lawrence Gonzi, the current deputy Prime Minister and Social Affairs Minister, as its new leader and successor to the current Prime Minister, who will be resigning on Malta’s accession to the EU.

Slovenia

- On 18th February, the last wall dividing Eastern and Western Europe, the wall separating the Italian border town of Gorizia from its Slovene half, Nova Gorica, is officially destroyed. A border post will remain in place until Slovenia becomes part of the Schengen zone in 2007.

Croatia

- On 23rd February, the independent daily newspaper Jutarnji List states that the Croatian government believes that the country’s secret service is protecting Ante Gotovina, the general on the run who has been charged with war crimes by the International Criminal Tri-
bunal for the former Yugoslavia (ICTY) and whose continued evasion of justice is the chief obstacle to Croatia’s efforts to join the European Union.

- On 20th February, Europa Press backs plans of an association, to file a suit against Belgrade by the end of March for damages suffered. It is headed by Danijel Rehak and comprises of 4,000 Croats who were prisoners of war in the Serb camps during the 1991-1995 war between the Serbs and the Croats.

**Bosnia-Herzegovina**

- On 3rd February, the trial of Mlomilo Krajisnik begins at the International Criminal Tribunal for the former Yugoslavia. He is a former Serb member of the joint Bosnian presidency, and is charged with genocide, crimes against humanity and contraventions of the laws and customs of war.
- On 11th February, the ICTY’s chief prosecutor accuses Serbia of sheltering Radovan Karadzic, a Bosnian Serb leader charged with genocide. The Serbian Minister of the Interior denies the accusations.

**Serbia and Montenegro**

- On 4th February, the Serbian Assembly (parliament) elects Dragan Marusicanin, vice-chairman of the Democratic Party of Serbia (DSS), as its new President; he will also hold the post of President of Serbia. Although the Serbian Radical Party (SRP) obtained the majority of votes at the December 2003 elections, the DSS allied itself with the Socialist Party of Serbia (SPS), former Serbian President Slobodan Milosevic’s party, against the SRP. Since December 2002, attempts to elect a President of Serbia have ended in failure, since Serbian law requires 50% of the population to participate in the elections for them to be valid. For this reason, the Serbian Assembly annuls the 50% requirement on 25th February. A simple majority will now be sufficient to elect a President.
- On 22nd February, the judge presiding over the trial of Slobodan Milosevic announces that he will resign on 31 May for health reasons. The trial of Mr Milosevic will be delayed as a result. On 25th February, the prosecutors announce that they are suspending the trial, which had been regularly interrupted by Mr Milosevic’s state of health. The court suspends hearings until 8th June, so that Mr Milosevic can have time to prepare his defence.

**Macedonia**

- On 26th February, President Boris Trajkovski dies in a plane accident caused by bad weather. The President of the Sobranje (parliament), Ljupco Jordanovski, replaces him until elections can be held.

**Albania**

- On 7th February, the leader of the opposition Democratic Party of Albania (PDS), Sali Berisha, calls on the population to go onto the streets to bring down the government, whom he accuses of not having done enough to improve Albanians’ living conditions. Hundreds of demonstrators try without success to enter government buildings and at least 64 people are arrested. On 21 November, another, more peaceful demonstration is organised to demand the resignation of Prime Minister Fatos Nano.

**Greece**

- On 8th February, Georgios Papandreou, the Foreign Minister, respected for his policy of reconciliation with Turkey and his role in the success of the Greek Presidency of the EU in 2003, is appointed with unanimous support to the post of head of the party in government, the Panhellenic Socialist Movement (Pasok).
- On 9th February, five alleged members of the terrorist group Revolutionary People’s Struggle (ELA) are arrested. ELA is suspected of having been responsible for several attacks in the 1980s, mainly targeting the U.S. army in Athens, and of the murder of two Greek police officers.

**Cyprus**

- On 13th February, Tassos Papadopoulos, the Greek Cypriot President, and Rauf Denktash, the President of the Turkish Republic of Northern Cyprus (TRNC), accept a UN reunification plan. This agreement, which provides for a weak federation between two autonomous states under a limited central government, gives the parties until 22nd March to sign a reunification agreement followed by simultaneously organised referendums on 21st April in the two halves of Cyprus.

**Turkey**

- On 2nd February, a 36-floor building collapses, killing 88 people. It is the second building to collapse in one year because of construction defects.
- From 8th to 14 February, Irène Khan, Amnesty International’s secretary-general in London, goes to Turkey where she meets with members of the government and representatives of NGOs. For the first time, the Turkish Prime Minister, Foreign Minister and Minister of the Interior meets Amnesty International representatives. In a speech given on 12th February, Ms Khan recognises the progress made by Turkey but says she is preoccupied by the continued harassment that human rights activists have to undergo. She states that human rights legislation has not been taken sufficiently into account in the reforms introduced at all levels in the police and judicial systems.
- On 23rd February, Gerhard Schröder, the German Chancellor, states during a three-day visit to Turkey that he supports Turkey’s accession to the EU and that he offers his assistance to Turkey in the reform process.
- On 25th February, the State Security Court charges 69 people, suspected of being al-Qaeda militants, with involvement in the Istanbul suicide attacks of November 2003 which killed 62 people.

**Syria**

- At the beginning of February, a group of 700 Syrian intellectuals sign and circulate on the Internet a petition, whose
demands include the abolition of the state of emergency laws in force for over 40 years, the freeing of political prisoners and a right of return for Syrians forced into exile.

- From 10th to 19th February, the United Kingdom’s embassy in Damascus is closed for security reasons. On 19 February, The Times states that this closure coincided with a worsening in relations between the United Kingdom and Syria.

Lebanon

- On 11th February, during an official visit to Cairo, Prime Minister Rafic Hariri states that Beirut wishes to join the Agadir agreement protocol on the creation of a free trade area between Egypt, Morocco, Tunisia and Jordan.

- From 17th to 19th February, an international conference on the Muslim world and Europe is held in Beirut, attended by German, French and Arab experts and representatives of Hezbollah. With the motto ‘From difference to understanding’, participants debate subjects such as democracy and pluralism, human rights, occupation and resistance, modern Islamic fundamentalist movements, the new colonialism, the militarization of international relations and the war against terrorism.

- On 20th February, the Supreme Council of Women in Lebanon, which brings together all women’s associations, concludes its fiftieth congress. One of the Council’s decisions is to support the candidacy of female MP Nayla Moawad in the presidential election in autumn 2004. Prime Minister Rafic Hariri, speaking at the opening of the session, undertakes to strengthen the role of women in politics. Hezbollah, which is also taking part in the congress, states that it supports the Council’s demands.

- On 22nd February, Ghazi Aridi, the Lebanese Culture Minister, announces that the government has decided to withdraw its plan to join Isesco, the Islamic Educational, Scientific and Cultural Organisation, (set up by the Organisation of the Islamic Conference). Lebanon’s plan to join an international Islamic organisation had given rise to heated controversy, since the Christian opposition considered it ran counter to the pluralism enshrined in the constitution.

- On 29th February, the daily London-based newspaper al-Hayat backs Syria’s rejection of the United States’ Greater Middle East plan. The plan calls on the main industrialised countries in the region to devote more money to the promotion of civil society, free elections and the market economy.

Jordan

- On 26th February, Mohammed Abu-Hammur, the Finance Minister, states that the loss of oil trade benefits with Iraq will cost the country 300 million dinars and that the reduction in exports to Iraq, which had until then accounted for 20% of Jordan’s exports, will compromise the country’s economy.

Egypt

- On 18th February, the National Human Rights council, set up by the Egyptian authorities in January and headed by Boutros Boutros-Ghali, holds its first meeting in Cairo. It is made up of 25 members – former ministers, leaders of human rights organisations, chairmen of professional bodies of journalists, lawyers and legal experts – and reports to the Egyptian Advisory Council.

- On 23rd February, Egyptian President Hosni Mubarak announces the repeal of a highly controversial criminal law provision which restricted freedom of the press, authorising journalists to be imprisoned for “press offences.” Several journalists had been given sentences of up to two years in prison for “defamation” of top state officials.

- On 27th February, the 33 member states of the Financial Action Task Force (FATF) – mostly from the OECD – announce that Egypt has been removed from the blacklist of countries which do not display enough “cooperation” regarding the combating of money-laundering and the funding of terrorism.

Libya

- On 4th February, Libya signs the Chemical Weapons Convention (CWC). On 6 February, Rogelio Pfirter, the Director-General of the UN Organisation for the Prohibition of Chemical Weapons (OPCW), following a visit to Libya, states that Libya has a major chemical weapons programme and that the OPCW will help the country to draw up, by March, a complete inventory of weapons stocks. On 21st February, a report by the International Atomic Energy Agency (IAEA) confirms that Libya has obtained a whole range of equipment, technologies and nuclear expertise and has produced a small quantity of plutonium as part of its nuclear weapons programme.

- On 9th and 10th February, Abd al-Rahman Mohammed Shalgam, the Secretary for Foreign Relations and International Cooperation, makes a historic visit to the United Kingdom, as the highest-ranking Libyan figure to have visited the United Kingdom in 30 years. He meets Prime Minister Tony Blair and Jack Straw, Secretary of State for Foreign Affairs and the Commonwealth. Libya agrees to step up cooperation with the British police in the hunt for the murderers of Yvonne Fletcher, a police officer killed outside the Libyan embassy in London, and authorises British police officers to go to Libya as part of their investigations. For its part, the United Kingdom undertakes to urge the EU to lift the embargo on arms bound for Libya.

- On 24th February, Prime Minister Shukri Mohammed Ghanim states that money was paid to the families of the victims of the Lockerbie attack (1988) in order to “buy peace,” but states that Libya bore no responsibility for the attack, nor for the murder of Yvonne Fletcher in 1984. However, on 25th February, in order to reassure the United States and the United Kingdom, Libya acknowledges its responsibility for these two events.

- On 26th February, the United States lifts its prohibition on travel in Libya and authorises U.S. oil companies to reopen negotiations with the Libyan government for oil contracts.

Tunisia

- On 13th February, the Tunisian President, Zine El Abidine Ben Ali, receives Abderrahmane Chalgam, the Libyan Foreign Minister. The meeting takes place the day before the official visit of
the Tunisian President to the United States. Tunisia played an important role, in Libya’s renunciation of its programmes to build weapons of mass destruction, and this is well viewed by Washington. The relaunch of the Arab Maghreb Union (UMA), whose rotating presidency is at that time held by Libya, is also on the agenda for debate.

**Algeria**

- On 10th February, the 129th Conference of the Organisation of Petroleum Exporting Countries is held in Algiers (OPEC). With a view to keeping the price of oil around US$22-US$28 per barrel, the member states decide to adhere strictly to the current production quotas in order to achieve the objective of selling 24.5 million barrels per day. The finance ministers also announce that with effect from 1st April, they will reduce joint production by a million barrels per day, and that production will then reach its lowest level since February 2003. The immediate response by the market is a rise in oil prices.

**Morocco**

- Several Islamic fundamentalists are imprisoned during February: on 12th February, the Casablanca Court of Appeal sentences two members of the Islamic fundamentalist group Salafiya Jihadiya to 20 years’ and six years’ imprisonment respectively, for having formed a "criminal gang"; on 20th February, Rabat’s Court of Appeal sentences 10 members of Salafiya Jihadiya to 8 years in prison and on 27th February, it sentences 10 other Islamic fundamentalists to prison terms ranging between 2 and 15 years.
- On 23rd February, an earthquake measuring 6.3 on the Richter scale around the port town of Al Hoceima to the north of the Rif mountains kills 600 people and renders over 30,000 people homeless. On 26th February, demonstrators attack the regional governor’s office in protest at the government’s slowness in reacting to the earthquake. On 26th February, Nabil Benabdallah, the government’s spokesman, announces that the aid distribution process will from now on be conducted by local committees. On the same day, King Mohammed VI visits Al Hoceima and other affected areas.

**European Union**

- On 17th February, the Prime Ministers of Italy, Spain, Poland, the Netherlands, Portugal and Estonia write a letter to Bertie Ahern, the Irish President of the EU, calling for strict adherence to the EU’s economic directives, including the Growth and Stability Pact, at that time being contravened by France and Germany.
- On 18th February, there is a trilateral summit between German Chancellor Gerhard Schröder, French President Jacques Chirac and British Prime Minister Tony Blair, with the aim both of establishing a common approach to the key political topics in an enlarged Europe and also of dispelling tensions caused by the Franco-German opposition to the U.S. and British invasion of Iraq. The summit is criticised by the other members, particularly Italy, as an attempt by the three “heavyweights” to determine EU decisions in advance.
- On 19th February, at a seminar in Brussels on anti-Semitism, Romano Prodi, President of the Commission, promises that the EU will do more to combat the phenomenon, but calls on Jewish leaders not to confuse political criticism addressed to Israel with anti-Semitism.
- On 23rd February, the United Kingdom announces that the citizens of the eight former Communist republics which are to join the EU in May 2004 will be able to work in the United Kingdom, but that new rules will prevent any abuse of the British system. This will not apply to Malta and Cyprus, which has agreements with the United Kingdom on the free movement of workers. In making this decision, the United Kingdom aligns itself with the other 14 countries which have imposed restrictions of all types on the free movement of citizens of the states joining the EU.

**March 2004**

**Portugal**

- On 3rd March, Parliament rejects bills advocating the decriminalisation of abortion, introduced and voted for by the four left-wing opposition parties.
- Following the Madrid bombings on 11th March, debate on security takes on increasing importance, in view of the staging of the European Championship football tournament from 12th June to 4th July. Portugal predicts it will have to reinforce security for teams most at risk and ask NATO for its help in ensuring tight security.

**Spain**

- On 10th March, a report published by the United Nations human rights specialist, Theo van Boven, criticises the use of torture by the police on detainees in the Basque region. The government contests this report, stating that allegations of torture are a method used by Basque separatists to discredit the government.
- On 11th March, 10 bombs explode during the morning rush-hour in four suburban trains headed for Madrid, killing 190 people and injuring 1,400 more. Three other bombs are discovered by police and defused. The same day, a van is discovered in the car park at the Alcalá de Henares station, on the train’s route, containing 7 detonators and a cassette with verses from the Qur’an. The same day, in the evening, the Arab newspaper al-Quds al-Arabi, based in London, receives an email from a group called the Abu Hafs al-Masri Brigade claiming responsibility for the attack, carried out in the name of the al-Qaeda network. Following the discovery on 11th March of a telephone and a bomb, on 12th March the police arrest 5 people under anti-terrorist legislation. In spite of evidence pointing to the responsibility of a fundamentalist Islamic group, the ruling Popular Party strongly suspects, until the evening of 13th March, the Basque separatist group (ETA), to the point where the UN Resolution 1530 (2004) of 11th March condemning the attacks refers to ETA. On 12 March, ETA makes two statements denying responsibility for the attacks. The same day, Prime Minister José María Aznar declares the end of the campaign for the 14 March elections. On 12th March, between 8 and 11 million people hold demonstrations in several cities in Spain. On 13th
France

- On 3rd March, the Senate adopts the law authorising state schools to forbid the wearing of visible religious symbols. On 16th March, a hitherto unknown group, the “Servants of Allah, the All-Powerful and Wise” states that France had become an “enemy of Islam.”
- On 3rd March, the Minister for Home Affairs reveals that he is taking seriously the blackmail threat made by a group or person calling itself “AZF” who has since mid-December been threatening to set off bombs on trains if 5 million euros are not handed over. Although AZF demands that “the socio-economic system should be returned to the individual,” police think that the threat is more criminally than politically motivated. On 27th February and 24th March, AZF warns the police of the planting of two bombs, successfully defused. On 25th March, AZF announces that he is suspending operations for logistical and technical reasons. On 26th March, two people are arrested.
- On 21st and 28th March, the Union for a Popular Movement (UMP) suffers a large defeat in the elections to regional councils, in which 20 of the 21 regional councils in mainland France are won by the Socialist Party (PS) and its allies, the French Communist Party (PCF) and the Greens. The Popular Front (FP) also suffers a setback. In Corsica, the parties in favour of maintaining the island’s French status keep their majority, with the UMP at the head. On 31st March, although President Jacques Chirac’s government has kept its parliamentary majority, the defeat of the UMP and its ally, the Union for French Democracy, in the regional elections causes a change in ministerial portfolios which includes the appointment of Nicolas Sarkozy as Minister of State and Minister of the Economy, Finance and Industry.
- On 23rd March, a Paris court sentences two Corsicans to 4 years in prison for being members of the Corsican National Liberation Front (FLNC) and for the possession of weapons and explosives. Among the various attacks committed on the island in March, at least one is committed by a hither-
	o unknown group, the Clandestini Corsu (CC), which attacks North-African immigrants for their involvement in drug smuggling and their refusal to integrate.
- On 26th March, 7 members of the Breton movement Engamm (“Combat”) are sentenced to prison terms of up to 11 years for their involvement in attacks in Brittany in the 1980s and 1990s.

Italy

- On 24th March, the Chamber of Deputies adopts the controversial media bill opposed by President Carlo Azeglio Ciampi. This law enables the circumvention of a court decision forcing one of Prime Minister Berlusconi’s terrestrial television channels to broadcast via satellite.
- On 25th March, the Senate approves the first reading of a draft constitutional reform which, if passed, will be the most significant change in the Italian system of government in 50 years. The role of the Senate will be strengthened, becoming a federal body representing the 20 Italian regions with the exclusive power to legislate on regional questions. The regions will be given greater powers in health, education and law and order matters. The opposition criticises this project which, according to them, is the consequence of pressure applied by the Northern League (LN), a regionalist party from northern Italy, which had threatened to pull out of the governmental coalition led by Berlusconi if regions are not granted more autonomy.
- On 26th March a general strike is held in protest at proposals for pension reforms and at the economic policies of the Berlusconi government.

Malta

- On 23rd March, Prime Minister Edward Fenech Adami resigns and on the same day Lawrence Gonzi, the former Deputy Prime Minister and Social Affairs Minister, is appointed Prime Minister by President Guido de Marco. Mr Gonzi announces changes in the government, himself taking on the Finance Minister’s portfolio. On 29th March, Fenech Adami is elected President by the House of Representatives.
Croatia

- On 11th March, two retired Croatian generals, accused of war crimes for their violent actions against the Croa-
  tian Serb rebels during the recapture in 1995 of the Krajina region, (which had been under the control of the Serbs
  since 1991), surrender to the International Criminal Tribunal for the former Yu-
  goslavia (ICTY). The government’s decision to hand the two generals over to
  the ICTY is an important step towards full cooperation with the ICTY.

Bosnia-Herzegovina

- On 1st March, President of the Bosni-
  an Council of Ministers Adnan Terzic
  appoints Dragomir Dumić (a member of
  the Serbian Democratic Party (SDS))
  Defence Minister. The post had been va-
  cant since the formation of his govern-
  ment in January 2003. On 8th March,
  Mr Dumić refuses his appointment and
  the next day Nikola Radovanovic, with-
  out any political affiliation, is appointed
  to the post.
- On 11th March, Ranko Ćesic, a Bosnian Serb, is sentenced by the ICTY
to 18 years’ imprisonment, found guilty of crimes against humanity and violations
of the laws and customs of war for his conduct in 1992 in the camp at Luka, near the town of Brcko. On 30th and
31st March, two Croatian Serbs are sentenced to 10 and 17 years in prison, their sentences having been reduced by
the judges in return for their cooperation.

Serbia and Montenegro

- On 3rd March, the Serbian Assembly
(parliament) approves the new mi-
nority coalition government (110 seats
out of 250), headed by Prime Minister
Vojislav Kostunica, the former President
(2000-2003) and leader of the Demo-
cratic Party of Serbia (DSS). This coal-
tion opposes the Serbian Radical Par-
ty (SRS), which had won the most seats
(82). Its political programme involves a
“division” of Kosovo in order to protect
Serbs, the trial of war crimes suspects
in Serbia and not by the ICTY and the
relaunch of the economy through re-
ducing taxes and combating corrup-
tion. The Speaker of the Assembly, Dra-
gan Marsicanin (DSS) becomes the
new Finance Minister and on 4 March
the Assembly names its new Speaker,
Predrag Markovic, who will also fulf
the duties of President of Serbia until
the election of a new President.
- On 17th March, violent clashes break
out in Kosovo between Serbs and eth-
nic Albanians, leaving 28 people dead
and destroying or damaging 366 hous-
es. In response to the violence NATO
orders the deployment of more than
1,000 supplementary troops to the K-
For in Kosovo.
- On 26th March, the UN Security
requesting the ICTY to do its utmost to
finish its investigations by 2004, finish
all its trials by 2008, finish all its mission
by 2010, end trials that can be trans-
ferred to national jurisdiction, concen-
trate on convictions of the most senior
officials responsible for war crimes and,
lastly, request the authorities in Serbia
and Montenegro, Croatia and Bosnia-
Herzegovina to increase their cooper-
aton with the ICTY.

Macedonia

- On 22nd March, in Dublin, a dele-
gation headed by Prime Minister Branko
Crvenkovski submits Macedonia’s offi-
cial application to join the EU.

Albania

- On 12th March in Dublin a Euro-
pean delegation led by Brian Cowen, the
Irish Foreign Minister, meets Kastriot
Islami, the Albanian Foreign Minister.
Discussions centre on the reform pro-
cess in Albania and on progress made
in the negotiations on a stabilisation
and association agreement (SAA) be-
tween the EU and Albania. The min-
isters also discuss recent political devel-
opments in the western Balkans, such
as the situation in Kosovo and the role
played by Albania in encouraging coop-
eration in the region. At the end of the
meeting, Mr Cowen states that “the EU
has clearly confirmed that Albania is a
potential candidate for future acces-
sion.”

Greece

- On 7th March, the Panhellenic So-
cialist Movement (Pasok), in power for
22 years except for three, loses the
general election to the conservative
party, New Democracy (ND), which
takes 45.37% of the vote. The election
campaign focuses on unemployment,
inflation and corruption. On 9 March, the
leader of the ND, Costas Karamanlis,
becomes Prime Minister – the youngest
Greek Prime Minister for a century – and
is also appointed Culture Minister in
charge of handling the crisis stemming
from the preparations for the Olympic
Games in August.

Cyprus

- By 31st March, the time limit set by
the EU to reach an agreement on the re-
unification of the island, and following
three weeks of negotiations between
the two sides, no agreement on reuni-
fication is reached. This failure means
that the Greek and Turkish governments
will become involved in the negotia-
tions.

Turkey

- On 3rd March, the Supervisory Com-
mittee of the parliamentary assembly of
the Council of Europe decides to end
its checks in Turkey, believing that the
latter has made significant reforms re-
garding human rights and democracy.
The end of this supervision is a prior
condition for the start of negotiations to
join the EU.
- On 9th March, two people trained in
the terrorist camps in Afghanistan car-
ry out a suicide bombing in the restaur-
ant of a Masonic lodge in Istanbul,
killing a waiter and injuring 5 people. In
response to speculations over al-Qae-
da involvement, the governor of Istanbul,
Mummar Guler, announces that the
amateurish nature of the attack showed
few similarities with the attacks in No-
tember 2003. On 16th March, 12 al-
Qaeda sympathisers are arrested, sus-
pected of being linked to this attack as
well as those in November 2003.
- On 13rd March, the Financial Times
reveals Turkey’s disagreement with the
American plan for autonomy for the Iraqi
Kurds, since it fears that the plan will
reawaken Kurdish nationalism in Turkey.
Turkey’s special envoy to Iraq, Osman
Koruturk, and the American diplomat
and member of the provisional Iraqi authority, Ronald Neumann, do not manage to settle their differences over the relationship between the federal and local Iraqi governments nor over what Turkey considers as an insufficient recognition of the Turkish minority in Iraq.

Syria

- On 8th March, the celebration of the 41st anniversary of the March Revolution – when a coup brought the Ba’ath party to power – a demonstration organised by the committees for the defence of democratic liberties and human rights in Syria brings together several activists outside the People’s Assembly (parliament). The demonstrators are arrested, but released the next day.
- In mid-March, serious clashes occur during a football match in the Kurdish province in north-eastern Syria between the supporters of an Arab team who brandished photos of the former Iraqi President Saddam Hussein and the Kurdish supporters of the local team who brandished photos of the American President G. W. Bush. Riots also break out in the Turkish neighbourhoods of Damascus. The Syrian authorities count 30 deaths in these clashes, while Kurdish leaders in Syria claim there were 40 deaths, 200 people injured and hundreds of Kurds arrested in Damascus. The authorities announce that a committee of inquiry has been established to investigate the causes of these clashes.

Lebanon

- The days following the assassination of the founder of Hamas, Sheikh Ahmad Yassine, by Israel on 22nd March are marked by an increase in tensions on the Israeli-Lebanese border. On 22nd March, Hezbollah is the first to reply to the assassination of Sheikh Yassine by bombarding the Israeli positions in the disputed territory of the “Shaba Farms” for the first time in five months. On 23rd March, Israeli helicopters open fire on armed men in southern Lebanon, killing two Palestinians and wounding another. This increase in tensions leads the United Nations Interim Force in Lebanon (UNIFIL) to increase its patrols on 24 March along the ‘blue line’ which acts as a border between Lebanon and Israel.
- On 27th March, the leader of Hezbollah informs the new head of Hamas that the Shi’ite organisation is under his orders.

Jordan

- On 9th March, the first stone of the Israeli-Jordanian International Science Centre is laid in the presence of the Jordanian Foreign Minister, Marwan Mouasher, as well as that of his Israeli colleagues Benyamin Netanyahou (Finance) and Limor Livnat (Education), but Mr Sharon and King Abdullah are absent. The centre is located on the south of the Dead Sea, on the border between the two countries and is opened to students from all the countries in the Middle East,
- On 16th and 17th March, King Abdullah makes an official visit to Turkey. The King calls on the two countries to improve their economic relations, proposes common investment in Iraq and states that the Jordanian authorities will do their utmost to create favourable investment conditions for Turkish businessmen. The situation in Iraq and the Middle East is also discussed.
- On 22nd March, about 5,000 people demonstrate, especially in the Palestinian camps in the country, against the assassination of the spiritual leader of the Palestinian Islamic fundamentalist movement Hamas. Jordanian Islamic fundamentalists call on the “popular forces” to denounce any agreement signed with Israel and any Arab high official establishing contact with the Hebrew state.

Egypt

- On 25th March, the Security Court in Cairo sentences 26 people, among them three British citizens, to prison terms ranging from 1 to 5 years for their links with the Islamic Liberation Party (Hizb–ut-Tahrir), banned in Egypt.

Libya

- At the beginning of March, the People’s Congress (parliament) reshuffles the People’s Committee (cabinet), creating the new post of Energy Secretary and filled by veteran oil expert, Fethi Omar bin Chetwane.
- On 6th March, Libya reveals in a formal declaration to the UN Organisation for the Prohibition of Chemical Weapons (OPCW) that it has produced and stored more than 20 tons of mustard gas and that as part of a secret chemical weapons programme it began in the 1980s it has used the gas as a weapon and made thousands of bombs. On 10th March, Libya signs the additional protocol of the International Atomic Energy Agency (IAEA) authorising IAEA inspectors to make surprise inspections.
- On 25th March, British Prime Minister Tony Blair visits Libya for talks with the Libyan leader, Col. Muammar Gaddafi. The Libyan secretary for foreign liaison and international relations, Abd al-Rahman Mohammed Shalgam, stresses Libya’s determination to join the struggle against al-Qaeda.
- On 25th March, the Anglo-Dutch company Royal Dutch/Shell signs an agreement with the Libyan state petrol company to look for oil and gas.

Tunisia

- On 27th March, Foreign Minister Habib Ben Yahia announces that the summit of the Arab League’s heads of state scheduled for 29 March has been postponed because of differences of opinion between the Foreign Ministers of the Arab League during their meeting on 26 and 27 March concerning the United States’ ‘Greater Middle East Initiative’, which consists of reforming the region and the Middle Eastern peace process.

Algeria

- At the beginning of March, the names of the 6 candidates for the presidential election on 8th April are announced. Luisa Hanune is the first woman to attempt to win a presidential election in an Arab country. The candidacy of the former Foreign Minister, Ahmed Taleb Ibrahimi, is rejected by the constitutional council, which Ibrahimi accuses of unfair bias.
- Between 8th and 18th March, at least 30 alleged members of the Salafist Group for Call and Combat (GSPC)
are killed in clashes with the Algerian army at Djerrah, in the Kabylia region.
• On 16th March, the president of the African Union, Alpha Oumar Konaré-qui, announces that the AU intended to open an “antiterrorism centre” within six months, with its headquarters in Algiers, which will coordinate information and finalise a common method of combating terrorism on the continent.

Morocco
• On 2nd March, the United States and Morocco conclude a free trade agreement.
• On 4th March, the Moroccan press agency MAP announces the official figures of the Al Hoceima earthquake: 628 people are killed and 926 injured.

European Union
• During March, following the elections in Greece, Spain and France, three European Commissioners leave their posts to take up positions in their respective national governments. They are the Commissioners for Employment and Social Affairs, Economic and Monetary Affairs and Regional Politics and Institutional Reform.
• On 24th March, the Commissioner for Competition announces that a record fine of 497.2 million euros will be imposed on the U.S. company Microsoft for having used its quasi-monopoly position in the European markets to illegally exclude competition.
• On 25th and 26th March, the Summit of the EU heads of State and of Government is held under the Irish Presidency. Following the Madrid bombings, the 15 Member States undertake to step up their cooperation with regard to combating terrorism. They settle on an action plan and decide to refuse to grant financial assistance or develop trade agreements with non-Member States which do not adopt appropriate anti-terrorist measures. The summit also urges the Member States to implement all the measures adopted by the extraordinary summit following the 11th September 2001 attacks, including the European arrest warrant. Gijs de Vries, a Dutch, is appointed to the new post of anti-terrorist coordinator, reporting to the EU’s High Representative for the Common Foreign and Security Policy (CFSP). The election of a new government in Spain, which is determined to reach a compromise, also makes it possible to renew efforts to finalise the draft European constitution, which had been stalled since December 2003 and which the Member States had undertaken to adopt by June 2004.

April 2004
Spain
• During April, investigations into the 11th March attacks continue. On 1 April, an arrest warrant is issued for Sarhna Ben Abdelmajid Fakhet, believed to be the brains behind the attacks and known under the name of “the Tunisian”, as well as for five other Moroccans. On 2nd April, a bomb with a make-up identical to those used on 11th March is found on a railway 65 km from Madrid. On 3rd April some suspects are traced to a flat in Leganés, in the suburbs of Madrid, where seven suspects, including the Tunisian and others, end up blowing themselves up. They are planning other bombings on trains, shopping centres and against Jewish targets. On 13th April, 24 people are detained in connection with the attacks.
• Durant the first week of April, five people suspected of being ETA members are arrested, including the military “brains” Felix Alberto Lopez de la Calle and the logistical chief Felix Ignacio Esparza Liuri, arrested on 2nd April. On 9th April, the leader of Batasuna, the political wing of ETA, announces that ETA is willing to announce a unilateral ceasefire and to negotiate with the government.
• On 4th April, the Spanish Socialist Workers’ Party (PSOE) fails to convince 10 opposition parties to back its policies in exchange for having a say in the appointment of the speakers of the two legislative chambers. The People’s Party (PP) remains the main party in the opposition. On 16th April, the new cabinet takes up office. Half the ministers in the cabinet are women.
• On 18th April, Prime Minister José Luis Rodríguez Zapatero decides to withdraw the 1,300 Spanish soldiers in Iraq as soon as possible, although he had declared in his electoral campaign that he would withdraw the Spanish troops on 30th June if the United Nations had not taken control of peacekeeping operations by then. His decision on an early withdrawal is based on the conviction that the UN will not be able to take over operations in the near future. On 28th April, all the Spanish combat forces leave Iraq, with the exception of 700 soldiers responsible for the logistics of the retreat, expected to return on 27th May. A survey shows that 72% of Spanish people approve of the decision to withdraw the troops from Iraq.

France
• On 2nd April, Jean-Marie Le Pen, the leader of the National Front, is sentenced by a Paris court to pay a fine of 10,000 euros for incitement to racial hatred towards Muslims.
• On 5th April, one of the leaders of the Liste d’Unione Nazizuale for the elections to the Corsican Assembly in March 2004 is arrested on suspicion of tax fraud. On 15th April a dissident faction of the Corsican National Liberation Front (FLNC), the FLNC-October 22, claims responsibility for bomb attacks at the beginning of the year.
• On 5th April, the paramilitary police arrest 13 people suspected of being members of the Moroccan Islamic Combatant Group (GICM), of whom 6 are to be later charged with having participated in the May 2003 attacks in Casablanca.
• On 14th and 21st April, two radical Algerian imams are deported for making fundamentalist speeches.
• On 22nd April, following the adoption of the law on the prohibition of wearing visible symbols of any religion, the Ministry of Education sends instructions for the implementation of the law, which are considered confusing by teachers’ representatives. The Minister for Education and Research admits that the instructions are not perfect and that a revision might be needed.

Italy
• On 3rd April, 161 immigrants, mainly of north African origin, are arrested during an anti-terrorist operation involving the police and the carabinieri.
• On 5th April, the head of the parliamentary committee for the intelligence and security services and state secrets (COPACO) announces in an interview granted to la Stampa that links have been established between al-Qaeda and the mafia, whereas he rules out any link between al-Qaeda and the Red Brigade.

• On 15th April, the Italian government reconfirms its support for the war in Iraq and its intention not to withdraw its troops, even following the murder in Iraq of Fabriz Quattrocchi, a security guard, kidnapped on 12th April by a group named al-Katibat al-Khadra (Green Battalion).

• On 16th April, the trial of Prime Minister Silvio Berlusconi for alleged bribery of judges resumes, after having been suspended in June 2003 by the passing of a law subsequently declared unconstitutional in January 2004.

• On 22nd April, the European Parliament criticises Mr Berlusconi’s influence on the Italian media and describes Italy as an “anomaly” in Europe, being the only country where “political, economic and media powers are held by a single person.” On 27th April, Lilli Gruber, who has been a well-known presenter on the television channel RAI’s magazine programme for 20 years, resigns, criticising the government’s excessive influence on the channel. On 29th April, a highly controversial media law is adopted by the senate and is due to enter into force by May, after being signed by President Carlo Azeglio Ciampi. The law adds flexibility to the restrictions on revenue generated by advertising and the property of newspapers, and bypasses a court decision which forced Mr Berlusconi’s channel, Rete 4, to change to satellite broadcasting.

• On 28th April, the European Commission issues a warning to Italy, calling on it to reduce its expenditure or increase its revenues in 2005 in order to avoid contravening the 3% rule of the Growth and Stability Pact.

Malta

• On 26th April, Malta’s delegation to the Council of Europe’s parliamentary assembly regains its right to vote, which had been suspended in January to penalise it for the lack of equality in its delegation.

Slovenia

• On 2nd April, Slovenia officially joins NATO.

• On 4th April, in a referendum organised by conservative and ultra-right-wing parties, 94% of Slovenians reject a law backed by the government, adopted in February, which retroactively re-established residence rights for approximately 18,000 people of Bosnian, Croatian and Serbian ethnicity who had lost these rights when the Slovenian Republic separated from Yugoslavia in 1991. The law allowed non-Slovenian residents of the country to benefit from the right of residence, the right to own assets, a right to education, health and social services. On 7th April, having voted against the government in the referendum, the Slovene People’s Party (SLS-SKD) withdraws from the governmental coalition to try to force the resignation of Rado Bohinc, Minister of the Interior.

Croacia

• On 20th April, the European Commission recommends the opening of accession negotiations with Croatia, although it makes it clear that the formal opening of negotiations will depend on several political reforms and a commitment to hunt down war criminals.

Bosnia- Herzegovina

• On 5th April, six top-ranking Bosnian Croats, including Jadranko Prlic, the Prime Minister of the Croatian Republic in the territory of Bosnia-Herzegovina (Herceg-Bosna) and Bosnia’s Foreign Minister from 1996 to February 2001, and Bruno Stojic, Herceg-Bosna’s Defence Minister, turn themselves in to the International Criminal Tribunal for the former Yugoslavia (ICTY), which accuses them of having, between 1991 and 1994, put in place and participated in a joint criminal undertaking which aimed at politically and militarily subjugating the Muslims of Bosnia and other non-Croats who lived in the Herceg-Bosna regions, driving them definitively out of these regions, carrying out an ethnic cleansing of these regions, and reuniting these regions within a ‘Greater Croatia’.

• On 16th April, Lord Paddy Ashdown, the High Representative of the international community for Bosnia-Herzegovina and Special Representative of the European Union in Bosnia-Herzegovina, dismisses General Cvjetko Savic from his post as Army chief of staff of the Republic of Srpska and dismisses Dejan Miletic from his post as head of the Srpska office for cooperation with the Hague Tribunal, for having failed in the task of providing the information requested by the committee on enquiries into the Srebrenica massacre of 1995.

Serbia and Montenegro

• On 17th April, three UN police officers, two Americans and one Jordanian, based in the province of Kosovo, kill each other. Stefan Feller, the UN chief of police for Kosovo, refuses to comment on the causes of the incident, while the Independent, citing anonymous sources in the UN police, reports that the shots had been preceded by a dispute between the American and Yugoslavian officers about events in Iraq.

Macedonia

• On 14th and 28th April the presidential elections, which have been brought forward, are held. Branko Crvenkovski, Prime Minister since November 2002 and leader of the ruling party, the Alliance of Democratic Forces in Macedonia (SDSM), becomes the President-elect. After the second round, leaders of the opposition party, the Internal Macedonian Revolutionary Organisation – Democratic Party for Macedonian National Unity (VMRO – DPMNE) call for the elections to be annulled, because the rate of participation was less than 50%, although the state’s electoral commission reports a turnout of 53.7%. Observers from the Organisation for Security and Cooperation in Europe (OSCE) note certain irregularities during the elections.

Albania

• On 22nd April, Alfred Moisiu, the Albanian President, makes the first official visit by an Albanian President to Kosovo, at the invitation of Harri Holk-
er, head of the United Nations Interim Administration Mission in Kosovo (UNMIK). He takes part in a meeting with General Holger Kammerhoff, the commander of NATO’s KFOR forces, Ibrahim Rugova, the President of Kosovo, Nexhat Daci, the Speaker of Parliament, Bairam Rexhepi, the Prime Minister, and representatives of civil society and religious communities.

**Greece**

- On 15th April, a spokesperson for the Ministry of Public Order announces that no foreign security force for athlete protection will be authorised during the Olympic Games to be held in August in Athens. On 16th April, The Times states that Greece’s security strategy for the Athens Olympic Games in August is flawed and that the British authorities plan to send British police officers to protect the national team. On 27th April, the International Olympic Committee announces that it has taken out insurance of US$170 million against the cancellation of the Games due to war, terrorism, earthquakes or floods, and denies that this decision had been influenced by the concerns over security or construction delays.

**Cyprus**

- On 13th April, the Communications Minister resigns following the Greek Cypriot President’s rejection of the plan for reunification of the island drawn up by Kofi Annan (the United Nations Secretary General) on 30th March, and his call to Greek people to vote against reunification in the referendum.
  
- On 24th April, in their referendum, 75% of Greek Cypriots reject the latest plan by Kofi Annan to reunify the island, while in a parallel referendum 65% of Turkish Cypriots in the self-proclaimed Turkish Republic of Northern Cyprus (TRNC) approve it. As a result, only the Greek half of Cyprus is to join the EU the following month. The EU says it is furious at the rejection of the Annan plan by the Greek half of the island and accuses the President of the Greek part of Cyprus, Tassos Papadopoulos, of having manipulated the media before the referendum. As a reward for its support of the Annan plan, the EU announces the lifting of the embargo in force since 1974 on the Turkish half of the island, authorising it to export its products, via the Greek half of Cyprus, to the EU, and decides to grant the aid of 259 million euros originally envisaged for the Turkish Cypriot economy with a view to its accession to the EU. On 26th April, the Prime Minister of the TRNC calls on Bertie Ahern, the Irish President of the EU, to postpone the accession of the Greek half of the island until reunification has been achieved.
  
- On 26th April, two MPs from the Democratic Party (DP) resign, leaving the government coalition, made up of the DP and the Turkish Republican Party (CHP), in the minority.

**Turkey**

- On 1st April, the European Parliament adopts a resolution by overwhelming majority of its members, stating that Turkey does not yet meet the political criteria necessary for the opening of accession negotiations. The Parliament referred to the practice of torture, the persecution of minorities and the absence of democracy.
  
- On 1st April, during operations co-ordinated between Turkey and five European countries, the police arrest 54 people suspected of being members of the Revolutionary People’s Liberation Party-Front (DHKP/C), banned in Turkey.
  
- On 3rd April, the EU’s list of terrorist organisations is updated and includes two other names for the PKK separatist group: Kurdistan Freedom and Democracy Congress (Kadek) and KONGRA-GELL.
  
- On 29th April, the police arrest 16 people in the city of Bursa, members of the radical Islamic fundamentalist group Ansar al-Islam suspected of planning an attack on the NATO summit, due to be held in June in Istanbul. This radical group is alleged to have links with al-Qaeda.

**Syria**

- On 27th April, a bomb explodes outside the former office of the United Nations Disengagement Observer Force (UNDOF) in Damascus.

**Lebanon**

- On 17th April, Rafic Hariri, the Lebanese Prime Minister, visiting President Jacques Chirac at the Elysée, asks for a right of return for Palestinian refugees, stating that Lebanon refuses to naturalise them. Discussions also touch on the issue of the Israeli occupation of the West Bank, the Iraq issue and the U.S. Greater Middle East Plan.
  
- On 19th April, the Lebanese authorities reactivate an old measure prohibiting entry for foreign public figures and journalists into Palestinian refugee camps. The decision follows a worsening in the regional situation.

**Jordan**

- In April, it is learnt that the security forces have thwarted a fatal chemical attack planned by militant Islamic fundamentalists which had targeted the offices of the Prime Minister, the General Intelligence Department and the U.S. embassy in Amman. The prisoners confirm that they are under the command of Abu Misab Zarqawi, a Jordanian trained in Afghanistan.
  
- On 8th April, the state Security Court sentences 8 people to death, including six in absentia, for the murder of the U.S. diplomat Laurence Foley in October 2002. Abu Misab Zarqawi is one of the six people sentenced to death in their absence.

**Egypt**

- On 12th April, Hosni Mubarak, the Egyptian President, begins a four-day official visit to the United States, where he discusses various international issues with U.S. President G.W. Bush: the Israeli-Palestinian conflict, the situation in Iraq, the joint fight against terrorism, democratic reforms in the Greater Middle East, ridding the region of nuclear weapons and the Israeli plan to unilaterally withdraw from the Gaza strip.
  
- On 17th April, Hervé Gaymard, the French Agriculture Minister, arrives in Cairo for a two-day visit during which he signs a framework Franco-Egyptian agreement on veterinary cooperation.
  
- On 19th April, President Mubarak visits Paris and meets with French President Jacques Chirac. They discuss the
crisis situation in the Middle East following the assassination of the new leader of Hamas, Abdelaziz al Rantissi, and U.S. support for the plan by Ariel Sharon, the Israeli Prime Minister, for unilateral withdrawal. The situation in Iraq is also discussed.

**Libya**

- On 7th April, it is announced that a joint investigation between the United Kingdom and Libya will be conducted to clarify the murder of Yvonne Fletcher, a police officer killed outside the Libyan embassy in London.
- On 23rd April, the United States lifts almost all its trade sanctions on Libya, putting an end to the economic embargo imposed in 1986. The United States removes almost all restrictions on investment and trade and removes Libya from the Iran-Libya Sanctions Act, which imposed sanctions on non-U.S. companies investing in the Libyan energy sector. On the other hand, Libyan assets located in the United States or in U.S. banks remain frozen and Libya is off the U.S. list of countries sponsoring terrorism.
- On 27th and 28th April, Colonel Muammar Gaddafi, the Libyan leader, visits Brussels, the European capital, in his first visit to Europe in 15 years, where he meets, among others, Romano Prodi, President of the European Commission, Javier Solana, the High Representative for the CFSP, and Chris Patten, Commissioner for External Relations.

**Algeria**

- On 8th April, the current President Abdelaziz Bouteflika is re-elected with 85% of the votes for a new term of 5 years. The other candidates, including former Prime Minister Ali Bennacef, accuse President Bouteflika of election fraud, whereas international observers describe the elections as peaceful and free, in general. The army had declared itself neutral for the elections. On 26th April, in a presidential decree, President Bouteflika appoints a new government on the recommendation of Prime Minister Ahmed Ouyahia.

**Morocco**

- On 10th and 11th April, Justice and Development, the Islamic fundamentalist conservative party, holds its fifth annual congress, during which Saad Eddine Othmani, the new secretary-general, is elected. The newspaper *Le Matin du Sahara et du Maghreb* describes him as “moderate and open” and “a man who seeks consensus.”

**European Union**

- On 1st April, Jean-Claude Trichet, governor of the European Central Bank (ECB), decides to maintain the base interest rate in the euro zone at 2%, a decision which is criticised by the French and German Finance Ministers.
- On 3rd April, the Finance Ministers Council (EcoFin) decides not to review the Growth and Stability Pact before 2005, as certain Member States had been calling for after the failure of the Pact in November 2003 when the EcoFin Council decided not to impose sanctions on France and Germany for their contravention of the public deficit conditions. On 7th April, the European Commission warns Greece, Italy, the Netherlands and Portugal that they are likely to infringe the 3% public deficit rule in 2004.
- On 29th April, the Ministers for Justice and Home Affairs, meeting in Luxembourg, agree on the first stage in a single European asylum system, establishing minimum standards for the treatment of political refugees by the Member States and setting the objective of avoiding the practice of “asylum shopping.” Refugee groups protest, stating that the system sets in stone the lowest common denominator of the Member States’ practices and therefore reduces protection for asylum seekers. The Ministers also formally adopt a “qualification directive” which sets out differentiation criteria to establish whether a person has refugee status under the UN Convention on Refugees or whether the person needs international protection and to determine the rights corresponding to each of the two statuses. The Ministers also adopt an “asylum procedure directive” describing minimum standards in the handling of admissible asylum requests (the provision of full information in advance, legal aid, formal interview, notification of the decision in writing) and makes a list of the cases in which asylum requests might be considered inadmissible. The system will be implemented by the current and future Member States, excluding Denmark.
May 2004

Portugal

• On 4th May in Lisbon, the heads of the Spanish and Portuguese governments state their desire to increase cooperation between Spain and Portugal, especially within the EU, despite their differences over Iraq.
• On 11th May, the Finance Ministers of the EU decide to revoke the excessive public deficit procedure begun two years earlier against Portugal, who refuses to adhere to the public deficit criteria in 2002 and 2003, after having exceeded it in 2001.

Spain

• On 12th May, three French citizens suspected of belonging to the Segi group banned in Spain for providing ETA with financial and logistical support are arrested in the French Basque region.
• The investigation into the Madrid bombings continues throughout May. A Spaniard of Syrian origin, Mustafa Setmariam Nasar, thought to be currently in an al-Qaeda training camp in Afghanistan, is named as the al-Qaeda leader who ordered the attacks. On 28th May, an official commission is instituted to inquire into the processing of information before the 11th March bombings in Madrid. It will concentrate on the lack of coordination of information before the attacks, the emphasis placed by the government on ETA’s involvement and the possible lack of consideration of other leads, as well as the conduct of politicians between the 11th and election day, 14th March.

France

• On 2nd May, the Turk Midhat Guler, the imam of a mosque in the Paris suburb ofCourtly, is arrested in order to be deported to Turkey, charged with being the leader of a Turkish extremist Islamic fundamentalist group inciting violence and terrorism. He immediately applies for political asylum, thus postponing his deportation until his application has been considered. On 23rd May, the Algerian Chirane Abdelkader Bouziane, a radical imam from Veniseux, near Lyons, returns to France to appeal against his deportation from French territory.
• On 6th May, Dail Boubakeur, president of the French Council of the Islamic Faith (CFCM), supported by the government, announces that the main mosque in Paris will start training religious Islamic leaders to embrace an open-minded and tolerant brand of Islam. On 11th May, the Minister of Interior announces that, in view of the secular nature of the French state, no state funding will be granted for this training.
• On 13th May, the French-Algerian Mohamed Chaouki Baadache, the French-Algerian Ahmed Laidouni and the Frenchman David Courtailleur to prison terms of ten, seven and four years respectively for “terrorist conspiracy linked to a terrorist undertaking” after their return from al-Qaeda training camps in Afghanistan at the end of the 1990s. David Courtailleur had also been in contact with the Moroccan prime suspect arrested for the Madrid bombings on 11th March.
• On 16th May, the CFCM’s makes an about-turn in its position regarding the ban on wearing religious symbols in state schools, for the first time criticising this law as a violation of “the right of young Muslims to exercise their religious freedom.” On 17th May, modifications to the Education Minister’s controversial instructions for the practical application of the law are approved. The amendments authorise schools to, amongst other things, allow Muslim girls to wear “discreet scarves” and compels Sikhs to wear hair-nets instead of their traditional turbans.

Italy

• On 4th May, the Director of the state television network RAI, Lucia Annunziata, appointed in March 2003, resigns in protest against state interference in the network’s programming.
• On 5th May it is announced that a new security system on trains will be put in place, following the Madrid bombings on 11th March.
• On 11th May, italy escapes being fined for exceeding the 3% public deficit criterion contained in the Stability and Growth Pact, the EU Finance Ministers deciding to limit themselves to warning Italy and to being informed of the measures Italy is intending to take to reduce its deficit.
• On 13th May, the Senate adopts the contentious pension reform plan by a majority.
• On 18th May, 10 new Italian terrorist groups appear on the EU’s list of terrorist organisations, including the Red Brigade and the Informal Anarchist Federation, which sent letter-bombs to the home of the President of the European Commission, Romano Prodi.
• On 26th May, Italian police demand the trial of more than 4,000 doctors who took bribes from the pharmaceutical company GlaxoSmithKline in exchange for prescribing the company’s products to their patients.

Malta

• On 17th and 18th May 2004, a seminar is held in Valetta called “Religion and education: the possibility of developing tolerance through religious instruction,” organised by the Council of Europe’s Human Rights Commissioner, Alvaro Gil-Robles, in cooperation with the Foundation for International Studies at the University of Malta. This seminar, which brings together representatives of the various monotheistic religions, government experts and teachers, is part of the Commissioner’s ongoing project to analyse relations between states and religions.

Croatia

• On 25th May, the International Criminal Tribunal for the former Yugoslavia (ICTY) confirms it has charged General Mirko Norac with crimes against humanity and the violation of the laws and customs of war during the Medak Pocket operation in September 1993, during which the Croatian army killed 100
Serbs, including 29 civilians. The ICTY also announces that his trial might take place in Croatia.

- On 29th May a new party is formed, the Croatian Social Democrats (HSD).

**Bosnia-Herzegovina**

- On 14th May, Radomir Njegus, the Chief of Police of the Republic of Srpska, dismisses Dragan Lukac, the commander of the special police unit, and suspends seven of his men for “lack of planning” in the operation in April to arrest two people sought by the ICTY for war crimes, which failed and led to the death of an innocent person. An open letter signed by 69 police officers demands Mr Lukac’s dismissal – he had refused to resign – but also calls on Mr Njegus to resign. Finally, Mr Lukac resigns on 20th May.

**Serbia and Montenegro**

- On 4th May, Milorad Lukić, charged with having organised the assassination of the Prime Minister, Zoran Djindjic, in March 2003, and sentenced in absentia in December 2003, surrenders to the police.
- On 6th May, Amnesty International publishes a report revealing that UN and NATO peacekeeping troops and Western humanitarian workers are supporting the illegal sex trade in Kosovo. The UN Interim Administration Mission in Kosovo (UNMIK) describes the report as highly unbalanced.
- On 19th May, an international prosecutor acquires four UN Jordanian police officers, charged with involvement in the deaths of two U.S. policemen and a Jordanian policeman from the UN during an exchange of fire in Kosovo in April.
- On 25th May, Harri Holkeri, the head of UNMIK, resigns for health reasons. The Financial Times states that he also referred to the lack of support he had received from the U.S. and the EU.
- On 27th May, Dusko Jovanovic, chief editor of the opposition newspaper and well-known for his criticisms of the ruling coalition in Montenegro, is murdered outside his office in Podgorica. On 31st May, thousands of journalists demonstrate in the streets to protest against his killing.

**Macedonia**

- On 12th May Branko Crvenkovski officially takes office as the new President of Macedonia and on 14th May he appoints Hari Kostov the new Prime Minister.

**Albania**

- On 20th May, Et’hem Ruka, the Environment Minister, reveals to the France-Press agency that increasing pollution is threatening to create a “humanitarian catastrophe” in Albania. According to the Minister, emissions of pollutants and carbon dioxide exceed by, at least, ten times the tolerance level set by the World Health Organisation (WHO), thus increasing the number of people affected by cancer and cardiovascular and pulmonary diseases. Moreover, Albania is suffering from the presence of several tens of thousands of tonnes of toxic waste, especially chemical waste, abandoned in the ruins and surroundings of Communist-era factories. Specialists estimate that the level of pollution in Albania is such that it is also threatening biological diversity and the quality of the water in the water-table and seawater.
- On 27th May, for the first time, the Albanian State is brought before the European Court of Human Rights in Strasbourg. Sentenced to life imprisonment for murder, the Albanian Taulant Balliu accuses his country’s legal system of having violated his right to a fair trial, guaranteed by article 6 of the European Convention on Human Rights.

**Cyprus**

- On 8th May, the United States announces, following negotiations with Kofi Annan, Secretary General of the UN, and with Mehmet Ali Talat, Prime Minister of the Turkish Republic of Northern Cyprus (TRNC), that they are planning to implement measures to put an end to the TRNC’s trade isolation.
- On 9th May, Greek Cypriot President Tassos Papadopoulos, having rejected Kofi Annan’s reunification plan for the island and thus prevented a united Cyprus from entering the EU, announces that he will do his utmost to find a political solution to the Cypriot conflict and that only a few small amendments to Kofi Annan’s plan are required to satisfy the Greek half of the island.
- On 17th May, after two members of parliament in the government coalition resigned in April, putting the government in the minority, a member of parliament from the Republican Turkish Party (CTP), a member of the coalition, also resigns. After these events, Prime Minister Talat suggests the holding of early elections.

**Turkey**

- On 5th May, three bombs explode outside a police station in Athens. A group calling itself ‘Revolutionary Struggle’ claims responsibility for the attacks as a protest against the security measures introduced for the Olympic Games, which are transforming Athens into a “fortress.” The explosions revive speculations about security for the Games. On 13th May, several banks (Alpha Bank, HSBC Bank) are the targets of bomb attacks. On 19th May, a bomb is discovered by police near a Games complex before it explodes.
- On 7th May, the EU statistics office, Eurostat, publishes its figures, showing that because of its expenditure on mounting the Games, Greece in 2003 exceeded the 3% public deficit criterion allowed in the Stability and Growth Pact.

**Greece**

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from ‘Imam Hatip’ Islamic schools. The law enables students who have trained as an imam or preacher to enter university and pursue careers in the Turkish state administration as lawyers, teachers and government officials. The law is criticised by the opposition People’s Republican Party (CHP) and by the Higher Education Committee as a threat to the secular status of the state. On 28th May, President Ahmet Necdet Sezer, a fervent advocate of the secular status of the state, vetoes the bill.

- On 17th May, a few hours before the visit to Turkey by British Prime Minister Tony Blair, four small bombs explode outside two branches of the HSBS (which has its headquarters in London) in Istanbul and Ankara. On 20th May, a bomb explodes in a McDonald’s car park in Istanbul and on 29th May the police arrest six people, alleged members of the banned Communist / Marxist-Leninist Party (TKP-ML), in connection with this attack.
- On 29 May, the television channel NTV announces an end, on 1st June, to the 5-year unilateral ceasefire by the Kurdistan People’s Congress (Kongra-Gel) – formerly known as the Congress for Liberty and Democracy in Kurdistan (Kadek), and also known as the Kurdistan Workers’ Party (PKK). According to the group, this is due to offensive by the Turkish government over the previous three months.

### Syria

- On 11th May, the U.S. imposed economic sanctions on Syria, banning all exports to it, in response to Syrian threats to pursue its weapons of mass destruction programme and for its support of terrorism. The Treasury Department is also authorised to freeze the assets of Syrian nationals or bodies suspected of involvement in terrorism. On 12th March, Adil Safar, the Agriculture Minister, states that the U.S. pressure is characterised by “injustice and double standards” and accuses the Bush administration of supporting Israeli policy in the Middle East.
- On 11th May, the Deputy Prime Minister and Lieutenant-General Mustafa Tlass, Defence Minister since 1972, resigns.

### Lebanon

- At the beginning of May, clashes break out between Hezbollah and the Israeli army in the disputed border area between two countries around the Shaba farmlands on the slopes of Mount Hermon, immediately adjacent to the Golan Heights.
- On 27th May, clashes in a suburb of Beirut between the Lebanese army and demonstrators protesting against a sharp rise in petrol prices lead to 5 deaths and 15 people injured.

### Jordan

- On 10th May, the state Security Court sentences three militant Islamic fundamentalists to three years in prison for organising attacks against U.S. and Israeli tourists in Jordan. One of them, a 19 year-old man, is the nephew of the militant Islamic fundamentalist Abu Misab Zarqawi, a Jordanian trained in the camps in Afghanistan and suspected of being close to the leader of al-Qaeda, Osama Bin Laden.

### Egypt

- On 16th May, security forces arrest 54 members of the banned organisation the Muslim Brotherhood and close down some of their businesses, including pharmacies, shops, construction firms and publishing houses.

### Libya

- On 6th May, five Bulgarian nurses and a Palestinian doctor are sentenced to death by a Benghazi court, charged with deliberately contaminating more than 400 Libyan children with the HIV virus at al-Fateh hospital between April 1997 and March 1999. The verdict is questioned by Bulgaria, the United States and the European Commission, with the latter criticising the numerous violations of defence rights at the trial. The President of the European Commission asks the Libyan leader Colonel Muammar Gaddafi to intervene personally.
- On 13th May, John Bolton, U.S. Under-Secretary of State for Arms Control, announces that Libya has stopped arms trading with countries accused of promoting the proliferation of weapons of mass destruction such as North Korea, Syria and Iran.
- On 28th May, the UN International Atomic Energy Agency (IAEA) publishes a report in which it reveals that a container of elements to enrich uranium arrived in Libya in March, three months after Libya declared that it was stopping its nuclear arms development programme. Libya replies immediately, saying that the container was sent directly out of the country again. On 26th May, the Financial Times reports that Pakistani scientists have revealed that North Korea supplied Libya with a delivery of uranium hexafluoride at the beginning of 2001.

### Tunisia

- On 7th May, the International Federation of Human Rights Leagues (IFHR) accuses the Tunisian government of “trying to economically asphyxiate” the LTDH. According to the IFHR, the Tunisian government has blocked European funding intended for the restructuring of the LTDH and the modernisation of its management as part of the European Initiative for Democracy and Human Rights (EIDHR).
- On 7th May, fisheries professionals from 11 countries bordering the Mediterranean (Albania, Algeria, Egypt, Spain, France, Greece, Italy, Libya, Malta, Morocco and Tunisia) meet in Tunis, at the initiative of EUROFISH (the EU association of national organisations of fishing enterprises) and with the financial support, of the European Commission, and found the MEDISAMAK Association, establishing its headquarters in Tarragona (Spain). This organisation is open to any national organisation representing fisheries professionals in the Mediterranean and aims to represent and defend their general and specific interests in dealings with regional, national and EU authorities.
- On 22nd and 23rd May, the Arab League holds its annual summit meeting in Tunis, centred on reforms in Arab countries. The summit is marked by several early exits, including that of the Libyan leader Colonel Muammar Gaddafi, following criticisms made by Amr Musa, the secretary general of the League, accusing Libya of making uni-
lateral decisions without taking the general context of the region into consideration, referring to the Libyan decision to stop its weapons of mass destruction programme without consulting other countries in the region. The Egyptian President Mohammed Hosni Mubarak also leaves the summit before it ends because Tunisia, which is chairing the summit, refuses to debate an Egyptian proposal. The closing document of the summit, entitled ‘A Statement on Development and Modernisation’ calls for greater political participation, respect for human rights, greater freedom of expression and the strengthening of the role of women in society. Another document which is adopted, the “Solidarity Pact between the leaders of the Arab World,” aims to strengthen the Arab capability for collective action through the League by strengthening it and its institutions as well as reforming its charter. The reforms included the modification of voting rights in the League (decisions are currently all made unanimously, by “consensus”), the application of suitable retaliation measures against members of the League who do not respect the Charter or the decisions, the creation of an Arab Parliament, of an Arab national security council, an Arab Investment Bank, an Arab Court of Justice and an Arab High Council for Culture. The Tunis summit confers the Secretary General the task of continuing examination of the draft amendments, which will then be submitted for ratification at the next summit of the Arab League, scheduled for 2005 in Algeria. During the summit, Algeria raises the question of the alternation of the post of secretary general of the League, strangely the exclusive position of Egypt, where the League’s headquarters are located.

Morocco
- On 16th May, Mohamed Bouzoubaa, the Justice Minister, announces that the number of people being sought in connection with the Casablanca attacks in May 2003 has reached 2,000, of whom 90% have already been arrested. He also announces that the Ministry of Justice is working on a programme to rehabilitate those convicted in order to “correct their understanding of Islam.”
- On 30th April, King Mohammed VI sketches out the broad outline of reforms to the country’s religious system. The proposals included the following: the High Council of the Ulamas will be the sole source of fatwas; the number of regional councils of the Ulamas will increase from 19 to 30; for the first time, nominations for the councils will include women and one of them will be appointed to the Supreme Council.

European Union
- On 1st May, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia join the EU, increasing the number of Member States from 15 to 25 and the European Union population from 380 to 455 million people.
- On 12th May, the European Commission publishes a draft European Neighbourhood Policy (ENP) establishing a policy framework for the relations between the EU and the new neighbour states of the EU after enlarge-ment, as well as for other states near the EU which are not regarded as future candidates for membership, among which are included the non-European members of the Euro-Mediterranean Partnership. The ENP will enable these states to participate in various European activities in the political, security, economic and cultural spheres.
- On 17th and 18th May, during a meeting of the Foreign Ministers of the 15, disagreements arise once more concerning the European constitution, including the opposition of the smaller Member States to the fact that the number of Commissioners will decrease from 30 to 15 from 2009. Moreover, it appears that Germany and France are not satisfied by the willingness of the new Spanish government and Poland to make certain concessions concerning voting rights in the Council. Another problem arises on 24th May when the Czech Republic, Italy, Lithuania, Malta, Poland, Portugal and Slovakia demand that a reference be made in the preamble to the constitution to Europe’s Christian origins, France, a secular state, and other states with Protestant majorities such as Denmark and Sweden are categorically opposed to this demand. As far as Spain is concerned, the new left-wing government no longer keeps to the position of the former PP government, which had supported this reference to Christianity.
- On 19th May, the European Commission grants a ten-year permit to the Swiss company Syngate to import genetically-modified corn into the EU as long as it complies with the rules on labelling and traceability laid down by EU Agriculture Ministers in July 2003. Environmental groups regard this decision as a capitulation in the face of U.S. threats.
- On 28th May, the EU and the United States sign an agreement under which the EU Member States undertake to supply the U.S. in advance with personal information on all passengers on transatlantic flights. The European Parliament had voted in April to put the question before the European Court of Justice.

June 2004

Portugal
- On 31st May, the charges against Paulo Pedroso, former spokesperson of the Socialist Party (opposition), on his participation in a paedophile network, are dropped.

Spain
- On 8th June, Hamed Sayed Osman Rabei, alias ‘Mohammed the Egyptian’, described as the ‘brains’ behind the Madrid bombings, is arrested in Milan and charged with association with international terrorism. Spain calls for his extradition. As part of the same international investigation, 15 people are arrested in Belgium the same day, not for involvement in the Madrid attacks but on
suspicion of being members of the terrorist cell headed by Hamed Sayed Osman Rabei which is planning more attacks. On 9th June, six Spaniards are arrested in the north of Spain in connection with the sale of explosives used in the attacks.

- On 15th June, judge Baltasar Garzon orders the trial of 15 alleged members of al-Qaeda, held in Spain, for involvement in the attacks of 11th September 2001 in the United States.
- On 17th June, eight people are arrested on suspicion of being members of ETA, including three who are alleged to be commanders of reserve units.
- On 18th June, Luis Rodríguez Zapatero’s socialist government announces the construction of 20 desalination plants on the southeast coast to provide drinking water in the dry months, replacing the National Hydraulic Plan of the former People’s Party (PP) government, vehemently criticised by environmentalists and consisting of diverting water from the Ebro, to the south, via pipelines.

France

- The defeat of the ruling party, the Union for a Popular Movement (UMP), in the European Parliament elections on 13th June, heightens tensions between the current President Jacques Chirac and Nicolas Sarkozy, the Minister for the Economy, Finance and Industry – who intends to stand as candidate for the post of chairman of the UMP, after Alain Juppe has resigned in November – regarding Mr Sarkozy’s intention to succeed Mr Chirac in the presidential elections in 2007. On 22nd June, President Chirac states that he will not block Mr Sarkozy’s candidacy to become the new chairman of the UMP, but insists that he will have to leave the cabinet if he is elected party chairman.
- In June, Jacques Chirac displays concern at the growing number of anti-Semitic acts, mainly committed by extremist Muslims, and anti-Muslim acts, mainly committed by right-wing extremists. On 8th June, Dominique de Villepin, the Minister for Home Affairs, announces that monitoring committees will be set up in all the French regional districts in order to prevent anti-Semitic acts. The same day, Dominique Perben, Justice Minister, declares that 180 anti-Semitic acts have been committed since 1st January and that legal proceedings have only been initiated for 35 of them.
- On 15th June, the anti-terrorist police swoop on a religious meeting-place in Levallois-Perret, to the west of Paris, arrest 12 people and seize 2 firearms as well as equipment for manufacturing false identity papers. On 19th June, a legal proceedings into terrorist activities begins for five of these people.
- On 21st June, four people are arrested in Bastia, on suspicion of involvement in the bombings carried out by the group Resistenza Corsa before it merged with the National Liberation Front – Union of Combatants (FLNC-UC) in August 2003. On 28th August, 10 people are arrested in the south of Corsica in connection with the murder, in October 2001, of Nicolas Cros, an associate of, the leader of Armata Corsa, who had himself been assassinated in August 2001.

Italy

- On 3rd and 4th June, U.S. President G. W. Bush makes an official visit to Italy where he meets the Italian President, Carlo Azeglio Ciampi, and Prime Minister Silvio Berlusconi. On the second day, a peaceful demonstration is held in Rome to protest against the war being waged by the United States in Iraq.
- On 8th June, the European Union criticises Italy for not complying with the anti-terrorist objectives that have been set, including failure to introduce the European arrest warrant into its legislation and failure to take action to combat money-laundering.
- On 13th June, the opposition parties criticise action by Mr Berlusconi’s cabinet, which sent millions of SMS messages to the mobile phones of Italians to remind them to vote in the European elections in order to increase the election turnout, saying it was a violation of privacy and of the rules of the election campaign.
- On 26th and 27th June, local elections are held, in which the ruling centre-right coalition lose 7 provinces to the centre-left Olivo coalition.

Malta

- On 12th June, day of the European elections in Malta, the smallest EU Member State sees the largest turnout, of 82%.
- On 14th June, the chamber of investigation of the Paris Court of Appeal hands down a judgement cancelling the court case against the Maltese Maritime Authority, which had accorded a Maltese flag of convenience to the oil tanker Erika, wrecked on the Brittany coast in December 1999. Investigating charges of “endangering life” and “complicity to cause pollution,” the Court of Appeal considers that the Maritime Authority “has availed itself of prerogatives of public power demonstrating that it is an offshoot of the Maltese state” and should therefore “benefit from the immunity against prosecution granted to the Maltese state.”
- On 20th June, Mr Anton Tabone, the Speaker of the Chamber of Deputies of the Republic of Malta, makes a visit to Tunisia at the head of a delegation to talk about bilateral relations. He states that Malta could provide significant support to Tunisia, especially after its accession to the European Union.

Slovenia

- On 24th June, Prime Minister Anton Rop of the Slovenian Liberal Democrats (LDS – centre left) asks the parliament to replace the current Foreign Minister, Dimitrij Rupel, with Ivo Vajgl, currently the Slovenian ambassador to Germany, both men being members of his party. Prime Minister Rop requested Dimitrij Rupel’s resignation following the latter’s participation in a forum attended by major right-wing figures.

Croatia

- On 3rd June, the Chief Prosecutor of the International Criminal Tribunal for the former Yugoslavia (ICTY), Carla del Ponte, announces that the ICTY will soon be authorising Croatia to take over the investigations into some war crimes and to try some of the suspects charged. She congratulates Croatia on its cooperation with the tribunal. On 29th June, Milan Babić, the former rebel Croatian Serb leader, is sentenced by
Europe.

The Serbs have clearly expressed their desire for a future in western reformist, the Serbs have clear-States that by electing Mr Tadic, a pro-

the High Representative for the CFSP, 
ic, and high officials in the Serbian De-

Minister for Home Affairs, Zoran Djer-

the cabinet remain unchanged.

Macedonia

- On 3 June, the Sobranje (Parlia-

ment) approves the government of Prime 

Minister Hari Kostov, appointed by the 

new President Branko Crvenkovski, 
elected in mid-May. The members of 

the cabinet remain unchanged.

Albania

- On 21st and 22nd June, Prvoslav 

Davinic, Defence Minister of Serbia-

Montenegro, makes a historic visit to 

Tirana, the first in 57 years. Mr Davinic 

is received by President Alfred Moisiu, 

Fatos Nano, the Prime Minister, and 

Kastriot Islami, the Foreign Minister. 
The two countries agree to step up 
military cooperation and to work to-

gether for peace, security and integra-
tion.

- On 5th June, at the initiative of Fatos 

Nano, the Albanian Prime Minister, the 

heads of state and of government of 

Albania, Croatia and Bosnia-Herzegov-

ina meet informally to strengthen re-
gional cooperation and to support their 

integration into the Euro-Atlantic struc-
tures. To this end, they undertake to 

continue their cooperation on the com-
bating of terrorism, organised crime, 
corruption, illegal trafficking and ex-
tremist nationalism. The bad weather 

conditions prevent Hari Kostov, the 

Macedonian Prime Minister, from at-
tending the meeting.

Greece

- On 4th June, Dimitris Platis, the se-

curity coordinator at the Ministry of For-
egn Affairs, states to the Guardian that 

although Greece cannot legally autho-

rise the presence of foreign security 

guards on its territory to protect teams 
taking part in the Olympic Games, it 

will be difficult to prevent people from 
carrying weapons outside the Olympic 

Games complexes.

- On 8th June, the EU reports that 

Greece has not implemented by the 

set deadline 5 key EU anti-terrorism 

measures, including the European arrest 
warrant.

Cyprus

- On 1st June, Prime Minister Recep 

Tayyip Erdogan annuls a controversi-
education law, considered by some to 

be detrimental to the secular nature of 

the state.

- On 2nd June, Amnesty Interna-
tional severely criticises Turkey for not 
taking action in the face of the violence to-
wards women, and for tolerating ‘honour 
crimes’.

- On 9th June, the Turkish Supreme 

Court orders the release of four former 

Kurdish members of the Grand Nation-

al Assembly (Parliament), including Lay-

ta Zana, the human rights activist. They 

had been sentenced in 1994 to 15 

years’ imprisonment for their support 
of the banned Kurdish Democratic Par-

ty (PKK). The European Commission-
er for Enlargement welcomes the deci-

sion. On 13th June, Layla Zana calls on 

the Kurdish People’s Congress (Kongra-Gel), as the PKK is now known, 

to reinstate the ceasefire suspended on 

10th June.

- On 12th June, 13th people are de-
tained in Istanbul, some of whom al-

gedly trained in the al-Qaeda camps 
in Afghanistan. On 18th June, in oper-

ations in Istanbul and Bursa, the po-

tice arrest four alleged members of the 
group Ansar al-Islam – suspected of 

having links with al-Qaeda – who are 

preparing to commit suicide attacks.

- On 28th and 29th June, the NATO 
summit takes place in Istanbul. Before 

the meeting, several bombs explode, 

including one before the 24th June 

meeting, near the Hilton in Ankara, 

where U.S. President G.W. Bush is to 

stay. The same day, another bomb ex-

plodes on a bus in Istanbul, killing four 

people and wounding 21. The mayor of 

Istanbul states that the bus had not been 

the intended target, and that the bomb 
had exploded earlier. A Marxist
Egypt

• Between 23rd May and 19th June, partial elections (132 of 264 seats) are held for the Advisory Council (Majlis ash-Shoura), which fulfils an advisory role for the People’s Assembly (Parliament). Turnout is only 3 to 5%. The ruling National Democratic Party wins 70 of the 88 seats, and for the first time in history, an opposition party, the National Progressive Unionist Party (NPUP or Tagammu) wins a seat in the upper chamber, through elections. President Mohammed Hosni Mubarak appoints the remaining 44 members.

Syria

• At the beginning of June, the Syrian military intelligence service summons three Kurdish leaders to tell them that the state will no longer tolerate the activities of Kurdish parties without a licence.
• On 23rd June, Aaktham Naisse, an activist for democracy, leader of the group of committees for the Defence of Democratic Freedoms and Human Rights, arrested in April, begins a hunger strike in protest at the treatment he has suffered during his detention. He was arrested for having circulated a petition for democracy on the Internet and having organised a demonstration in Damascus.
• On 29th June, the UN Security Council unanimously adopts Resolution 1550 (2004), extending for six months, the mandate of the United Nations Disengagement Observer Force (UNDOF), stationed on the Golan Heights between the Syrian and Israeli positions.
• On 11th and 12th, Miguel Angel Moratinos, the Secretary for Foreign Liaison and International Cooperation, states that the accusations are baseless.

Libya

• On 10th June, the New York Times states that Libya planned a secret operation to assassinate the Saudi Arabian Crown Prince, Abdullah ibn Abdul Aziz. Abd al-Rahman Mohammed Shal gam, the Secretary for Foreign Liaison and International Cooperation, states that the accusations are baseless.
• On 10th June, the Financial Times states that exporters in Turkey and South Africa have played a significant role in the transfer of nuclear technology and expertise to Libya.
• On 28th June, the United States formally re-establishes its diplomatic presence in Libya by opening a liaison office in Tripoli.

Tunisia

• On 1st June, the Tunisian Parliament ratifies the convention imposing a total ban on nuclear tests, adopted by the United Nations General Assembly on 10th September 1996. Tunisia is the 102nd country to ratify the treaty, which has been signed by 167 states.
• On 11th and 12th, Miguel Angel Moratinos, the Spanish Foreign Minister, pays a visit to his counterpart, Habib Ben Yahya, and President Zine El Abidine Ben Ali, whom he describes as a “great friend to Spain and a great Arab and Mediterranean leader.” Discussions deal with major issues of joint concern, such as Mediterranean cooperation, the situation in the Middle East, and in Iraq. Mr Moratinos emphasises that on all these subjects, the two countries have the “same point of view, and the same analysis.” As a result of these bilateral relations, Mr Moratinos signs an agreement to relaunch relations. The visit forms part of the framework of regular consultations instituted by the treaty on friendship, cooperation and good neighbourliness signed by Tunisia and Spain on 26th October 1995.
• On 21st June, Mr Foued Mebazaâ, chairman of the Chamber of Deputies, meets with Mr Bruce George, chairman of the parliamentary council of the “Organisation for Security and Cooperation in Europe (OSCE), who is visiting Tunisia at the head of a major delegation. The meeting deals with enhancing the cooperation that has been set up between the two parliaments.
• On 25th June, the 10th conference of the Ministers of the Interior of the Western Mediterranean (CMI) is held in Tunis, with the fight against terrorism as the main item on the agenda. Representing the northern part of the Mediterranean, France, Italy, Spain, Portugal and Malta are present, and for the four southern countries, Morocco, Algeria, Libya and Tunisia (conference known as the ‘4+5’). For the first time, Mauritania participates as an observer country. In addition to the fight against terrorism, all the security problems in the western Mediterranean are examined, such as combating organised crime, the movement of people and illegal immigration, civil protection and cooperation between local authorities. The presidency, previously held by Malta, is to pass to Tunisia at the beginning of the conference.

Algeria

• On 20th June, the Algerian army states that Nabil Sahraoui, one of the leaders of the Salafist Group for Call and Combat (GSPC), and three of his main aides have been killed in a huge anti-terrorist operation in the region of Kabylie.

Morocco

• On 8th June, King Mohammed VI reshuffles the government and re-appoints Driss Jettou as Prime Minister.
• On 8th June, the Independent reports that Spain has sent 9 small planes
to Morocco to help it combat the plague of locusts, which is ravaging the south of the Maghreb and threatening Europe.

**European Union**

- Between 10th and 13th June, the 25 EU Member States elect a new European Parliament, in which the parties opposed to future federation of the EU make sizeable gains. In 23 of the 25 Member States (excluding Spain and Greece), the parties in power gain a smaller proportion of votes than in the national general elections. In spite of these changes, the traditional political groups maintain their dominant positions in the new parliament, made up of 732 MEPs, with the European People’s Party and European Democrats (PPE-DE) in the lead, followed by the Socialist Group in the European Parliament (PSE) and the Alliance of Liberals and Democrats for Europe (ALDE). The overall turnout is only 44.2%, causing great apathy in the former Communist republics which have just joined the EU.
- On 14 June, the Foreign Ministers agree to create a European Defence Agency, responsible for promoting cooperation between the 25 Member States in research and military purchases.
- On 17th and 18th June, the heads of state and government hold a summit during which the 25 Member States finally agree on the text of the European constitution, which is to be ratified by all the Member States by the end of 2006. On 23rd June, the Spanish and Portuguese governments announce that they will be holding referendums on the constitution. During the summit, the 25 states launch the Strategic Partnership with the Mediterranean and the Middle East, established to construct a “common area of peace, prosperity and progress,” through the promotion of democracy, human rights and economic reform as part of the Euro-Mediterranean Partnership and the EU Neighbourhood Policy.
- On 25th June, in order to protect the fundamental rights and freedoms of European citizens, Pat Cox, the President of the European Parliament, requests the European Court of Justice to rescind the agreement between the EU and the United States under which the 25 Member States undertake to supply the U.S. with personal information on all passengers travelling on transatlantic flights.
- On 29th June, during an extraordinary summit in Brussels, José Manuel Durao Barroso, the Portuguese Prime Minister at the time, is unanimously appointed President of the European Commission, to take over from Romano Prodi on 1 November.

**Miscellaneous**

- From 8th to 10th June, the members of the G-8 meet to mainly discuss the U.S. reform plan, called the ‘Greater Middle East initiative’, the new version of the U.S. plan which had provoked the wrath of the Arab countries, since the first plan did not envisage consultation with Arab countries and made no reference to solving the Israeli–Arab conflict. The new plan proposes reforms in the context of the resolution of the conflict and proposes the creation of high-level multilateral forums to promote democratic reforms, strengthen education, especially of women, and to support regional micro-finance projects. Middle Eastern reactions vary. Jordan, even though is of the opinion that the plan takes the region’s priorities into account, opposes any reform coming from outside.

**July 2004**

**Portugal**

- On 9th July, following the official resignation of Prime Minister José Manuel Barroso, who had been appointed to the position of President of the European Commission, Jorge Sampaio, the Portuguese president, opposes the holding of new parliamentary elections, claiming that they will destabilise the country. He appoints Pedro Santana Lopes, the mayor of Lisbon, who succeeded Mr Barroso at the head of the Social Democrat Party (PSD), as the new prime minister. On 17th July, the new government takes office. Some members of Mr Barroso’s cabinet refuse to join the new cabinet, disagreeing with Mr Santana’s socialist approach.
- Starting on 25th July, 14 of Portugal’s 18 districts face forest fires, which burn 10,000 hectares. Spain, Greece and Italy send planes to help Portugal.

**Spain**

- On 6th July, the public hearings of the parliamentary committee with the brief to investigate the 11th March attacks in Madrid begin. The Spanish Socialist Workers’ Party (PSOE), currently the ruling party, accuses the People’s Party (PP), the ruling party when the attacks took place, of having tried to influence the Spanish elections held three days after the attacks by suggesting that the Basque terrorist group (ETA) was responsible for the attacks. The PP accuses the PSOE of having organised illegal demonstrations on the eve of the elections. The Madrid Chief of Police declares that up until the eve of the elections, the PP was insisting that ETA was responsible, whereas the police had been pointing to the Islamic fundamentalist leads from the morning of 12th March.

**France**

- On 16th July, Alain Juppé, the former Prime Minister, resigns as head of the Union for a Popular Movement (UMP), following his conviction in January for illegal party funding.
- On 25th July, José Bové, the environmentalist, and 1500 activists attack genetically modified crops, destroying an experimental field of genetically modified corn in Toulouse.
- On 27th July, four of the seven French detainees, captured in Afghanistan at the end of 2001 and held in the U.S. base at Guantanamo (Cuba), are released and placed in police custody in France.

**Italy**

- On 3rd July, Giulio Tremonti, the Finance Minister and a member of Prime Minister Silvio Berlusconi’s party, Forza Italia (FI), resigns after the National Alliance party (AN), supported by the Democratic Union of the Centre party (UDC), has threatened to withdraw from
the government coalition in protest at the draft budget for 2005. On 16th July, Dominico Siniscalco, an advisor close to Mr Tremonti and not a member of any political party, is appointed to the vacant post.

- On 9th July, the government adopts a package of financial reforms, thus avoiding criticism from the EU on a planned budget deficit in 2004.
- On 12th July, the UDC, one of the four parties in the government coalition, votes with the opposition parties to change the Board of national television channel RAI.
- On 19th July, the Minister for Reform and Decentralisation and head of the Northern League (LN), the populist right-wing party, resigns in protest against the failure of the decentralisation programme.
- On 28th July, the Chamber of Deputies gives a vote of confidence on the controversial pension bill, designed to reduce annual expenditure by 0.7%. The bill also envisages raising the retirement age from 57 to 60, starting in 2008.

**Malta**

- On 3rd July, the Foreign Minister, elected scarcely three months earlier, resigns in protest at the criticisms he has received from various quarters, including his own party.

**Slovenia**

- On 5th July, the National Assembly (parliament) accepts the decision by Prime Minister Anton Rop to dismiss Dimitrij Rupel, the Foreign Minister. The following day, the Parliament approves Ivo Vajgl’s appointment to the post.

**Croatia**

- On 22nd July, Michel Barnier, head of the French diplomatic service, meets his Croatian counterpart, Mioimir Zuzul, in Zagreb. He congratulates Croatia on its efforts to join the European Union and describes it as an example for all the countries in the Balkan region.
- On 16th July, Goran Hadzic, the former leader of the Croatian Serbs during the Serbo-Croatian war (1991-1995), is indicted by the International Criminal Tribunal for the former Yugoslavia (ICTY) of crimes against humanity for the persecutions of Croatian civilians and for the massacre which took place at Vukovar hospital.

**Bosnia-Herzegovina**

- On 12th July, the EU Foreign Ministers takes the formal decision to take over from NATO’s stabilisation force (SFOR) at the end of 2004. The EU’s military force will consist of 7,000 men.
- On 23rd July, representatives from across Europe gather in Mostar for the official reopening of the Stari Most bridge, destroyed in November 1993 by bombardment from the Croatian forces and rebuilt by the international community. Sulejman Tihic, the Muslim head of the joint Bosnian presidency, describes this opening as a “victory for peace” and “a victory for Bosnia as a multi-ethnic and multicultural society.”
- On 29th July, putting an end to one of the ICTY’s longest cases (eight-year long), the ICTY’s Court of Appeal reduces the sentence given to Tihomir Blaskic, Bosnia’s Croatian general, from 45 years’ to nine years’ imprisonment, having acquitted him of the main crimes of which he had been convicted.

**Serbia and Montenegro**

- On 5th July, the day Slobodan Milosevic, the former Yugoslav President, is due to begin his defence before the ICTY, his hearing is postponed for health reasons. On 6th July, a panel of three judges states that there is no evidence to demonstrate that Mr Milosevic is too ill for the trial to continue, and they demand that Mr Milosevic begin his defence on 14th July. The panel also asks the court to name one or more counsels who might represent Mr Milosevic, if necessary. On 12th July, the defence of Mr Milosevic is once again deferred for the same reasons and on 16th July the panel decides to postpone the hearings until after the summer recess.
- On 11th July, Boris Tadic, leader of the Democratic Party (DS), becomes the new President of Serbia.

**Macedonia**

- On 26th July, thousands of people demonstrate in front of the Sobranje (Parliament) in protest against the government’s plans to reduce the number of administrative districts from 123 to 80.

**Albania**

- On 2nd July, in Tirana, five western Balkan countries (Albania, Bosnia-Herzegovina, Croatia, Macedonia and Serbia and Montenegro) sign a memorandum of agreement reaffirming the region’s commitment to cooperation on migration, asylum and refugee issues. The five countries agree to set up a rotating presidency for the regional Forum; the presidency is to be held by Albania until June 2005. A permanent Secretariat is to be created in October in Skopje, the Macedonian capital.

**Greece**

- On 13th July, Greece and Turkey sign a cooperation agreement on security, with the aim of making the south-east of Europe a region of peace and tranquillity.
- On 22nd July, the Ministry of Culture building in the centre of Athens is bombed. The attack intensifies concerns regarding safety on the eve of the Olympic Games.

**Cyprus**

- On 1st July, a Turkish Cypriot politician is officially received for the first time in the United Kingdom. Mehmet Ali Talat, the Prime Minister of the Turkish Republic of Northern Cyprus (TRNC), is received by Jack Straw, the Secretary for Foreign Affairs, who confirms the United Kingdom’s commitment to putting an end to the TRNC’s economic isolation and promises the Turkish Cypriots assistance in implementing EU policies, in order to bring the TRNC closer to the EU.

**Turkey**

- On 2nd July, an assassination attempt on Hikmet Tan, the mayor of Van, the Kurdish town in the east of the country, is seen as a sign of renewed separatist fighting. The Turkish authorities accuse the Kurdish rebels, but the
Kurdistan People’s Congress (Kongra-Gel) deny any involvement.
• On 5th July, the Grand National Assembly (Parliament) rejects an amendment to the Criminal Code which would have permitted students wearing the veil to enter university.

Syria

• On 21st July, the Financial Times reports that Syria has freed 28 Islamic fundamentalist political prisoners. According to the Syrian Human Rights Association, these prisoners belong to the Muslim Brotherhood, an illegal movement, and to the Islamic Liberation Party.

Lebanon

• On 19th July, Ghalib Awwali, a veteran Hezbollah leader, is killed in a car bomb attack in Beirut. Hezbollah accuses Israel, who denies any involvement.

Jordan

• On 6th July, the US federal judiciary, acting on behalf of the American people, issues a writ against the Arab Bank, regarded as one of the cornerstones of the Jordanian economy, accusing it of facilitating the transfer of funds from Saudi Arabia to Palestinian “terrorists” or their families.

Egypt

• On 9th July, the government of the Prime Minister, Atif Mohamed, presents its resignation to President Hosni Mubarak. That same day, President Mubarak appoints a new Prime Minister, Ahmad Mahmud Mohammed Nazif, until now the Minister for Communication and Information Technology. On 14th July, the new cabinet takes office.

Libya

• On 27th July, the 147 member states of the World Trade Organisation (WTO) accept Libya’s application, the first stage in the long process of gaining membership to the organisation.

Algeria

• On 17th July, Michèle Alliot-Marie, the French Defence Minister, on an official visit to Algeria, proposes to the Algerian President, Abdelaziz Bouteflika, a defence partnership between southern Europe (Spain, France, Italy and Portugal) and three Maghreb countries (Algeria, Morocco and Tunisia). It is the first time since the end of the Algerian war (1954-1962) that a French Defence Minister is visiting Algeria.
• On 20th July, Mustafa Sahel, the Moroccan Minister for Home Affairs, makes a working trip to Algiers to meet his Algerian counterpart, Yazid Zerhouni. The aim of this meeting is to look into the possibility of reopening the borders between the two countries, which have been closed since 27th August 1994. On 21st July, the two ministers agree to hold a meeting on security with the ad hoc joint security working group at some point in the last quarter of 2004. The group will be responsible for putting into place “mechanisms for effective coordination in security matters, specifically in the fight against terrorism, illegal immigration and any form of illicit trafficking.”
• On 27th July, the Agriculture Ministers from the four countries of Maghreb (Algeria, Libya, Morocco, Tunisia) and five from West Africa (Mali, Mauritania, Niger, Senegal and Chad) meet in Algiers and adopt an emergency plan to combat migratory locust swarms attacking crops which have already invaded 6.5 million hectares in the region since the invasion began in September 2003.

Morocco

• From 11th to 16th July, Morocco participates as a guest country in NATO manoeuvres in the Mediterranean and the Atlantic ocean.

European Union

• On 1st July, the Netherlands takes over the Presidency of the EU for the next six-month period. Its priorities are to obtain an agreement on the EU budget for 2007-2013 equitable to the net contributors (of which it is one), a timetable for the implementation of the single European asylum system and a 20% reduction in EU administrative barriers.
• On 13th July, the European Court of Justice (ECJ) affirms that the Finance Ministers Council (EcoFin) exceeded its powers in November 2003 when it rejected the recommendation of the European Commission that sanctions be imposed on France and Germany for failure to comply with the public deficit threshold set out in the EU Stability and Growth Pact. The Court adds that it will not reject EcoFin’s decision. The decision is welcomed by the European Commission, while others criticise the decision, since it accepts that the Pact is merely a political construct.
• On 14th July, Franz Fischler, the Commissioner for Agriculture, announces future reforms to the Common Agricultural Policy (CAP). On 15th July, he submits his proposals for the creation of a European Rural Development Fund, to be used for non-agricultural rural development.
• On 20th July, Josep Borrell, the former Minister of Spain and member of the European Socialist Party, is elected President of the European Parliament.
• On 22nd July, the European Parliament approves, by 413 votes to 251, with 44 abstentions, the appointment of José Manuel Barroso, the Portuguese Prime Minister, as President of the European Commission, with effect from 1st November.

August 2004

Spain

• At the beginning of August, the Basque terrorist group ETA, for the first time since the Madrid bombings on 11th March, resumes terrorist activities. On 12th and 22nd August, seven bombs explode in coastal cities in the north of the country; several people are slightly injured.
• On 18th August, nine people suspected of involvement in the Madrid bombings are arrested in the Dutch town of Roosendaal.
• On 22nd August, the Socialist government informs the public of its plans to legalise all immigrants who have entered Spain illegally, if they can prove that they have been in regular employment since they arrived. It also undertakes to stop turning back boats transporting immigrants before they reach the Spanish coast.

France

• On 7th and 8th August, the Corsican independentist group Nazione-Independenza organises a “stateless European peoples” festival in Corte, where Basque, Catalan, Occitan, Sardinian, Savoyard and Scottish representatives are present.
• On 9th August, Dominique de Villepin, the Interior Minister, describes as unacceptable the declaration by the Corsican People’s Army (APC), responsible for various attacks at the end of July and beginning of August, which states that “the forces of occupation and repression” must leave Corsica or be prepared to be attacked. On 24th August, the Corsican National Liberation Front – October 22nd claims responsibility for the bombing of a government building in Ghisonaccia on 15th July.
• In August, several racist outrages occur: on 6th August, Muslim tombs in a military cemetery in Strasbourg are desecrated, on 9 August tombstones in the Jewish cemetery in Lyons are vandalised and on 22nd August a Jewish social centre in Paris is attacked. During his stay in Paris, Silvan Shalom, the Israeli Foreign Minister, welcomes the strong condemnation of the rise of anti-Semitism in France and asks for harsher application of the law for perpetrators of such acts.
• On 14th August, opponents of genetically modified organisms (GMOs), led by José Bové, clash violently with a group of farmers and volunteer researchers in favour of GMO testing as the former are destroying a field of genetically modified maize.
• On 31st August, the UN High Commissioner for Refugees (UNHCR) states that during the second quarter of 2004 France became the prime destination for political refugees in the European Union.

Italy

• At the beginning of August, the radical Muslim group the Abu Hafs al-Masri brigade, responsible for the Madrid bombings on 11th March and linked with al-Qaeda, threatens to perpetrate an attack in Italy if the latter does not withdraw its troops from Iraq before 15th August.
• During August, the government takes controversial emergency action to prevent the national airline, Alitalia, from going bankrupt, amongst other things, asking other European airlines to stop offering cut-price tickets on competing routes. It also threatens to take legal action against British Airways, which refers the matter to the European Commission. On 10th August, the Commission adjudicates in favour of Italy. On 1st August, the Chamber of Deputies approves a loan of 400 million euros to Alitalia, on condition that the company is restructured.
• On 24th August, Dominico Siniscalco, the Finance Minister, announces his economic plan for the following four years, which aims to reduce the budget deficit and the public debt, as Italy promised the EU in June. This plan includes a major privatisation package, including the privatisation of Enel, the Italian electricity supplier.

Croatia

• On 24th August, Berislav Roncevic, the Croatian Defence Minister, and his Portuguese counterpart, Paulo Sacadura Cabral, visit the Croatian naval forces’ barracks and exchange their insights into the organisation of coastal monitoring and of naval forces. They also discuss the military cooperation between their countries due to start in the autumn, with Croatia to send a military delegation to Portugal. Finally, Mr Portas reaffirms his support for Croatia’s accession to the EU and to NATO.
• On 27th August, Faysal Alif al-Fayiz, the Jordanian Prime Minister, visits Croatian President Stjepan Mesic on the island of Hvar. They discuss economic and cultural cooperation between the two countries as well as the growing threat of terrorism.
• On 31st August, Ljube Boskovski, the former Macedonian Minister for Home Affairs, sought by Macedonia in connection with the murder of six Pakistanis and an Indian in 2002, is arrested in Serje (in northwestern Croatia).

Bosnia-Herzegovina

• On 9th August, another mass grave is discovered in eastern Bosnia containing the bodies of 350 Muslims who disappeared from a Serbian detention centre in Foca during the 1991-1995 war.

Serbia and Montenegro

• At the beginning of August, Laszlo Kovacs, the Hungarian Foreign Minister, threatens to make a complaint at the European level if the Serbian authorities do not put an end to the series of violent attacks on the Hungarian population of the northern Serbian province of Vojvodina.
• On 16th August, the Dane Soren Jessen-Petersen formally replaces Harri Holkeri as head of the UN Interim Administration Mission in Kosovo.
• On 31st August, former President of Yugoslavia Slobodan Milosevic begins his defence before the International Criminal Tribunal for the Former Yugoslavia (ICTY). He denies all charges of war crimes brought against him and states that the real victims of the Balkan war were the Serbs.

Macedonia

• On 11th August, the Macedonian parliament adopts a law on decentralisation, which strengthens local powers and which, in practice, grants more rights to the Albanian minority.
• On 19th August, inspired by the Ohrid Agreement, three organisations claiming to represent the Macedonian minorities in Bulgaria, Greece and Albania, call on Macedonia to organise an international conference to grant them recognition in those three countries. They also demand the right to vote in Macedonian elections and easier terms for obtaining Macedonian citizenship. Bulgaria and Greece do not recognise any Macedonian minority. As far as Bulgaria is concerned, the Macedonians are Bulgarians by origin.
• On 31st August, Croatian police arrest the former Macedonian Minister for Home Affairs, who is accused of having ordered the murder of seven innocent Asian immigrants in March 2002 on the grounds that they were members of an Islamic terrorist cell.

Albania

• On 27th August, the guerrilla wing of the Nationalist Albanian Army (AKSH) announces that it will organise a referendum in Balkan states populated mainly by Albanians on the unification of an Albanian state.

Greece

• The 28th Olympic Games take place in Athens from 13th to 29th August. In spite of the many previous attacks, these pass off without incidents and with record numbers of 202 participating countries and 16,000 athletes. Greece permits security personnel from the United Kingdom, the United States and Israel to carry weapons, although it had previously opposed this.

Cyprus

• On 10th August, Dervis Kemal Deniz is appointed Minister for Economy and Tourism of the Turkish Republic of Northern Cyprus (TRNC), after the nomination of his predecessor, Ayse Donmez, has been declared unconstitutional.

• On 20th August, a new party is created in the TRNC, called the Free Thought Party, to which two former Democratic Party (DP) MPs belong.

• On 23rd August, trade between the Greek and Turkish halves of the island, suspended in 1974, resumes. This resumption of trade is part of EU measures designed to help the economy in the Turkish half to grow. The EU proposal to re-establish direct trade links between the EU and the Turkish half of the island is postponed until September, due to the strong opposition of the Greek Cypriot government.

Turkey

• On 10th August, two bombs explode simultaneously in two hotels in Istanbul, killing two people and injuring 11. Responsibility for this attack is claimed by various groups, although analysis of the explosives showed it to be the work of the Kurdistan People’s Congress (Kongra-Gel). On 23rd August, another bomb explodes in Antalya, killing one person and injuring another.

• On 17th August, in a symbolic gesture to reduce the influence of the army, a civilian is for the first time appointed as Secretary-General to the National Security Council. This is the Ambassador to Greece, Mehmet Yigit Alpogan.

• On 18th August, in response to European criticisms of the fact that new human rights legislation is not being effectively applied in practice, the High Council on Radio and Television (RTUK) permits three private radio stations in the southeast of the country to broadcast in the minority language Kurmanji, a Kurdish dialect. Previously, the Turkish Radio and Television Authority (TRT) had permitted TRT channel 3 to broadcast in Arabic, Zaza, Kurmanji, Circassian and Bosnian.

• On 31st July, 11 Kurds and two Turks die during a military offensive by Turkish troops against rebel positions on the Iraqi border. Since 1st July, Kongra-Gel has been adopting a more violent approach.

Syria

• On 2nd and 3rd August, the Syrian authorities free a hundred political prisoners, including one of the oldest political prisoners, Imad Shiha, member of the Arab communist movement and incarcerated since 1975. On 15th August, the Syrian Human Rights Association (HRAS) announce that three Syrian human rights activists, accused of having created a non-governmental organisation without permission, have been arrested in Damascus. On 16th August, the Syrian Security Court frees Aktham Nayssé, chairman of the Syrian Committees for the Defence of Democratic Freedoms and Human Rights (CDF), who has been held since April.

• On 13th August, General Moshe Yaalon states in the daily newspaper Yedioth that Israel might “in theory” hand back the Golan Heights to Syria without compromising the security of its northern borders and on condition that it has concluded a peace agreement with Syria. He is the first Chief of Staff to envisage this withdrawal. A top Israeli official then states that the government’s position on the matter is “unchanged.”

Lebanon

• On 28th August, the government approves a constitutional amendment which permits a three-year extension to President Emile Lahoud’s mandate. The latter, having served a six-year term of office and which had ended in November, had no possibility, under the constitution, of running for a second term. The Prime Minister, Rafik al-Hariri, whose disagreements with the pro-Syrian President Lahoud are well-known, opposes this amendment. However, on 27th August, Mr al-Hariri supports the amendment after a meeting with the head of Syrian military intelligence, Major-General Rustom Ghazaleh. Several Lebanese politicians, as well as the United States and France, oppose this amendment.

Jordan

• On 22nd August, Faisal al Fayed, the Jordanian Prime Minister, accompanied by his Interior Minister, Samir Hashneh, makes an official visit to Damascus to discuss various security issues, including the accusation that Syria is allowing “terrorist elements” to slip through its borders to Iraq and Jordan. He is received by the Syrian President, Bashar al-Assad, and his colleague, Mohamed Naji Otri.

Egypt

• On 4th August, talks begin in Cairo between Egypt and Hamas on the Egyptian proposal to play a security role in the Gaza strip in the event of an Israeli withdrawal.

Libya

• On 10th August, Libya agrees to pay 35 million dollars to compensate the 163 non-American victims of the 1986 attack on a Berlin nightclub, in which three people were killed. Libya specifies that this compensation does not mean that Libya is guilty of the attack, even
Morocco

- At the beginning of August, it is revealed that Morocco has decided to eliminate visas for Algerians wishing to travel to Morocco. The visa procedure was established in 1994 following an attack on a hotel in Marrakesh, with Rabat at the time blaming the Algerian security services. In retaliation, Algeria decided to close its border with Morocco.
- On 31st August, Mohamed Achaari, the Culture Minister, and his Spanish counterpart, Carmen Calvo, sign a cultural collaboration agreement between the two countries covering 2005-2006. The agreement sets out plans for joint activities in archaeology, conservation of cultural assets, film, dance, theatre, the plastic arts and the translation of literary works.

French

- On 4th September, the Minister of Economy, Finance and Industry, Nicolas Sarkozy, launches his campaign to become chairman of the Union for a Popular Movement (UMP). The President of the Republic, Jacques Chirac, supports his candidacy after Sarkozy has promised to leave his ministerial post if he is appointed and not to use the leadership of the party to attack the government.
- On 8th September, President Chirac emphasises the “spirit of responsibility and respect” which most French Muslims are showing regarding the new law forbidding the wearing of any religious symbols in state schools. Muslim opposition to the law fell away sharply when two French journalists were abducted in Iraq and their captors demanded the repeal of the law. On 19th September, the Education Minister, François Fillon, states that of the 635 girls wearing the veil at the beginning of the school year only 101 cases are yet to be resolved.

Spain

- On 17th September, violence towards North Africans in Corsica continues with the murder of a Moroccan in Ajaccio.
- On 22nd September, Nicolas Sarkozy unveils his budget, and predicts that the fiscal deficit will fall below 3% threshold in 2008. France has breached the EU Stability and Growth Pact for three successive years.

Tunisia

- On 17th August in Tunis, Tunisia and Lebanon sign an cooperation executive programme for the years 2004, 2005 and 2006 in the fields of higher education and scientific and technological research. The agreement envisages the exchange of skills, students and visiting lecturers, as well as the strengthening of joint research work and the organisation of training programmes.
- On 20th August, the Movement of Social Democrats (MSD), the major opposition party in Tunisia, announces its support of the candidacy put forward by the ruling party, current Head of State Zine El Abidine Ben Ali, in the presidential election due to be held on 24th October. Apart from Mr Ben Ali, three leaders of other opposition groups have already announced that they are standing for President.

Algeria

- On 5th August, General Mohammed Lamari, one of the most prominent figures of the last decade, resigns as Chief of Staff, a post he has held since 1993. According to him, this is due to health reasons; however, others point to recent differences he has had with President Abdelaziz Bouteflika. General Salah Ahmed Gais, until now commander of ground forces, is appointed as his replacement.

This has led to thousands of employees being laid off, although the government had promised to save their jobs.
- On 27th September, the Basque terrorist group ETA distributes a video in which it states that it will continue its attacks until Basques gain their independence.

Tunisia

- On 17th August, Ahmed Gais, until now commander of ground forces, is appointed as his replacement. General Salah Ahmed Gais, until now commander of ground forces, is appointed as his re-
Italy

- On 2nd September, the mayor of Sicily, Salvatore Cuffaro, a member of Prime Minister Silvio Berlusconi’s party, Forza Italia (FI), is accused of helping the mafia by supplying it with privileged information.
- On 7th September, two Italian women working for humanitarian organisations in Iraq are kidnapped in Baghdad by militants who demand the withdrawal of Italian troops from Iraq in exchange for the women’s lives. The majority of Italians are opposed to the war. Silvio Berlusconi takes personal charge of the crisis and announces that he will not withdraw the troops but that he is prepared to negotiate on other points. On 28th September, the two women are freed.
- On 12th September, 800 illegal immigrants arrive on the small island of Lampedusa. The reception centre for immigrants has room for 190 people.
- On 29th September, Prime Minister Berlusconi’s cabinet adopts a budget for the year 2005 which includes measures to reduce expenditure by 24 billion dollars, of which 7 billion will come from the sale of state assets.

Malta

- On 22nd September, the International Federation for Human Rights (IFHR) heavily criticises the entire Maltese policy on the management of the flow of immigrants, while also belabouring the EU for its lack of solidarity. The report particularly criticises the systematic detention of all illegal immigrants in closed centres which are overpopulated, unsanitary and ill-suited to long-term detention.

Slovenia

- On 23rd September, the Slovene Prime Minister, Anton Rop, withdraws his support for Croatia’s application for membership of the EU following a border dispute incident, which exacerbates the already strained relations between the two countries. Slovenia threatens to veto Croatia’s membership unless a solution to their border disagreement is found. The incident does not change the European Commission’s position regarding Zagreb’s application to join the EU.

Croatia

- On 1st September, Great Britain ratifies the agreement on stabilisation and on the accession of Croatia to the EU, a gesture which has until then refused to make, in protest against Zagreb’s lack of cooperation with the International Criminal Tribunal for the Former Yugoslavia (ICTY).
- On 26th September, during a two-day meeting in Zagreb, more than a hundred NGOs from Croatia, Bosnia and Herzegovina, Montenegro, coming together under the banner of the ‘Igman Initiative’, call on the authorities of the three countries to work for the reconciliation of these fragmented former Yugoslav republics and to establish the political, institutional and material conditions necessary to ensure the return and reintegration of refugees.

Bosnia-Herzegovina

- On 1st September, the International Criminal Tribunal for the Former Yugoslavia (ICTY) sentences Radislav Brdjanin, the former Deputy Prime Minister of the Republic of Srpska (the Bosnian-Serb enclave), to 31 years in prison for crimes against humanity and serious violations of the Geneva Convention (1949) regarding the treatment of Muslims and Croats in the Ukrainian zone between April and December 1992.
- On 16th September, the legislature of the Republic of Srpska approves the appointment of Darko Matijasevic as Minister of Interior.
- On 21st September, the UN High Commissioner for Refugees (UNHCR), states that more than a million people have returned to their homes in Bosnia-Herzegovina after fleeing during the 1992-1995 war. Another 500,000 people are still waiting to be able to do so.
- On 22nd and 23rd September, the representatives of more than 40 donor countries and international cooperation agencies, meeting in Sarajevo under the aegis of the World Bank and the EU, promise to donate 1.2 billion dollars in order to implement a medium-term strategy supported by the EU consisting, amongst other things, of improving the social security system and reducing unemployment. On the other hand, the donors urge Bosnia to consolidate its transition “from its post-conflict state to one of EU pre-accession,” by striving to cover its own expenses.

Serbia and Montenego

- On 2nd September, the judges at the International Criminal Tribunal for the Former Yugoslavia (ICTY) order the former President of Yugoslavia, Slobodan Milosevic, to accept a defence counsel, since his trial is often being postponed because of his state of health. Patrick Robinson, one of the three judges, states that Milosevic is suffering severe hypertension and that he is putting his life in danger through wanting to defend himself. Milosevic criticises the ICTY’s decision, qualifying it as illegal and contrary to international law. Two of the three ‘learned counsel’, Steven Kay and Gillian Higgins, who were given the job of ensuring a fair trial for Milosevic, are appointed counsel. On 8th September, Milosevic refuses to meet Kay and states that the latter is not going to represent him. On 10th September, the court authorises Kay and Higgins to appeal against their appointment as Milosevic’s counsel. On 15th September, the trial is adjourned for a month for counsel to prepare its defence.
- On 4th September, the EU Foreign Ministers announce that separate negotiations will take place with Serbia and Montenegro with a view to their accession. This decision is welcomed by the political leaders of both Republics.
- At the end of September, the Montenegrin members of a panel made up of Serbs and Montenegrins working to strengthen relations with the ICTY resign in protest at the failure of the Serbian government to hand over several war crimes suspects to the ICTY.
- In mid-September, we hear that from that time until the Kosovan elections on 23rd October, 2,000 soldiers are to come and swell the ranks of the NATO force in Kosovo (S-For).

Albania

- On 6th September, Ilir Meta, the former Prime Minister from October 1999 until January 2002, resigns from the
ruling Albanian Socialist Party (PSS) to form a new party, the Socialist Movement for Integration (LSI), whose aim is to integrate Albanians “into a well-being and just society.” Ten PSS members of the People’s Assembly join the LSI.

Greece

• On 23rd September, the EU, which over the last few years has revised Greece’s economic figures, warns Greece that it might face legal action for having systematically underestimated its budget deficit figures. The real figures show that Greece infringes the 3% public deficit rule in the Stability and Growth Pact every year.

Cyprus

• On 13th September, the trial of 69 people suspected of the November 2003 attacks in Istanbul begins. One of the suspects, Adnan Erosoz, states that al-Qaeda funded the attacks on the two synagogues, the British consulate and the HSBC bank.

• On 15th September, after various complaints from human rights groups, the Commissioner for Enlargement, Günter Verheugen, sends a mission to Turkey to investigate allegations of torture. On 7th September, Verheugen, visiting the Kurdish village of Tuzla in southeastern Turkey, warns Turkey that it will have to improve the conditions of the Kurdish minority if it wants to join the EU.

• Several bombs explode in September: on 17th September, during a concert in Mersin; on 28th September, three bombs explode in front of three branches of the HSBC bank in Izmir, Adana and Istanbul and one in front of the Turkish-American Association in Ankara.

• On 20th September, the European Commission threatens Turkey with delayed discussions on its accession to the EU if the Islamic fundamentalist party in power, the Justice and Development Party, does not give up its proposal to criminalise adultery.

• On 26th September, the National Assembly (parliament) approves reforms to the 78 year-old Turkish Penal Code. The reforms include, among other things, tougher sentences for rape, paedophilia and torture, and tougher sentences for perpetrators of “honour crimes.”

Syria

• At the beginning of September, Israel threatens to take military action against Syria because of its involvement in a double suicide attack in southern Israel which killed 16 people.

• On 26th September, Izzedin Sheikh Khalil, an important member of the militant Palestinian group Hamas, is killed in Damascus in a car bomb attack. Hamas blames Israel for the attack. Israel makes no official comment on it. The Chief of Staff of the Israeli defence forces, Lieutenant-General Moshe Ya’alon, states that Israel will attack those who support terrorism, including Syria, which has always denied that Khalil played an important role in Hamas when in Syria.

Lebanon

• On 2nd September, the UN Security Council adopts Resolution 1559 (2004) opposing the three-year extension of President Émile Lahoud’s term of office. However, on 3rd September, the Lebanese National Assembly (parliament) approves the extension. The only party in power to oppose this extension is the Progressive Socialist Party (PSP) and on 6th September three members of the PSP resign from the cabinet in protest. Hezbollah also supports the extension, because President Lahoud supports resistance activities.

• On 21st September, 3,000 Syrian soldiers based in Lebanon dismantle various positions in the south-east of the capital and move to the east, towards the Bekaa valley, from where it is anticipated some of them will leave Lebanon.

• On 22nd September, the Minister for Home Affairs and Municipal Affairs announces that Ismail Mohammed al-Khatib, a Lebanese man described as the head of al-Qaeda in Lebanon, and Ahmed Salim Mikati, also linked to the al-Qaeda network, have been arrested. They were preparing attacks on the Italian and Ukrainian embassies in Lebanon, as well as attacks on security and judicial targets. On 27th September, Khatib dies of a heart attack.

Jordan

• At the beginning of September, the government launches an unprecedented attack on the leadership of the Muslim Brotherhood. Security forces arrest nine leading members of the movement accused of preaching in mosques without an official permit. Seven of the people arrested are freed after signing an undertaking not to give sermons without first informing the authorities. The other two refuse to sign and are detained for three days. The Muslim Brotherhood and its armed wing, the Islamic Action Front (IAF), claim that this operation is illegal and politically motivated with the intention of weakening the organisation “in view of opposing developments expected to occur in Iraq and Palestine.”
**Egypt**

- On 8th September, the Finance Minister, Yusuf Boutros-Ghali, announces the imposition of a raft of economic reforms, including the simplification of customs procedures and an immediate reduction in import tariffs. On 21st and 23rd September, during the ruling NDP (National Democratic Party)’s annual convention, other reforms are announced, including 50% reduction in income tax and corporation tax and the privatisation and reform of the banking system under state control.

**Libya**

- On 1st September, Libyan television announces the creation of a new ministry, the General People’s Committee for Higher Education.
- At the beginning of September, the President of the European Commission, Romano Prodi, visits Libya where he meets the Libyan leader Colonel Muammar Gaddafi, with whom he discusses the May decision of a Libyan court to sentence to death five Bulgarian nurses and a Palestinian doctor convicted of having contaminated 400 Libyan children with AIDS.
- On 20th September, the American President, G. W. Bush orders the easing of restrictions on commercial and charter flights. The United States also suspends measures dating back to 1986 freezing Libyan assets worth 1.3 billion dollars held in the United States. This enables Libya to compensate the families of the victims of the 1988 Lockerbie attack at the end of September.
- On 22nd September, EU diplomats declare that the EU should lift all its economic sanctions on Libya, including the embargo on weapons.

**Algeria**

- On 15th and 16th September in Algiers the third informal conference of the ‘5+5’ forum (a meeting of the five Maghreb nations and the five European nations bordering the western shores of the Mediterranean) is held. The member countries emphasise the need for increased cooperation in combating clandestine immigration in sub-Saharan Africa.
- On 26th September, the World Bank, in its report on global expansion in 2005 entitled ‘A better investment climate for everyone’, emphasises that the practice of giving kickbacks is almost systematic in the Algerian economy and states that 75% of the Algerian firms questioned admitted having paid bribes.

**Morocco**

- On 12th September, three small political parties, the National Democratic Party (PND), the Reform and Development Party (PRD) and the Citizens’ Initiative for Development Party (ICD) join together to form the National Alliance Party.

**European Union**

- On 3rd September, the European Commission produces a report on reforms to the discredited Stability and Growth Pact. On 10th and 11th September, the Council of Economic and Finance Ministers (EcoFin) meets at Scheveningen in the Netherlands and agrees on the principle that the Pact has to be reformed, but does not manage to agree on the exceptional circumstances which could permit a government to have an excessive budget deficit. The Netherlands, Austria and the President of the European Central Bank, Jean-Claude Trichet, are strongly opposed to a relaxation of the criteria of the Pact. During the meeting, the French Economy, Finance and Industry Minister, Nicolas Sarkozy, proposes a harmonisation of taxes in order to avoid unfair competition to attract investment. The new members of the EU and the United Kingdom as well as Ireland are opposed to this harmonisation. Finally, the EcoFin Council appoints the Luxembourg Prime Minister and Finance Minister Jean-Claude Juncker as Chairman of the Eurogroup for a further two years.
- On 8th September, the EU moves a step forward towards the acceptance of genetically modified products, when the European Commission authorises the planting of 17 varieties of genetically modified maize produced by the biotechnology company Monsanto.
- On 17th September, the Defence Ministers of five European countries, Spain, France, Italy, the Netherlands and Portugal sign a ‘policy declaration’ outside the official proceedings of the European Defence Ministers’ meeting in Noordwijk in the Netherlands, establishing a “European police force.” With an anticipated initial strength of about 800, this police force will be able to act within a period of 30 days. It will be “operational before the end of the year,” says its initiator, the French Defence Minister, Michele Alliot-Marie. Its permanent Chief of Staff will be based in Italy the following month.
- On 19th September, the Italian and German Ministers propose the establishment of reception centres in North Africa, where asylum seekers will stay while their files were being processed by a European country.

**October 2004**

**Portugal**

- On 15th October, the centre-right government of Prime Minister Pedro Santana Lopes publishes its draft budget for 2005, which includes a reduction in income tax and a salary increase for public officials.

**Spain**

- On 3rd October, the Basque terrorist group ETA suffers a serious setback when its political leader, Mikel Albizu Iriarte, and his colleague Soledad Iparraquiere, regarded as ETA’s military commander and the highest-ranking woman in the organisation, are arrested in France.
- On 18th and 19th October, 8 men suspected of planning a bombing of the national court in Madrid, where the judge Baltasar Garzón works, are arrested. The judge has been investigating radical Islamic cells since the mid-90s.
- On 21st October, the Spanish legal system is criticised for having in 2002 mistakenly released Alekama Lamari, involved in the Madrid attacks on 11th March.

**France**

- On 6th October the trial begins of 10 people, most of them Algerians, who are accused of being part of the...
On 5th October, the Puls Institute (EEA) creating an exclusive economic area under European pressure, the idea of Adriatic. Zagreb thus has abandoned, an ecological zone in the Croatia has decided to establish a fish-

• On 4th October, news break up that Croatia unpopularity of Italy’s presence in Iraq. sise recent economic problems and the had to centre-left opposition parties. coni’s coalition loses the three seats it ed by members elected to the Euro-

• On 15th October, the Anti-Repression Committee (CAR) organises a demonstration in Ajaccio to demand that Corsican “political prisoners” should be imprisoned on the island and not held in prisons on the mainland.

• On 19th October, the Education Minister, François Fillon, states that only 72 Muslim girls are continuing to defy the law forbidding the wearing of visible religious symbols and that nine girls have been expelled after the failure of talks with their families.

Italy

• On 5th October, the immigrants who arrived en masse on the island of Lampedusa last month are deported without having the opportunity to ask for political asylum. This decision is criticised by many human rights groups.

• On 15th October, the Chamber of Deputies (parliament) adopts the first reading of a constitutional reform project which would extend the executive powers of the President and the Prime Minister and allocate partial responsibility for health, education and police matters to the 20 regions. The law states that the Prime Minister will be directly elected and will have more power in the formation and dissolution of the cabinet.

• On 26th October by-elections are held for the 7 seats in parliament vacated by members elected to the European Parliament. Prime Minister Berlusconi’s coalition loses the three seats it had to centre-left opposition parties. Berlusconi blames this loss on poor electoral turnout, while others emphasise recent economic problems and the unpopularity of Italy’s presence in Iraq.

Croatia

• On 4th October, news break up that Croatia has decided to establish a fishing zone and an ecological zone in the Adriatic. Zagreb thus has abandoned, under European pressure, the idea of creating an exclusive economic area (EEA).

• On 5th October, the Puls Institute publishes a survey showing that only 49% of Croats say they support the steps being taken by their country to join the EU, while 41% say they are opposed to them. In January 2004, 72.4% of Croats had said they were in favour of Croatian accession to the EU.

• On 13th October, the European Commissioner for Enlargement, Günther Verheugen, arrives in Zagreb, where he states that Croatia is ready to begin talks on accession to the European Union. This visit occurs as the Prosecutor of the International Criminal Tribunal for the Former Yugoslavia (ICTY), Carla Del Ponte, is criticising Croatia’s lack of cooperation. Croatia is baulking at arresting the fugitive General Ante Gotovina, charged in July 2001 for his role in the massacre of at least 150 Croatian Serbs. Verheugen states that he does not doubt Zagreb’s willingness to cooperate with the ICTY, an essential criterion in the steps to accession.

Bosnia-Herzegovina

• On 9th October, Ljubisa Beara, a member of the Bosnian Serb army involved in the massacre of Muslims at Srebrenica, gives himself up to the Serbian authorities. He is transferred to the ICTY the next day, where he is accused of crimes against humanity and the violation of the laws and customs of war. On 12th October, during his first appearance before the ICTY, Beara calls on all other suspects of war crimes to turn themselves in too, for the good of the country. On 14th October, the Commission set up by the government of the Republic of Srpska produces its final report, which states that 7,000 Muslims were killed at Srebrenica by Bosnian Serb forces.

• On 30th October, another mass grave containing more than 405 bodies is discovered in the north-west of Bosnia. It is the second largest discovery of its kind in Bosnia so far.

Serbia and Montenegro

• On 12th October, the trial of former Yugoslav President Slobodan Milosevic resumes. Steven Kay and Gillian Higgins, the two barristers assigned to defend Milosevic, submit a letter of resignation to the ICTY because Milosevic is refusing to work with them.

• On 23rd October, the election of the Kosovo Assembly (parliament) takes place, boycotted by the Serbian minority. The Albanian Democratic League of Kosovo (LDK) maintains its control of the Assembly with 47 seats out of 120.

Macedonia

• On 15th October, the Foreign Ministers of Macedonia, Albania, Croatia and Serbia Montenegro and the Deputy Head of the Bosnia-Herzegovina diplomatic service hold an informal meeting in Ohrid on regional cooperation. The French Foreign Minister, Michel Barnier, joins the meeting to express his support for the intention of the countries in the region who wish to join the EU and NATO.

Albania

• On 18th October, the President of Greece, Costas Stefanopoulos, embarks on an official three-day visit to Tirana where he states that Greece will do everything possible to help Albania join the EU and NATO.

Greece

• On 11th October, a special court in Athens sentences three members of the extreme right-wing group, the Revolutionary People’s Struggle (ELA) – the oldest terrorist group in the country – to 25 years in prison. They are convicted of several attempted murders and bombings of foreign companies, American military targets and government offices in Athens.

• On 15th October, the UN General Assembly elects Greece as a non-permanent member of the Security Council for two years beginning on 1st January 2005.

• On 16th October, 20 hooded extremists throw bombs at two banks and an Interior Ministry building in Athens.

• On 20th October, the European Commissioner for Economic and Monetary Affairs, Joaquín Almunia, states that Greece has been giving false information on its budget since 1997, that is, four years before joining the euro zone.
Cyprus

- On 16th October, the Financial Times reports that the Greek half of Cyprus is blocking the European demand to end the economic isolation of the Turkish Republic of Northern Cyprus (TRNC).
- On 20th October, the government of the Prime Minister of the TRNC Mahmut Ali Talat, in the minority since 26th April, resigns after several attempts to form a new government. On 21st October, President Rauf Denktash appoints Dervis Eroglu, a former Prime Minister and leader of the National Unity Party (UBP), the second largest party at the December 2003 elections. On 30th October, after several attempts, Eroglu withdraws.
- On 22nd October, the UN Security Council adopts Resolution 1568 (2004), prolonging the mandate of the UN peacekeeping force in Cyprus (UNFICYP) until 15th June 2005.

Turkey

- On 1st October the French President, Jacques Chirac, proposes holding a referendum on Turkey’s joining the EU. On 6th October, the European Commission, in its report on progress in democracy in Turkey, decides to open accession negotiations with Turkey, but gives no date for the beginning of negotiations or for accession and gives no guarantee that Turkey will become a member. In any case, the accession process is expected to last at least 15 years. Plans are made to introduce a “permanent safeguard” to limit the influx of Turkish immigrant workers into western Europe, a concession made to the European countries opposed to Turkey’s accession. On 21st October, during visits across Europe to obtain the support of European countries for Turkey’s accession, Recep Tayyip Erdogan, the Turkish Prime Minister, criticises the decision by certain countries to hold referendums to decide on Turkey’s accession, and asks to be treated like any other applicant. That same day, Cemil Cicek, Justice Minister, states that the EU cannot discriminate against Turkey with regard to freedom of movement.
- On 14th October, the Kurdish woman Leyla Zana, a human rights activist, jailed for 15 years for her support of the PKK and freed in June, receives at the European Parliament the prestigious Sakharov Prize, which was awarded to her 9 years earlier.
- On 18th October, the government unveils the details of the 2005 budget. For the first time since the creation of the republic in 1923, more money is allocated to education than to the army.
- On 21st October, in the OECD on the economic reforms in Turkey, Donald Johnston, the Secretary-General, states that it is vital for Turkey to reduce its black market.

Syria

- On 3rd October, President Bashar al-Assad has a cabinet reshuffle. He appoints the man who until now has been chief of Syrian intelligence in Lebanon, Major-General Ghazi Kan’an, as Interior Minister. According to the Middle East International of 8th October, this appointment reflects growing interest in internal security.

Lebanon

- On 3rd October, the television network Al-Jazeera reports that the two major Shi’ite factions in Lebanon have clashed in the south of the country, with at least one death. The same day, the leaders of the two factions accept a series of measures on the field to defuse the crisis.
- At the beginning of October, the Secretary-General of the United Nations, Kofi Annan, states that 14,000 Syrian soldiers are still stationed in Lebanon and that 3,000 more have already been redeployed. According to this report, Lebanon and Syria have stated that any timetable for future troop withdrawals depends on the security situation in Lebanon and the region as a whole. On 19th October, the UN Security Council urges Syria to withdraw its troops from Lebanon.
- On 20th October, Prime Minister Rafik al-Hariri dissolves his cabinet and announces that he will not be forming the next government. His resignation leads to weeks of speculation on the Syrian influence on the Lebanese government. On 21st October, the President appoints Umar Karami as Prime Minister and on 26th October the latter announces the make-up of his cabinet, which for the first time includes two women.

Jordan

- On 17th October, the Security Court convicts Abu Misab Zarqawi, trained in the Afghanistan camps, along with twelve others, of having plotted to launch a chemical attack on several targets in Amman, including the General Intelligence Department, the Prime Minister’s offices and the American embassy. Two days earlier, the United States had added the Iraqi group, Jamaat al-Tawhid wa’l-Jihad (Unity and Jihad Group), of which Zarqawi is head, to its list of terrorist groups and had frozen its assets in the United States.
- On 24th October, King Abdullah II accepts Prime Minister Faysal Akif al-Fayiz’s cabinet reshuffle.

Egypt

- On 7th October, three holiday resorts in the Sinai are bombed and 34 people killed. Half of the victims are Israelis. These attacks lead to fears of a return of the terrorist violence which affected the country in the 1990s. The Palestinian groups, Hamas and the Islamic Jihad, condemn the attack and their involvement is immediately ruled out by Israel and Egypt, amongst others, because the Palestinians were in the middle of negotiations with Egypt on the future of the Gaza strip. On 25th October, the Egyptian Minister of Interior states that the person behind the attacks was a Palestinian and that he died in one of them.
- At the end of October, more than 650 opposition politicians, activists and intellectuals issue a common statement that they will try to amend the constitution to prevent President Mohammed Hosni Mubarak from running for a fifth six-year term of office.

Libya

- On 9th October, The Independent announces that Libya is allowing the return of former Italian colonists to the country.
• On 11th October, the EU Foreign Ministers decide to lift all economic sanctions on Libya, including the embargo on weapons as requested by Italy in order to be able to sell Libya surveillance equipment for the prevention of illegal immigration.
• On 14th and 15th October, a German Chancellor visits Libya for the first time. On 16th October, we learn from The Guardian that Colonel Gaddafi asked the German Chancellor Gerhard Schröder to pay compensation for the thousands of mines planted in the desert by German forces during the Second World War.

Tunisia

• On 5th October, Tunisian coast-guards reports that a boat heading for Italy with 75 immigrants on board has foundered. 64 of the passengers lose their lives.
• On 24th October, President Zine al-Abidine Ben Ali and his ruling party, the Democratic Constitutional Rally (DCR), win the parliamentary and presidential elections. Ben Ali wins with nearly 95% of the vote and is re-elected for the fourth time. The DCR wins 152 of the 189 seats in the Chamber of Deputies (parliament) and five opposition parties share the remaining 37 seats. Some opposition leaders claim they were subjected to harassment during the election campaign, and the Progressive Democratic Party boycotted the elections in protest. A delegation from the Arab League chaired by the Deputy Secretary-general for political affairs, Ahmed Benhuli, supervised the elections.

Algeria

• An African intergovernmental conference on terrorism is held on 13th October. In the closing statement, the 53 governments represented by experts in the field declare their agreement on a common strategy to combat terrorism and organised crime. They ask for an international conference to be organised to adopt a global code of conduct on the matter.
• On 24th October, the Algerian government states its opposition to the idea proposed by some European nations that transit centres be set up in the Maghreb for illegal immigrants.
• On 31st October, the Algerian President Abdelaziz Bouteflika, in a speech given on the eve of the 50th anniversary of the start of the war of independence from France, implies that he might offer an amnesty to Islamic fundamentalist rebels wishing to lay down their weapons after more than ten years of struggle against the Algerian government. But he adds that this step would have to be approved by a referendum. It is the first time that Bouteflika has publicly come out in favour of a new amnesty. Since the previous year he has been championing a policy of "national reconciliation" in order to definitively end the conflict.

Morocco

• On 13rd and 14th October, Moroccan security services arrest 171 illegal immigrants in various parts of the Kingdom. 105 of the immigrants come from sub-Saharan countries.
• On 14th October, Spanish Foreign Minister, Miguel Ángel Moratinos, describes the cooperation between Morocco and Spain in combating terrorism as a "model" for other countries.
• On 21st October, Human Rights Watch recognises that "Morocco has made impressive progress in human rights matters" and pronounces that there is greater tolerance for national and international human rights organisations. Although some NGOs are worried about the impact of antiterrorist measures on human rights in Morocco, Human Rights Watch states that "in the name of counter-terrorism, the protection of civil rights and fundamental liberties have suffered reverses all over the world and Morocco has been no exception to this."

European Union

• On 1st October, the European Commission proposes the construction of five pilot reception centres for refugees in Algeria, Libya, Mauritania, Morocco and Tunisia in collaboration with the UN High Commission for Refugees and with the undertaking of these nations that they will respect the UN Agreements on Human Rights. France – believing that the project would destabilise the countries involved by attracting more immigrants and smugglers – and Ireland, Spain and Sweden – for human rights reasons – are opposed to the project. On 25th and 26th October, the EU Justice and Home Affairs Ministers, meeting in Luxembourg, fail to implement the first stage of the Common European Asylum System, amongst other things, because of the dispute on the reception centres in the Maghreb.
• On 26th October, Greece, Malta and Cyprus block agreement in Luxembourg on a European agreement on the penal sanctions for marine pollution, thus possibly preventing adoption of the legislation on maritime security demanded by the EU.
• On 27th October, the new President of the European Commission, convinced that the next Commission is going to be rejected by the European Parliament, decides to revise its make-up at the last minute. The new Commission is due to take office on 1st November. The European Parliament is opposed to, amongst others, the Commissioner for Justice, Liberty and Security, the Italian Rocco Buttiglione, criticised by the centre-left parties for his remarks on homosexuals, the position of women and on immigrants. On 31st October, Buttiglione withdraws from his post. The Parliament committees also criticise the appointments of the Commissioners Mariann Fischer Boel, Neelie Kroes, Laszlo Kovacs and Ingrida Udre.
• On 29th October in Rome, the 25 Member States sign the European Constitution, which will have to be ratified by the 25 countries before coming into effect on 1st November 2006.

November 2004

Portugal

• On 24th November, Prime Minister Pedro Santana Lopes carries out an unexpected government reshuffle. On 30th November, four months after the government took office, President Jorge Sampaio announces that he is going to dissolve the Assembly of the Republic (parliament) and hold early elections because of the political instability caused
by economic problems and the lack of cabinet unity.
• On 25th November, the very controversial trial opens in Portugal of 7 people, among them media personalities and the former ambassador to South Africa, accused of paedophilia.

Spain
• On 2nd November, the regional newspaper for northern Spain, the Diario de Noticias, publishes a letter from six imprisoned former leaders of the Basque terrorist group ETA, calling on the current leaders of ETA to end the violence. They state that the arm struggle is leading nowhere and appeal for support for Batasuna, the (banned) political wing of ETA. On 14th November, the leader of Batasuna requests peaceful negotiations with the Spanish government, but the Justice Minister, Juan Fernando López Aguilar, refuses unless Batasuna officially condemns violence.
• On 16th November, a boy of 16 is sentenced to 6 years’ detention in a young offenders’ centre for having acted as a go-between for a drug trafficker selling explosives to the perpetrators of the Madrid bombings on 11th March. It is the first conviction in connection with the bombings. On 29th November, former Prime Minister José María Aznar appears before the parliamentary commission inquiring into his political reaction to the Madrid bombings. Throughout an eleven-hour session he defends his decision to link the attacks to ETA.

France
• On 5th November, three Sikh boys are expelled from their school in Paris, after negotiations with their parents ordered by a court on 22nd October regarding the law forbidding the wearing of religious symbols break down.
• On 10th November, the government announces that, in order to reduce the public deficit, the publicly-owned nuclear company Areva will be privatised.
• On 14th November, the Corsican People’s Army (APC) claims responsibility for the bombing of the Bordeaux city hall on 28th October and for three recent attacks in Corsica. On 22nd November, the group threatens to take action in exactly one month if Corsican prisoners are not moved into prisons on the island and if the persecution against those fighting for the cause does not cease immediately.
• On 15th November, the ‘French Watergate’ trial begins in Paris of 12 officials and police officers accused of illegally phone-tapping more than 150 supposed opponents of the former President François Mitterrand in the 1980s.
• On 23rd November, we learn that in the previous week, 4 people suspected of being members of the Moroccan Islamic Combatant Group (GICM), responsible for the Casablanca bombings in May 2003, have been arrested.
• On 28th November, Nicolas Sarkozy is elected Chairman of the Union for a Popular Movement (UMP), succeeding Alain Juppé, charged with corruption in January.

Italy
• On 7th November, 10,000 workers demonstrate in Rome against inflation, job insecurity and government expenditure on the war in Iraq. On 15th November, teachers demonstrate against a reduction in the education budget. On 24th November, it is the turn of the judges, prosecutors and defence lawyers to go on strike to protest against a draft reform of the legal system which would put the independence of the judiciary at risk.
• On 18th November, Gianfranco Fini, the deputy Prime Minister and leader of the conservative National Alliance (AN), is appointed Foreign Minister, replacing Franco Frattini, who has been appointed a European Commissioner.
• On 19th November, Prime Minister Silvio Berlusconi threatens to resign and hold early elections if his government does not approve his plans to reduce income tax. On 22nd November, a judge orders the arrest of Gianfranco Blasi, a parliamentary representative from Berlusconi’s Forza Italia (FI) party, who received electoral support from the Mafia in return for a promise to allow the latter to control the allocation of public works contracts. 51 others are also arrested, including members of the opposition.
• On 25th November, Berlusconi obtains the support of the coalition government for his plans, but, as a concession to the AN and the Christian Democratic Centre (UDC), this reduction will not be implemented until 2006. The International Monetary Fund (IMF) warns Italy that it should first of all reduce its budget deficit (106% of GDP) before reducing taxes.

Malta
• On 24th November, the Supreme Court of Appeal confirms the cancellation of legal action against the Malta Maritime Authority and its Chief Executive Officer, Lino Vassalo, indicted for endangering life and complicity to pollute by dint of failure to ensure the seaworthy state of the Erika, wrecked on the Breton coast in December 1999.

Slovenia
• On 9th November, the parliament appoints Janez Jansa, leader of the Slovene Democratic Party (SDS), Prime Minister. On 22nd November, the SDS forms a coalition with New Slovenia (SLS+SKD) and the Democratic Party of Slovenian Retired People (DeSUS).

Croatia
• On 10th November, the Justice Minister confirms he has handed over Miroslav Bralo, a member of the Croat armed forces from Herzeg-Bosnia, better known as the Croatian Defence Council, to representatives of the international community in Bosnia. On 15th November, the International Criminal Tribunal for the Former Yugoslavia (ICTY) accuses him of serious violations of the Geneva Convention and of the laws and customs of war.
• On 15th November, for the first time since the break-up of the former Yugoslavia, a Croatian head of government visits Belgrade. The Croatian Prime Minister, Ivo Sanader, the President of Serbia and Montenegro, Svetozar Marovic, and the Prime Minister of Serbia, Vojislav Kostunica, discuss, among other things, the withdrawal of the Serbia and Montenegro army from eastern Croatia and the improvement of eco-
nomic relations and sign an agreement protecting the rights of minorities.

- On 19th November, the Defence Minister, Berislav Roncevic, confirms that in June the government had, without informing President Mesic who is the Supreme Commander of the Croatian armed forces, signed a memo giving the United States extended rights to use Croatian airspace, territorial waters and training infrastructure.

- On 22nd November, the Chief Prosecutor of the ICTY, Carla del Ponte, during a meeting with the UN Security Council, expresses doubts about the sincerity of Croatian efforts to arrest the fugitive Ante Gotovina, one of the ICTY’s prime suspects.

**Bosnia-Herzegovina**

- On 3rd November, the ICTY authorises the early release of the Serb Miroslav Tadic, imprisoned for 8 years in 2003 for crimes against humanity.

- On 11th November, the government of the Republic of Srpska issues an apology for the Srebrenica massacre and undertakes to arrest those responsible. On 13th November, we hear that the families of the victims of Srebrenica are going to take the governments of the Republic of Srpska and Serbia and Montenegro to court, claiming 2.6 billion in compensation.

- On 22nd November, the UN Security Council adopts Resolution 1575 (2004) authorising the EU Stabilisation Force (EU-For) to take over from the NATO Stabilisation Force (S-For). A NATO presence will remain through the establishment of its Bosnian headquarters.

**Serbia and Montenegro**

- On 1st November, security forces capture eight people, five of whom are members of the militant group the Revolutionary People’s Liberation Front/Party (DHKP/C), while they are planning an attack on the courthouse in Elazig. On 4th November, four more members of the DHKP/C are arrested in Kocaeli. During the month, security forces come into conflict with the Kurdistan People’s Congress (Kongra-Gel) in the south-east of the country, causing the death of six of the militants and the arrest of another six.

- On 25th November, Vaclav Havel of the Czech Republic, former President, states in an article in the Financial Times that he is in favour of establishing a “favoured relationship” with Turkey rather than having it join the EU, emphasising that Turkey would become the country with the greatest weight in decision-making. On 29th November, the BBC discloses a provisional EU document containing conditions for Turkey’s accession, one of which is the recognition of the Greek Cypriot government. The document also states that no decision will be taken on Turkey’s accession before the adoption of the 2014 budget.

**Cyprus**

- On 11th November, the Prime Minister of the Turkish Republic of Northern Cyprus (TRNC), Mehmet Ali Talat, abandons attempts to form a new government and calls for early elections.

- On 26th November, the Health Minister of the Greek half of Cyprus, Constantina Akkelidou, resigns after being found guilty by the district court of Nicosia of interfering in a court case.

**Turkey**

- On 1st November, security forces and training infrastructure.

- On 7th November, a referendum is held by the Macedonian World Congress (SMK) and by opposition conservative parties to oppose the government’s plan to reduce the number of administrative districts from 123 to 83, which would lead to 16 districts having an Albanian majority. This plan is an important part of the Ohrid Agreement of August 2001. The coalition in power, headed by the Social Democratic Alliance of Macedonia (SDSM), as well as the United States, the EU, NATO and the OSCE calls on Macedonians to boycott the referendum. Since the turnout is less than 50%, the referendum is invalid. On 10th November, the government and the opposition meet at Lake Ohrid for reconciliation talks.

- On 15th November, Prime Minister Hari Kostov resigns, accusing the Albanian Democratic Union for Integration (BDI), a member of the government coalition, of nepotism, corruption and defending partisan interests. On 26th November, President Branko Crvenkovski appoints Defence Minister Vlado Buchkovski as his replacement.

**Greece**

- On 12th November, the Finance Minister announces the final cost of the Olympic Games: 9 billion euros, double the original budget.

- On 15th November, the Commissioner for Economic and Monetary Affairs, Joaquin Almunia, recommends that a lawsuit be brought against Greece, which since 1997 has been hiding the fact that it is exceeding the 3% public deficit criterion laid down in the Stability and Growth Pact. He states that Greece will not be expelled from the euro zone and that it had been admitted on the basis of the best information available at the time. It will have until 2006 to reduce its deficit, whereupon the Greek Minister of Economy and Finance, Georgios Alogoskoufis, states that Greece’s house will be in order by 2005. That same day, the Minister admits that the public deficit was underestimated to enable admission to the euro zone in 2001.

**Macedonia**

- On 7th November, the ICTY’s prime suspects.

- On 15th November, the first trial of former members of the Kosovo Liberation Army (UCK) begins before the ICTY. Until now, only Serbians have been convicted by the ICTY.
and writer Nabil Fayad has been freed after being detained for more than a month for having criticised the "corruption" of the Syrian authorities in his articles.

- On 25th November, a Syrian proposal to resume discussions with Israel without any prior conditions is described as a "propaganda manoeuvre" by the Israeli government. Israeli President Moshé Katzav, whose functions are primarily ceremonial, calls for an answer to the Syrian offer. On 30th November at Sharm el-Sheikh Syrian President Bashar al-Assad meets the Egyptian President Hosni Mubarak, who expresses his strong support for Damascus's proposal, but rejects the idea of playing a mediator's role in the immediate future.

- On 29th November, in spite of a ban by the Lebanese authorities, more than 2,000 students demonstrate in Beirut against the Syrian occupation and for a "rebalancing" of Lebanese-Syrian relations. On 30th November, pro-Syrian Lebanese political parties, with the support of the government, hold a large demonstration denouncing UN Resolution 1559 demanding Syria end its meddling in Lebanon. The demonstration turns into a passionate defence of the Syrian presence in Lebanon.

Lebanon

- On 6th November, the National Assembly (parliament) passes a vote of confidence in Umar Karami's government.

- On 7th November, Hezbollah announces that it has launched an unmanned spy plane at Israel, which is regularly violating Lebanese airspace. On 12th November, secretary-general of Hezbollah, Sheikh Hassan Nasrallah, announces that the organisation possesses airborne missiles capable of going deep into Israeli territory (Mirsad-1). The new Lebanese Minister of Intelligence justifies the use of these aircrafts by the fact that pressure applied by the international community has not been sufficient to put an end to repeated violations of Lebanese airspace by the Israelis.

Jordan

- On 28th November, King Abdullah II withdraws the title of Crown Prince from his half-brother, Prince Hamzah bin Hussein, to "allow him more freedom of movement." According to the Financial Times, quoting political observers in Jordan, the King has made this decision because of his fear that the 24-year-old, "is stealing his political thunder."

Egypt

- Since 1st November, according to the Egyptian human rights organisation (EHRO) and the Human Rights Society for Assistance to Prisoners (HRCAP), nearly 120 prisoners in Abou Zaabal prison, north of Cairo, have been on hunger strike to protest against their "inhuman" conditions.

- On 2nd November, Egypt's representative at the International Atomic Energy Agency (IAEA) describes as "utterly unfounded" allegations that the Director General of the Agency, Mohammed El Baradei, might be helping Cairo to conceal a secret nuclear programme. Egypt denies having a secret nuclear programme and states that it is applying the principle of transparency in that respect by subjecting its nuclear sites to regular inspections.

- On 18th November, three Egyptian policemen are killed by Israeli artillery fire. It is one of the most serious Israeli-Egyptian border incidents in the last ten years. Egypt describes the act as "irresponsible" and calls for a "rapid investigation" and an "explanation" for the incident. Israeli Prime Minister Ariel Sharon telephones President Hosni Mubarak to express his apologies. The Multinational Force and Observers (MFO), which oversees the application of the 1979 Israeli-Egyptian peace agreement, arrives on the scene and opens an investigation into the incident.

Libya

- On 25th and 26th November, the French President visits Libya, where he meets the Libyan leader, Colonel Muammar Gaddafi. He is the first French Head of State to visit Libya since 1951. According to some reports, the visit is marked from the start by Gaddafi's criticisms of French military intervention in the Ivory Coast.

Tunisia

- On 10th November, President Zine al-Abidine Ben Ali, re-elected in October for a further five-year term of office, reshuffles his cabinet.

Algeria

- At the beginning of November, the leader of the Salafist Group for Call and Combat (GSPC), Amari Saifi, captured in Chad in May by the rebels of the Movement for Democracy and Justice in Chad (MDJT), is handed over to the Algerian authorities through the mediation of the Libyan leader, Colonel Muammar Gaddafi.

Morocco

- At the beginning of November, at the country's ports, the Moroccan authorities arrest a hundred potential illegal immigrants bound for Europe.

- On 8th November, the United States adds Morocco to the list of countries who might benefit from the Millennium Challenge Account programme, involving American aid in return for economic and democratic reforms.

- On 13th November, we hear that King Mohammed VI of Morocco has pardoned 1,183 people on the occasion of Aid El Fitr, the end of the holy month of Ramadan.

European Union

- On 4th and 5th November, the Heads of State and Governments of the 25 EU members meet in Brussels. A group of experts, chaired by the former Dutch Prime Minister, Wim Kok, submits a report which concludes that the governments have failed in their implementation of the ‘Lisbon Strategy’, aimed at making Europe the most competitive economic zone by 2010. The 25 Member States decide to relaunch the strategy, but state that the aim is unattainable for 2010. The Member States also adopt a five-year programme with a view to strengthening the ‘area of freedom, security and justice’, but is unable to resolve the persistent problems in connection with asylum policy, including the construction of reception centres in north Africa.
• On 16th November, the EcoFin Council, meeting in Brussels, fails in its attempt to reform the Stability and Growth Pact. The Member States are not in agreement on the governmental expenditure to be excluded when calculating the public deficit: France proposes expenditure on research and development, while other states propose excluding defence expenditure or even net contributions to the European budget.

• On 18th November, the European Parliament approves the make-up of the new European Commission, by a majority of 449 votes to 159 with 82 abstentions. It is to take office on 22nd November for a five-year period. Bearing in mind the possible rejection of the first line-up of the Commission by the European Parliament, the President of the Commission, José Manuel Barroso, has had to replace the Italian and Latvian Commissioners. After it has taken office, controversy over the Commission’s make-up continues. For example, the UK Independence Party, a British anti-EU party in the Parliament, criticises the appointment of the Vice-President and Commissioner for Transport, the Frenchman Jacques Barrot, convicted in 2000 for illegal funding of a party. On 25th November, the President of the EP, Josep Borrell, states that Barrot was not legally obliged to reveal his conviction. On 24th November, Barroso announces that each of the 24 Commissioners is ready to resign if he asks them to.

• On 22nd November, the defence Ministers meet in Brussels and agree, regarding the EU rapid reaction force, to set up 13 battalions of 1,500 soldiers by 2005.

December 2004

Portugal

• On 10th December, President Jorge Sampaio formally dissolves parliament and calls early elections. However, the President authorises the 2005 budget to be adopted in order to avoid political or economic instability. The budget plans controversial action, including the reduction of income tax, which will lead Portugal to violate the EU Stability and Growth Pact.

Spain

• On 3rd December, the Basque terrorist group ETA explodes bombs on five main routes leading out of Madrid, severely disrupting traffic. On 6th December, the national holiday and Spanish Constitution day, seven bombs explode in the country. All these explosions are preceded by a phone call; there are no casualties or major damage caused.

• On 13th December, the Prime Minister José Luis Zapatero states before the parliamentary commission investigating the Madrid bombings on 11th March that the Popular Party (PP), which was in power at the time of the attacks, had erased records from the Prime Minister José María Aznar’s office from 11th to 14th March and accuses the PP of deliberately hiding evidence which pointed to militant Islamic fundamentalists. Zapatero denies that the Spanish Socialist Workers’ Party (PSOE) had started or approved unconstitutional demonstrations on the eve of the elections. On 17th December, the Moroccan Hassan el Haski is arrested and on 21st December he is charged with the murders of the 191 victims of the Madrid bombings, 1000 attempted murders and belonging to a group of terrorists linked to the attacks.

• On 27th December, two Moroccans are arrested in Catalonia and charged with having conspired to buy explosives.

• On 30th December, the Basque regional assembly votes for a controversial motion proposing a relationship of free association with Spain, a project backed by the regional President, Juan José Ibarretxe, leader of the Basque Nationalist Party (PNV). The PSOE and the PP, the two major parties in the national parliament, both agree to oppose this motion.

France

• On 1st December, the Paris Court of Appeal rejects the appeal by former Prime Minister Alain Juppé against his conviction, but reduces his prison sentence from 18 to 14 months and his ban on holding public office from 10 years to 1 year, thus allowing him to return to politics before the presidential elections of 2007. On 2nd December, Juppé resigns his post as mayor of Bordeaux.

• On 2nd December, the members of the Socialist Party (PS) decide to support the European constitution by 59 votes to 41. It is a victory for the current secretary of the PS, François Holande, over former Prime Minister Laurent Fabius, who has described the constitution as antischist.

• On 7th December, with a view to integrating the Muslim community and developing a moderate brand of “French Islam,” the Interior Minister, Dominique de Villepin, announces the creation of university courses for imams on French law, customs and language as well as courses on how to create a foundation for the funding of mosque construction.

• On 10th December, a Paris court sentences ten men of Algerian origin to prison terms ranging from one to ten years for belonging to the Frankfurt cell, part of the al-Qaeda network.

• On 13th December, the Council of State orders the firm in charge of the Eutelstat satellite to suspend transmission of the television channel Al-Manar, based in Lebanon and belonging to Hezbollah, for its anti-Semitic remarks.

• On 15th December, 4 young Muslim girls are expelled from their school in Mulhouse for refusing to take off their veils.

Italy

• On 3rd December, four Tunisians are given prison sentences for their links with the al-Qaeda network.

• On 10th December, Prime Minister Silvio Berlusconi is acquitted by a Milan court of the charges of corruption he had faced. He was accused of having bribed judges at the end of the 1980s/beginning of the 1990s to act in favour of Fininvest, his finance company.

• On 11th December, senator Marcello Dell’Utri, a friend and political ally of Mr Berlusconi with whom he founded Forza Italia (FI) is sentenced to nine years in prison for conniving with the Mafia.

• On 16th December, President Carlo Azeglio Ciampi vetoes a judicial reform plan which had been adjudged
unconstitutional and a risk to the independence of the judiciary.

Slovenia

- On 3rd December, Prime Minister Janez Jansa’s new centre-right government is approved by the Chamber of State (parliament).

Croatia

- On 10th December, a Croatian tribunal sentences nine Croatian Serbs in absentia to prison terms ranging from three to four and a half years for crimes against civilians during the Croatian war (1991-95).
- On 13th December, Amnesty International criticises the impunity granted to Croatian perpetrators of human rights violations against Serbs during the Croatia-Serbia war in Croatia from 1991 to 1995. The report emphasises that the Serbs who have returned to Croatia have been “victims of discrimination when looking for work and accommodation and when exercising their social and economic rights.”
- On 13th December, EU Foreign Ministers decide that negotiations on Croatia’s accession to the EU will begin in April 2005, on condition the Croatian authorities cooperate fully with the International Criminal Tribunal for the Former Yugoslavia (ICTY).

Bosnia-Herzegovina

- On 2nd December, the EU officially takes over the NATO peacekeeping missions in Bosnia. The operation, code-named Althea, is led by a stabilisation force (EU-For) made up of 7,000 men from 33 countries.
- On 16th December, the High Representative of the international community and the EU’s Special Representative in Bosnia-Herzegovina, Lord Paddy Ashdown, who had criticised officials of the Republic of Srpska of a lack of cooperation with the ICTY, sacks six policemen and three other officials. The same day, the United States, in concert with Ashdown, imposes a travel ban on the leaders of the three political parties in Bosnia. Several Serbian politicians resign in protest: on 16th December, the Prime Minister of the Republic of Srpska, Dragan Mikerevic, stating that he is not prepared to accept the international community’s threats and ultimatums; on 18th December, Mladen Ivanić, Vice-President and Foreign Minister of the Bosnian Council of Ministers and Borislav Paravac, the Serbian member of the collective Presidency of Bosnia; and on 20th December, Slobodan Kovac, Bosnian Justice Minister.

Serbia and Montenegro

- On 1st December, we hear of a failed attack on Serbian President Boris Tadic.
- On 3rd December, the Assembly (parliament) of the Serbian province of Kosovo re-elects Ibrahim Rugova as President of Kosovo and elects Ramush Haradinaj for the Future of Kosovo (AAK) as the new Prime Minister, even though he is under investigation by the ICTY for his activities within the Kosovo Liberation Army (UCK) during the war of independence of 1997-1999. Serbia demands that Haradinaj be sacked or extradited to the ICTY.
- On 3rd December, Serbia takes an important step towards full cooperation with the ICTY by handing over General Dragomir Milosevic, Commander of the Sarajevo-Romanija corps of the Bosnian Serb army in 1994.

Macedonia

- On 17th December, the Sobronja (parliament) approves the new government headed by the Prime Minister Vlado Buckovski, Chairman of the Social Democratic Alliance of Macedonia (SDSM) and up until then Defence Minister in the government of Hari Kostov, who resigned in November.

Albania

- On 21st December, the People’s Assembly (parliament) approves the 2005 budget, despite criticisms from the opposition that it will increase social inequalities.

Greece

- On 1st December, the European Commission takes legal action against Greece, which since 1997 has been submitting false information to conceal its infringement of the 3% public deficit criterion set out in the Stability and Growth Pact. The expected deficit in 2004 is 5.5%.

Cyprus

- On 10th December, the Chamber of Representatives (parliament) of the Greek half of the island approves the 2005 budget, which consists of austerity measures, including a salary and public recruitment freeze and an increase in the retirement age from 63 to 65, with a view to reducing the public deficit to 2.9% to enable entry to the euro zone by 2007.

Turkey

- On 6th December, Russian President Vladimir Putin visits Turkey and signs six agreements on defence, trade and finance. Russia is Turkey’s second-largest trading partner after Germany.
- On 16th and 17th December, during a European summit in Brussels, the Heads of State and Governments decide to begin membership negotiations with Turkey on 3rd October 2005. The talks are to be conditional on, amongst other things, the respect of human rights, the recognition of the Greek Cypriot government and a “permanent safeguard clause” regarding Turkish immigrants. Initially, Prime Minister Recep Tayyip Erdogan rules out the possibility of recognising the Greek half of the island, but at the last moment a compromise is found and Turkey states that it wants to sign a customs union agreement with the 25 Member States, including the Greek half of Cyprus, before the start of discussions on membership. On 17th December, Austria joins France in promising to hold a referendum on Turkey’s membership of the EU. In Italy, thousands of people demonstrate against Turkey’s membership.

Syria

- The Syrian Supreme State Security Court sentences two people to death for their involvement in a bombing in April in Damascus which killed two people.
Lebanon

- On 3rd December, Walid Jumblatt, Head of the Druze community, member of parliament and leader of the Progressive Socialist Party (PSP) and an opponent of Syria, has a meeting in Paris with the French President Jacques Chirac, who lends him his support in his fight for Lebanese independence.
- On 6th December, the Secretary-General of the Arab League, the Lebanese press union, the Union of Arab journalists and the union of Lebanese and Egyptian parties express their solidarity with the Shi‘ite Lebanese Hezbollah television channel Al-Manar, whose broadcasts are under threat in France.
- From 9th to 11th December, more than 150 NGOs and civil society organisations from various parts of the world meet in Beirut as part of efforts to implement the six objectives in Education for All set out at the Dakar Forum in 2000. This Collective Consultation by NGOs on Education for All (CCNGO/EFA), a UNESCO initiative, is a key partnership mechanism to promote the participation of civil society in the follow-up of the project.

Jordan

- On 27th December, a military court acquits 13 people suspected of organising an attack against American targets in Lebanon and sentences 11 people to prison terms ranging from 6 to 15 years for possession of explosives.

Egypt

- On 12th December, a coalition of recently created opposition groups led by the Pro-Reform Movement demonstrates in the streets to demand President Mohammed Hosni Mubarak to step down at the end of his six-year term of office, which ends in October 2005, and to oppose any attempt to transfer power to his son.
- On 14th December, Egypt, Israel and the United States sign an agreement to create seven special zones (Qualified Industrial Zones) in Egypt, where goods produced with Israeli funding can have free access to the American market.
- On 22nd December, Saudi Arabia, having accused Libya of plotting the assassination of the current leader of Saudi Arabia, Prince Abdullah ibn Abdul Aziz, recalls its ambassador from Libya and orders him to leave the country. The Libyan government denies all accusations.

Tunisia

- On 2nd December, Prime Minister Mohamed Ghannouchi meets Turkish Industry and Commerce Minister Ali Coskun. The two men discuss perspectives on bilateral cooperation in the light of the recently signed agreement between Tunisia and Turkey creating a free trade area between the two countries.
- On 8th and 9th December in Tunis an international colloquium is held on dialogue between religions, attended by nearly a hundred philosophers, theologians and professors from various corners of the world. The participants reject all theories which preach a clash of civilisations.
- On 11th December, the officially unrecognised Tunisian society for the fight against torture (ATLCT), in a report by its chairperson, the opposition lawyer Radia Nasraoui, denounces the “continued recourse” to torture in Tunisian police stations and prisons. On 12th December, the Tunisian authorities reply that conditions of detention in Tunisia “comply with international standards” and that any complaint of abuse will be investigated.

Algeria

- On 6th December, Reporters Without Borders demands that Algerian judges end the judicial harassment of Mohammed Benchicou. The authorities have already closed down the newspaper Le Matin.

Morocco

- On 6th December, Morocco is the first Arab country to try former detainees of the American naval base in Guantánamo. The five Moroccans are charged by a Rabat court with belonging to or supporting a terrorist group.

Libya

- On 2nd December, the Dutch Presidency of the EU once more fails to obtain the agreement of the 25 Member States on penal sanctions for acts of marine pollution – Greece, Cyprus and Malta use their vetoes to block it. However, there is unanimous agreement on the harmonisation of penal sanctions to be applied to maritime companies responsible for marine pollution.
- On 14th December, the EU completes accession negotiations with Bulgaria and Rumania, with whom treaties will be signed in April 2005, with accession scheduled for 1st January 2007.
- On 14th December, the Commissioner for Economic and Monetary Affairs, Joaquim Almunia, announces the suspension of the disciplinary measures being applied to France and Germany, who have not complied with the 3% public deficit criterion contained in the Stability and Growth Pact for three consecutive years. The Commission accepts the two countries’ budget forecasts of a deficit lower than 3%, but will monitor developments very closely and will be ready to take action in the event of non-compliance.
- On 21st and 22nd December in Brussels the Fisheries Ministers adopts new fishing quotas for 2005, maintaining the reduction in the total allowable catch (TAC) of cod, but rejecting the Commission’s proposal to close a fifth of European waters to fishing to enable species to recover.

European Union

- On 2nd December, Spain closes its border with Gibraltar for several hours, in order to avoid the spread of a gastro-intestinal virus. The virus has infected 500 British passengers on a cruise ship which made a stopover in Gibraltar.
- On 28th August, the electoral commission of the United Kingdom recommends that Gibraltar be included in a region of southwest England in the
European Parliament elections in 2004, in order to put an end to this electoral anomaly. In 1999 the European Court of Human Rights had stated that the population of Gibraltar is too small to make up a constituency per se, which meant that it had been excluded from previous European elections. Spain protests against the British decision. On 18th October, The Guardian announces that Spain intends to take the United Kingdom to the European Court of Justice (ECJ). On 29th October, the European Commission approves the British decision, but restricts itself to a political statement (rather than taking legal action) in an attempt to persuade the two countries to settle their differences amicably.

- On 28th November elections to the House of Assembly (parliament) take place, resulting in a third successive victory for the Social Democrats (GSD), presided over by Peter Caruana. Although the GSD lost votes, the makeup of the assembly remains the same, because the electoral system limits the number of seats to eight per party.

2004
- On 10th June, the United Kingdom elects its European Parliament representatives. Gibraltar participates for the first time in the elections, with its population included in the constituency of Southwest England. The Conservative Party, which supported the retention of Gibraltar’s British status, wins with 70.7% of the vote.
- From 28th to 30th June, Princess Anne, a member of the British royal family, visits Gibraltar on the occasion of the third centenary of the capture of Gibraltar from the Spanish. This visit is strongly criticised by Spain.

Western Sahara

2003
- On 2nd September the Polisario Front, following the adoption in July by the UN Security Council of a new peace agreement, releases 243 Moroccan prisoners of war. The International Committee of the Red Cross announces that 914 Moroccan prisoners of war are still being held by the Polisario Front.
- On 11th August, the Secretary-General of the United Nations, Kofi Annan, appoints Alvaro de Soto as his new special representative for Western Sahara, replacing William Lacy Swing.
- On 31st July, the United Nations Security Council, in its Resolution 1495, gives its support to the peace plan formulated by James Baker, the special envoy of the Secretary-General of the United Nations, Kofi Annan. The plan envisages Western Sahara to remain under Moroccan sovereignty for some years, after which a referendum will decide its future.

2004
- On 5th March, for the first time since the outbreak of the conflict in Western Sahara 25 years ago, the United Nations Agency for Refugees (UNHCR) organises reunions of families separated by the conflict. According to the UNHCR, 500 Sahrawis from Tindouf and 200 Moroccan Sahrawis are willing to take part in this air trip to make contact with relatives. The operation takes place as part of the “confidence-building measures” agreed between Morocco and the Polisario Front to enable the exchange of visits, telephone communication and correspondence between refugees separated by the border.
- On 13th June, Secretary-General of the United Nations Kofi Annan’s personal envoy since 1997, James Baker, resigns. In December 2003, George W. Bush had appointed him to head the diplomatic service aimed at helping Iraq reduce its foreign debt. On 15th June, Annan appoints the Peruvian Alvaro de Soto, special representative to Western Sahara since August 2003, as his new personal envoy.
- On 15th September, South Africa becomes the sixtieth country to officially recognise the Sahrawi Arab Democratic Republic. Morocco criticises this decision and recalls its ambassador from South Africa.
- On 24th February the Polisario Front, through the mediation of Qatar, releases 100 Moroccan prisoners of war captured between 1975 and 1991.
- On 25th June, the Polisario Front releases 100 Moroccan prisoners of war captured between 1975 and 1999. The number of Moroccans in captivity is now 412.
- On 29th April, the UN Security Council unanimously adopts Resolution 1541 (2004) extending the UN Mission for the Organisation of a Referendum in Western Sahara (MINURSO) until 31st October.
Chronologies

Chronology of events in Israel and Palestine

July 2003

Israel

- In mid-July, Israel’s Prime Minister, Ariel Sharon, visits the United Kingdom and Norway. These visits are considered to be the beginning of an Israeli attempt to improve relations with European countries. During this visit on 14th July, the British Prime Minister, Tony Blair refuses to give in to Israel’s demands to cut off all ties with Yasser Arafat.

- On 31st July, the Knesset passes a marriage law against Palestinians. This law prevents any Palestinian from marrying an Israeli to obtain citizenship or the right to reside in Israel. This law has been criticized by various human rights organisations for its racist, undemocratic and discriminatory character.

Palestine

- On 14th July, Arafat and Abbas enter into a power sharing agreement which guarantees Yasser Arafat influence over the peace negotiations and the Palestinian security forces.

Peace Negotiations

- On 1st July, the Israeli Premier, Ariel Sharon, and his Palestinian counterpart, Mahmoud Abbas (Abou Mazen), meet to discuss progress in the implementation of the “Road Map.” Sharon demands Abbas to disarm the militant groups and to stop the incitements to violence (on television and in school books). The Palestinian party puts the issue of Palestinian prisoners on the table.

- On 2nd July, Israel withdraws its troops from Bethlehem in response to the declaration of a ceasefire by the Palestinians.

- On 6th July, the Israeli Cabinet votes to release 300 or more Palestinian prisoners. Ariel Sharon declares that he will not release those who support Hamas or the Islamic Jihad, nor those who have killed Israelis.

- On 7th July, both parties meet again to discuss the ‘Road Map’ in greater detail, including the issue of Palestinian prisoners.

- On 8th July, Abbas cancels a meeting with Sharon in protest over the very limited number of Palestinian prisoners whom Israel intends to release.

- On 20th July, the two parties meet again and begin complicated negotiations on the security wall, Palestinian prisoners and the isolation of Yasser Arafat. Sharon decides to postpone any decision on the Palestine’s demands until after his meeting with the US President.

- On 25th July, Abbas meets George W. Bush in Washington. Bush announces that Abbas is a man of “vision, courage and determination” and he considers the construction of the security wall to be problematic.

- On 27th July, the Israel Cabinet agrees, in principle, to release prisoners who are members of Hamas or the Islamic Jihad in order to strengthen the atmosphere of trust. The Israelis dismantle the checkpoints.

- On 29th July, it is Sharon’s turn to meet the US President. Despite the American talks, Sharon insists that he will go ahead with the construction of the wall, although he states that he wishes to minimize the effects on the daily life of the Palestinians.

Palestine

- On 2nd July, during a round-up operation, Israel kills a leader of the Al-Aqsa Martyrs Brigade, Mahmoud Shawa, who had links to Fatah.

- On 3rd July, in an act of retaliation, the Palestinians throw anti-tank missiles into a Jewish settlement in the centre of the Gaza Strip. Abou Abbas condemns this action. On 4 July, the Palestinian security forces arrest 4 men accused of perpetrating this attack.

- On 7th July, an Israeli house is attacked by an Islamic Jihad suicide bomber in protest over the exclusion of his members in any subsequent release of Palestinian prisoners.

- On 25th July, the Israelis open fire on unarmed Palestinians at a checkpoint.

- On 28th July, the body of an another Israeli soldier is found. As far as Israel is concerned, it is a terrorist attack.

August 2003

Israel

- At the beginning of August, the State Comptroller, Eliezer Goldberg, denounces the inability of the Prime Minister, Ariel Sharon, to distance himself from the decision taken by the Government on “re-zoning” the agricultural fields. According to Eliezer Goldberg, the Sharon family has a stake in this new regulation. According to the Chief Public Prosecutor, Elyakim Rubinstein, there is insufficient evidence to justify a criminal investigation. This hard blow for Sharon comes at a time when his son, Gilad Sharon, is the subject of accusations of corruption and
when Sharon and his other son, Omri Sharon, are also the subjects of a police investigation into the financing of his electoral campaign in February 2001.

**Palestine**

- The appointment, of Nasser Yousef as Minister of Interior on 23rd August by Yasser Arafat, triggers a crisis within the Palestinian National Authority (PNA) – between Yasser Arafat on one hand, who wishes to maintain some control over security issues, and the Prime Minister, Mahmoud Abbas, and the Security Minister, Mohammed Dahlan, on the other hand. The post of Minister of Interior was formerly occupied by Abbas and this appointment undermines the powers of Mohammed Dahlan, an ally of Abbas.

**Diplomatic Negotiations**

- On 4th August, Israel halts the handing over of the towns in the Gaza Strip to the Palestinian Authority as stipulated in the Road Map, after an Israeli woman and her three children were injured by the Al-Aqsa Martyrs Brigade on 3 August.
- On 4th August, Israel publishes a list of 350 Palestinians who will be released with the aim of creating an atmosphere of trust between the two sides for the peace negotiations. The Palestinians denounce this measure since out of the 6,500 releases requested, Israel only undertakes to release those who have been arrested without charges or those arrested for minor offences such as throwing stones. As a result, the Palestinian Prime Minister, Mahmoud Abbas, cancels a meeting with Ariel Sharon scheduled for 5th August. On 6th August, Israel releases 336 Palestinian prisoners.
- On 7th August, Israel agrees to postpone the construction of certain segments of the separation wall until a compromise is reached with the United States who considers the wall to be problematic.
- On 15th August, Israel releases 73 Palestinian prisoners. Once more this release is considered by the Palestinian side to be negligible.
- On 17th August, Israel announces that in the coming weeks it will put four villages in the West Bank (Jericho, Qalqiliya, Tul-Karm and Ramallah) back under the control of the Palestinian National Authority (PNA), provided the PNA redoubles its efforts to curb the attacks.
- In retaliation for the attack on 19th August, Israel breaks off all contact with the PNA, calls a halt to the project to transfer security to various villages in the West Bank and seals off the whole of the Gaza Strip and the West Bank again. The Prime Minister, Mahmoud Abbas, breaks off all contact with Hamas and the Islamic Jihad.

**Palestine**

- On 8th August, the Islamic Palestinian leader of the Isbat al-Ansar group, Abdullah Shuraydi, is assassinated in the Ain al-Hilweh refugee camp near Sidon.
- After five weeks of relative calm, fighting resumes on 8th August in Nablis, killing 3 Palestinians, including two members of Hamas, as well as an Israeli soldier. On 12th August, Hamas launches counterattacks on Israeli targets. On the same day, the Al-Aqsa Martyrs Brigade perpetrates another suicide attack. In retaliation for these attacks, Israel postpones the release of the prisoners scheduled for 13th August and assassimates the leader of the Islamic Jihad, Mohamed Sidr, in the town of Hebron on 14 August.
- On 19th August, negotiations on the transfer of security to the PNA ceases after a suicide attack perpetrated by a friend of Mohamed Sidr claims the lives of 21 Israelis. The Islamic Jihad and Hamas claim responsibility for this attack.
- On 21st August, Israel kills Ismail Abu Shanab, the founder of Hamas. In retaliation, the Islamic Jihad and Hamas abandon the ceasefire which had lasted for three months. The violence intensifies during the following days.

**September 2003**

**Palestine**

- On 4th September, the Prime Minister, Mahmoud Abbas, requests the Palestinian Legislative Council to grant him more power to implement the “Road Map,” without which he will resign.
- On 6th September, Abbas hands in his resignation. On 7 September, the head of the Palestinian Authority, Yasser Arafat, appoints the President of the Palestinian Council, Ahmed Qurie, who had conducted secret negotiations leading to the Oslo Agreements in 1993, to the post of Prime Minister. The latter, seeing the critical situation on the ground, announces that he will form a small emergency cabinet immediately.
- On 25th September, Edward Said, Palestinian intellectual and political thinker, dies at the age of 67.

**Israel**

- On 1st September, the Orr Commission, responsible for investigating the disturbances in October 2000 in the Arab communities in Israel where 13 Arab demonstrators were killed by the police, presents its report. This report severely criticises the Government of Prime Minister Ehud Barak (1999-2001) and the police for their excessive use of force.
- At the beginning of September, Prime Minister Ariel Sharon visits India for the first time since the commencement of diplomatic relations between Israel and India in 1992. The talks addressed, among other things, the willingness on the part of Israel to develop a system of anti-ballistic missiles with India and the creation of a free trade agreement, etc.
- On 25th September, 27 pilots from the armed forces refuse to conduct air strikes on Palestinian civilian zones. In a letter to the commander of the armed forces, Dan Halutz, the pilots declare that they “will not continue carrying out illegal and immoral attack orders such as those that Israel conducts in the occupied territories.” The Minister of Defence, Lieutenant-General Shaul Mofaz, declares before the Knesset that these pilots are helping the terrorists.

**Israeli threat to deport Yasser Arafat**

- On 11th September, Yasser Arafat announces his plans to establish a Na-
nally, the Quartet requests Israel to cease the settlement activities. After the talks, the High Representative of the CFSP, Javier Solana, acknowledges that differences of opinions still exist within the Quartet on how Arafat is to be handled.

**Road Map**

- On 18th September, the US President, George W. Bush, acknowledges for the first time that the “Road Map” is in an impasse and attributes responsibility to Arafat.
- On 26th September, the Quartet meets but it is unable to adopt a resolution on the present crisis. The Quartet asks the Palestinians to take decisive measures against terrorism and to consolidate the security services which must be under the control of a Prime Minister with strengthened powers. The Quartet asks Israel to avoid causing civilian casualties, even when defending itself, and not to undertake any actions which undermine the trust between the two parties to the conflict. Finally, the Quartet requests Israel to cease the settlement activities. After the talks, the High Representative of the CFSP, Javier Solana, acknowledges that differences of opinions still exist within the Quartet on how Arafat is to be handled.

**Palestine**

- Israel continues with the targeted killings, causing the death of a Palestinian militant, Khader al-Husari, and wounding 23 people in a helicopter strike in the Gaza Strip on 1st September.
- On 5th September, 4 Israeli commandos are wounded during the arrest of Mohammed al-Hanbali, who is notorious for making bombs for Hamas. On the same day, a Hamas militant and an Israeli soldier are killed during a raid by the Israeli army in Nablus.
- On 6th September, Israel bombs an apartment harbouring Sheikh Ahmad Yassin, founder and spiritual leader of Hamas, causing 15 casualties. The following day, Yassin declares that all Palestinian factions intend to co-ordinate their counterattacks.
- On 8th September, 4 Palestinians are killed as a result of the violence in the occupied territories.
- On 9th September, Hamas claims responsibility for two suicide attacks which kill 13 people in Jerusalem and Tel Aviv.
- On 10th September, an Israeli attack aiming to assassinate the leader of Hamas, Mahmoud al-Zahar, failed but causes the death of his son and his bodyguard. In retaliation, the battalions of Izz al-Din Qassam threaten to attack Zionist settlements.
- On 16th September, the Israeli army kills and destroys the house of a local Islamic Jihad leader, Majid Abu Dosh, in the village of Dura.
- On 18th September, Israel undertakes its largest incursion into the Gaza Strip since its withdrawal in June. A Hamas militant is killed in the Nusseirat refugee camp and three Israeli soldiers are wounded. Israeli forces also enter the West Bank where they impose a curfew in order to search for the militants. On 24 and 25th September, the raids continue in these two localities, killing 5 Palestinians and an Israeli soldier.

**Israel**

- On 1st October, the Israeli cabinet approves the central party’s routing of the security wall stretching from 16 to 24 km inside the West Bank. Israel decides to leave a hole in the wall near Ariel, the largest Jewish settlement in the territory, in order to make a concession to the Americans who criticize the project and have announced that they intend to consider the possibility of withholding part of the credit guaranteed to Israel.
- On 2nd October, Israel allocates 600 new houses in the occupied territories of the Gaza Strip.
- On 13th October, opposition politicians unveil an unofficial peace agreement (known as the Geneva Initiative) drafted with the Palestinian negotiators and which should have been signed on 4th November in Geneva. The Israeli Government is against the project as it contains important Israeli concessions such as the right to return refugees and a major withdrawal from the Gaza Strip and the West Bank with exchanges of territory for certain Jewish settlements. On the Israeli side, Yossi Beilin, former Labour Party minister and one of the key architects of the Oslo Agreement in 1993, as well as the former leader of the Labour Party, Avraham Mitzna, are among the negotiators of this project.
Former ministers, Yasir Abd Ar-Rabbuh and Nabil Qassis, are to be found on the Palestinian side.

**Palestine**

- On 4th October, the Islamic Yihad carries out a suicide attack in Haifa killing 21 people in retaliation for more than 20 extrajudiciary killings of Palestinian militants committed by Israel during these last three weeks. The attack is condemned by Yasser Arafat and the Palestinian Prime Minister, Ahmed Qurie, while Israel attributes responsibility for the attack to the Palestinian Authority, incapable of eradicating terrorism.

- On 9th October, a suicide attack takes place close to an Israeli checkpoint near the village of Tularkim in the Gaza Strip, injuring two Israeli soldiers and a Palestinian.

- On 10th and 11th October, the Israeli army kills at least 8 Palestinians, including a 8-year-old child, in the Rafah refugee camp in the south of the Gaza Strip during a raid aimed at discovering the tunnels used for smuggling anti-aircraft missiles between the Palestinian territories and Egypt. Israeli troops announce that they have found three tunnels and they return to Rafah on 14th October to search for other tunnels.

- On 15th October, an attack on an American diplomatic convoy kills three American security guards. This is the most serious attack against the Americans since the beginning of the second Intifada in September 2000. No one has claimed responsibility for the attack.

- On 19th October, an armed Palestinian sets an ambush for an Israeli military patrol in the East of Ramallah, killing three soldiers. The Al-Aqsa Martyrs Brigade claims responsibility for this attack. On the same day, Palestinian militants fire rockets into the village of Sderot near the Gaza Strip border.

- On 20th October, Israel kills at least 20 Palestinians in the Gaza Strip during the largest air strike in months. President Arafat requests international assistance to put an end to Israeli “military madness.”

- On 21st October, Israeli troops and tanks enter Ramallah where they declare a curfew. 12 people are wounded.

- On 24th October, an armed Hamas man enters Netzarim, an Israeli military base and Jewish settlement, and kills 3 soldiers. In reprisal, the Israelis demolish three houses near Netzarim, from where, according to them, the Palestinians were spying on the settlement.

**Negotiations**

- On 15th October, the United States veto a United Nations resolution, promoted by Syria and which declares the wall constructed by Israel in the West Bank to be illegal. The US Permanent Representative, John Negroponte, bases this decision on the failure of the resolution to address Israel’s security needs in the face of the suicide attacks. On 22nd October, the United Nations General Assembly adopts a resolution declaring the construction of the wall to be illegal under international law. 4 countries voted against: the United States, Israel, the Marshall Islands and the Federated States of Micronesia.

**November 2003**

**Israel**

- At the beginning of November, a civilian satellite accidentally picks up and directly transmits a secret Israeli missile test and which is received across most of the Arab world. The Minister of Defence insists that the broadcast has not revealed any classified information.

- On 3rd November, the trade union confederation Histadrut organises a general strike in protest over the government’s intentions to raise the age of retirement to 67 and to take control of pensions, which until now have been in the hands of Histadrut.

- On 14th November, during an interview with the Israeli newspaper Yedioth Ahronoth, four former heads of the internal security forces, the Shin Bet, criticise the Palestinian policy of Ariel Sharon’s government. These criticisms follow the remarks by the head of the Israeli troops, Lieutenant General Moshe Yaalon, who declares that the severe measures adopted in the Palestinian territories run counter to Israeli interests and strengthen the Palestinian militants.

- On 25th November, the United States announce that they are imposing economic sanctions on Israel because of the expansion of the Jewish settlements in the West Bank and the Gaza Strip and the construction of the ‘security wall’ which encroaches upon the West Bank. On 26th November the Minister for Industry and Trade emphasizes that the United States are not exerting any political pressure on Israel with regard to certain aspects of the peace process.

- On 30th October, Prime Minister Ariel Sharon is questioned by the police who suspect he may be involved in the bribery and corruption scandals.

**Palestine**

- On 12th November, the Palestinian Legislative Council approves the new government, presided over by Prime Minister Qurie. Qurie’s priority will be to obtain a ‘total mutual ceasefire with the Israeli government and to revive the Road Map peace process’. A member of Fateh, Hakam Balawi, is appointed Minister of Interior. Qurie and Arafat have arrived at an agreement under which Arafat will preside over a National Security Council which will determine security policy and ensure that he is consulted on all negotiations with the Israelis. Both Qurie and Yasser Arafat demand legislative and presidential elections to be held in June 2004.

**Negotiations**

- On 5th November, *The Financial Times* announces that after the breakdown of negotiations between the two sides following a suicide attack on 19th August, the Palestinian and Israeli delegations, led respectively by the Israeli Minister of Defence, Lieutenant General Shaul Mofaz, and the Palestinian Minister of Finance, Salam Fayad, resume contact in order to revive the Road Map.

- On 8th October, we learn that the US Secretary of State, Colin Powell, has congratulated the architects of the Geneva initiative.

- In mid November, a delegation from the Egyptian government, led by the Head of Intelligence, Omar Suleiman, meets the representatives of the three main Palestinian factions (Hamas, Isla-
mic Jihad and the Al-Aqsa Martyrs Brigade) in the Gaza Strip and Cairo in order to reinstate a Palestinian ceasefire. On 17th November, the political leader of Hamas, Musa Abu Marzuq, announced that his group is ready to abide by a truce, but only if the latter is supported by the international community and if Israel publicly undertakes to abide by it.

- On 19th November, the Security Council unanimously pass Resolution 1515 (2003), which approves the Road Map.
- On 23rd November, Israeli Prime Minister Ariel Sharon announces that he envisages taking “unilateral steps,” such as the removal of Jewish settlements from the Gaza Strip, if the Road Map fails. The Palestinians are skeptical about what the media call the ‘Sharon Plan’.

Tensions between the parties

- During November, there is low-level violence between the two parties. On 18th November, a Palestinian kills two Israeli soldiers at a checkpoint near south Jerusalem.

December 2003

Israel

- On 4th December, 4 reservists disassociate themselves from an elite parachute unit for criticizing the Israeli presence in the Jewish settlement of Netzarim in the Gaza Strip.
- On 12th December, the head of the International Atomic Energy Agency (AIEA), Mohamed al-Baradei, announces that he believes that Israel has nuclear weapons and that Israel ought to rid itself of its nuclear stockpile in order to promote peace in the Middle East.

Palestine

- On 1st December, Israeli troops kill three members of Hamas and a child aged 9. They also arrest 30 people in Ramallah during a house-to-house search.
- On 11th December, six Palestinians are killed by Israeli soldiers when the latter enter the Rafah refugee camp to search for an Islamic Jihad militant.
- On 20th December, Israel captures Adnan Asfour, the Hamas leader in Nablus.
- On 22nd December, Palestinian militants kill two Israeli soldiers in an attack on the centre of Gaza.
- On 23rd December, an Israeli raid in the Rafah refugee camp kills 8 Palestinian. Israel announces that it has discovered a tunnel used to smuggle arms between Egypt and the Gaza Strip.
- On 25th December, a suicide attack in a bus in Tel-Aviv kills three Israeli soldiers and a civilian. In retaliation, Israel fires two missiles into Gaza killing 5 Palestinians, including Meqled Hamid, a leader of the Islamic Jihad.

Negotiations

- On 1st December, the Geneva Initiative, an unofficial peace plan, drafted by Israeli opposition politicians and by high-level Palestinian officials, is officially launched. While Yasser Arafat and the members of the Quartet positively welcome the Initiative, Ariel Sharon is critical.
- On 8th December, the United Nations General Assembly adopts a (non-binding) resolution requesting the International Court of Justice (ICJ) to decide on the legality of the wall constructed in the West Bank by Israel.
- On 9th December, a communiqué reveals that the Egyptian initiative to reinstate a Palestinian ceasefire has failed.
- On 10th December, the Palestinian and Israeli Foreign Ministers, Nabil Shaath and Sivan Shalom respectively, meet again during a Palestinian donors conference. Shalom calls on the international community to finance the joint ventures between Israelis and Palestinians in order to promote peace.
- On 18th December, Sharon announces that if the Road Map does not show any signs of progress in the coming months, Israel will be ready to adopt unilateral measures, including the new security boundaries and the removal of certain isolated Israeli settlements. He warns that if Israel has to take unilateral measures, Palestine will end up with less territory than through negotiations. The spokesman for the White House announces that the Bush administration will oppose any unilateral action that would hinder negotiations.
- On 22nd and 23rd December, the Egyptian Foreign Minister, Ahmad Maher, visits Israel for the first time since the beginning of the second Intifada in October 2000 to discuss the peace process with the two parties. During a visit to the al-Aqsa mosque, he is attacked by Palestinians who call him a “traitor” and “collaborator.”
- On 29th December, the Israeli government orders the demolition of 4 illegal Jewish settlements in the Gaza Strip.

January 2004

Israel

- On 4th January, a reserve officer in the Israeli army, Lieutenant-Colonel Einatan Ronel, resigns in protest over the “immoral” conduct of the army in the occupied territories. On 5th January, five Israeli recruits are sentenced to one year’s imprisonment for refusing to serve in what they call “an occupation army” in the Palestinian territories. All five of them had previously spent 14 months in prison. The military judges state in their verdict that the aim of this sentence is to discourage in future, those who were thinking of refusing to serve in the armed forces for political reasons.
- On 5th January, after several strikes the Minister of Finance, Benyamin Netanyahu, comes to an agreement within his government on the reform of the retirement age and pensions.
- On 5th January, the Prime Minister, Ariel Sharon, enters into an agreement with the Turkish Minister for Energy and Natural Resources, Zeki Cakan, called ‘water for arms’, under which Israel will undertake the construction of a fleet of giant tankers capable of conveying 50 million m3 of water a year for 20 years, which will be pumped from the Manavgat river in Anatolia. In exchange, Turkey will receive an undisclosed number of Israeli tanks as well as technology for its airforce.
- On 7th January, the Knesset (the Legislature) adopts the 2004 budget which entails a significant reduction in social security and defence expenditure.
- On 21st January, the Public Prosecutor proceeds against David Appel, a
real estate agent and family friend of Prime Minister Ariel Sharon, suspected of paying huge sums of money to Sharon’s family in exchange for political favours. Sharon does not deny these facts.

**Palestine**

- On 14th January, Hamas and the Islamic Jihad claim responsibility for a suicide attack, the first since 25 December, perpetrated by a Palestinian mother, which kills 4 Israelis, including three soldiers in Erez. In retaliation, Israel closes all the exits from the Gaza Strip on 15 January, preventing thousands of Palestinians from getting to work, and announces that the spiritual leader of Hamas, Sheikh Ahmed Yassin, who had congratulated himself on the suicide attack, will be executed.
- On 28th January, an Israeli raid into the Gaza Strip kills 8 Palestinians. In retaliation, a suicide attack is perpetrated against a bus while passing near Sharon’s house in Jerusalem on 29th January. The Al-Aqsa Martyrs Brigade claims responsibility for the attack which kills 10 Israelis. In retaliation, Israel blocks all the exits from Bethlehem – one of the two cities totally under control of the Palestinian National Authority (PNA) – where the Palestinian behind the attack was a policeman. Israel attributes responsibility for the attack to the failure by the PNA to curb the militants in the zones under its control.

**Negotiations**

- On 4th January, the Israeli government announces that it will demolish two small settlements in the West Bank and that it will not implement its plan to extend the settlements to the Golan Heights.
- In January, Palestinians and Jewish settlers oppose Sharon’s unilateral separation plans (18th December) which involve the removal of certain isolated Jewish settlements and the continued construction of the separation wall. On 8 January, the Palestinian Prime Minister, Ahmed Qurie, decries Sharon’s plan as an “apartheid solution” and on 11th January, 12,000 Jewish settlers demonstrate their opposition to the Sharon plan in Tel Aviv. On 10th January, the executive committee of the Palestine Liberation Organisation (PLO) insists on the right to unilaterally declare a State in the Gaza Strip and the West Bank if Israel adopts the Sharon plan.
- On 27th January, the Financial Times announces that the Aix Group, an independent panel of Israeli and Palestinian experts established in 2002, which works in collaboration with the International Monetary Fund (IMF), the World Bank (WB) and the European Commission (EC), has drawn up a plan for economic co-operation between Israel and the future Palestinian State. It proposes the creation of a free trade zone between the two countries so that investors in one State may benefit from national status in the other.

**February 2004**

**Israel**

- On 2nd February, in an interview with the Ha’aretz newspaper, Israeli Prime Minister, Ariel Sharon, states that as part of the Sharon Plan, he intends to remove all the Jewish settlements in the Gaza Strip and that he has given an order to plan rehousing 17 of the 21 colonies. On 4th February, the spokesman for Ariel Sharon announces that Sharon is willing to hold a referendum on withdrawal. On 7th February, the Financial Times announces that the members of the Quartet are preparing to assist in implementing the Sharon plan, stating that the Plan has been the subject of indirect negotiations between Sharon and the Palestinian Prime Minister, Ahmed Qurie. On 15th February, 100 Jewish settlers start a demonstration lasting 4 days by walking from the Gaza Strip to Sharon’s house in protest over the Sharon Plan.
- On 6th February, the Israeli police question Sharon about the ‘Greek island’ scandal.

**Palestine**

- On 11th February, we learn that French public prosecutors are conducting an investigation into transfers of a sum of 11.4 million dollars to French bank accounts belonging to Suha Arafat, the wife of Yasser Arafat.

**March 2004**

**Israel**

- On 28th March, the Minister of Justice confirms that the Public Prosecutor, Edna Arbel, has advised the Chief Public Prosecutor, Menachem Mazuz, to indict Prime Minister Ariel Sharon for his part in the ‘Greek island’ corruption scandal. Opposition politicians as well as other members of the Sharon cabinet ask Sharon to resign if Mazuz decides to act in accordance with the recommendations.

**Palestine**

- On 2nd March, an unidentified armed man kills Khalil al-Zebin, Yasser Arafat’s advisor on human rights and media issues and the author of a magazine on human rights, who has criticised the Pa-
From 15th to 17th March, Israeli for-
fice in October 2003. Prime Minister Qurie. It would have been
much needed meeting with Palestinian

In retaliation, Ariel Sharon cancels a
li port of Ashdod, which kill 10 Israelis.

• On 14th March, Hamas and the Al-
gade in Jenin.

militants from the Al-Aqsa Martyrs Bri-
gade in Jenin.

On 10th March, Israeli troops kill 5
people, including 9 members of Hamas,
during a raid on two refugee camps in
the Gaza Strip (Nuseirat and Bureij).

According to the Palestinian Centre for
Human Rights, 4 minors have been ki-
elled and 80 people injured.

• On 10th March, Israeli troops kill 5
militants from the Al-Aqsa Martyrs Bri-
gade in Jenin.

• On 14th March, Hamas and the Al-
Aqsa Martyrs Brigade claim responsi-
ability for two suicide attacks in the Israel-
i port of Ashdod, which kill 10 Israelis.

In retaliation, Ariel Sharon cancels a
much needed meeting with Palestinian
Prime Minister Qurie. It would have been
the first meeting since Qurie came to of-

ce in October 2003.

• From 15th to 17th March, Israeli for-
ses fire missiles at targets in the Gaza
Strip, killing at least 6 people.

• On 22nd March, Israeli forces fire
missiles from a helicopter and assassi-
nate Sheikh Ahmed Yassin, the founder and spiritual leader of Hamas, when he
is leaving a mosque in Gaza, as well as
seven other Palestinians. It is the most
significant political assassination since
the assassination of Khail al-Wazir (Abou
Jihad) in Tunisia in 1988. The news of
Yassin's assassination triggers riots in the
Gaza Strip and the West Bank, during
which Israelis kill 5 Palestinians. The
Chief of Staff of the Israeli Defence For-
ces announces that this assassination
will ease the situation in the Gaza Strip
over the long term and will encourage
moderate forces. Hamas declares that
Israel "has opened the gates of hell" and
the military arm of Hamas, the bat-
talions of Izz al-Din Qassam, accuse the
United States of complicity and call on
all Muslims to take part in the reprisals.

The Al-Aqsa Martyrs Brigade calls for
war. The Palestinian Prime Minister, Ah-
med Qurie, maintains that this assassi-
nation is a "mad and dangerous act." De-
monstrations break out in various
countries of the Middle East. The inter-
national community condemns this as-
sassination although the United States
refuse to criticise the Israeli action. The

Ministers for Foreign Affairs of the EU
condemn the assassination and call it
"extrajudicial." In the Lebanon, the Hez-
bollah fires rockets and launches mor-
tar attacks. In Egypt, the government
decides not to attend the celebrations
in Jerusalem commemorating the 25th
anniversary of the Camp David peace
agreements. In Jordan, the government
permits demonstrations - exempt from
the law requiring 48 hours' advance no-
tice to organise demonstrations. The
security forces also allow Islamists in
the opposition to go out on the streets
of Amman and demonstrate but peace-
fully. On 23 March, Hamas announces
the name of Yassin's replacement, Ab-
delaziz al-Rantissi. On 25th March, the
United States veto a Security Council re-
solution condemning Israel for the as-
sassination of Yassin, on the pretext that
the resolution does not condemn terro-
rist actions of Hamas in the same man-
ner. On 26th March, Hamas members
launch an attack against the Tel Katifa
settlement in the Gaza Strip, but are ki-
elled before they are able to enter it.

Negotiations

• On 19th March, King Abdullah II of
Jordan makes an unannounced visit to
Israel to meet Sharon. The talks concen-
trate on the Sharon Plan for unilateral re-
moval of the Jewish settlements in the
Gaza Strip.

April 2004

Israel

• On 21st April, Mordechai Vanunu, a
nuclear technician imprisoned in 1988
for having supplied information on and
photos of Israel's secret weapons pro-
gramme, is released. On leaving prison,
he tells journalists that he will continue
to fight against nuclear weapons in Is-
rael and in the world and calls on Israel
to open up the Dimona reactor for ins-
pection. Israel bans him from leaving
the country and restricts his access to
the media and foreigners.

Palestine

• On 1st April, the United Nations Re-

fugees (UNRWA) suspends its emer-
gency food aid to 600,000 Palestinians
in the Gaza Strip. This is due to new re-
strictions on access to the territory im-
posed by Israel after the Palestinian at-
tack in the Israeli port of Ashdod on
14th March.

Negotiations

• On 14th April, US policy on the Is-
raeli-Palestinian conflict undergoes a
sudden change when G.W. Bush an-
nounces his support for the Sharon
Plan which consists in keeping a part
of the territory taken from the Arabs
during the 1967 war, even though for-
er American administrations had al-
ways perceived the Israeli settlements
to be an obstacle to peace. He also
announces that the Palestinian refuge-
es will be able to return to the Palesti-
nian State in the future, but not to the
Israeli State. As a result, numerous Is-
raeli ministers who were previously op-
posed to the Plan decide to support
Sharon. The Palestinian Prime Minister
calls the change in American policy a
"catastrophe" and asks the Quartet for
an emergency meeting. Hamas, in turn,
calls on the Palestinians to renounce all
peaceful attempts to settle the conflict.

The Secretary General of the Arab Le-
ague, Amer Mohammed Musa, deplo-
res America's position which effaces
all the frameworks of previous negotia-
tions. Lebanon calls for an emergency
meeting of the General Assembly to
confirm the illegality of the US posi-
tion. King Abdullah of Jordan cancels his
visit to Washington scheduled for 21st
April in protest. While the United King-
dom cautiously supports the American
policy, various European countries con-
demn it. The High Representative for the
External and Security Policy of the Eu-
ropean Union, Javier Solana, announces
that the EU rejects any change in exis-
ting borders before the 1967 Israeli-
Arab War, except agreed upon by the
two parties.

Pakistan

• On 17th April, the leader of Hamas,
Abdelaziz al-Rantissi and co-founder of
Hamas, is killed by Israeli forces in the
occupied territories. The leader of Hamas,
General Khalid Mish'al, who is in Da-
mascus, announces that the name of the next leader will be kept secret. On 18th April, Prime Minister Ariel Sharon declares before the Government that the assassination of Rantissi is part of a double strategy which consists in withdrawing from the Gaza Strip and dealing a hard blow to the militants at the same time. The United States does not condemn this assassination, unlike European countries.

- During the third week of April, the Israeli army kills 22 Palestinians in a military campaign against Beit Lahia and Beit Hanoun in the north of the Gaza Strip in an attempt to end the repeated rocket attacks by the Palestinians on neighbouring Jewish settlements. At the end of April, incursions by the Israeli army into Nablus, Tulkarm, Jenin, Bethlehem, Hebron and Ramallah kill at least 8 Palestinians.

May 2004

Israel

- On 2nd May, through a non-binding referendum, Sharon’s party, the Likud, rejects the plan by Sharon to withdraw unilaterally from the Gaza Strip. On 3rd May, Sharon announces that he will amend his plan and continue to exert pressure to have his plan adopted. On 30th May, Sharon threatens to dismiss the ministers who do not accept the revised version of his plan which still provides for the demolition of the Jewish settlements in the Gaza Strip.

- On 5th May, the State Comptroller, Eliezer Goldberg, publishes his annual report, accusing the Minister for Housing and Construction of having spent almost 3.6 million dollars during these last three years on financing illegal construction in the Jewish settlements in the Gaza Strip, which was neither approved by the Cabinet nor by the Ministry of Defence. In two cases, the construction projects had been approved in settlements which were subject to a demolition order by the civil administration. At the beginning of May, the Chief, Prosecutor, Menachem Mazuz, after having ordered government funds for construction projects to be frozen, again authorises expenditure after putting a control system in place which aims to prevent the financing of illegal projects.

- On 6th May, the Justice Minister announces the appointment of the first Israeli Arabs to the Supreme Court of Justice.

- On 2nd May, two armed Palestinians kill a pregnant Israeli woman and her four children before being killed themselves by Israeli soldiers. Several hours later, Israeli helicopters launch missiles on a thirteen-storey building which houses the al-Aqsa radio station near Hamass. The same day, four members of the Al-Aqsa Martyrs Brigade are killed by missiles in Nablus. On 3rd May, the Israeli army demolishes around twenty houses near the place where the woman and her four children had been killed.

- On 10th May, Israel launches an operation, killing 15 Palestinians and wounding almost a hundred in an attempt to locate and destroy arms factories in the Zeitun zone in the town of Gaza. During the fighting, the Islamic Jihad blows up an Israeli armoured vehicle, killing 6 soldiers. On 13th May, Israel agrees to withdraw from the town in exchange for the remains of the bodies of the 6 Israeli soldiers killed which the main Palestinian factions were withholding. The agreement to return the remains of the 6 soldiers and to end the military occupation of Gaza is reached through the intervention of the Palestinian National Authority and Egypt.

- On 12th May, Islamic Jihad fighters blow up an Israeli armoured vehicle, killing five soldiers. On 13th May, Israel retaliates by launching several missiles on the Gaza refugee camp, killing 12 Palestinians, including civilians and destroying several houses.

- In mid May, the UN Relief and Works Agency for Palestine Refugees (UNRWA), announces that the Israeli army demolished 131 Palestinian residential buildings in Gaza during the first ten days of May, making 1,100 Palestinians homeless. According to UNRWA, 17,000 Palestinians have watched the Israeli army destroying their houses since the beginning of the second Intifada in September 2000.

- On 16th May, Israeli helicopters launch missiles on the offices of Hamas and the Islamic Jihad from the town of Gaza.

- On 16th May, hundreds of Palestinians start abandoning their houses in Rafah, following the decision by the Israeli Supreme Court authorising the Israeli army to destroy the buildings around the Egyptian border for purposes of defence. On 18th May, 1,000 Israeli soldiers and 10 tanks enter the Gaza Strip, which is the largest military incursion into the Gaza Strip since the 1967 War. The aim is to discover tunnels constructed between the Gaza Strip and Egypt used to smuggle arms and ammunition. On 19th May, the Israeli army opens fire on demonstrators in Rafah, killing 10 Palestinians. The Palestinian Authority calls this attack a “war crime” and calls for international protection. European leaders and Israeli opposition politicians condemn this violence and demands that the Israeli government end this operation immediately. On 19th May, the UN Security Council adopts Resolution 1544 (2004), requesting Israel to comply with its international obligations and not to destroy the houses in Rafah, and condemning the murder of Palestinian civilians. The United States have not vetoed this resolution, but they have abstained from voting. The end of the operation, on 24th May, leads to the discovery of two tunnels, the arrest of several Palestinian militants, the death of a military leader of Hamas, the deaths of 43 Palestinians, half of whom are civilians, and of more than 1,000 refugees.

Negotiations

- On 16th May, the American Secretary of State, Colin Powell, and the Palestinian Prime Minister, Ahmed Qurie, meet within the framework of the Economic World Forum (EWF) in Jordan. Powell asks Qurie to consider the Israeli withdrawal from the Gaza Strip as the first step towards the independence of Palestine and asks Israel to end the demolition of Palestinian homes. On 17th May, Qurie travels to Berlin, where he meets the National Security Advisor, Condoleezza Rice, who asks Qurie to put professional security forces in place to combat Palestinian militants.
June 2004

Palestine

- On 17th June, Prime Minister Ahmed Qurie visits Egypt and announces that Yasser Arafat agrees “in principle” to reform the Palestinian security apparatus, as requested by Egypt as part of Sharon’s withdrawal plan from the Gaza Strip, but Arafat states that any security unit under the control of the Prime Minister or the Minister of the Interior will answer to the National Security Council, presided over by Yasser Arafat.
- On 21st June, Fatah, the Popular Front for the Liberation of Palestine (PFLP) and the Democratic Front for the Liberation of Palestine (DFLP) make a joint declaration denouncing Sharon’s plan to unilaterally withdraw from the Gaza Strip and the security role which Egypt wishes to play in the implementation of this Plan. Egypt undertakes to station around 1,000 policemen on the border between Egypt and the Gaza Strip and to bring some hundred officials to train Palestinian security forces in the Gaza Strip. In return, Egypt asks the National Palestinian Authority to consolidate its police and intelligence forces, currently under the authority of Yasser Arafat, in three units placed under the control of the Prime Minister and the Minister of the Interior, with each being given greater powers. Egypt also wants the Palestinian factions to agree to a new ceasefire and Israel to promise the withdrawal from Gaza. This will be the first step in a wider peace initiative in the Middle East. On 25th June, the Middle East International, states that there is growing opposition from the Palestinian factions in the Gaza Strip to the security role that Egypt wishes to play.

Israel

- On 4th June, Prime Minister Ariel Sharon dismisses two ministers from the extreme right, members of the National Union (NU) party, in order to ensure a positive vote for its unilateral withdrawal plan from the Gaza Strip. On 6th June, Sharon obtains the support of his cabinet for his withdrawal plan, but at the price of agreeing to a compromise allowing the start of withdrawal to be postponed until March 2005. On 8th June, the Minister for Housing and Construction, Efi Eitam, and the Deputy Minister, Yitzhak Levy, both members of the National Religious Party (NRP), resign in protest over the adoption of this plan. As a result, the governmental coalition presided over by Sharon finds itself in a minority before the Knesset. On 14th June, Sharon survives a vote of no-confidence by the Knesset. The cabinet receives the support of the Labour Party for its withdrawal project.
  - On 6th June, an Israeli court in Tel Aviv sentences Marwan Barghouti, the Secretary General of Fatah in the Gaza Strip and member of the Palestinian Legislative Council to five life sentences plus 40 years’ imprisonment for having been found guilty of the murder of 5 Israelis during the attacks, for attempted murder and for being a member of a terrorist organisation, the Al-Aqsa Martyrs Brigade. Palestinian Prime Minister, Ahmad Qurie, and the Arab League both declare the sentence void.
  - On 15th June, the Chief Prosecutor, Menachem Mazuz, announces that there is insufficient evidence to proceed against Prime Minister Sharon and his son, Gilad Sharon, in the ‘Greek island’ corruption affair.
  - On 30th June, the Israeli Supreme Court judges that certain sections of the security wall that Israel is constructing encroach on the territory of the West Bank, breaching the human rights of the Palestinians, and orders them to be re-routed. The affair had been brought before the Court by eight towns and some 35,000 Palestinians separated from their lands by the wall. The Israeli Defence Forces promise to abide by the judgment of the Court, which is severely criticised by military leaders.

July 2004

Palestine

- In mid July, President Yasser Arafat’s appointment of his nephew, Musa Arafat, as Chief of Security in the Gaza Strip triggers a political crisis within the Palestinian leadership and forces the Palestinian Prime Minister, Ahmed Qurie, to resign. On 18th July, members of the Al-Aqsa Martyrs Brigade attack the offices of Musa Arafat in Khan Yunis demanding that the President rescind his appointment. On 19th July, Yasser Arafat withdraws the appointment of his nephew and instead appoints Abd-al-Razek al-Majaideh, who becomes...
responsible for security in all the Palestinian territories. On the same day, Ahmed Qurie announces that he will only resume his duties if he feels he is entrusted with sufficient power to restore the credibility of the Palestinian security services. On 21st July, the Palestinian Legislative Council (legislature), realising the limited authority of the government, adopt a non-binding resolution by a majority vote, requesting Arafat to accept the resignation of Qurie and to form a new government, which would have more control over the security forces as well as the authority to introduce political reforms and to fight corruption. On 27th July, Qurie announces that he will withdraw his resignation after negotiations with Arafat, who agrees to give him more power over the police and over certain security forces as well as more authority over political reforms.

Israel

- On 1st July, at the request of three Palestinians residing in the village of Nuaman, the Supreme Court orders the Israeli authorities to temporarily suspend the construction of a segment of the separation wall in southeast Jerusalem.
- From 6th to 8th July, the Director-General of the International Atomic Energy Agency of the UN (IAEA), Mohamed al-Baradei, visits Israel for the first time since 1998. He meets Sharon and high-ranking officials in the Israeli Atomic Energy Agency, with Gideon Frank as its President. At the end of his visit, al-Baradei describes Sharon’s words as hopeful. According to Sharon, when peace reigns in the Middle East, Israel will encourage the establishment of a nuclear weapon free zone.
- On 9th July, the International Court of Justice (ICJ) condemns the construction of the wall in its non-binding judgment, adding that the construction of this wall inside the Palestinian lands contravenes international law and will lead to the annexation of Palestinian territories. The ICJ requests the UN Security Council to put an end to this illegal situation and that the Palestinians affected be compensated. Only the American judge at the ICJ votes against the majority of the conclusions of the ICJ.
- The Palestinian President, Yasser Arafat, congratulates himself on the decision of the ICJ while the Israeli Prime Minister, Ariel Sharon, rejects the decision which he considers to be partial and based solely on political considerations, omitting the “sacred right to wage war against terrorism.”
- On 11th July, Sharon dismisses the Minister for Infrastructure, Joseph Partzky, after videos broadcast on television showed Partzky plotting during internal Shinui party elections to discredit his party colleague and Minister of the Interior, Avraham Poraz.
- On 19th July, a judge is assassinated for the first time in Israel. The Palestinian militant group, Al-Aqsa Martyrs Brigade, claims responsibility for this attack.

Palestine

- On 6th July, 6 Palestinians, four of whom are militants, and one Israeli officer are killed in clashes between Israeli forces and militants in the town of Nablus and the Gaza Strip.
- On 8th July, at least 8 Palestinians, including the leader of the local Hamas, Nahed Abu Odeh, die in clashes with the Israeli army in Beit Hanoun in the north of the Gaza Strip, which has been under siege since the end of June by Israeli forces in an effort to prevent Palestinian missiles from being launched on Israeli territory.
- On 11th July, the Al-Aqsa Martyrs Brigade immediately claims responsibility for a bomb attack in the centre of Tel Aviv, which kills an Israeli soldier and wounds 30 Israelis in retaliation for the deaths in the Gaza Strip.
- On 15th August, Israel releases 73 Palestinian prisoners. This release is again considered by the Palestinian side to be negligible.
- On 17th August, Israel announces that it will restore control of the four villages in the West Bank (Jericho, Qalqilya, Tulkarm and Ramallah) to the Palestinian National Authority (PNA) in the coming weeks, provided the PNA redeoubles its efforts to curb attacks.
- In retaliation for the attack on 19th August, Israel suspends all contact with the PNA, calls a halt to the project to transfer security to various villages in the West Bank and seals off the whole of the Gaza Strip and the West Bank again. Prime Minister Mahmoud Abbas suspends all contacts with Hamas and the Islamic Jihad.

Palestine

- On 8th August, the Palestinian Islamic leader of the Asbat al-Ansar group, Abdullah Shuraydi, is assassinated in the Ain al-Hilweh refugee camp near Sidon.
- After five weeks of relative calm, fighting resumes on 8th August in Nablus, killing 3 Palestinians, including two members of Hamas, as well as an Israeli soldier. On 12th August, Hamas launches counterattacks against Israeli targets. On the same day, the Al-Aqsa Martyrs Brigade perpetrates another suicide attack. Israel postpones the release of the prisoners scheduled for 13th August in retaliation for these attacks and on 14th August, assassinates the leader of the Islamic Jihad, Mohamed Sidr, in the town of Hebron.
- On 19th August, negotiations on the transfer of security to the PNA cease following a suicide attack perpetrated by a friend of Mohamed Sidr, which claimed the lives of 21 Israelis. The Islamic Jihad and Hamas claim responsibility for this attack.
- On 21st August, Israel kills Ismaïl Abu Shanab, the founder of Hamas. In retaliation, the Islamic Jihad and Hamas call off the ceasefire which had lasted for three months. The violence intensifies during the following days.

August 2004

Palestine

- On 2nd August, a Palestinian policeman throws a bomb into the cell of two Palestinians accused of collaborating with Israel.
- On 18th August, in a televised debate before the Palestinian Legislative Council (legislature), President Yasser Arafat, while avoiding commitment on the reforms requested by the Council, admits that he and the Palestinian National Authority (PNA) had made mistakes and that no real attempt had been made to reinforce law and order. He adds that even if Israeli occupation is responsible to some degree, it is
not the only reason for the Palestinian troubles.

Israel

- On 5th August, Israel and the European Commission successfully conclude an agreement which ends their dispute over the rules of origin of products from Israeli settlements in the occupied territories. These products will no longer be approved for the European market under a free trade agreement.
- On 15th August, 1,600 Palestinian prisoners begin a hunger strike organised by the three large Palestinian factions (Hamas, Islamic Jihad and Fatah) in protest over their detention conditions. On 27th August, the UN special envoy for the Middle East, Torje Roed-Larsen, urges Israel and the prisoners to end the strike and reminds Israel of its obligations under international law with regard to the protection of detainees.
- On 18th August, Sharon’s plan for unilateral withdrawal from the Gaza Strip encounters a setback during his party’s (the Likud) convention in Tel Aviv. The Party members refuse to allow Sharon to enter into negotiations with the Zionist parties with the aim of forming a new government of national unity. In a second resolution they ban coalition negotiations with the Labour Party, the opposition party that supports Sharon’s withdrawal plan. At the end of the meeting, Sharon states that he is not bound by these resolutions and that it is for him to decide whether to enlarge the coalition in order to have the support of a majority of the Knesset for his withdrawal plan. On 19th August, the leader of the Labour Party, Shimon Peres, calls for early elections, arguing that the destiny of Israel must not be placed in the hands of a few Likud rebels.
- On 20th August, the Chief Public Prosecutor, Menachem Mazuz, announces that the decision by the International Court of Justice (ICJ) declaring the separation wall around the Gaza Strip illegal “creates a new legal reality for Israel on the international scene, which may be used as an excuse or catalyst to undertake actions against Israel, including sanctions.” To show the world that Israel respects international law, Mazuz calls on the government to take the necessary measures to comply with the principles adopted by the Supreme Court in June and July.
- On 24th August, UN General Secretary, Kofi Annan, after having learnt that Israel was planning to construct more than 1,500 houses in the Gaza Strip, calls on Israel to stop building settlements in the Palestinian territories.

Palestine

- On 3rd August, three Palestinians die and more than a dozen are injured when militants explode a bomb during violent clashes with the Israeli army around the Rafah refugee camp.
- On 5th August, the Israeli army withdraws following five weeks of its presence in the north of the Gaza Strip, in an attempt to prevent the Palestinians from launching rockets. In the hours following the Israeli departure, 6 rockets are launched towards Israel. No deaths or damage are caused.
- On 6th August, Israel reopens the border between the Gaza Strip and Egypt after three weeks, finally allowing 1,500 Palestinians to return home.
- On 11th August, a suicide attack at Kalandia security checkpoint kills two Palestinians and injures 13 people, including two Israeli policemen who were controlling the checkpoint. The Al-Aqsa Martyrs Brigade claims responsibility for the attack.
- On 31st August, two suicide attacks on buses in Beersheba in southern Israel kill 16 people and injure about a hundred. These attacks are perpetrated by Hamas to avenge the assassination of two of its leaders, Sheikh Ahmed Yassin in March and Abdelaziz al-Rantissi in April. The Palestinian Prime Minister, Ahmed Qune, condemns the attacks.

September 2004

Palestine

- At the beginning of September, the Palestinian Central Elections Commission commences the registration of 1.8 million voters for a series of elections scheduled to take place at the end of 2004 and the beginning of 2005.

Israel

- At the beginning of September, opponents of Prime Minister Ariel Sharon’s unilateral withdrawal plan in the Gaza Strip publish a letter calling the plan “a crime against humanity and ethnic cleansing of the Jews,” and call upon Israeli soldiers to disobey orders to deport the “settlers.” On 12th September, thousands of Jewish settlers take to the streets of Jerusalem, calling for the organisation of a referendum on the withdrawal plan. Sharon accuses the leaders of the settlers and the extremist rabbis of using his withdrawal plan to incite a civil war. On 14th September, the Israeli Security Cabinet votes on the compensation budget (between 550 and 670 million dollars) which will be awarded to the Jewish settlers who are evacuated from all the settlements in the Gaza Strip and the four settlements on the West Bank.
- On 2nd September, Palestinian prisoners end their hunger strike. The Palestinian Minister for Prisoners Affairs, Hasham Abdel Raziq, announces that most of the demands made by the prisoners to improve their detention conditions have been accepted. This is vehemently denied by Israeli officials.
- On 8th September, the spy satellite Ofek-6 falls into the sea shortly after takeoff. The satellite’s mission was to warn Israel as early as possible in the event that Iran should launch surprise missile attacks and to provide more information on the Iranian missile programme. In August, Iran has successfully tested a new version of its ballistic missile Shahab-3 which is capable of reaching Israel.
- On 7th and 8th September, the Israeli authorities release 137 Palestinian detainees with the aim of avoiding overpopulation of the prisons.
- On 21st September, the Ha’aretz newspaper reports that the United States have agreed to sell almost 5,000 bombs to Israel in one of the largest commercial arms agreements between the two countries.
- On 21st September, the trade union confederation Histadrut organises a national strike of employees in the public
sector in protest over a payment dispute. On 22nd September, the National Employment Tribunal orders 400,000 employees to return to work and the government to pay the salaries of those public workers who have not been paid for months.

**Palestine**

- On 6th September, Israeli planes and tanks attack a Hamas training camp in the centre of the Gaza Strip, killing at least 14 militants and wounding 30, including many civilians. On 7th September, 30,000 people attend the funeral. The Palestinian Prime Minister, Ahmed Qurie, responds in an unexpected manner to the attacks, declaring that any retaliation by Hamas is justified. Qurie accuses Israel of using this attack in an attempt to block the recent efforts by Egypt to bring about peace.
- On 10th September, the Israeli army kills a Hamas commander, Abdelaziz al-Ashqar, during a large-scale operation in the north of the Gaza Strip as a result of which three militants and three civilians also lose their lives.
- On 22nd September, the Al-Aqsa Martyrs Brigade perpetrate a suicide attack in Jerusalem, killing two policemen and wounding 15 people in retaliation for the assassinations in Jenin and Nablus.
- On 23 September, three Israeli soldiers die in an attack on their military post near the Morag settlement. The perpetrator is part of the Al-Aqsa Martyrs Brigade and the Islamic Jihad.
- On 24th September, the mortar attack by Hamas on the Neve Dekalim settlement kills a young Israeli-American woman. She is the first settler in Gaza to die in this type of attack.
- On 27th September, seven Palestinians die in clashes in the Gaza Strip and in the Balata refugee camp in Nablus.
- On 29th September, two Israeli children are killed when Hamas launches two rockets on Sderot, a border town in southern Israel. Israel launches a missile attack on the Jabalya refugee camp in the north of the Gaza Strip in retaliation, killing two Palestinians and seriously wounding four.
- On 30th September, at least 23 Palestinians, half of whom are civilians, and three Israelis are killed when Israeli forces enter the north of the Gaza Strip in order to create a buffer zone.

**Negotiations**

- On 11th September, the Financial Times announces that international donors have postponed the Ad Hoc Liaison Committee meeting scheduled for 22nd September, due to continuing disinterest from the Palestinians in the withdrawal plan, vote against it in protest over the budgetary aspect of the project. On 12th October, Sharon refuses requests to organise a national referendum on his withdrawal plan and declines to call early elections. The Minister of Defence, Lieutenant-General Shaul Mofaz, opens negotiations with the ultra-orthodox spiritual leader of the opposition, the Shas Party, in order to win him over to the project. The leader of the Labour Party, Shimon Peres, warns Sharon about an imminent danger of assassination directed towards his person by extremists opposed to the plan and compares the current political situation to that of Itzhak Rabin just before his death. On 24th October, the cabinet votes in favour of a compensation plan for Jewish settlers obliged to abandon their houses. On 26 October, the Knesset approves with 67 votes to 45, 17 of which are from Likud, and 7 abstentions, the demolition plan for the 21 settlements in the Gaza Strip and four settlements in the north of the West Bank.

**October 2004**

**Palestine**

- On 13th October, registration of voters comes to an end with 1.1 million voters registered in the Gaza Strip and the West Bank, which represents 67% of the Palestinian electorate. Registration had been extended by one week due to Israeli “restrictions,” including the invasion of the north of the Gaza Strip and the military incursions into Nablus and Jenin.
- On 15th October, The Guardian quotes an Israeli information officer who states that Hezbollah is getting more involved in the Israeli conflict.
- Ten people from Hezbollah are in permanent contact with Palestinian militant groups in the Gaza Strip, mainly the Al-Aqsa Martyrs Brigade.
- On 27th October, the health of President Yasser Arafat appears to suddenly deteriorate. On 28th October, we learn that plans are afoot to have him transferred to France the following day for more extensive tests. On the same day, the Israeli authorities confirm that Yasser Arafat will be able to return to Ramallah after his treatment in France. Israel had allowed Arafat to travel abroad without guaranteeing that he would be able to return to Palestine.

**Israel**

- On 11th October, the Knesset votes against the timeframe proposed by Ariel Sharon for the implementation of his unilateral withdrawal project in the Gaza Strip. Seven members of the Likud Party, Ariel Sharon’s party, abstained from voting and many opposition members who nevertheless support the withdrawal plan, vote against it in protest over the budgetary aspect of the project. On 12th October, Sharon refuses requests to organise a national referendum on his withdrawal plan and declines to call early elections. The Minister of Defence, Lieutenant-General Shaul Mofaz, opens negotiations with the ultra-orthodox spiritual leader of the opposition, the Shas Party, in order to win him over to the project. The leader of the Labour Party, Shimon Peres, warns Sharon about an imminent danger of assassination directed towards his person by extremists opposed to the plan and compares the current political situation to that of Itzhak Rabin just before his death. On 24th October, the cabinet votes in favour of a compensation plan for Jewish settlers obliged to abandon their houses. On 26 October, the Knesset approves with 67 votes to 45, 17 of which are from Likud, and 7 abstentions, the demolition plan for the 21 settlements in the Gaza Strip and four settlements in the north of the West Bank.

**Palestine**

- On 17th October, the Israeli army ends the ‘Days of Penitence’ incursion into the north of the Gaza Strip, which had lasted 17 days in an effort to prevent Palestinian mortar attacks against Israel. The operation has cost the lives of 50 Palestinian civilians, including 26 children and adolescents, 230 houses have been destroyed or damaged and hundreds of hectares of agricultural land have been razed. On 18 October, Human Rights Watch (HRW-United States of America) accuses Israel of having systematically destroyed hundreds of houses in Rafah in order to create a buffer zone in breach of international law. HRW announces that during these last four years, 16,000 Palestinians have become homeless in Rafah and that Israel exaggerated the threat of underground tunnels between the Gaza Strip and Egypt used for smuggling arms in order to be able to destroy houses and illegally extend the buffer zone.
November 2004

Palestine

- On 11th November, 20 armed men attempt to enter the tent where the mortal remains of Arafat are lying while Mahmoud Abbas and his former Minister for Security Affairs, Mohammed Dahlan, receive condolences. Two policemen are killed and 12 people are injured. Abbas and Dahlan do not consider the events to be an assassination attempt against themselves. The armed men had been sent by Ahmad Hillis, the "official" leader of Fatah in Gaza and supporter of Arafat during his power struggle with Dahlan over the control of the security forces.
- On 26th November, Abbas is sure of winning the presidential elections since his only rival, the Fatah leader, Marwan Barghouti, currently imprisoned, announces that he will support Abbas’ candidacy.

December 2004

Palestine

- On 1st December, the Fatah leader, Marwan Barghouti, who had previously given his support to the candidacy of Prime Minister Mahmoud Abbas in the presidential elections of 9 January, decides to stand himself. On 12th December, under pressure from his opponents and his allies, Barghouti withdraws from the elections. On 13th December, Israel announces its intention to withdraw from the Palestinian territories for 72 hours to allow the elections to run smoothly.
- On 8th December, the United States give direct assistance to the Palestinian National Authority for the second time so that it can pay its electricity bill to Israel and they promise further assistance in organising the elections.
- On 23rd December, 26 towns in the West Bank vote in the first round of the local elections, the first since 1996. The results published on 26th December show that Hamas, which is standing for the first time, has made significant progress over Fatah. Hamas wins 9 councils against 16 for Fatah.

Israel

- On 1st December, Prime Minister Ariel Sharon’s minority coalition collapses when the Knesset (legislature) rejects the draft budget for 2005 with 69 votes to 43. In retaliation, Sharon dismisses all the ministers of the Shinui Party who are opposed to the budget. His government only controls 40 seats belonging to the Likud, out of the 120 seats in the Knesset. On 9th December, the Likud Central Committee authorises Sharon to extend his coalition to the Labour Party in order to ensure the government’s survival and to pursue the unilateral withdrawal plan for the Gaza Strip. On 17th December, the Likud and the Labour Party form a new coalition.
- On 5th December, an Arab-Israeli
businessman, Azam Azam, accused of spying in Egypt in 1997, is released in exchange for 6 Egyptian students arrested in Israel in August for having planned an attack on an Israeli tank in order to kill its occupants.

- On 19th December, Israel announces its intention to release 170 Palestinians. Sharon describes this decision as a goodwill gesture to Egyptian President, Mubarak.
- On 20th December, the largest group of settlements, the Yesha Council calls for the use of civil disobedience in protest over the government’s withdrawal plan. Its leader, Pinhas Wallerstein, is subject of an investigation by the Chief Public Prosecutor in order to establish whether his proposals incite violence.

**Palestine**

- On 12th December, 5 Israeli soldiers are killed and seven others injured when a bomb explodes in a tunnel under an Israeli checkpoint in Rafah on the border between the Gaza Strip and Egypt.
- On 17th December, at least six Palestinians are killed, four of whom are militants with ties to Fatah, and 24 are injured during a raid by the Israeli army near Khan Yunis in the Gaza Strip, in an effort to end the launching of rockets at the Israeli army and neighbouring settlements.

**Negotiations**

- On 22nd December, the British Prime Minister, Tony Blair, announces that he has obtained the support of Sharon and Abbas to organise a Middle East peace conference in London in March 2005. This conference will concentrate on building Palestinian capacities to guarantee security, on political reforms and on the revival of the economy following the withdrawal of Israel from the Gaza Strip.
The following chronology is a compilation of the most relevant events which have taken place within the framework of the Barcelona Process from July 2003 to December 2004.

July 2003

30th June and 1st July 2003
Cultural dialogue
Brussels: Third meeting of the group of experts on dialogue between peoples and cultures. The advisory group, made up of 19 intellectuals from both sides of the Mediterranean, deals with the North-South and South-South aspects of the cultural dialogue. Debates include the prospects of the partnership within the new politics of the enlarged Europe. [Link](http://europa.eu.int/comm/commissioners/prodi/group/spirit_en.htm)

7th July 2003
Trade
Palermo: Third Euro-Mediterranean Ministerial Meeting on Trade. The Ministers approve the new draft Protocol on Rules of Origin which allows the inclusion of all Mediterranean partners in the pan-European system of rules of origin. This system will provide a common passport for the trade of goods within the Euro-Mediterranean region, facilitating economic integration. In addition, the Ministers adopt a wide range of measures designed to harmonise, simplify and rationalise customs procedures. [Link](http://europa.eu.int/comm/trade/issues/bilateral/regions/euromed/tmc_concl_en.htm)

8th July 2003
Humanitarian aid
Brussels: The European Commission announces the granting of 10 million euros in humanitarian aid for the Palestinians in the West Bank, Gaza and Lebanon. This amount is designated to meet basic needs of food, health, housing, water and sanitation. The aid will be channelled through the European Commission Humanitarian Aid Office (ECHO) and will be implemented by the NGOs and the International Red Cross.

9th July 2003
EIB
Brussels: The European Investment Bank (EIB) announces a loan of 14 million euros to Morocco for the improvement of its port infrastructure in the ports of Tangiers, Larache, Al Jadida, Essaouira and Sidi Ifni.

9th July 2003
Association Agreement: Israel
Brussels: Third Meeting of the EU-Israel Association Committee. Matters such as the development of the peace process, the fight against terrorism and the proliferation of weapons of mass destruction and other regional issues are dealt with within the framework of political dialogue. The economic aspects focus on the agreements made over the previous year, with the renewal of agreements of scientific cooperation and the conclusion of the negotiations for greater liberalisation of agricultural trade. Key issues on the agenda to be focused on over the following months include the facilitation of trade, the environment, social issues, intellectual property and energy.

14th July 2003
Politics and security
Brussels: Meeting of Senior Officials of the Euro-Mediterranean Partnership responsible for Political and Security Issues. The priorities of the Italian Presidency are presented, amongst which are the inclusion of the Euro-Mediterranean Parliamentary Assembly with a consultative role. Within the framework of political dialogue, views are exchanged on the Commission communication regarding the Wider Europe. The partner countries express interest in partnership and dialogue with the Arab world, as mentioned in the conclusions of the European Council of Thessalonica. Finally, the need to strengthen the Euro-Mediterranean Partnership is stressed.

17th July 2003
Euro-Mediterranean Committee
Brussels: Meeting of the Euro-Mediterranean Committee. The Italian presidency presents his priorities on the economic chapters (stressing the FEMIP evaluation) and on the socio-cultural chapters (focussing on the Foundation’s project for the dialogue between cultures and civilisations). The aims of the two proposed ministerial meetings (agriculture and investment, infrastructure and energy) are also debated. For its part, the Commission presents the situation of the MEDA programmes directed at reforming the judicial system, the fight against drug trafficking, organized...
crime and terrorism, as well as themes related to migration and the social integration of immigrants.

21st July 2003
Association Agreements: Jordan
Brussels: The EU Council of Ministers adopts Jordan’s proposal on the creation of sectoral sub-committees to enable the implementation of the Association Agreement. A similar structure has been set in motion within the framework of the EU-Morocco Association Agreement.

25th July 2003
MED Committee
Brussels: Meeting of the MED Committee at which favourable opinions are expressed on diverse topics, including the interim revision of Morocco’s National Indicative Programme (NIP). During the meeting, a green light is given to the national financing programmes of five partner countries: Algeria (25 million euros), Egypt (127 million), Jordan (47 million), Lebanon (43 million) and Morocco (213 million).

September 2003
5th September 2003
MEDA
Brussels: The European Commission announces its approval of the MEDA 2003 National Financing Plans for five Mediterranean countries, to which the MED Committee has given the green light at its meeting in July.
http://europa.eu.int/comm/environment/life/project/index.htm

5th September 2003
The environment
Brussels: The European Commission announces the approval of twelve environmental projects in eight Mediterranean Partner Countries (Algeria, Cyprus, Israel, Malta, Lebanon, Morocco, Tunisia and Turkey). They are to receive funding worth 4.2 million euros within the framework of the LIFE programme for third countries.
http://europa.eu.int/comm/environment/life/project/index.htm

8th - 9th September 2003
Cultural dialogue
Brussels: Fourth meeting of the group of experts on dialogue between peoples and cultures. The advisory group, consisting of 19 intellectuals from both sides of the Mediterranean, selects a committee responsible for preparing a draft report by the end of September. The group of experts agree on the basic principles and on the guidelines to convert them into practical projects.

10th September 2003
EIB
Damascus: The first EIB loan in support of the private sector in Syria is signed during the visit to the country by the Vice President of EIB. The 40 million-euro loan enables the Economic Ministry to set up a fund to manage the credit facilities of EIB and help small and medium-sized enterprises. The entire operation is financed through FEMIP.
http://eib.org

17th September 2003
MEDA
Brussels: Meeting of the MED Committee. The Committee welcomes the project to support Palestinian hospitals in East Jerusalem. The 2003 National Financing Plan for Tunisia is also dealt with whilst views are exchanged on the question of gender in the Mediterranean area, amongst other issues.

17th /21st September 2003
Euromed-Youth
Malta: Representatives of more than 100 youth organizations from the twelve Mediterranean Partner Countries and members of the EU meet in Malta to set in motion the Euromed-Youth platform. The platform, established in Malta, brings together more than 500 organizations from both sides of the Mediterranean with the aim of creating a network of youth organization, exchanging experiences and passing on information.
www.euromedp.org/

24th September 2003
Politics and security
Brussels: Meeting of Senior Officials of the Euro-Mediterranean Partnership responsible for Political and Security Issues. The meeting deals with the multilateral aspects of the recent Commission communication on Human Rights and Democratisation and with the Wider Europe/New European Neighbourhood Policy.

25th September 2003
Euro-Mediterranean Committee
Brussels: Meeting of the Euro-Mediterranean Committee. During the meeting, progress is made on discussions concerning the setting up of the Euro-Mediterranean Foundation for the Dialogue between Cultures and Civilisations, and on its structure. In addition, the Commission reports on the progress of the MEDA Regional Programmes: Euromed Heritage, Euromed Audiovisual and Euromed Youth, which are considered positive by the Mediterranean Partner Countries.

26th September 2003
Peace process
New York: Ministerial Meeting of the Quartet. The Quartet adopts a declaration in which members express their concern over the situation in Israel, the West Bank and Gaza which has blocked the implementation of the Road Map.

29th September 2003
Association Agreements: Morocco
Brussels: The EU and Morocco reach a preliminary agreement to revise the bilateral Agricultural Protocols as stipulated in the Association Agreement.

30th September 2003
Association Agreements: Tunisia
Brussels: Fourth meeting of the EU-Tunisia Association Council. Tunisia indicates the progress made in the dismantling of customs tariffs, the overcoming of a difficult economic climate over recent years and its expectations for the National Indicative Programme (NIP) 2005-2006. The Commission throws light on the achievements made in different fields whilst reiterating the importance of the development of political dialogue within the framework of the Wider Europe and the New European Neighbourhood Policy. The Council decides to establish six sectoral sub-committees within the Association Committee.
October 2003

13th October 2003
Wider Europe
Brussels: The EU Council of Ministers adopts the conclusions on the implemen-
tation of the European Neighbourhood Policy (ENP) - Wider Europe Ini-
tiative. The Council emphasises the EU’s intention to head for a closer dia-
logue with all countries concerned and invites the Commission to present de-
tailed proposals on the 2004 Action Plans.
http://europa.eu.int/comm/world/enp/documents/13102003_en.htm

13th /14th October 2003
Intercultural dialogue
Alexandria: Meeting of the group of ex-
perts on the dialogue between peoples
and cultures. Various proposals are pre-
sented and these are to be included in
the final report to the Commission Pre-
sident, Romano Prodi. The action pro-
posals focus on three main guidelines:
How to make education a central axis
for learning about others and respecting
diversity, how to promote mobility and
exchange, and how to make the media
a key tool for promoting equality and mu-
tual knowledge. The report will help
identify the initial activities and initia-
tives of the Euro-Mediterranean Foun-
dation.

14th October 2003
Association Agreement: Jordan
Luxembourg: Second meeting of the
EU-Jordan Association Council. Jor-
dan presents its priorities for the imple-
mentation of its democratic reforms and
expresses its interest in coopera-
ting with the EU on these matters. The
EU welcomes Jordan’s stance on Hu-
man Rights and democracy. The im-
plementation of the Association Agree-
ment and the Wider Europe are the
central themes of the meeting. In the
economic aspects the EU welcomes
with satisfaction macroeconomic stabili-
ty and the achievement of improve-
ments despite the impact of the war in
Iraq. The EU representatives encourage
the Jordanian Government to carry out
the Social and Economic Transforma-
tion Plan in order to stimulate private in-
vestment, create employment and redu-
ce poverty.

15th October 2003
Commission Communication
Brussels: In view of the forthcoming
Euro-Mediterranean Meeting of Minis-
ters of Foreign Affairs, scheduled for
2nd-3rd December in Naples, the Com-
mmission proposes the setting up of a
Euro-Mediterranean Foundation for the
Dialogue between Cultures, a Euro-
Mediterranean Parliamentary Assembly,
and a Euro-Mediterranean Bank control-
led by the EIB or strengthening FE-
MIP. In addition, the preparatory com-
munication for the Naples Conference
also proposes a series of steps to be
taken to complete the Euro-Mediterra-
nean Free Trade Area and greater co-
operation to improve democratisation
and respect for human rights.
http://europa.eu.int/eur-lex/lex/LexUri-
Serv/site/es/com/2003/com2003_0610
es01.pdf

15th /16th October 2003
Association Agreement: EU-Syria
Brussels: Eleventh round of negotia-
tions between the EU and Syria on the
Association Agreement. Negotiations
appear to be entering its final phase. All
outstanding issues are dealt with and
considerable progress is made on many
matters, although some hurdles remain.
These will be dealt with in the next
round of negotiations in December.

21st October 2003
Association Agreement: EU-Morocco
Rabat: The EU-Morocco Association
Committee holds its third meeting. The
meeting is held in an atmosphere of
cooperation with numerous agreements
concluded in the various sub-commit-
tees. Numerous topics linked to the As-
sociation Agreement are also dealt with,
such as the enlargement of the EU or
social, economic and financial coopera-
tion.

22nd October 2003
Politics and security
Rome: Meeting of Senior Officials of
the Euro-Mediterranean Partnership
responsible for Political and Security
Issues. Issues addressed are measures
of construction of the Partnership, the
Commission communication on Human
Rights in the Mediterranean and the
Wider Europe Initiative directed at the
Naples Ministerial Conference. A mee-
ting with the Euromesco Working Group
is also held to discuss the experience
of Mediterranean dialogue in the West-
tern European Union.

23rd October 2003
Euro-Mediterranean Committee
Rome: Meeting of the Euro-Mediterra-
nean Committee. Committee tackles
issues such as migration and the Euro-
Mediterranean Foundation in view of
the forthcoming Ministerial Conference.

23rd October 2003
Higher education
Brussels: The European Commission
approves a programme worth 48 million
euros to assist the Tunisian Government
in the modernisation of the country’s
higher education system. The four-year
programme focuses on strengthening
professional orientation of graduates by
supporting the setting up or reform of
training and resource centres in each
university and the promotion of univer-
sity autonomy.

24th /27th October 2003
Training
Malta: The Fifteenth Information and
Training Seminar for Euro-Mediterra-
nean Diplomats. Issues dealt with in-
clude the enlargement of the EU, Wider
Europe and the European Neighbour-
hood Policy, as well as the regular ses-
sions dedicated to each of the three
chapters of the Barcelona Process. For
the second time, diplomats from the
acceding countries participate.
www.euromed-seminars.org.mt

25th October 2003
Association Agreement: EU-Morocco
Brussels: Moroccan and EU negotiators
reach a final agreement to revise the bi-
lateral Agricultural Protocols of the As-
sociation Agreement. Both parties agree
to liberalise agricultural trade over the
next four years. These agreements,
achieved after negotiations started in
2001, are to be sent to the Commission
and to the EU Council of Ministers for
their formal approval.

28th October 2003
Transport
Brussels: Fourth Euro-Mediterranean
Transport Forum Issues such as trans-
port cooperation in the MEDA progra-
me and plans to define the Euro-Mediterranean transport network are discussed. Prospects for cooperation in maritime security, navigation by satellite and air transport agreements are also dealt with.

**November 2003**

4th November 2003

*Wider Europe*

**Brussels:** The Foreign Affairs Committee of the European Parliament approves a report on Wider Europe. This report outlines three policy groups to be developed with the new neighbours of the European Union.

www2.europarl.eu.int/omk/sipade2?PUBREF=-//EP//NONSGML+REPORT+A5-2003-0378+0+DOC+PDF+V0/EN&L=EN&LEVEL=3&NAV=S&LSTDOC=and

6th /7th November 2003

**Malta:** Meeting of economic and social committees and similar institutions in the Mediterranean area. Issues dealt with are the participation of the civil society in the Euro-Mediterranean Partnership, the impact of new technology on employment and Trans-Euro-Mediterranean Energy Networks.

http://esc.eu.int

11th November 2003

**EIB**

**Brussels:** The EIB announces a loan to Morocco worth 180 million euros to be allocated for investment in road and water infrastructure, as well as for vocational training and micro-credits. That same day, the EIB announces the concession to Tunisia of various credits totalling 90 million euros, to be set aside for investment in the natural gas infrastructure and in the steel industry.

11th November 2003

**FEMIP**

**Naples:** Third meeting of the FEMIP Ministerial Committee. The participants assess the first year of operation of FEMIP which has offered more than 1.8 billion euros in new loans and has approved another 1.8 billion euros related to new investment operations. FEMIP’s future is examined in view of the proximity of the European Council’s decision.

17th /18th November 2003

*Association Agreement: EU-Israel*

**Brussels:** Fourth meeting of the EU-Israel Association Council. Issues tackled include the peace process and the Road Map, the humanitarian situation in Palestine, Iran and Iraq. Israel welcomes the Wider Europe initiative. Among the economic issues highlighted is the rules of origin, on which more comprehensive negotiations are anticipated.

20th November 2003

**Energy**

**Brussels:** Meeting of the Euro-Mediterranean Energy Forum to prepare the Naples Ministerial Conference on investment, financing of infrastructure and energy security. On-going MEDA projects are also discussed and a report on Euro-Mediterranean energy initiatives is presented.


20th November 2003

**European Parliament**

**Strasbourg:** The European Parliament approves two resolutions relevant to the Euro-Mediterranean Partnership. The first concerns Euro-Mediterranean relations in view of the Naples Ministerial Conference – for which, amongst other things, requests have been made to change the Euro-Mediterranean Parliament into a Parliamentary Assembly. The second resolution makes reference to the Wider Europe-New Neighbourhood Policy.

www2.europarl.eu.int/omk/sipade2?PUBREF=-//EP//NONSGML+TA+P5+TA-2003-0518+0+DOC+PDF+V0/ES&L=ES&LEVEL=4&NAV=S&LSTDOC=and


28th /30th November 2003

**Civil society**

**Naples:** The European Commission supports Euromed Civil Forum. With more than 200 participants, the Forum adopts a declaration ‘Building bridges, not walls’, presented at the Ministerial Conference. The declaration requests for a plan of action for the civil society in the area, a sustainable agricultural policy, rural development as well as for the organization of a Euro-Mediterranean meeting of Employment Ministers.

30th November 2003
Local cooperation
Venice: Meeting of mayors of Euro-Mediterranean cities to discuss cooperation between municipalities. One of the issues dealt with at the meeting is the MED’ACT pilot project within the MEDA programme. The mayors request the Ministers meeting in Naples to accept the proposal of a regional programme dedicated to cooperation between local powers.

December 2003

1st /2nd December 2003
Energy
Rome: Euro-Mediterranean Ministerial Conference on Energy at which an agreement is reached on the principle of a Euro-Mediterranean energy policy for the promotion of the security of supplies, competitiveness market transparency and environmental protection.

2nd December 2003
Energy
Rome: Signing of an agreement of strategic cooperation between Israel and the Palestinian National Authority, with the objective of creating the basis for energetic dialogue between both parties for the identification and promotion of interconnection projects of common interest.

2nd /3rd December 2003
Ministerial Conference
Naples: Sixth Euro-Mediterranean Conference of Ministers of Foreign Affairs (Barcelona VI). The ministers review the progress made in the Euro-Mediterranean Partnership, the most prominent issue being the creation of the Euro-Mediterranean Parliamentary Assembly - granted a consultative role in the Barcelona Process. With regard to FEMIP, the ministers welcome with satisfaction the conclusions of the EU Council of Ministers to strengthen it within the EIB. They also decide to create the Euro-Mediterranean Foundation to promote dialogue between cultures and civilisations. In addition, the ministers analyse various political matters such as the peace process in the Middle East, the fight against terrorism, and democratisation and human rights. They review progress made in the three chapters of the partnership.
www.medobs.net/documents/Docs-Claus/Naples03(en).pdf

5th /6th December 2003
5+5
Tunisia: Summit of Heads of State and Government of the group of Western Mediterranean countries "5+5" with the participation of the President of the European Commission. The participants welcome the EU Neighbourhood Policy and, in particular, the implementation of sub-regional integration policies in the Mediterranean backed by the conclusions of the Naples Ministerial Conference.

8th December 2003
Association Agreement: EU-Syria Damascus: The twelfth round of EU-Syria negotiations for the Association Agreement reaches technical agreement with regard to the outstanding issues. This text should be politically approved by all parties before coming into effect. With this text, the EU concludes Association Agreements with all Mediterranean Partner Countries.

11th December 2003
Humanitarian aid
Brussels: The European Commission announces its decision to offer 13 million euros as supplementary aid to support the most vulnerable populations of the Middle East through the European Commission Humanitarian Aid Office (ECHO). The aid is for the Palestinian population in the West Bank and Gaza, Palestinian refugees in Lebanon and Iraqi refugees in camps in Jordan.

11th December 2003
FEMIP
Algiers: A loan of 230 million euros from the EIB is signed for the reconstruction of public infrastructure and social housing in the areas affected by the earthquake in May.

22nd December
Science and technology
Brussels: The Council of Ministers approves scientific and technical cooperation agreements with Morocco and Tunisia. These agreements will facilitate the participation of both countries in the activities of the EU’s Sixth Framework for Research and Development Programme. Both agreements will come into effect when they have been approved by the Moroccan and Tunisian Parliaments respectively.

January 2004

1st January 2004
Association Agreement: EU-Egypt
Trade provisions of the EU-Egypt Association Agreement come into effect by virtue of an Interim Agreement approved by the Council of Ministers on 19th December.

1st January 2004
Agriculture
The agreements on the liberalisation of agricultural trade with Israel and Morocco come into effect, following its approval by the Council of Ministers on 22nd December. These agreements replace the protocols of the respective Association Agreements with respect to reciprocal agricultural trade.

9th January 2004
Humanitarian aid
Brussels: The European Commission announces the provision 5.14 million euros in humanitarian aid for the Sahrawi refugees in Algeria. The funds, managed by the European Commission Humanitarian Aid Office (ECHO) and implemented by humanitarian agencies on the ground, are allocated to provide food, healthcare and training.

21st January 2004
Politics and security
Brussels: Meeting of Senior Officials of the Euro-Mediterranean Partnership responsible for Political and Security Issues. The Irish Presidency presents its programme. The meeting deals with issues such as the follow-up of the Naples Ministerial Conference, ways to
improve the implementation of the Barcelona Process and relations with the Euro-Mediterranean Parliamentary Assembly.

22nd January 2004
Euro-Mediterranean Committee
Brussels: Meeting of the Euro-Mediterranean Committee. The Committee discusses requirements for the creation of the Euro-Mediterranean Foundation, including its location and budget. The Irish Presidency presents its programme with respect to the Barcelona Process.

February 2004

10th February 2004
Enlargement
Brussels: The European Council authorises the Commission to open negotiations with the Mediterranean Partner Countries which have concluded Association Agreements. This is an attempt to adapt these agreements to the enlargement of the EU on 1st May. The adaptation mainly affects trade in agricultural products and some customs procedures.

16th /17th February 2004
FEMIP
Marseille: First meeting of the FEMIP Experts Committee. The experts address subjects such as privatisation, with emphases placed on the importance of establishing an appropriate regulatory environment or access by private companies to various sources of finance. More efforts are to be made in three main areas: the reform of the banking sector, greater transparency in company accounts and the development of new financial products.

17th February 2004
Aviation
Brussels: The European Commission announces that it has asked the European Council for a mandate to negotiate a Euro-Mediterranean Aviation Agreement with Jordan, Lebanon and Morocco. These three countries are the first Mediterranean partners to be selected by the Commission for the setting up of these agreements. The agreements open up markets between the EU and these countries and promote cooperation in the sector.

19th February 2004
Migration
Brussels: The European Council adopts a Regulation setting up a programme for financial and technical assistance to non-EU countries in the field of migration and asylum. The programme, known as AENEAS, is designed to offer specific solutions to the needs of these countries, including Mediterranean Partner Countries, in their efforts to manage the different aspects of migratory movements.

24th February 2004
Association Agreement: EU-Lebanon
Brussels: Third meeting of the Cooperation Council. The meeting addresses issues such as the Association Agreement, the enlargement of the EU, the implementation of the Interim Agreement and the economic situation in Lebanon. In the meeting, prior to the political dialogue, the situation in Lebanon, the peace process in the Middle East and Iraq are also discussed.

25th February 2004
Agadir Agreement
Agadir: Signing of the agreement of a Mediterranean Arab Free Trade Area between Egypt, Jordan, Morocco and Tunisia. The agreement creates a market of more than 100 million people in the four signatory countries which have also signed the Association Agreements with the EU, in an important step towards the creation of a Euro-Mediterranean Free Trade Area. This initiative of sub-regional integration has received the support of the EU since the signing of the Agadir Declaration in May 2001. In addition, a MEDA assistance programme of 4 million euros will be provided.

26th February 2004
Humanitarian aid
Brussels: The European Commission approves emergency aid of 975 million euros for the victims of the earthquake in northern Morocco. This aid is channelled through the European Commission Humanitarian Aid Office (ECHO) and is intended to cover the initial basic needs regarding medical assistance, drinking water, hygiene and shelter.

27th February 2004
Libya-EU
Sirte: A meeting is held between the European Commission President, Romano Prodi and the Libyan leader Muammar Gaddafi, who underlines that Libya is prepared to start working to join the Barcelona Process. To carry out effective monitoring, the Commission will send a multidisciplinary mission and will ask the EIB to plan a similar mission. Furthermore, the Commission will ask Libya to send a group of senior officials in order to familiarise themselves with and learn about EU institutions and the Barcelona Process.

March 2004

4th March 2004
EIB
Ankara: A EIB loan of 205 million euros is granted to Turkey. The funding, as global loans, will be channelled through five Turkish banks to small-scale businesses engaged in industry, services and tourism. Out of the banks through which the loans will be channelled, three are new partners of the EIB. These banks will, thus, receive technical assistance from the newly created FEMIP Technical Assistance Fund.

5th March 2004
Humanitarian aid
Brussels: The European Commission announces the provision of 1 million euros in emergency aid for the 13,000 people who have lost their homes over recent months as a result of the Gaza Strip demolitions. Homeless families will receive compensation in cash to pay for alternative housing until their resettlement is possible. The funds, channelled through ECHO, will be sent to the United Nations Relief and Works Agency for Palestine Refugees (UNRWA).

8th /9th March 2004
MED Committee
Brussels: Meeting of the MED Committee in which the 2005-2006 National Indicative Programmes (NIP) of Algeria, Egypt, Jordan, Lebanon, Morocco,
Syria and Tunisia are welcomed. Also considered very positive is the Regional Indicative Programme, including the support of FEMIP and the consolidation of the Euro-Mediterranean Research Networks (EuroMeSCo and FEMISE). MEDA's contribution to the Euro-Mediterranean Foundation, programmes to promote cooperation between cities and local authorities (MEDACT) and the Euromed Youth programme, amongst others.

17th March 2004
Energy
Jerusalem: The Fourth EU-Israel/Palestinian Authority Ministerial Meeting on Energy leads to the signing of an agreement on the setting up of a joint Energy Office. The Office will bring together experts from the two sides and the EU to carry out feasibility studies for a joint power station. Plans will be laid down for the rehabilitation and development of the Israeli-Palestinian energy infrastructure of common interest with the aim of improving the security of supply.

17th March 2004
Politics and security
Brussels: Meeting of Senior Officials of the Euro-Mediterranean Partnership responsible for Political and Security Issues. During the meeting, they agree to hold an ad hoc meeting on terrorism focusing on ways of improving operational joint action starting with measures against the financing of terrorism. They also discuss improvements in their working methods and agree to set up two groups on Partnership building measures and the European Neighbourhood Policy.

18th March 2004
Euro-Mediterranean Committee
Brussels: Meeting of the Euro-Mediterranean Committee. Various issues related to the future Euro-Mediterranean Foundation (location, financing and statutes, amongst others) are dealt with. It is decided that agreement should be reached on these matters before the Foreign Affairs Ministers meeting in Dublin.

22nd March 2004
European Council
Brussels: The EU Council of Ministers adopts conclusions on the Strategic Partnership with the Mediterranean and the Middle East. The conclusions refer to the Interim Report prepared by the EU Presidency, the European Council Secretariat and the European Commission. The document sets objectives and principles for cooperation with the Mediterranean Partners as well as other countries in North Africa and the Middle East, with a view to promoting "the development of a common zone of peace, prosperity and progress." The strategy should be adopted at the European Council in June.


22nd /23rd March 2004
Parliamentary Assembly
Athens: Inaugural session of the Euro-Mediterranean Parliamentary Assembly. The Assembly is made up of representatives of the European Parliament, of the majority of Parliaments of EU Member Countries and of all the Parliaments of the Mediterranean Partner Countries. It also includes the presence of observers from other countries such as Libya, Mauritania, Romania and certain Balkan countries. The Assembly adopts rules of procedure and elects the members of the governing body and of the various committees.

25th /26th March 2004
The Middle East
Brussels: The European Council adopts conclusions on the peace process in the Middle East in which they express their concern for the situation and the deepening of the Israeli-Palestinian conflict. The European Council confirms the Road Map as the basis for reaching a peaceful solution, as well as reasserts the need to deal with the crisis in the region from a global perspective. The Strategic Partnership with the Mediterranean and Middle East is also approved.


29th /30th March 2004
EuroMeSCo
Barcelona: Annual conference of the Euro-Mediterranean network of International Relations Institutes. The central theme of the conference is 'The Mediterranean and the New Strategic Scenario'. Academics, as well as representatives of the European Commission, participate in the conference.

www.euromesco.net

April 2004

7th April 2004
Free trade
Ankara: A Free Trade Agreement between Turkey and Morocco is signed, welcomed by the European Commission as a significant stepping stone towards the setting up of a Euro-Mediterranean Free Trade Area. Amongst other factors, the two countries anticipate using the pan-European rules of origin.

16th April 2004
The Middle East
Tullamore: Informal meeting of EU Foreign Ministers. The Ministers approve a statement on the Middle East, in which the EU reaffirms its commitment to a negotiated two-State solution resulting in a viable, independent and sovereign Palestinian State existing in peace with Israel on the basis of recognised and secure borders.


21st April 2004
MED Committee
Brussels: Meeting of the MED Committee which favourable opinions are given on the National Financing Plans for Algeria (37 million euros), Lebanon (18) and Syria (53), as well as the first part of the MEDA Regional Financing Plan (78).

21st April 2004
Association Agreement: EU-Egypt
Brussels: The EC Council of Ministers adopts the decision to approve the EU-Egypt Association Agreement. With this decision, the final procedures for ratification of the Agreement by Europe are finalised and the Agreement will come into effect on 1st June 2004.

23rd April 2004
MEDA
Brussels: The European Commission
announces the provision of 35 million euros of MEDA funds for Algeria, Egypt, Jordan, Lebanon, Morocco, Syria and Tunisia. The new funds complement the National Financing Plans 2002 and are earmarked for the implementation of the TEMPUS programme in the Mediterranean countries and for the programme of rehabilitation of areas affected by terrorism in Algeria.

23rd /26th April 2004 Training Malta: The Sixteenth Information and Training Seminar for Euro-Mediterranean Diplomats deals with issues such as the enlargement of the EU, Wider Europe and the New European Neighbourhood Policy, as well as the regular sessions dedicated to each of the three chapters of the Barcelona Process. Diplomats from the acceding countries participate for the second time. www.euromed-seminars.org.mt

26th April 2004 The Middle East Brussels: The EU Council of Ministers deals with the proposal for disengagement from Gaza for the next Quartet Ministerial Meeting. After the discussion, the Council adopts the declaration of the Presidency, approved at the informal meeting of Foreign Affairs Ministers on 16th April. http://europa.eu.int/comm/external_relations/ euromed/publication/euromed_report75_en.pdf

26th April 2004 Association Agreement: EU-Morocco Luxembourg: Fourth meeting of the EU-Morocco Association Council. The meeting deals with the implementation of the Association Agreements and the European Neighbourhood Policy. The political dialogue also addresses issues such as the fight against terrorism, the situation in the Middle East and the EU Strategic Partnership for the Mediterranean and the Middle East.

May 2004

4th May 2004 MEDA Brussels: The European Commission announces the approval of funding of 1.243 billion euros within the framework of the MEDA programme for cooperation with seven of the Mediterranean Partner Countries and for the Regional Programme for the period 2005-2006. The operations are governed under the Regional Indicative Programme 2005-2006 (215 million euros) and the National Indicative Programmes of: Algeria (106 million euros), Egypt (243), Jordan (110), Lebanon (70), Morocco (275), Syria (80) and Tunisia (144).

4th May 2004 Cooperation Brussels: The European Commission, the European Investment Bank and the World Bank sign a memorandum to increase coordination of donors in the Middle East region and North Africa. This agreement, signed by senior officials of all three institutions, is aimed at avoiding duplication of efforts or competition between institutions and favour institutional and technical coordination and carry out joint projects.

5th /6th May 2004 Interim Ministerial Conference Dublin: In the first conference with 35 Partners as members with full rights (25 from the EU and 10 Partner Countries), an agreement is reached on the Euro-Mediterranean Anna Lindh Foundation for the Dialogue between Cultures with its headquarters in Alexandria. The meeting serves to highlight the common commitment to the Barcelona Process and to tackle matters of common interest such as the EU Strategic Partnership for the Mediterranean and the Middle East, the European Neighbourhood Policy, the peace process in the Middle East and the situation in Iraq. The Ministers point out that Europe is the most important actor in the Mediterranean region in terms of trade and aid. http://europa.eu.int/comm/external_relations/ euromed/publication/2004/euromed_report_76_rev1en.pdf

13th May 2004 Neighbourhood Brussels: The European Commission adopts a Strategy Paper on the European Neighbourhood Policy. The paper discusses how to extend the benefits of enlargement to the Union’s neighbours including the Mediterranean countries. The Commission also adopts situational reports on various countries such as Israel, Jordan, Morocco, Palestine and Tunisia. The Commission also publishes a resolution on the Middle East Peace Process, which declares that a two-state solution with equal rights and security for all peoples is the only solution to the conflict. The resolution also calls for the immediate implementation of the Roadmap and for an end to all forms of violence.

13th May 2004 Humanitarian aid Brussels: The European Commission announces the granting of 28 million euros in humanitarian aid for more than one million Palestinians in a vulnerable situation in the West Bank and Gaza, as well as for the refugees in Lebanon. The aid, channelled through ECHO to the Union Nations agencies, the Red Cross and various NGOs operating on the ground, is allocated for food, water, healthcare and emergency services, as well as for the creation of jogs.

14th May 2004 Fisheries Brussels: The European Agriculture Commissioner, Franz Fischler, welcomes the creation of a trans-Mediterranean association of fishing organisations as a very important development for sustainable fishing in the region. The Medisamak Association, which receives financial support from the EU, is made up of organisations from eleven countries (Albania, Algeria, Egypt, France, Greece, Italy, Libya, Malta, Morocco, Spain and Tunisia).

17th May 2004 The Middle East Brussels: The EU Council of Ministers discusses the peace process in the Middle East and condemns the terrorist
attacks on Israel as well as the demolition of Palestinian houses in Rafah (Gaza).

June 2004

1st June 2004

Association Agreement: EU-Egypt
The EU-Egypt Association Agreement comes into effect. The agreement has been ratified by the Egyptian Parliament, the European Parliament and the Parliaments of the EU Member States. The first meeting of the Association Council is scheduled to take place in mid June.

1st June 2004

EuroMeSCo
Dublin: Meeting of Senior Officials of the Euro-Mediterranean Partnership responsible for Political and Security Issues with representatives from the Euro-Mediterranean network of foreign policy institutes (EuroMeSCo). Issues dealt with at the meeting are the future of the partnership, the prospects for cooperation on civil protection and security, governance, human rights and cooperation from the civil society. The meeting is preceded by the EuroMeSCo General Assembly at which several institutes from the new EU Member States are accepted as members.

www.euromesco.net

2nd June 2004

Politics and Security
Dublin: Regular meeting of Senior Officials of the Euro-Mediterranean Partnership responsible for Political and Security Issues. The results of the Ministerial Conference in May, the Strategic Partnership for the Mediterranean and the Middle East, the rights of the child and the situation in the Middle East are some of the issues dealt with.

3rd June 2004

Euro-Mediterranean Committee
Dublin: Meeting of the Euro-Mediterranean Committee. At the meeting, the Ministerial Conference in May on the economic and sociocultural chapters of the Barcelona Process is considered positive. The meeting discusses the status of the Euro-Mediterranean Foundation as well as the need to continue with the next phases of its implementation as soon as possible.

7th June 2004

FEMIP
Alexandria: Fourth Ministerial meeting of FEMIP. The achievements of FEMIP during 2003 are viewed favourably. It has loaned 2.1 billion euros to the Mediterranean Partner Countries, with almost half of it earmarked for private sector projects. The future development of FEMIP is also dealt with at the meeting.

8th June 2004

Transport
Santiago de Compostela: The Ministerial meeting on the Wider Europe for Transport decides to set up a high level group to reach an agreement on the expansion of the Trans-European transport networks (TEN) to the EU’s neighbours, including Mediterranean Partner Countries.

10th /11th June 2004

Economic transition
Brussels: The eighth Annual Conference of Euro-Mediterranean Experts on Economic Transition takes place under the title ‘A legal and regulatory environment for an efficient market economy’. The sessions deal with subjects such as the extension and effectiveness of legal systems, judicial reforms and economic development, and the policies of competition and legal frameworks.

14th June 2004

Association Agreement: EU-Egypt
Luxembourg: First meeting of the EU-Egypt Association Council, after the Association Agreement came into force. The discussions focus on the implementation of the Agreement, the Barcelona Process and the European Neighbourhood Policy.

16th June 2004

MED Committee
Brussels: The Committee members welcome the National Financing Plan 2004 for Jordan (30 million euros) and for the West Bank and Gaza (101.25 million euros). They also discuss the National Financing Plan 2004 for Egypt, the decision on which will be taken in July. An additional programme for Palestinian refugees in Lebanon which forms part of the Regional Financing Plan 2004 is also welcomed.

17th /18th June 2004

European Council
Brussels: The meeting of the European Council adopts conclusions on diverse subjects affecting Mediterranean countries, such as: European Neighbourhood Policy, inviting the Commission to conclude conversations started with Jordan, Morocco, Tunisia, Israel and Palestine and to prepare action plans with Egypt and Lebanon. The final report on the strategic partnership with the Mediterranean and Middle East is also adopted, directed at Mediterranean Partner Countries such as Libya, Gulf Cooperation Council countries, Yemen, Iraq and Iran. The Council also adopts conclusions on the peace process in the Middle East.


21st /22nd June 2004

The environment
Brussels: The Sixth Meeting of Short and Medium-Term Priority Environmental Action Programme (SMAP) Correspondents. The meeting welcomes the aims of the third phase of SMAP, which stresses on the importance of wide participation and the places priority on protection of coastal areas. In addition, some activities of Euro-Mediterranean cooperation on environmental issues such as METAP, Plan Blue or those of the EIB are presented.

http://europa.eu.int/comm/environment/smap/home.htm
24th June 2004
Association Agreement: EU-Jordan
Amman: The second meeting of the EU-Jordan Association Council decides to activate six thematic sub-committees in relation to the draft Action Plan agreed upon by the EU and Jordan on 23rd June within the framework of the European Neighbourhood Policy. Within the atmosphere of political dialogue, participants deal with the abolition of the death penalty, the peace process in the Middle East, the government reform programme and human rights. There is also an exchange of views on the implementation of the Association Agreement. The Council decides to strengthen cooperation for the promotion of the investment (at home as well as overseas) and to open negotiations to make progress in the trade liberalisation of agricultural products.

25th /26th June 2004
Civil society
Limassol: First extended Meeting of the Euro-Mediterranean Non-Governmental Platform for the Euromed Civil Forum in which more than 80 representatives of different Euro-Mediterranean networks participate. A charter of common values and of principles for membership to the Platform is adopted at the meeting. The meeting also establishes an action plan, a follow-up committee and a modus operandi for the transition period until the meeting of the Foundation’s General Assembly due to take place in May 2005.

July 2004

12th /13th July 2004
The Middle East
The Council of the European Union makes a declaration following the decision of the International Court of Justice in The Hague on the construction of the separation barrier in Palestinian territory. The Presidency of the Council stresses that the political process based on the Road Map is above other considerations.

13th July 2004
GALILEO
Brussels: An agreement is signed in relation to the European satellite navigation programme, GALILEO, between the EU and Israel. The agreement anticipates cooperation in activities related to satellite navigation in a wide range of sectors, especially in science and technology, but also in industrial production and market development, as well as standardisation, frequencies and certification.

14th July 2004
Politics and security
Brussels: Meeting of the Senior Officials of the Euro-Mediterranean Partnership responsible for Political and Security Issues. The priorities of the Dutch Presidency are presented whilst working methods of the Euro-Mediterranean Partnership are debated.

14th July 2004
MED Committee
Brussels: At the MED Committee Meeting, the National Financing Plan 2004 for Morocco (79 million euros) is viewed favourably. This includes a programme of support for the reform of Public Administration, and the Regional Financing Plan 2004 Part II (19 million euros) which includes the MED-ENEC programme on energy efficiency in the construction sector.

15th July 2004
Euro-Mediterranean Committee
Brussels: The priorities of the Dutch Presidency for the economic and socio-cultural chapters of the Barcelona Process are presented at the Euro-Mediterranean Committee meeting. Other matters dealt with are the different steps which have been taken towards the setting up of the Anna Lindh Euro-Mediterranean Foundation with the appointment of its executive director, Traugott Schöflthaler, the negotiation of the statute of the Foundation and the proposals on the network of national networks, of which the Foundation is to constitute.

15th July 2004
Transport
Brussels: The European Commission proposes the extension of the European ‘Marco Polo’ programme to the Mediterranean Partner Countries, designed to favour the transportation of goods by alternate means other than by road. The conditions of participation of the Mediterranean Partner Countries are to be defined through bilateral relations.

16th July 2004
Dutch Presidency
The Meeting of the EU Council of Ministers takes note of the priorities of the Dutch Presidency for the second semester of 2004 with respect to the implementation of the EU Common Strategy in the Mediterranean Area. The Presidency will focus on the Middle East peace process, on reinforcing and deepening the Barcelona Process through the implementation of the European Neighbourhood Policy, on the setting up of the Euro-Mediterranean Free Trade Area and on the Anna Lindh Euro-Mediterranean Foundation.

26th July 2004
Humanitarian aid
Brussels: The European Commission decides to earmark 8 million euros in aid to the 156,000 Saharawi refugees in the camps in Tindouf, Algeria. The money, channelled through the European Commission Humanitarian Aid Office (ECHO), will be allocated for food aid, access to potable water and hygiene.

August 2004

August 2004
MEDA
Brussels: Throughout the end of July and the month of August 2004 the European Commission approves programmes and operations that make up the MEDA Regional Financing Plan with a value of 92.5 million euros. The plan consists of eight regional programmes in areas ranging from the environment, audiovisual production, transport, energy, and telecommunications to employment training or access of women to the labour market. Funds are also granted to FEMIP and for a European Neighbourhood Policy programme in the energy sector. The Commission also decides to set up a sub-regional programme for the Palestinian refugees in Lebanon.
11th August 2004
Humanitarian aid
Brussels: The European Commission announces the provision of 1.35 million euros for victims of the demolitions in Rafah, in the Gaza Strip. The funds are aimed at providing accommodation for more than 10,000 people whose homes were destroyed or damaged during the incursions of the Israeli Army in the months of May and June. Part of the money is earmarked for the repair of shelters and key public infrastructure.

September 2004
6th September 2004
The Middle East
St. Gerlach: In the meeting of the EU Council of Ministers which reviews the development of the Middle East peacemaking process, the importance of the Road Map and the Quartet is reaffirmed. Furthermore, the ministers ratify their support of Israeli Prime Minister Ariel Sharon’s disengagement plan, in accordance with EU conditions.

9th September 2004
The environment
Brussels: The European Commission announces its approval of funding (5 million euros) for 13 new environmental projects in the Mediterranean Partner Countries within the framework of the LIFE programme for third countries in 2004.

20th September 2004
EIB
Ankara: The European Investment Bank announces a loan of 200 million euros to Turkey for the first fixed rail connection of the Asian and European networks across the Bosphorus by means of a tunnel. This loan is the first of a larger fund (650 million euros) endorsed by the EIB for this tunnel.

22nd September 2004
Road Map
New York: The Quartet Ministerial Meeting adopts a declaration reaffirming its 4th May declaration, and observes that no significant progress has been made on the Road Map. The Quartet urged Israel and Palestine to cooperate in ensuring clean municipal elections in Palestine as well as to coordinate the preparation and implementation of the withdrawal from Gaza.


24th September 2004
Association Agreement: EU-Egypt
Brussels: The EU Council of Ministers adopts a decision on the signing and provisional application of a protocol to the Association Agreement with Egypt. The agreement must be adapted to take into account the accession of ten new Member States to the EU since 1st May. This is the first of a series of protocols to be signed with all the Mediterranean Partner Countries and with all the countries having signed Association Agreements with the EU.

27th September 2004
Politics and security
Brussels: Meeting of Senior Officials of the Euro-Mediterranean Partnership responsible for Political and Security Issues. The Dutch Presidency proposes a meeting to discuss the European Policy on Security and Defence. It is also agreed that the EuroMeSCo network will be responsible for preparing an assessment of the ten years of the Barcelona Process in the same way that FEMISE will do so on subjects relating to the economic capital of the Partnership.

28th September 2004
Euro-Mediterranean Committee
Brussels: The Euro-Mediterranean Committee Meeting focuses, above all, on the Anna Lindh Foundation, whose Director presents his views on its running. The draft of the Foundation Statute, the network of national networks and its financing is also dealt with. The Commission announces the preparation of a meeting of senior officials to discuss the subject of the trade of agricultural products, the preparations for the Caserta Ministerial Conference on Industry and on the report of the conference on trade and services.

October 2004
3rd /4th October 2004
Industry
Caserta: Fourth Conference of Industry Ministers. The ministers decide to increase cooperation in 2005-2006 in areas such as administrative simplification, management training and financial access. Different MEDA programmes of industrial cooperation are dealt with. At the end of the conference the nine Mediterranean Partner Countries sign the ‘Caserta Declaration’ and as a result adopt the Euro-Mediterranean Charter for Enterprise, which has to represent the common framework for the development of effective policies for improved competitiveness and support to development of the private sector in the region.


6th October 2004
Accession of Turkey
Brussels: The European Commission recommends starting accession negotiations with Turkey, albeit under certain conditions. The final decisions will be taken in December at the European Council of Heads of State or Heads of Government.

11th October 2004
Libya
The EU Council of Ministers decides to lift the arms embargo against Libya and revoke the sanctions adopted in applying the UN resolutions as part of the policy of compromise with Libya, the final aim being the full integration of Libya in the Barcelona Process.
11th October 2004
Association Agreement: EU-Jordan
Luxembourg: Third Meeting of the EU-Jordan Association Council. The meeting discusses the implementation of the Association Agreement, progress on the Euro-Mediterranean Partnership and the Agadir Process, as well as the peace process in the Middle East.

13th October 2004
MED Committee
Brussels: The Committee welcomes the National Financing Plan 2004 of Tunisia (22 million euros), the supplement to the 2004 financing plan for the West Bank and Gaza (23 million euros), the 2005-06 MEDA global commitment (20 million euros) and the indicative programme and the strategy document of the neighbourhood policy for the countries of the Euro-Mediterranean Partnership.

15th October 2004
Energy
Rome: The Meeting of Energy Ministers of the Mediterranean Countries initiates the Rome Euro-Mediterranean Energy Platform, with the aim of increasing Euro-Mediterranean energy cooperation, guaranteeing the implementation of the regional initiatives agreed upon by the Energy Ministers in December 2003.

18th /19th October 2004
Transport
Brussels: First meeting of the high level group on linking Trans-European transport networks with the EU’s neighbours, set up by the European Commission after enlargement. Representatives of the Mediterranean Partner Countries and Libya attend the meeting. The participants review the selection criteria of the projects and priority axes and discuss financing and efficient use of the network.

19th October 2004
Association Agreement: EU-Syria
Brussels: The European Commission and Syria formally mark the end of the EU-Syria Association Agreement negotiations. The agreement will be subject to approval by the Syrian authorities and by the European Council before its ratification by the Syrian and European Parliaments and by Member States. It includes clauses on the fight against terrorism and on the non-proliferation of weapons of mass destruction.


25th /26th October 2004
FEMIP
Amsterdam: Second meeting of the FEMIP Committee of Experts. The committee suggests the need for the creation of a Euro-Mediterranean transport network and for the strengthening of public and private associations in the water and transport sectors.

26th October 2004
Euro-Mediterranean Committee
Brussels: Specific meeting of the Committee dedicated exclusively to the Anna Lindh Foundation. The Committee agrees upon the composition of the Advisory Council of the Foundation which will be made up of 12 members, six from the European Union and six from its partner countries. Progress is also made on drafting the statutes of the Foundation – though without fully completing them.

November 2004

4th /5th November 2004
The Middle East
Brussels: The European Council meeting adopts a declaration on the Middle East in which its solidarity with the Palestinian people is expressed (while President Arafat is hospitalised in France). The Council reiterates its commitment to a two-State solution and the Road Map. In addition, following a proposal by the senior representative, Javier Solana, the Commission approves a short-term action programme in the fields of security, reforms, elections and the economy.

10th November 2004
Terrorism and Security
Brussels: Senior Officials of the Euro-Mediterranean Partnership responsible for Political and Security Issues hold two ad hoc meetings. The first focuses on terrorism and deals with recent developments in the international forums and the presentation of a policy component of the MEDA programme on governance and the state of law. Views are exchanged on the possibilities of an anti-terrorist cooperation. The other meeting focuses on the Mediterranean aspects of the European Security and Defence Policy (ESDP), the first to be carried out in the Euro-Mediterranean form. The EU presents the Mediterranean Partner Countries with the most recent developments and possibilities for third countries to become a member of ESDP.

11th November 2004
Politics and security
Brussels: The main aim of the regular meeting of Senior Officials of the Euro-Mediterranean Partnership responsible for Political and Security Issues is to prepare the Ministerial Conference on Political and Security Issues in The Hague on 29th and 30th November.

11th November 2004
Euro-Mediterranean Committee
Brussels: Meeting of the Euro-Mediterranean Committee. Aside from preparing the ministerial conference in The Hague on 29th-30th November on economic and sociocultural issues, the draft statutes of the Anna Lindh Foundation are also approved.

18th November 2004
Association Agreement: EU-Tunisia
Brussels: Fourth Meeting of the EU-Tunisia Association Committee. Views are exchanged on reinforcing the EU-
Tunisia Association as defined in the European neighbourhood policy. In regard to this policy, Tunisia agrees in principle with the text of the national action plan for Tunisia. The work of the different sub-committees is also dealt with. The EU representatives stress the need to increase political dialogue, whilst the Tunisian representatives confirm that this dialogue will deal with all subjects, including that of Human Rights.

22nd /23rd November 2004
The Middle East
Brussels: The EU Council of Ministers adopts conclusions on the peace process in the Middle East. The Council expresses its condolences to the Palestinian people on the death of President Arafat and entrusts the Palestinian authorities the task of ensuring the organisation of a trouble-free transition.

29th /30th November 2004
Ministerial Conference

December 2004

6th December 2004
Association Agreement: EU-Jordan Amman: Third EU-Jordan Economic Dialogue Meeting, the first after the preparation of the Action Plan of Neighbourhood Policy. The implementation of the economic and social priorities established in the action plan are discussed. These priorities include the financial market, banking regulations, structural reforms, social development and economic aspects of the fight against poverty, amongst others.

7th December 2004
Technological cooperation
Brussels: The European Commission proposes to the EU Council the negotiation directives for the achievement of a cooperation agreement with Morocco on its participation in the GALILEO programme.

8th /9th December 2004
Civil Society
Rabat: A civil society conference in parallel to the G8 Forum for the Future is held. This meeting includes the participation of the EuroMed civil forum platform entitled ‘Mechanisms stimulate reform in the Arab World’.

9th December 2004
Neighbourhood
Brussels: The European Commission approves the first action plans within the framework of the European Neighbourhood Policy, which includes five Mediterranean Partner Countries (Israel, Jordan, Morocco, Palestine and Tunisia). These plans are the result of negotiations with each country. A working agenda with the EU for the next 3-5 years is defined in each plan. They do not replace the Association Agreements but rather improve on them.

9th December 2004
FEMIP
Tunisia: A FEMIP office is opened in Tunisia. The office will be responsible for the coordination of the Tunisian authorities, borrowers and the banking sector and will start operating in January 2005. The opening of the office is preceded by a conference on investment and business opportunities in Tunisia.

10th December 2004
Transport
Brussels: The EU Council of Ministers adopts a decision granting the European Commission a mandate to negotiate an agreement on aviation with Morocco. The mandate anticipates a Euro-Mediterranean agreement on aviation with the aim of opening-up the market and creating a framework for all operators.

13th December 2004
Association Agreement: EU-Jordan Brussels: The EU Council of Ministers adopts a decision on the signing and provisional application of a protocol to the Association Agreement with Egypt adapted to take into account the accession of ten new Member States to the EU since 1st May. This is the second of a series of protocols to be signed with all the Mediterranean Partner Countries and with all countries having signed Association Agreements with the EU.

13th December 2004
Association Agreement: EU-Israel Brussels: Fifth Meeting of the EU-Israel Association Council. At the meeting, the Council views favourably, the agreement on the action plan for Israel considered as a platform to deepen bilateral relations and extend the areas of cooperation.

13th /14th December 2004
Association Agreement: EU-Israel Brussels: At the EU Council meeting, the European Neighbourhood Policy Action Plans for the Mediterranean Partner Countries are approved. The Commission had approved these plans on 9th December.

15th December 2004
Association Agreement: EU-Israel Brussels: The EU-Israel Customs Cooperation Committee gives the green light to the agreement for the identification of goods exported to the Union from the settlements in the Occupied Territories, which the EU consider are not covered by the Association Agreement and, therefore, cannot be given preferential tariff treatment. The agreement is to come into force in February 2005.

16th /17th December 2004
Turkey
Brussels: The European Council of Heads of State and Government agrees that the date to open accession negotiations with Turkey will be 3rd October 2005. The Council invited the Commission to prepare a proposal for a framework of negotiations with Turkey. The Heads of State and Government also highlight the progress made within the framework of the new neighbourhood
policy. A declaration on the peace process in the Middle East is adopted, welcoming the efforts made by the Palestinian Authorities to assure a democratic transition.

20th December 2004
Association Agreement: EU-Egypt
Brussels: Signing of the protocol of the EU-Egypt Association Agreement, adapted to the Association Agreement to take into account the enlargement of the EU in May.

21st /22nd December 2004
Transport
Brussels: The Fifth Meeting of the Mediterranean Transport Forum deals with the possibility of holding the first Ministerial Conference on Transport at the end of 2005. The meeting reviews activities to be developed in 2005 and assesses ways to coordinate the activities with the work of the High Level Group for the extension of the European transport networks to the new EU neighbours.

22nd December 2004
Association Agreement: EU-Palestine
Brussels: The EU Council of Ministers adopts a decision which amends the interim Association Agreement between the EU and the Palestine Authority. In this agreement, agricultural trade between the EU and the Palestinian territories is liberalised even more as from 1st January 2005, in a demonstration of the importance the EU attaches to the interim agreement. Some of the Palestinian products which benefit from the decision are flowers, tomatoes, grapes, strawberries and olive oil.
1. NATO’s Mediterranean Dialogue and Istanbul’s Cooperation Initiative

NATO’s Mediterranean Dialogue (MD) is a forum inaugurated at the end of 1994 which brings together the member countries of the Alliance and seven Mediterranean countries: Egypt, Israel, Morocco and Mauritania (1994), Tunisia and Jordan (1995) and Algeria (2000). The main aim of this initiative is the maintenance of cordial relations between these countries and fostering greater mutual understanding in the entire Mediterranean region, as well as regional security and stability and the holding of political debates between participating countries.

Up to now, NATO’s Mediterranean Dialogue has been of a fundamentally political nature. During the whole process, the exchange of information between the NATO member countries and their Mediterranean partners has been carried out via the Mediterranean Cooperation Group, which was set up as a result of the 1997 Madrid Summit and which constitutes the heart of the debate. By means of this group, the allied countries have held periodical political debates with each of the partner countries, either separately, in the “19+1” format (26+1 since enlargement in March 2004) or jointly (19+7 or 26+7).

Within the current security context and taking into account the need to face modern challenges, including that of terrorism, greater opportunities arise for effective cooperation between the Mediterranean Dialogue partners. At the meeting held in December 2003 in Brussels, the NATO Foreign Ministers thereby make public their request to consider possible means of relationship-building between NATO and its Mediterranean partners. The idea is to be able to present, in consultation with the aforementioned partners, various options to set up a wider and more ambitious cooperation framework at the Istanbul Summit.

The Istanbul Summit, held on 28th and 29th June 2004, brings together the Heads of State and Government of the 26 NATO member countries for the first time with the aim, amongst others, of strengthening Mediterranean Dialogue. Therefore, the NATO leaders invite the seven member countries to elevate the initiative of Mediterranean Dialogue to the category of a genuine partnership, based on the enhancement of its contribution to security and regional stability through greater practical cooperation.

In addition, NATO leaders also reach out to the Middle East region through the launch of the Istanbul Cooperation Initiative (ICI), which seeks to promote co-operation with interested countries of the region, starting with the countries of the Gulf Co-operation Council (GCC). The Istanbul Co-operation Initiative therefore complements the specific relationship between the NATO countries and their Mediterranean Partners.

Equally, at the Istanbul Summit the NATO leaders uphold the possibility that Bosnia-Herzegovina and Serbia and Montenegro will take part in the Partnership for Peace programme (PIP) once the necessary requirements have been met.

Chronology June 2003-December 2004

- 4th-5th July 2003, Rome (Italy): Tasks for Transatlantic Cooperation; Peace, Institutions, and Nationbuilding in the Mediterranean and the Middle East. Conference organised by the Istituto Affari Internazionali with the support of the NATO Public Diplomacy Division and the German Marshall Fund of the United States.
- 4th-8th September 2003, Halki (Greece): SEE and the Mediterranean: Learning from and about each other. Conference organised by the Hellenic Foundation for European and Foreign Policy (ELIAMEP) and co-sponsored by the NATO Public Diplomacy Division.
- 20th-21st November 2003, Lisbon (Portugal): Dialogue and Conflict in the Mediterranean. International conference organised by the Instituto de Estudos Estrategicos e Internacionais (IEEI) and co-sponsored by the NATO Public Diplomacy Division.
- 26th-27th March 2004, Madrid (Spain): Seminar on security and cooperation in the Western Mediterranean / Maghreb and Sahara. Seminar co-organised by the Joint Command Southwest (JCSW) and Instituto Universitario “General Gutierrez Mellado” (IUGGM).
- 6th-7th May 2004, Rome (Italy): NATO, the Mediterranean and the Wider Region of the Middle East. International conference co-organised by the NATO Public Diplomacy Division and...
the NATO Defense College in Rome with the purpose of stimulating ideas for a future NATO policy oriented towards the Wider Region of the Middle East in preparation for the Istanbul Summit.

- 16th-20th June 2004, Halki (Greece): Transatlantic Cooperation in SEE and in the Wider Region of the Middle East. International conference co-organised by the Hellenic Foundation for European and Foreign Policy Studies and the NATO Public Diplomacy Division.
- 28th-29th June 2004 Istanbul Summit.
- 8th-11th September 2004, The Hague (Holland): Third AFES-PRESS GMOSS Workshop within the FIFTH PAN-EUROPEAN CONFERENCE. Sponsored by the NATO Public Diplomacy Division, the European Network of Excellence on Security, the GMOSS and the United Nations University (Tokyo).
- 8th-9th October 2004, Rome (Italy): Where are we? Where do we go from here? Transatlantic Perspectives on the Broader Middle East and North Africa. International conference organised by the Istituto Affari Internazionali, Rome, with the support of the NATO Public Diplomacy Division and the German Marshall Fund.
- 16th-17th November 2004, Brussels (Belgium): Meeting of the Military Committee with the Heads of State of the seven countries of the Mediterranean Dialogue.
- 29th-30th November 2004, London (United Kingdom): The Successor Generation in NATO, the Mediterranean and the Middle East. Conference organised by the RUSI (Royal United Services Institute for Defence Studies).
- 13th-14th December 2004, Lisbon (Portugal): The Mediterranean, the Middle East and Eastern Europe – The EU and NATO’s wider new neighbourhood. XXII Lisbon International Conference jointly organised by the IIEI and the Lisbon City Council and sponsored by the Portuguese Foreign Ministry, the NATO Public Diplomacy Division and AIP.

More information at: www.nato.int/med-dial/home.htm

2. OSCE’s Mediterranean Partners for Co-operation

At the start of the 1990s the need for international organisations to work together became evident in order to effectively face the challenges in the area of security in the Post Cold War Europe. In this context, and taking into account the fact that several member states of the Organisation for Security and Cooperation in Europe (OSCE) are on the edge of the Mediterranean, the Mediterranean dimension acquired by European security is patently clear.

The OSCE currently maintains special relations with six Mediterranean countries, known as Mediterranean Partners for Cooperation (MPC): Algeria, Egypt, Israel, Morocco and Tunisia (since 1994) and Jordan (since 1998). These relations entail the organisation of seminars devoted to dealing with matters particular to the region, holding Parliamentary Assemblies on the Mediterranean and regular meetings of the Mediterranean Contact Group with the member countries. Furthermore, the MPCs are invited to attend relevant meetings, including those in which reference is made to the three dimensions of the OSCE: politico-military, economic and human.

The OSCE Mediterranean seminars are attended by high-level representatives of the states participating in the organisation and the MPCs, as well as international organisations. Also attending are members of parliament, academics and representatives of NGOs. The aim is to promote the exchange of ideas and recommendations.

Mediterranean Seminars 2003-2004

- 20th-21st October 2003, Aqaba (Jordan): The comprehensive approach to security: The OSCE experience and its relevance for the Mediterranean region
The seminar was inaugurated by the Jordanian Foreign Minister, Shahaer Bak, and his Bulgarian counterpart, Solomon Passy. Taking part are 29 states of the OSCE: five of the Mediterranean Partners for Cooperation (all except Tunisia), two Partners for Cooperation (Japan and Korea) as well as academic institutions, international organisations and NGOs. Amongst the subjects discussed by participants is the proposal to extend the group of Mediterranean Partners for Cooperation to those countries which may wish to be part of it, as well as the possibility of strengthening the ways in which they can be associated. The seminar provides the opportunity to exchange views on confidence-building, poverty reduction, democratic institution-building and civil society development as important prerequisites for prevention of conflicts.

In the general summing up of the deliberations of the seminar, of particular interest is the proposal to carry out outreach activities in the capitals of the Member States, the setting-up of a Conflict Prevention Centre in the Mediterranean, access by the MPCs to the Permanent Council and the Forum for Security Cooperation, and the development of cooperation between the Venice Commission Council of Europe and interested MPCs.

More information at:
www.osce.org/events/conferences/2003mediterranean/


Thirty-seven member countries of the OSCE take part in the seminar, along with the six Mediterranean Partners for Cooperation and two of the Partners for Cooperation (Korea and Thailand). Amongst the statements made, that made by the president of the OSCE, the Bulgarian Foreign Minister Solomon Passy, is worth noting – he affirms that the organisation should remain open to the new partners in the Mediterranean area. One of the main messages of the seminar is the recognition that threats to global security should be addressed jointly. The proposals for future activities to this respect mention the themes of tolerance and respect, as well as paying more attention to the issue of integration of immigrants.
The Contact Group was set up within the framework of the Permanent Council of the OSCE to facilitate the exchange of information of mutual interest and the generation of ideas (Bucharest Summit, 1994). Although these meetings are informal in nature, the participating countries of the OSCE and the Mediterranean Partners are normally represented by their ambassadors. In 2003 the Contact Group meets with the Mediterranean Partners on six occasions under the Bulgarian presidency. Amongst the issues under debate are the work of the Parliamentary Assembly of the OSCE, the tasks initiated in relation to economic and environmental dimensions, the organisation’s activities in the field and the role played by the Conflict Prevention Centre. The meetings between the Contact Group and the Mediterranean Partners are preceded by a series of meetings based on points of contact which served to plan the agenda and to explore other types of cooperation in the Mediterranean dimension of the OSCE. During 2004, when the presidency is held by Slovenia, eight meetings of the Mediterranean Contact Group take place. Amongst the matters discussed at these meetings are the fight against human trafficking and issues of gender and border control. The Contact Group also invites representatives of other international organisations to the meetings, such as the director of the Venice Commission and representatives of the Presidency of the European Union in the Barcelona Process.

The activities of the Parliamentary Assembly (PA) of the OSCE deserve particular attention – with its 317 members, it constitutes the parliamentary dimension of the organisation. Founded in 1990 after the Paris Summit of the Conference on Security and Cooperation in Europe (CSCE), its main work consists of facilitating interparliamentary dialogue. The MPCs are invited to attend the sessions of the PA. Furthermore, the interest in the Mediterranean is patently clear if the existence of a Special Representative for the Mediterranean is considered. The appointment of this post is the responsibility of the President of the Assembly and has been filled since July 2004 by Scottish Representative Bruce George, who took over from the French Representative Michel Voisin. Amongst the functions of the Special Representative are, amongst others, strengthening the Mediterranean dimension of the organisation, keeping in touch with the MPCs and considering the instruments necessary to stimulate the organisation of a Mediterranean Forum under the auspices of the PA. The Forum constitutes the response to the desire to develop tighter links between the PA and the MPCs to be able to jointly tackle issues related to security and stability in the Mediterranean. Therefore, the Euro-Mediterranean Parliamentary Forum meet for the first time in Rome (Italy) on 11th October 2003. The debates are focused on the need to reinforce security in the Mediterranean and in the development of the Mediterranean dimension of the organisation. One year later, on 1st October 2004, the second round of the forum takes place in Rhodes (Greece), consisting of a series of presentations and debates centred on the fight against terrorism in the Mediterranean, as well as economic security, trade and cooperation in this region.

More information at:
Annual Report 2003 of the OSCE: www.osce.org/item/13545.html
Annual Report 2004 of the OSCE: www.osce.org/item/14066.html
Mediterranean Partners for Cooperation: www.osce.org/ec/13068.html
Parliamentary Assembly of the OSCE: www.oscepaa.org

3. Mediterranean Forum (Foromed)
The Mediterranean Forum was created in 1994 on the initiative of the then Egyptian Foreign Minister, Amr Mousa and of Alain Juppé, his French counterpart. The eleven member states of the Forum are situated on the Mediterranean coast: Algeria, Egypt, Spain, France, Greece, Italy, Malta, Morocco, Portugal, Tunisia and Turkey.

The Mediterranean Forum is a regional institution of intergovernmental dialogue. Its presidency rotates annually and a meeting of foreign ministers is held at the end of the presidency (Turkey in 2003 and France in 2004). The Mediterranean Forum does not have a permanent structure which functions as a secretariat so these functions are taken on by the coordinator appointed by the presidency in place at the time. The senior officials of the member countries meet regularly and also hold expert meetings or seminars on particular subjects. In the same manner, they also hold ad hoc ministerial meetings to deal with more specific matters.

The Foromed has some notably cultural objectives and aims to make the Mediterranean an area of peace, security, mutual tolerance and understanding, of development and prosperity, of understanding and of exchanges between the peoples of the region within a framework of promotion of law, of plural democracy and of human rights.

Ministerial meetings
• 9th-10th October 2003 Antalya (Turkey).
  Meeting marked by the crisis in the Middle East and by the situation in Iraq and its consequences for the Euro-Mediterranean region. The foreign ministers of the countries of the Mediterranean Forum express their support of the Road Map, at the same time condemning Israel’s air attack on Syrian territory. In reference to Iraq, the ministers uphold the central role of the United Nations for the stabilisation and subsequent reconstruction of the country.

  The eleventh meeting of foreign ministers, organised by the French presidency, is once again marked by the situation in Iraq and the Israeli-Palestinian conflict. The ministers have the opportunity to draw up proposals which could be incorporated in the Euro-Mediterranean Process, some months before meeting again to celebrate the tenth anniversary of the setting-up of the
initiative. The ministers thereby reaffirm their intention to re-launch the common policy of the EU in the Mediterranean region, making the Euro-Mediterranean Process the central instrument of cooperation between the two basins of the Mediterranean. Likewise, they deal with the subject of the New Neighbourhood Policy and the initiative launched by the G8 at the Sea Island meeting. The different working parties tackle issues related to the European policy of security and defence, the strategic challenges of the Mediterranean Basin in terms of security and defence, the neighbourhood policy and the adaptation of European regional policy to certain regions of the South Mediterranean. As regards neighbourhood, the eleven member countries agree on the need to establish individual agreements. Regarding the security area, the governments express their agreement on strengthening intergovernmental cooperation against terrorism, but also agree to demand that the international community effectively address the causes and roots of terrorism and, in particular, conflicts and injustices. The only reference made to the Israeli-Palestinian conflict during the Paris meeting is the Road Map, which aims to consolidate the two neighbouring states: a safe Israeli state and an independent and viable Palestinian state. In regard to the Iraq conflict, the participants express their great concern about the escalation of violence. They also defend the political process as the only way out of this spiral of violence, as described in Resolution 1546 of the United Nations.

Tunisia took over the presidency of this Forum in 2005. Egypt will host a special ministerial meeting at the beginning of 2006, within the framework of following up the tenth anniversary of the Barcelona Process.

More information at:
French Ministry of Foreign Affairs:
www.diplomatie.gouv.fr/index.es.html

4. 5+5 Dialogue

The Forum for Dialogue in the Western Mediterranean, also known as the 5+5 Dialogue, began in Rome on 10th December 1990. The states participating in this initiative are Algeria, France, Italy, Libya, Malta, Mauritania, Morocco, Portugal, Spain and Tunisia. Since this first meeting, its aim has been to strengthen and enrich political, economic and cultural dialogue between the two sides of the Mediterranean. After the Rome meeting, the consequences of the Gulf War in 1991, as well as the events which took place in Algeria and the embargo set down against Libya, amongst other factors, led to the suspension of dialogue for a decade. The Dialogue was not re-launched until January 2001 through a meeting of foreign ministers. After this meeting, the ten participating ministers agreed to meet regularly once a year, alternatively in the Maghreb and in Europe. Therefore, the following meetings took place in Tripoli (Libya, May 2002) and Sainte-Maxime (France, April 2003).

Main meetings of the period 2003-2004

• 29th-30th October 2003, Saint-Symphorien-le-Château (France): Extraordinary meeting of EU foreign ministers.

The aim of this meeting, which took place according to that agreed at the annual meeting of foreign ministers in Sainte-Maxime (9th and 10th April 2003), is twofold: on one hand, to tackle the issue of recent regional developments and their consequences for the Western Mediterranean and on the other hand, to contribute to the preparations for the First Summit of Heads of State and Government of the 5+5 Dialogue initiative.

• 5th-6th December 2003, Tunisia (Tunisia): First Summit of Heads of State and Government of the 5+5 Group. Five main themes are presented at the Tunisian Summit: security and stability in the Western Mediterranean, Maghreb economic cooperation and integration, cooperation in the social field; dialogue of cultures and civilizations and the New Neighbourhood Policy of the European Union.


• 15th-16th September 2004, Algiers (Algeria): Third Ministerial Conference on Migration in the Western Mediterranean.

With the aim of making advances at the heart of the 5+5 Dialogue initiative, special attention is paid to the theme of migration at the First Ministerial Conference on Migration in the Western Mediterranean held in Tunisia in 2002, followed by the Second Conference in Rabat in 2003. The International Organisation for Migration (IOM), the International Labour Organisation (ILO) and the International Centre for Migration Policy Development (ICMPD) participate as observers. The conclusions made during this conference follow the line set by previous meetings, insisting on the need for effective cooperation within the framework of migrations. The participating ministers are pleased with the significant results achieved at the First Summit of Heads of State and Government of the 5+5 countries, held in Tunisia on 5th and 6th December 2003, above all with that related to recommendations on migration.

Amongst the recommendations made during the conference were the organisation of meetings and seminars with experts from the two Mediterranean basins, the setting-up of sensitisation campaigns on migration, as well as the risks involved in illegal immigration or the promotion of new ways of managing migration within the framework of bilateral cooperation between the member countries of the 5+5 Dialogue. On France’s proposal it is agreed to hold the next Ministerial Conference on Migration in France in October 2005.

More information at: Conclusions of the Third Conference on Migration in the Western Mediterranean www.iom.int/en/PDF_Files/5+5/fr/releve_de_conclusion_de_la_presidence_fr.pdf


The participating ministers analyse several matters of common interest such as the fight against illegal immigration, terrorism, economic cooperation in the region and the re-launch of the Barcelona Process. The final statement of
the Conference place special emphasis on the willingness of the 5+5 members to form a solid base with which to contribute to the stability and economic integration of the region, at the same time encouraging the Euro-Mediterranean Process. In addition, the participants agree to organise a forum on business and investment in the ten member countries to be held in Tunisia throughout the second half of 2005 and to hold a meeting between the presidents of the 5+5 Parliaments in Paris in December 2004.

- 7th-8th December 2004, Paris (France): Second meeting of the Presidents of the Parliamentary Assemblies of the 5+5 countries. After the first meeting which took place in Libya in 2003, France hosts the meeting of the Presidents of the Parliamentary Assemblies of the 5+5. Along with the meetings organised within the executive field, the parliamentary meetings of the 5+5 intend to favour the process within the framework of parliamentary diplomacy. The Paris meeting focus on two key themes: during the meeting held at the French National Assembly the focus is on migration and population, and during the session held in the French Senate it is on decentralised cooperation and interparliamentary cooperation.

More information: French National Assembly
www.assembleenationale.fr/12/rap-dian/dian001-2005.asp

- 21st December 2004, Paris (France): Meeting of Defence Ministers. First meeting of the defence ministers of the 5+5 Dialogue. The participating ministers sign a common declaration on security in the Mediterranean region. In the Statement of Intentions signed by the participants, it is agreed that an Action Plan should be established. This will bring together the practical activities which will be developed as regards security. It is also agreed that annual meetings should be held by defence ministers, at which the activities carried out throughout the year will be assessed and the Action Plan for the following year approved.

More information: French Ministry of Defence:
www.defense.gouv.fr/sites/defense/base/dossiers/reunion_ministerielle_55

5. Euro-Arab Relations

The Euro-Arab Dialogue and the Euro-Mediterranean Partnership are subjects which permanently fill the agenda of the Council of the League of Arab States, in particular that of the foreign ministers, under the name of Euro-Arab Relations. Throughout 2003-2004, the Council of the League of Arab States discuss numerous matters related to both themes. The Secretary General of the League of Arab States is in charge of topics related to Euro-Arab dialogue and the Euro-Mediterranean Partnership, which featured as significant issues during the meetings held by Mr Moussa with the European leaders in the headquarters of the Secretary General of the organisation and throughout his visits to various European countries, particularly during meetings held with the leaders of the European Commission and the European presidency in place at the time. In this context, consultation is started with the European Union during the period of the Greek presidency, during which the League of Arab States participate in the ministerial meeting which takes place between 26th and 27th May. Likewise, on 26th June 2003 the League of Arab States held talks with the Irish Foreign Minister when Ireland took over the presidency of the European Union.

During its visit to Brussels on 7th and 8th October 2003, a delegation of the League of Arab States, led by the head of the Directorate General for Europe and the Euro-Arab Cooperation, held a meeting with the heads of the European Commission in which numerous issues related to Euro-Arab Cooperation are dealt with. The Secretary General of the League of Arab States also participates in the Arab coordination meeting held in Tunisia on 20th October 2003, in accordance with the recommendations of the Arab foreign ministers who took part in the Barcelona Process and which would consequently be adopted at the Cairo meeting within the framework of the meetings of the Council of the League of Arab States on 9th September 2003. Likewise, a delegation from the League of Arab States, presided over by the Under-Secretary-General for Political Affairs, participate in the ministerial meeting held in Naples on 2nd and 3rd December 2003.

During 2004, the League of Arab States launch a series of initiatives and activities aimed at all European countries through an open diplomatic channel during the Irish and Dutch presidencies of the European Union. The purpose is to highlight the organisation’s point of view on Euro-Arab Dialogue and the Euro-Mediterranean Partnership, and on other matters of common interest. In this context, the Secretary General of the League of Arab States participate in the ministerial meeting on 5th and 6th May in Dublin, as well as that held at The Hague, which took place on 29th and 30th November 2004.

More information at: www.arableagueonline.org

6. Adriatic-Ionian Initiative

On 10th June 1999, on the initiative of the European Union, the Stability Pact for Southeastern Europe is adopted in Cologne. This represents the first serious attempt by the international community to substitute the previous reactive crisis intervention policy in Southeastern Europe with a strategy of long-term conflict prevention. In this context, and coinciding with the European Union Summit hold in October 1999 in Tampere (Finland), the Italian government presents the project of the Adriatic-Ionian Initiative. The EU express its support of this initiative, whose setting-up was possible thanks to the support of another of the member states of the EU: Greece.

The Adriatic-Ionian Initiative is formally established during the Ancona Conference (Italy), held on 19th and 20th May 2000, attended by Italy, Albania, Bosnia-Herzegovina, Croatia, Greece and Slovenia. At the end of the conference, the foreign ministers sign the Ancona Declaration in the presence of representatives of the European Commission. The Declaration states that strengthening regional cooperation helps promote political and economic stability through creation of a solid base for the process of European integration. The activities of the Initiative are divided
into six round tables: the fight against organised crime, economic and touristic cooperation between small and medium-sized enterprises, environmental protection, sustainable development, transport cooperation, and cultural and inter-university cooperation.

The Initiative has no permanent bodies. Its decision-making body is the Council of Foreign Ministers (Adriatic-Ionian Council), whose agenda is prepared by periodic meetings of the National Coordinators. Likewise, it includes a presidency which rotates annually between the member countries. After the Croat, Greek and Italian presidencies, Slovenia takes over the presidency of the initiative in May 2003. The main function of this body is to preside over and organise the sessions of the six round tables which represent the framework of the activities of the initiative.

The priorities of the Slovenian presidency from May 2003 to May 2004 are to make progress in the application of international treaties for the protection of the Adriatic and integrated coastal management, amongst others. Likewise, the presidency pay special attention to cooperation in the fight against organised crime, focusing above all on the problems caused by illegal immigration, vehicle theft and drug-trafficking. In May 2004 Serbia and Montenegro take over the presidency of the Adriatic-Ionian Initiative, which they were to hold until May 2005. Amongst the main meetings held during this period is the meeting organised by the Slovenian presidency on 29th and 30th March 2004 in Portoro to discuss the subjects tackled in the previous six round tables of the initiative. The representatives of the seven member countries of the initiative subsequently meet in Przno on 15th and 16th November 2004, this time under the presidency of Serbia and Montenegro.
This chapter provides details, in Circum-Mediterranean order, of the results of the presidential and legislative elections which have taken place from July 2003 to December 2004 in independent states. If they are politically significant, the calling of referenda and elections held in autonomous entities or in other territories relevant within the international scenario may also appear.

Spain

Legislative elections

14th March 2004

Previous: 12th March 2000

Parliamentary monarchy with bicameral legislative, the National Assembly. The citizens go to the polls to elect the 350 members of the Congress of Deputies through proportional representation, and the 248 members of the Senate. In the latter chamber, 208 senators are elected in constituencies under four names whilst the remaining 40 are designated for the autonomous parliaments. The mandates are for four years. The Election Day passed without problems despite the electoral upheaval caused by the terrorist attacks which took place in Madrid on the 11th causing the death of almost 200 people.

<table>
<thead>
<tr>
<th>Parties</th>
<th>%</th>
<th>seats</th>
<th>seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spanish Socialist Workers’ Party (PSOE, social democratic)</td>
<td>42.6</td>
<td>164</td>
<td>81</td>
</tr>
<tr>
<td>Catalanian Union for Progress</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Catalan Socialist Party (PSC, regional social democratic)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Republican Left of Catalonia (ERC, pro-independence regional social democratic)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Initiative for Catalonia Greens – United and Alternative Left (ICV-EUiA, left-wing regional)</td>
<td>-</td>
<td>-</td>
<td>12</td>
</tr>
<tr>
<td>Peoples’ Party (PP, conservative)</td>
<td>37.6</td>
<td>148</td>
<td>102</td>
</tr>
<tr>
<td>United Left (IU)</td>
<td>5.0</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>United Left (IU, left-wing)</td>
<td>-</td>
<td>(2)</td>
<td>-</td>
</tr>
<tr>
<td>Initiative for Catalonia Greens – United and Alternative Left (ICV-EUiA, left-wing regional)</td>
<td>-</td>
<td>(2)</td>
<td>-</td>
</tr>
<tr>
<td>Entesa (left-wing regional)</td>
<td>-</td>
<td>(1)</td>
<td>-</td>
</tr>
<tr>
<td>Convergence and Union (CIU, regional conservative nationalist)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Democratic Convergence of Catalonia (CDC, regional conservative nationalist)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Democratic Union of Catalonia (UDC, regional Christian-democratic nationalist)</td>
<td>3.2</td>
<td>10</td>
<td>4</td>
</tr>
<tr>
<td>Republican Left of Catalonia (ERC, pro-independence regional social democratic)</td>
<td>2.5</td>
<td>8</td>
<td>-</td>
</tr>
<tr>
<td>Basque Nationalist Party (PNV, regional conservative nationalist)</td>
<td>1.6</td>
<td>7</td>
<td>4</td>
</tr>
<tr>
<td>Canarian Coalition (CC, regional conservative)</td>
<td>0.9</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Galician Nationalist Bloc (BNG, pro-independence regional left-wing)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Galician People Unity (UPG, pro-independence regional communist)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nationalist Left (EN, pro-independence regional social democratic)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Galician Unity (UG, regional social democratic)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inzar (I, regional left-wing)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Galician Nationalist Party – Galeguist Party (PNG, regional liberal nationalist)</td>
<td>0.8</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Andalusian Party (PA, regionalist)</td>
<td>0.7</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Aragonese Union (CHA, left-wing regionalist)</td>
<td>0.4</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Basque Solidarity (EA, pro-independence regional social democratic)</td>
<td>0.3</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Navarra Yes (NaBai, regional left-wing, Basque minority in Navarra)</td>
<td>0.2</td>
<td>1</td>
<td>-</td>
</tr>
</tbody>
</table>

Participation: 77.2%
**Gibraltar (United Kingdom)**

*Legislative elections*

28th November 2003  
Previous: 10th February 2000  
Self-governing overseas territory of the United Kingdom with unicameral legislative body. Of the 17 members of the House of Assembly, two are ex officio whilst the remaining 15 are elected for a mandate of four years in a single electoral constituency in which each voter chooses eight candidates.

<table>
<thead>
<tr>
<th>Parties</th>
<th>%</th>
<th>seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gibraltar Social Democrats (GSD, conservative)</td>
<td>51.5</td>
<td>8</td>
</tr>
<tr>
<td>Alliance GSLP/LIB</td>
<td>39.7</td>
<td>7</td>
</tr>
<tr>
<td>Gibraltar Socialist Labour Party (GSLP, socialist)</td>
<td>- (6)</td>
<td></td>
</tr>
<tr>
<td>Liberal Party (LIB, liberal)</td>
<td>- (2)</td>
<td></td>
</tr>
<tr>
<td>Gibraltar Labour Party (GLP, social democratic)</td>
<td>8.3</td>
<td></td>
</tr>
<tr>
<td>Ex officio members</td>
<td>-</td>
<td>2</td>
</tr>
</tbody>
</table>

Participation: 75%

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**Corsica (France)**

*Referendum*

6th July 2003  
The citizens were consulted about a reform in Government structure. This reform should bring with it greater autonomy for Corsica through the creation of a single territorial assembly which will substitute the two existing regional councils.

**Options**  
- In favour: 49.02%  
- Against: 50.98%

Participation: 61.7%

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**Slovenia**

*Legislative elections*

3rd October 2004  
Previous: 15th October 2000  
Parliamentary republic with bicameral legislative, the Slovenian National Assembly (Skupscina Slovenije). The State Council (Drzavni Svet) has 40 members, who represent local and commercial interests, amongst others. The citizens go to the polls to choose 90 members of the State Chamber (Drzavni Zbor) – 88 through the electoral system of proportional representation, with the remaining two elected by the ethnic minorities. The mandates are for four years.

<table>
<thead>
<tr>
<th>Parties</th>
<th>%</th>
<th>seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Slovenian Democratic Party (SDS, conservative)</td>
<td>29.1</td>
<td>29</td>
</tr>
<tr>
<td>Liberal Democrats of Slovenia (LDS, liberal)</td>
<td>22.8</td>
<td>23</td>
</tr>
<tr>
<td>United List of Social Democrats (ZLSD)</td>
<td>10.2</td>
<td>10</td>
</tr>
<tr>
<td>New Slovenia Christian People’s Party (NSi, Christian-democratic)</td>
<td>9.0</td>
<td>9</td>
</tr>
<tr>
<td>Slovenian People’s Party (SLS, conservative)</td>
<td>6.8</td>
<td>7</td>
</tr>
<tr>
<td>Slovenian National Party (SNS, nationalist)</td>
<td>6.3</td>
<td>6</td>
</tr>
<tr>
<td>Democratic Party of Slovenian Pensioners (DeSUS)</td>
<td>4.0</td>
<td>4</td>
</tr>
<tr>
<td>Active Slovenia (AS)</td>
<td>3.0</td>
<td>-</td>
</tr>
<tr>
<td>Slovenia is Ours (SN)</td>
<td>2.6</td>
<td>-</td>
</tr>
<tr>
<td>Slovenian Youth Party (SMS)</td>
<td>2.1</td>
<td>-</td>
</tr>
<tr>
<td>Hungarian and Italian minorities</td>
<td>-</td>
<td>2</td>
</tr>
</tbody>
</table>

Participation: 60.5%

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**Croatia**

*Legislative elections*

23rd November 2003  
Previous: 3rd January 2000  
Parliamentary republic with unicameral legislative. Citizens go to the polls to choose the composition of the Chamber of Representatives (Zastupnički Dom), which receives a mandate of four years. Of the 152 members of the legislative, 140 are elected through proportional representation in multi-seat constituencies and eight more represent ethnic and national communities or minorities. Furthermore, Croatians residing abroad also elect their representatives, the number of which depends on electoral participation in Croatia, through proportional representation. In the 2003 elections, residents overseas elected four representatives.

<table>
<thead>
<tr>
<th>Parties</th>
<th>%</th>
<th>seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Croatian Democratic Community (HDZ, conservative)</td>
<td>33.9</td>
<td>66</td>
</tr>
<tr>
<td>SDP-IDS-LIBRA-LS</td>
<td>22.6</td>
<td>43</td>
</tr>
<tr>
<td>Social Democratic Party of Croatia (SDP, social democratic)</td>
<td>- (34)</td>
<td></td>
</tr>
<tr>
<td>Istrian Democratic Assembly (IDS, centrist regionalist)</td>
<td>- (4)</td>
<td></td>
</tr>
<tr>
<td>Libra – Party of Liberal Democrats (Libra, liberal)</td>
<td>- (3)</td>
<td></td>
</tr>
<tr>
<td>Liberal Party (LIB, liberal)</td>
<td>- (2)</td>
<td></td>
</tr>
<tr>
<td>HNS-PGS</td>
<td>8.0</td>
<td>11</td>
</tr>
<tr>
<td>Croatian People’s Party (HNS, centrist)</td>
<td>- (10)</td>
<td></td>
</tr>
<tr>
<td>Littoral and Highland Region Alliance (PGS, regionalist)</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Croatian Peasants’ Party (HSS, agrarian)</td>
<td>7.2</td>
<td>9</td>
</tr>
<tr>
<td>Croatian Party of Right (HSP, xenophobic)</td>
<td>6.4</td>
<td>8</td>
</tr>
<tr>
<td>HSLS-DC4.0</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Croatian Social Liberal Party (HSLS, liberal)</td>
<td>- (2)</td>
<td></td>
</tr>
<tr>
<td>Democratic Centre (DC)</td>
<td>- (1)</td>
<td></td>
</tr>
<tr>
<td>Croatian Pensioners’ Party (HSU)</td>
<td>4.0</td>
<td>3</td>
</tr>
<tr>
<td>Croatian Democratic Peasants’ Party (HDSS, agrarian)</td>
<td>1.0</td>
<td>1</td>
</tr>
<tr>
<td>Ethnic minorities</td>
<td>-</td>
<td>8</td>
</tr>
</tbody>
</table>

Participation: 61.7%

---

**Serbia and Montenegro**

Confederate parliamentary republic, named up to 2003 the Federal Republic of Yugoslavia and from which Slovenia, Croatia, Bosnia-Herzegovina and Macedonia became independent in 1991. It is made up of the Republic of Serbia and the Republic of Montenegro. Kosovo is an autonomous province of Serbia under the protection of the United Nations Interim Administration Mission. The Parliament of the confederation receives a mandate of four years and consists of a single chamber: the Assembly of Serbia and Montenegro (Skupština Srbije i Crne Gore), which has 126 members elected indirectly by the parliaments of the federated republics, 91 members in Serbia and 38 in Montenegro. Legislative and presidential elections in the Serbian Republic and legislative elections in the autonomous province of Kosovo are held with the direct participation of the citizens.
Legislative elections in the Republic of Serbia

28th December 2003
Previous: 23rd December 2000
The legislative body is unicameral: the Serbian National Assembly (Narodna Skupstina Srbije). The citizens go to the polls to elect the 250 members of the chamber, who receive a four-year mandate.

<table>
<thead>
<tr>
<th>Parties</th>
<th>%</th>
<th>seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Serb Radical Party (SRS, xenophobic)</td>
<td>27.7</td>
<td>82</td>
</tr>
<tr>
<td>Democratic Party of Serbia (DSS, conservative)</td>
<td>18.0</td>
<td>53</td>
</tr>
<tr>
<td>Democratic Party (DS, centrist)</td>
<td>12.6</td>
<td>37</td>
</tr>
<tr>
<td>G17 Plus (G17+, centrist)</td>
<td>11.7</td>
<td>34</td>
</tr>
<tr>
<td>SPO-NS</td>
<td>7.7</td>
<td>23</td>
</tr>
<tr>
<td>Serb Renewal Movement (SPO, nationalist)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>New Serbia (NS)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Serb Socialist Party (SPS, authoritarian)</td>
<td>7.7</td>
<td>21</td>
</tr>
<tr>
<td>Together for Tolerance (ZT)</td>
<td>4.0</td>
<td>-</td>
</tr>
<tr>
<td>Democratic Alternative (DA)</td>
<td>2.1</td>
<td>-</td>
</tr>
<tr>
<td>For National Unity (ZNU)</td>
<td>1.7</td>
<td>-</td>
</tr>
<tr>
<td>Party of Serb Unity (SSJ, xenophobic)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>National Farmers’ Party (NNS)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>National Party</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Our Home Serbia (NDS)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Serbian Party</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Resistance (Otpor)</td>
<td>1.6</td>
<td>-</td>
</tr>
<tr>
<td>Independent Serbia (SS)</td>
<td>1.1</td>
<td>-</td>
</tr>
</tbody>
</table>

Participation: 59.3%

Presidential elections

16th November 2003, 13th and 27th June 2004
Previous: 21st September to 21st December 1997
After holding successive elections in 2002 and on 16th November 2003 which were cancelled due to insufficient voter participation and where the candidate who received most votes was that of the xenophobic and ultranationalist SRS, the electoral process concludes with the election of the president who receives a five-year mandate. Before the resumption of the electoral process in 2004, the law requiring voter participation to be at least 50% is abolished.

<table>
<thead>
<tr>
<th>Candidates</th>
<th>%</th>
<th>seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tomislav Nikolic (Serb Radical Party, SRS; xenophobic)</td>
<td>30.1</td>
<td>45.0</td>
</tr>
<tr>
<td>Boris Tadic (Democratic Party, DS; centrist)</td>
<td>27.3</td>
<td>53.7</td>
</tr>
<tr>
<td>Bogoljub Karic (independent)</td>
<td>19.3</td>
<td>-</td>
</tr>
<tr>
<td>Dragan Marsicanin (Democratic Party of Serbia, DSS; conservative)</td>
<td>13.3</td>
<td>-</td>
</tr>
<tr>
<td>Ivica Dacic (Serb Socialist Party, SPS; authoritarian)</td>
<td>3.6</td>
<td>-</td>
</tr>
<tr>
<td>Jelisaveta Karadordevic (independent)</td>
<td>2.1</td>
<td>-</td>
</tr>
</tbody>
</table>

Participation: 47.7% (first round), 48.7% (second round)

Legislative elections in Kosovo

24th October 2004
Previous: 17th November 2001
Within Serbia, Kosovo is an autonomous province under the protection of the United Nations Interim Administration Mission. Citizens go to the polls to choose 120 members of the Assembly (Kuvendi/Skupstina). 100 of these are elected by proportional representation, with the remaining 20 representing national minorities. The system of civil and political rights of Kosovo is considered to be only partly free.

<table>
<thead>
<tr>
<th>Parties</th>
<th>%</th>
<th>seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Democratic League of Kosovo (LDK, centrist)</td>
<td>45.4</td>
<td>47</td>
</tr>
<tr>
<td>Democratic Party of Kosovo (PDK, separatist)</td>
<td>28.9</td>
<td>30</td>
</tr>
<tr>
<td>Alliance for the Future of Kosovo (AAK)</td>
<td>8.4</td>
<td>9</td>
</tr>
<tr>
<td>Serbian Citizens’ Initiative (ORA)</td>
<td>6.2</td>
<td>7</td>
</tr>
<tr>
<td>Christian-Democratic Albanian Party of Kosovo (PSHDRK, Christian-democratic)</td>
<td>1.8</td>
<td>2</td>
</tr>
<tr>
<td>Kosovo Democratic Turkish Party (KDTP, Turkish minority party)</td>
<td>1.2</td>
<td>3</td>
</tr>
<tr>
<td>Justice Party (PD)</td>
<td>1.0</td>
<td>1</td>
</tr>
</tbody>
</table>

Participation: 53.8%

Macedonia

Presidential elections

14th and 28th April 2004
Previous: 31st October, 14th November and 5th December 1999
Parliamentary republic. The citizens are called to the polls to elect the president, who receives a mandate of five years. The Macedonian system of civil and political rights is considered to be only partly free.

<table>
<thead>
<tr>
<th>Candidates</th>
<th>%</th>
<th>seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Branco Crvenkovski (Social Democratic League of Macedonia, SDSM)</td>
<td>42.5</td>
<td>60.5</td>
</tr>
<tr>
<td>Sasko Kedev (Internal Macedonian Revolutionary Organization – Democratic Party for Macedonian National Unity, VMRO-DPMNE; conservative)</td>
<td>34.1</td>
<td>39.4</td>
</tr>
<tr>
<td>Gizim Ostreni (Democratic Union for Integration, DUI; Albanian minority party)</td>
<td>14.8</td>
<td>-</td>
</tr>
<tr>
<td>Zidi Xhelili (Democratic Party of Albanians, PDS; Albanian minority party)</td>
<td>8.6</td>
<td>-</td>
</tr>
</tbody>
</table>

Participation: 55.2% (first round)
### Greece
#### Legislative elections

7th March 2004
Previous: 9th April 2000
Parliamentary republic with unicameral legislative. Citizens go to the polls to elect the 300 members of the Greek Parliament (Vouli ton Ellinon) through a mixed system of proportional representation (51 constituencies) and first-past-the-post (5 constituencies). The mandates are for four years.

<table>
<thead>
<tr>
<th>Parties</th>
<th>%</th>
<th>seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Democracy (ND, conservative)</td>
<td>45.4</td>
<td>165</td>
</tr>
<tr>
<td>Pan-Hellenic Socialist Movement (PASOK, social democratic)</td>
<td>40.5</td>
<td>117</td>
</tr>
<tr>
<td>Communist Party of Greece (KKE, communist)</td>
<td>5.9</td>
<td>12</td>
</tr>
<tr>
<td>Coalition of the Left and Progress (SIN, socialist)</td>
<td>3.3</td>
<td>6</td>
</tr>
<tr>
<td>Populist Orthodox Rally (LAOS, populist)</td>
<td>2.2</td>
<td>-</td>
</tr>
<tr>
<td>Democratic Social Movement (Diki, socialist)</td>
<td>1.8</td>
<td>-</td>
</tr>
</tbody>
</table>

Participation: 76.5%

### North Cyprus (Republic of Turkey)
#### Legislative elections

14th December 2003
Previous: 6th December 1998
Parliamentary republic not internationally recognised as an independent state. Unicameral parliament: the citizens go to the polls to elect the 50 members of the Chamber of Representatives (Temsilciler Meclisi) through proportional representation. The mandates are for five years.

<table>
<thead>
<tr>
<th>Parties</th>
<th>%</th>
<th>seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Republican Turkish Party-United Forces (CTP, social democratic)</td>
<td>35.2</td>
<td>19</td>
</tr>
<tr>
<td>Party of National Unity (UBP, conservative)</td>
<td>32.9</td>
<td>18</td>
</tr>
<tr>
<td>Peace and Democracy Movement (BDH)</td>
<td>13.1</td>
<td>6</td>
</tr>
<tr>
<td>Democratic Party (DP, centrist)</td>
<td>11.4</td>
<td>7</td>
</tr>
<tr>
<td>National Peace Party (MBP)</td>
<td>3.2</td>
<td>-</td>
</tr>
<tr>
<td>Solution and EU Party (CABP)</td>
<td>2.0</td>
<td>-</td>
</tr>
</tbody>
</table>

### Cyprus
#### Referendum

24th April 2004
Parliamentary republic. The Greek-Cypriot community decides if it accepts or not the provisions stipulated in the UN plan for the island, which would mean the unification of North Cyprus with the Republic of Cyprus, of Greek origin. The result would be a confederation of states, with two republics responsible for internal affairs and a central federal government with international, legal and economic powers. On having approved this plan, both communities would enter the EU on 1st May as a single entity, but for the plan to be effective it was necessary for both communities to approve it with a majority. This not having been the case, only the Republic of Cyprus is given entry to the EU.

### Tunisia
#### Legislative elections

24th October 2004
Previous: 24th October 1999
Presidential republic with unicameral parliament. The citizens are called to the polls to choose 189 members of the Chamber of Deputies (Majlis al-Nuwaab/Chambre des Députés) who are elected for a five year term in single seat constituencies. Despite guaranteeing 37 seats to the opposition and although democratic structures exist, there is no opportunity to change power in the country, whose civil rights and political systems are not considered free.

<table>
<thead>
<tr>
<th>Parties</th>
<th>seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Democratic Constitutional Rally (RCD, authoritarian)</td>
<td>152</td>
</tr>
<tr>
<td>Movement of Socialist Democrats (MDS, social democratic)</td>
<td>14</td>
</tr>
<tr>
<td>Party of People’s Unity (PUP, socialist)</td>
<td>11</td>
</tr>
<tr>
<td>Unionist Democratic Union (UDU, nationalist)</td>
<td>7</td>
</tr>
<tr>
<td>Movement for Renewal (MR, communist)</td>
<td>3</td>
</tr>
<tr>
<td>Social-Liberal Party (PSL, liberal)</td>
<td>2</td>
</tr>
</tbody>
</table>

Participation: 91.5%

### Algeria
#### Presidential elections

8th April 2004
Previous: 15th April 1999
Parliamentary republic. The president is
directly elected by the citizens for a five-year term. The Algerian system of civil and political rights is not considered free.

### Candidates

<table>
<thead>
<tr>
<th>Name</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abdelaziz Bouteflika (RND; authoritarian)</td>
<td>85.0</td>
</tr>
<tr>
<td>Ali Benflis (Jabha al Tahrir al Watani/FLN; left-wing)</td>
<td>6.4</td>
</tr>
<tr>
<td>Abdallah Djaballah (el-Islah/Movement for National Reform)</td>
<td>5.0</td>
</tr>
<tr>
<td>Said Sadi (Rally for Culture and Democracy, RCD; liberal Berber)</td>
<td>1.9</td>
</tr>
<tr>
<td>Louiza Hanoune (Hizb al-Ummal/Workers’ Party, PT; left-wing)</td>
<td>1.0</td>
</tr>
<tr>
<td>Fawzi Rebaine (Ahd 54)</td>
<td>0.6</td>
</tr>
</tbody>
</table>

Participation: 58.1%

### European Union

**Legislative elections**

10th – 13th June 2004

Previous: 10th – 13th June 1999

A supra-national entity with 25 member states. The citizens go to the polls to elect the 732 members of the European Parliament through proportional representation in one or more constituencies for each member state. The mandates are for five years.

### Parties

<table>
<thead>
<tr>
<th>Parties</th>
<th>seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>European People’s Party-European Democrats (EPP – ED, conservative Christian-democratic)</td>
<td>268</td>
</tr>
<tr>
<td>Party of European Socialists (PES, social democratic)</td>
<td>200</td>
</tr>
<tr>
<td>Alliance of Liberals and Democrats for Europe (ALDE)</td>
<td>88</td>
</tr>
<tr>
<td>European Liberal Democrat and Reform Party (ELDR, liberal centrist)</td>
<td>88</td>
</tr>
<tr>
<td>European Democratic Party (EDP)</td>
<td></td>
</tr>
<tr>
<td>European Greens – European Free Alliance (EG – EFA, ecologist regionalist)</td>
<td>42</td>
</tr>
<tr>
<td>European United Left – Nordic Green Left (EUL – NGL, socialist communist)</td>
<td>41</td>
</tr>
<tr>
<td>Independence – Democracy (IND – DEM)</td>
<td>37</td>
</tr>
<tr>
<td>Union for a Europe of Nations (UEN, eurosceptic)</td>
<td>27</td>
</tr>
<tr>
<td>Other right-wing</td>
<td>16</td>
</tr>
<tr>
<td>Others</td>
<td>13</td>
</tr>
</tbody>
</table>

Participation: 45.7%

### Sources

- Elections Around the World; [www.electionworld.org](http://www.electionworld.org)
- Freedom House; [www.freedomhouse.org](http://www.freedomhouse.org/)
- Parline Database; [www.ipu.org/parlinee/parlinesearch.asp](http://www.ipu.org/parlinee/parlinesearch.asp)
- IFES Elefctionguide; [www.ifes.org/eguide/index.html](http://www.ifes.org/eguide/index.html)
- Adam Carr’s Electoral Archive; [http://psephos.adam-carr.net](http://psephos.adam-carr.net)
### TABLE A1
Official assistance to Mediterranean countries financed by the European Commission budget and by the European Development Fund (EDF) in 2003

<table>
<thead>
<tr>
<th>Country</th>
<th>Commitments (in millions of euros)</th>
<th>Payments (in millions of euros)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malta</td>
<td>13</td>
<td>9</td>
</tr>
<tr>
<td>Slovenia</td>
<td>61</td>
<td>46</td>
</tr>
<tr>
<td>Croatia</td>
<td>62</td>
<td>24</td>
</tr>
<tr>
<td>Bosnia-Herzegovina</td>
<td>94</td>
<td>120</td>
</tr>
<tr>
<td>Serbia and Montenegro</td>
<td>356</td>
<td>305</td>
</tr>
<tr>
<td>Macedonia</td>
<td>44</td>
<td>43</td>
</tr>
<tr>
<td>Albania</td>
<td>48</td>
<td>30</td>
</tr>
<tr>
<td>Cyprus</td>
<td>24</td>
<td>11</td>
</tr>
<tr>
<td>Turkey</td>
<td>157</td>
<td>91</td>
</tr>
<tr>
<td>Syria</td>
<td>4</td>
<td>19</td>
</tr>
<tr>
<td>Lebanon</td>
<td>48</td>
<td>36</td>
</tr>
<tr>
<td>Jordan</td>
<td>46</td>
<td>47</td>
</tr>
<tr>
<td>Israel</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>West Bank and Gaza</td>
<td>185</td>
<td>160</td>
</tr>
<tr>
<td>Egypt</td>
<td>111</td>
<td>66</td>
</tr>
<tr>
<td>Tunisia</td>
<td>53</td>
<td>74</td>
</tr>
<tr>
<td>Algeria</td>
<td>57</td>
<td>30</td>
</tr>
<tr>
<td>Morocco</td>
<td>148</td>
<td>120</td>
</tr>
</tbody>
</table>


### GRAPHCIC A1
EU Cooperation 2003

![EU Cooperation 2003](http://europa.eu.int/comm/europeaid/reports/europeaid_ra2004_en.pdf)
TABLE A2  MEDA programme 2003

<table>
<thead>
<tr>
<th>(in millions of euros)</th>
<th>Commitments</th>
<th>Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Algeria</td>
<td>42</td>
<td>16</td>
</tr>
<tr>
<td>West Bank and Gaza</td>
<td>81</td>
<td>60</td>
</tr>
<tr>
<td>Egypt</td>
<td>104</td>
<td>57</td>
</tr>
<tr>
<td>Jordan</td>
<td>42</td>
<td>47</td>
</tr>
<tr>
<td>Lebanon</td>
<td>44</td>
<td>24</td>
</tr>
<tr>
<td>Morocco</td>
<td>143</td>
<td>102</td>
</tr>
<tr>
<td>Syria</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>Tunisia</td>
<td>49</td>
<td>69</td>
</tr>
<tr>
<td><strong>Bilateral MEDA Total</strong></td>
<td><strong>505</strong></td>
<td><strong>386</strong></td>
</tr>
<tr>
<td><strong>Regional MEDA</strong></td>
<td><strong>96</strong></td>
<td><strong>112</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>600</strong></td>
<td><strong>498</strong></td>
</tr>
</tbody>
</table>


TABLE A3  CARDS programme 2003 (millions of euros)

<table>
<thead>
<tr>
<th>(in millions of euros)</th>
<th>Commitments*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albania</td>
<td>47</td>
</tr>
<tr>
<td>Bosnia-Herzegovina</td>
<td>63</td>
</tr>
<tr>
<td>Croatia</td>
<td>62</td>
</tr>
<tr>
<td>Serbia and Montenegro</td>
<td>331</td>
</tr>
<tr>
<td>Kosovo</td>
<td>76</td>
</tr>
<tr>
<td>Macedonia</td>
<td>44</td>
</tr>
<tr>
<td><strong>Bilateral Total</strong></td>
<td><strong>546</strong></td>
</tr>
<tr>
<td><strong>Regional cooperation</strong></td>
<td><strong>32</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>578</strong></td>
</tr>
</tbody>
</table>

*The European Commission has not published the data regarding payments by country corresponding to 2003.


### PHARE programme and pre-accession financial assistance 2003

<table>
<thead>
<tr>
<th>Country</th>
<th>National Programme</th>
<th>Millions of euros</th>
</tr>
</thead>
<tbody>
<tr>
<td>SLOVENIA</td>
<td><strong>Internal market and adoption of community heritage</strong> 6.4</td>
<td>37.9</td>
</tr>
<tr>
<td></td>
<td><strong>Justice and interior</strong> 12.2</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Economic and social cohesion</strong> 16.0</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Mobility</strong> 0.3</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Cross-border communications with Croatia</strong> 3.0</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Border cooperation</strong> 7.0</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Other programmes</strong> 0.4</td>
<td></td>
</tr>
<tr>
<td>MALTA</td>
<td><strong>Environment</strong> 4.0</td>
<td>12.7</td>
</tr>
<tr>
<td></td>
<td><strong>Agriculture</strong> 2.8</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Transport</strong> 1.6</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Internal market</strong> 0.5</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Justice and home affairs</strong> 0.6</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Customs policies and taxes</strong> 0.6</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Technical assistance</strong> 2.0</td>
<td></td>
</tr>
<tr>
<td>CYPRUS</td>
<td><strong>Environment</strong> 2.3</td>
<td>11.8</td>
</tr>
<tr>
<td></td>
<td><strong>Small and medium-sized enterprises</strong> 1.5</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Administrative operations</strong> 1.1</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Statistics</strong> 0.3</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Bicommunal projects</strong> 3.9</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Community programmes</strong> 2.0</td>
<td></td>
</tr>
<tr>
<td>TURKEY</td>
<td><strong>Pre-accession financial assistance</strong></td>
<td>148.8</td>
</tr>
<tr>
<td></td>
<td><strong>Obj.1: Copenhagen criteria</strong> 9.5</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Obj.2: Economic and reform criteria</strong> 22.6</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Obj.3: Reinforcement of public administration</strong> 25.0</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Obj.4: Justice and home affairs</strong> 10.3</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Obj.5: Economic and social cohesion</strong> 45.3</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Obj.6: Community programmes</strong> 31.3</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Obj.7: Implementation of the programmes and communication</strong> 1.1</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Loans by sector</th>
<th>Millions of euros</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Slovenia</strong></td>
<td>109</td>
</tr>
<tr>
<td>Rehabilitation of the railway network</td>
<td>34</td>
</tr>
<tr>
<td>Financing of small and medium-sized enterprises</td>
<td>75</td>
</tr>
<tr>
<td><strong>Croatia</strong></td>
<td>170</td>
</tr>
<tr>
<td>Croatian gas network</td>
<td>90</td>
</tr>
<tr>
<td>Financing of infrastructures</td>
<td>50</td>
</tr>
<tr>
<td>Financing of small and medium-sized enterprises</td>
<td>30</td>
</tr>
<tr>
<td><strong>Cyprus</strong></td>
<td>235</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>35</td>
</tr>
<tr>
<td>Education facilities</td>
<td>200</td>
</tr>
<tr>
<td><strong>Serbia and Montenegro</strong></td>
<td>162</td>
</tr>
<tr>
<td>Modernisation of electricity network</td>
<td>22</td>
</tr>
<tr>
<td>Upgrading of public transport and road network in Belgrade</td>
<td>90</td>
</tr>
<tr>
<td>Modernisation of twenty hospitals and the Torlak Institute</td>
<td>50</td>
</tr>
<tr>
<td><strong>Albania</strong></td>
<td>27</td>
</tr>
<tr>
<td>Rehabilitation and extension of the water and sewerage network</td>
<td>27</td>
</tr>
<tr>
<td><strong>Macedonia – FYROM</strong></td>
<td>13</td>
</tr>
<tr>
<td>Upgrading of electrical distribution system</td>
<td>13</td>
</tr>
<tr>
<td><strong>Turkey</strong></td>
<td>600</td>
</tr>
<tr>
<td>Rehabilitation of earthquake-damaged infrastructures</td>
<td>150</td>
</tr>
<tr>
<td>Automobile industry</td>
<td>250</td>
</tr>
<tr>
<td>Financing of small and medium-sized enterprises</td>
<td>200</td>
</tr>
<tr>
<td><strong>Algeria</strong></td>
<td>230</td>
</tr>
<tr>
<td>Reconstruction of infrastructures damaged by the earthquake of May 2003</td>
<td>230</td>
</tr>
<tr>
<td><strong>Morocco</strong></td>
<td>194</td>
</tr>
<tr>
<td>Upgrading of the Moroccan port network</td>
<td>140</td>
</tr>
<tr>
<td>Settat-Marrakech motorway and the Casablanca-Marrakech stretch</td>
<td>110</td>
</tr>
<tr>
<td>Water treatment network and Oujda treatment plant</td>
<td>30</td>
</tr>
<tr>
<td>Network of training centres in the textiles, tourist, information and technology sectors</td>
<td>30</td>
</tr>
<tr>
<td>Microcredit operations</td>
<td>10</td>
</tr>
<tr>
<td><strong>Tunisia</strong></td>
<td>395</td>
</tr>
<tr>
<td>Upgrading of the gas network</td>
<td>55</td>
</tr>
<tr>
<td>Modernisation of public urban transport Metropolitain area Tunis</td>
<td>45</td>
</tr>
<tr>
<td>Sabra metallurgical plant</td>
<td>35</td>
</tr>
<tr>
<td>2003-2006 public healthcare investment programme</td>
<td>110</td>
</tr>
<tr>
<td>Financing of small and medium-sized enterprises</td>
<td>150</td>
</tr>
<tr>
<td><strong>Egypt</strong></td>
<td>560</td>
</tr>
<tr>
<td>Construction of the Idku natural gas treatment plant</td>
<td>305</td>
</tr>
<tr>
<td>Construction of a second unit for a gas treatment plant</td>
<td>150</td>
</tr>
<tr>
<td>Modernisation of the wastewater treatment network</td>
<td>55</td>
</tr>
<tr>
<td><strong>Syria</strong></td>
<td>90</td>
</tr>
<tr>
<td>Upgrading and development of the Port of Tartus</td>
<td>50</td>
</tr>
<tr>
<td>Financing of small and medium-sized enterprises</td>
<td>40</td>
</tr>
<tr>
<td><strong>Jordan</strong></td>
<td>66</td>
</tr>
<tr>
<td>Construction of the Amman Ring Road</td>
<td>26</td>
</tr>
<tr>
<td>Reform of the elementary education system</td>
<td>40</td>
</tr>
</tbody>
</table>
### TABLE A6  European Initiative for Democracy and Human Rights (EIDHR) in the Mediterranean countries

<table>
<thead>
<tr>
<th>Country</th>
<th>Projects committed*</th>
<th>Millions of euros</th>
</tr>
</thead>
<tbody>
<tr>
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<td>Microprojects</td>
<td>0.5</td>
</tr>
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</tr>
<tr>
<td></td>
<td>Funding for the Srebrenica city and cemetery project</td>
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</tr>
<tr>
<td></td>
<td>Microprojects</td>
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<tr>
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<td>Truth and reconciliation</td>
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<td>Israel</td>
<td>Microprojects</td>
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<tr>
<td>Serbia and Montenegro</td>
<td>Democratisation and governance</td>
<td>0.6</td>
</tr>
<tr>
<td>Kosovo</td>
<td>Promotion of interethnic dialogue and education for human rights</td>
<td>1.2</td>
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<tr>
<td>West Bank and Gaza</td>
<td>Radio networking for democracy</td>
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</tr>
<tr>
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<td>Democratisation from the grass-roots</td>
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</tr>
<tr>
<td></td>
<td>Microprojects</td>
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</tr>
<tr>
<td>Tunisia</td>
<td>Strengthening the trade union movement</td>
<td>0.7</td>
</tr>
<tr>
<td></td>
<td>Strengthening the independence of the judiciary</td>
<td>0.7</td>
</tr>
<tr>
<td>Turkey</td>
<td>Network for monitoring and covering media freedom</td>
<td>0.8</td>
</tr>
<tr>
<td></td>
<td>Enhancing access to justice in the south-east of the country</td>
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</tr>
<tr>
<td></td>
<td>Microprojects</td>
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</table>

* Regional projects are not included.


### TABLE A7  Food security

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<th>Programme of food security in Palestine</th>
<th>Millions of euros pledged</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</table>


### TABLE A8  European Agency for Reconstruction

<table>
<thead>
<tr>
<th>Projects 2003 in millions of euros</th>
<th>Commitments</th>
<th>Contracts</th>
<th>Payments</th>
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</thead>
<tbody>
<tr>
<td>Serbia and Montenegro</td>
<td>294.3</td>
<td>229.9</td>
<td>126.4</td>
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<tr>
<td>Serbia</td>
<td>220.0</td>
<td>180.7</td>
<td>94.5</td>
</tr>
<tr>
<td>Montenegro</td>
<td>12.0</td>
<td>10.7</td>
<td>8.4</td>
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<tr>
<td>Kosovo</td>
<td>62.3</td>
<td>38.5</td>
<td>23.5</td>
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<tr>
<td>Macedonia</td>
<td>37.4</td>
<td>25.9</td>
<td>10.4</td>
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Own production. Source: [http://www.eur.eu.int/agency/agency.htm](http://www.eur.eu.int/agency/agency.htm)

### TABLE A9  European Community Humanitarian Office (ECHO)

<table>
<thead>
<tr>
<th>Financing decisions in Mediterranean areas in 2003</th>
<th>Millions of euros</th>
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<td>Areas</td>
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<tr>
<td>Western Balkans</td>
<td></td>
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<tr>
<td>Serbia and Montenegro</td>
<td>7.7</td>
</tr>
<tr>
<td>MENA</td>
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</tr>
<tr>
<td>Algeria</td>
<td>2.0</td>
</tr>
<tr>
<td>Sahrawi refugees</td>
<td>5.1</td>
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<td>Middle East (Palestine)</td>
<td>38.0</td>
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Spanish Co-operation in the Mediterranean

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<tr>
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<th>2003</th>
<th>2004</th>
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<tr>
<td></td>
<td>€</td>
<td>%</td>
</tr>
<tr>
<td><strong>Maghreb and Middle East</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Morocco</td>
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<tr>
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<td>2,390,816</td>
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</tr>
<tr>
<td>Syria</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Iraq</td>
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<tr>
<td>Bosnia-Herzegovina</td>
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<td>Serbia and Montenegro</td>
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<tr>
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Source: AECI, Deputy Director-General of Co-operation in Mediterranean and Eastern European Countries.

**TABLE B1** Budget implementation by the Spanish Agency for International Co-operation (AECI)

**GRAPHIC B1** Distribution of Spanish co-operation in the Maghreb and the Middle East by sector (2004)

Source: AECI, Deputy Director-General of Co-operation in Mediterranean and Eastern European Countries.
Appendices

2005

346-347

GRAPHIC B2

Distribution of Spanish co-operation in Central and Eastern Europe by sector (2004)

Source: AECI, Deputy Director-General of Aid in Mediterranean and Eastern European Countries.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Projects / Programmes</th>
<th>NGO Development</th>
<th>Food and Emergency Aid</th>
<th>Multilateral</th>
<th>Grants</th>
<th>Scholarships</th>
<th>Cultural Activity</th>
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<td>1,765,458</td>
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<td></td>
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<tr>
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<td>1,757,265</td>
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Source: AECI, Deputy Director-General of Aid with Mediterranean and Eastern European Countries.
### Migrations in the Mediterranean

#### Table C1

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<th>Country</th>
<th>Germany</th>
<th>Austria</th>
<th>Belgium</th>
<th>Denmark</th>
<th>Slovenia</th>
<th>Spain</th>
<th>Estonia</th>
<th>Finland</th>
<th>France</th>
<th>Greece</th>
<th>Netherlands</th>
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<td>1</td>
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<td>8,208</td>
<td>7,448</td>
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<td>613</td>
<td>504,096</td>
<td>526</td>
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<td>1,369,871</td>
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<td>3,088,152</td>
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</table>

| Country Total | 7,335,592 | 707,800 | 850,077 | 263,541 | 332,673 | 1,548,941 | 179,301 | 107,003 | 3,263,186 | 1,122,900 | 3,088,152 |
| % MPC migrants of total migrants | 29.2% | 19.3% | 16.6% | 16.3% | 0.1% | 17.6% | 0.0% | 3.9% | 42.0% | 2.2% | 6.6% |


### Table C1 (cont.)

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<th>Italy</th>
<th>Latvia</th>
<th>Lithuania</th>
<th>Luxembourg</th>
<th>Portugal</th>
<th>Czech Republic</th>
<th>Sweden</th>
<th>United Kingdom</th>
<th>Cyprus</th>
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<td>103</td>
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<td>196</td>
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<td>1,691</td>
<td>2,101</td>
<td>24,213</td>
<td>137,001</td>
<td>3,469</td>
</tr>
<tr>
<td>Country Total</td>
<td>115,900</td>
<td>1,334,889</td>
<td>103,174</td>
<td>34,839</td>
<td>162,285</td>
<td>250,697</td>
<td>179,154</td>
<td>476,076</td>
<td>2,681,000</td>
<td>29,730</td>
</tr>
<tr>
<td>% MPC migrants of total migrants</td>
<td>1.8%</td>
<td>20.9%</td>
<td>0.2%</td>
<td>0.8%</td>
<td>0.5%</td>
<td>0.7%</td>
<td>1.2%</td>
<td>5.1%</td>
<td>5.1%</td>
<td>11.7%</td>
</tr>
</tbody>
</table>

## TABLE C2
### Turkish Nationals Abroad per Host Country 2002

<table>
<thead>
<tr>
<th>Country</th>
<th>Men</th>
<th>Women</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>1,999,000</td>
<td>35.8%</td>
<td>1,999,000</td>
<td>55.8%</td>
</tr>
<tr>
<td>Austria</td>
<td>134,000</td>
<td>3.7%</td>
<td>134,000</td>
<td>3.7%</td>
</tr>
<tr>
<td>Belgium</td>
<td>56,000</td>
<td>1.6%</td>
<td>56,000</td>
<td>1.6%</td>
</tr>
<tr>
<td>Denmark</td>
<td>33,000</td>
<td>0.9%</td>
<td>33,000</td>
<td>0.9%</td>
</tr>
<tr>
<td>France</td>
<td>326,000</td>
<td>9.1%</td>
<td>326,000</td>
<td>9.1%</td>
</tr>
<tr>
<td>Sweden</td>
<td>36,000</td>
<td>1.0%</td>
<td>36,000</td>
<td>1.0%</td>
</tr>
<tr>
<td>Netherlands</td>
<td>320,000</td>
<td>9.9%</td>
<td>320,000</td>
<td>9.9%</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>80,000</td>
<td>2.2%</td>
<td>80,000</td>
<td>2.2%</td>
</tr>
<tr>
<td>Other EU countries</td>
<td>3,000</td>
<td>0.1%</td>
<td>3,000</td>
<td>0.1%</td>
</tr>
<tr>
<td>Total</td>
<td>2,987,000</td>
<td>83.4%</td>
<td>2,987,000</td>
<td>83.4%</td>
</tr>
</tbody>
</table>


## TABLE C3
### Moroccan Nationals Abroad per Host Country

<table>
<thead>
<tr>
<th>Country / (year)</th>
<th>Men</th>
<th>Women</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>France (2004)</td>
<td>274,899</td>
<td>229,197</td>
<td>504,096</td>
<td>41.71%</td>
</tr>
<tr>
<td>Spain (2004)</td>
<td>156,352</td>
<td>88,278</td>
<td>244,630</td>
<td>20.24%</td>
</tr>
<tr>
<td>Italy (2001)</td>
<td>108,508</td>
<td>71,595</td>
<td>180,103</td>
<td>14.90%</td>
</tr>
<tr>
<td>Belgium (2003)</td>
<td>45,221</td>
<td>38,410</td>
<td>83,631</td>
<td>6.92%</td>
</tr>
<tr>
<td>Germany (2002)</td>
<td>48,206</td>
<td>31,632</td>
<td>79,838</td>
<td>6.61%</td>
</tr>
<tr>
<td>United Kingdom (2002)</td>
<td>1,525</td>
<td>1,701</td>
<td>3,226</td>
<td>0.27%</td>
</tr>
<tr>
<td>Denmark (2004)</td>
<td>1,297</td>
<td>685</td>
<td>1,982</td>
<td>0.16%</td>
</tr>
<tr>
<td>Switzerland (2002)</td>
<td>1,475</td>
<td>8</td>
<td>1,475</td>
<td>0.12%</td>
</tr>
<tr>
<td>Sweden (2003)</td>
<td>500</td>
<td>278</td>
<td>778</td>
<td>0.06%</td>
</tr>
<tr>
<td>Portugal (2003)</td>
<td>309</td>
<td>217</td>
<td>526</td>
<td>0.04%</td>
</tr>
<tr>
<td>Finland (2003)</td>
<td>315</td>
<td>200</td>
<td>515</td>
<td>0.04%</td>
</tr>
<tr>
<td>Luxembourg (2001)</td>
<td>107</td>
<td>145</td>
<td>252</td>
<td>0.02%</td>
</tr>
<tr>
<td>Czech Republic (2002)</td>
<td>97</td>
<td>8</td>
<td>105</td>
<td>0.01%</td>
</tr>
<tr>
<td>Iceland (2003)</td>
<td>63</td>
<td>0.01%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hungary (2002)</td>
<td>19</td>
<td>4</td>
<td>23</td>
<td>0.00%</td>
</tr>
<tr>
<td>Cyprus (2002)</td>
<td>6</td>
<td>5</td>
<td>11</td>
<td>0.00%</td>
</tr>
<tr>
<td>Latvia (2000)</td>
<td>2</td>
<td>2</td>
<td>4</td>
<td>0.00%</td>
</tr>
<tr>
<td>Estonia (2000)</td>
<td>1</td>
<td>0.00%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lithuania (2001)</td>
<td>146</td>
<td>49</td>
<td>195</td>
<td>0.02%</td>
</tr>
<tr>
<td>Japan (2002)</td>
<td>48</td>
<td>7</td>
<td>55</td>
<td>0.00%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>685,490</td>
<td>508,611</td>
<td>1,208,603</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

To come into force the Association agreements have to be ratified by the European Parliament, the member country’s parliament and by the parliaments of the twenty-five member states of the European Union.

The EU-Syria negotiations concluded in October 2004. In December 2003 agreement had been reached in all areas except for the non-proliferation of weapons of mass destruction (WMD). This provision was introduced by the EU in the negotiations in November 2003, as a result of a new EU strategy regarding WMD. With this agreement, the EU completed the network of Association Agreements with the member countries of the Barcelona Process.

Turkey is governed by the customs union that took effect in January 1996, based on the 1963 first generation agreement, until its adhesion to the EU.

Since its participation at the 1999 Stuttgart Conference, as the special guest of the EU presidency, Libya has taken part as an observer in some of the meetings of the Barcelona Process.

The relations of the EU with the western Balkans are detailed in the Stabilisation and Association Process (SAP). SAP is a framework, in which various instruments are developed, such as the CARDS programme. SAP assists these countries to carry out the political and economic transition, in order to prepare themselves to have a new contractual relation with the EU: the Stabilisation and Association Agreements (SAA) move towards having a closer association with the EU. The SAAs are centred on respect for democratic principles and reinforcing the ties with the single European market. These agreements form the basis for establishing a free trade area with the EU. At the moment, Croatia and Macedonia have already signed the SAAs with the EU.

The June 2003 European Council of Thessaloniki reconfirmed the EU perception of the Western Balkan countries as potential candidates to integrate themselves into the Union. In March 2003 Croatia presented its application to the EU. In April 2004 the European Commission recommended that negotiations should be opened for the adhesion of Croatia. The Brussels European Council conceded to Croatia the status of candidate country in June 2004. In December, the European Council decided that the negotiations would begin in March 2005, although it remained conditional on Croatia fully collaborating with the International Criminal Tribunal for the former Yugoslavia.

On 22nd March 2004, the Republic of Macedonia presented its application for membership to the EU. In May the same year, the European Commission was requested by the European Council to prepare a response to the application.
Signature of Multilateral Treaties
and Conventions
Multilateral treaties on human rights and penal mattersa
Discrimination
against
womenf

Torture
and other
treatmentsg

Rights
of the
childh

Crime
of
genocidei

International
Criminal
Courtj

Financing
of
terrorismk

Date of adoption

1966

1966

1966

1979

1984

1989

1948

1998

1999

Portugal
Spain
France
Italy
Malta
Slovenia
Croatia
Bosnia-Herzegovina
Serbia and Montenegro
Macedonia
Albania
Greece
Cyprus
Turkey
Syria
Lebanon
Jordan
Israel
Palestine
Egypt
Libya
Tunisia
Algeria
Morocco

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UN
Source:
a. Ratification, acceptance, approval, accession or succession b. Signature c. International Convention on the Elimination of All Forms of Racial Discrimination d. International Covenant on Civil and Political Rights
for the Suppression of the Financing of Terrorism

TABLE E2

Multilateral treaties on labour rights (ratification year)

Freedom of association
and collective bargaining
Agreement
Agreement
87a
98b

Elimination of forced
or obligatory labour
Agreement
Agreement
29c
105d

Elimination of discrimination
in employment
and occupation
Agreement
Agreement
100e
111f

Abolition of
child labour
Agreement
Agreement
138g
182h

Date of adoption

1948

1949

1930

1957

1951

1958

1973

1999

Portugal
Spain
France
Italy
Malta
slovenia
Croatia
Bosnia-Herzegovina
Serbia and Montenegro
Macedonia
Albania
Greece
Cyprus
Turkey
Syria
Lebanon
Jordan
Israel
Palestine
Egypt
Libya
Tunisia
Algeria
Marocco

1977
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2001
2001

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1957
2000
1957
1962

Appendices

Economic,
social and
cultural
rightse

Med. 2005

Racial
discriminationc

Civil and
political
rightsd

Rights of
immigrant
workersi

1990

1996 j
2004k

2004 j

1993j
2004j

1993 j

l
ILO
ILO
ILO
ILO
ILO
ILO
ILO
ILO
Source:
g. Convention concerning Minimum Age for Admission to Employment h. Worst Forms of Child Labour Convention i. Convention on the Protection of the Rights of All Migrant Workers and Members of Their
Families j. Ratification, acceptance, approval, accession or succession k. Signature l. www.migrantwatch.org

350-351

TABLE E1


### Table E3: Multilateral treaties in the field of the environment

<table>
<thead>
<tr>
<th>Date of adoption</th>
<th>Climate Change</th>
<th>Kyoto Protocol</th>
<th>Biological Diversity</th>
<th>Biosafety Protocol</th>
<th>CITES</th>
<th>Desertification</th>
<th>Persistent Organic Pollutants</th>
<th>Agenda 21 process</th>
<th>Number of municipalities involved in Agenda 21</th>
</tr>
</thead>
</table>
| Sources: UN, UN, UN, UN, CITES, UN, UN, WRI

### Table E4: Multilateral disarmament treaties

<table>
<thead>
<tr>
<th>Date of adoption</th>
<th>Geneva Protocol</th>
<th>Nuclear weapons</th>
<th>Biological weapons</th>
<th>Conventional weapons</th>
<th>Chemical weapons</th>
<th>Nuclear testing</th>
<th>Antipersonnel mines</th>
</tr>
</thead>
</table>

Sources: UN, UN, UN, UN, UN, CITES, UN, UN, UN, UN, UN, UN, UN, UN, UN.
TABLE F1
Human Development Index

<table>
<thead>
<tr>
<th>Position in HDI ranking</th>
<th>Human Development Index value</th>
<th>GDP per capita $ PPP</th>
<th>Combined primary, secondary and tertiary gross enrolment ratio*</th>
<th>Adult literacy rate ≥ 15 years %</th>
<th>Life expectancy at birth years</th>
</tr>
</thead>
<tbody>
<tr>
<td>26</td>
<td>0.897</td>
<td>18,280</td>
<td>93</td>
<td>92.5</td>
<td>76.1</td>
</tr>
<tr>
<td>20</td>
<td>0.922</td>
<td>21,460</td>
<td>92</td>
<td>97.7</td>
<td>79.2</td>
</tr>
<tr>
<td>16</td>
<td>0.932</td>
<td>26,920</td>
<td>91</td>
<td>100.0</td>
<td>78.9</td>
</tr>
<tr>
<td>21</td>
<td>0.920</td>
<td>26,430</td>
<td>82</td>
<td>98.5</td>
<td>78.7</td>
</tr>
<tr>
<td>31</td>
<td>0.875</td>
<td>17,640</td>
<td>77</td>
<td>92.6</td>
<td>83</td>
</tr>
<tr>
<td>27</td>
<td>0.895</td>
<td>15,540</td>
<td>90</td>
<td>96.7</td>
<td>76.2</td>
</tr>
<tr>
<td>48</td>
<td>0.830</td>
<td>10,240</td>
<td>73</td>
<td>98.1</td>
<td>74.1</td>
</tr>
<tr>
<td>60</td>
<td>0.793</td>
<td>6,470</td>
<td>70</td>
<td>96.0</td>
<td>73.5</td>
</tr>
<tr>
<td>65</td>
<td>0.781</td>
<td>4,830</td>
<td>69</td>
<td>98.7</td>
<td>73.6</td>
</tr>
<tr>
<td>80</td>
<td>0.751</td>
<td>6,390</td>
<td>59</td>
<td>97.3</td>
<td>78.2</td>
</tr>
<tr>
<td>88</td>
<td>0.750</td>
<td>3,620</td>
<td>78</td>
<td>87.9</td>
<td>71.7</td>
</tr>
<tr>
<td>90</td>
<td>0.750</td>
<td>4,220</td>
<td>77</td>
<td>90.9</td>
<td>70.9</td>
</tr>
<tr>
<td>22</td>
<td>0.726</td>
<td>18,720</td>
<td>74</td>
<td>99.7</td>
<td>73.2</td>
</tr>
<tr>
<td>102</td>
<td>0.726</td>
<td>2,302</td>
<td>79</td>
<td>90.2</td>
<td>72.3</td>
</tr>
<tr>
<td>120</td>
<td>0.653</td>
<td>3,810</td>
<td>76</td>
<td>86.5</td>
<td>68.6</td>
</tr>
<tr>
<td>58</td>
<td>0.794</td>
<td>7,570</td>
<td>97</td>
<td>81.7</td>
<td>72.6</td>
</tr>
<tr>
<td>92</td>
<td>0.745</td>
<td>6,760</td>
<td>75</td>
<td>93.2</td>
<td>72.7</td>
</tr>
<tr>
<td>108</td>
<td>0.704</td>
<td>5,760</td>
<td>70</td>
<td>68.9</td>
<td>69.5</td>
</tr>
<tr>
<td>125</td>
<td>0.620</td>
<td>3,810</td>
<td>57</td>
<td>50.7</td>
<td>68.5</td>
</tr>
</tbody>
</table>

Own production. Source: UNDP. * The education index is one of the three indices which make up the human development index (the others are the life expectancy index and the GDP index). It is based on the adult literacy rate and the combined gross enrolment ratio for primary, secondary and tertiary schools.

GRAPHIC F1
Life expectancy and education (2002)
### TABLE F2: Population: demography

<table>
<thead>
<tr>
<th>Country</th>
<th>Total population millions of inhabitants</th>
<th>Estimated population for 2030 millions of inhabitants</th>
<th>Crude birth rate per 1,000 inhabitants</th>
<th>Crude death rate per 1,000 inhabitants</th>
<th>Annual population growth rate %</th>
<th>Total Fertility rate</th>
<th>Number of immigrants thousands</th>
<th>% of total population 2000/05</th>
<th>Net migration rate per 1,000 inhabitants 2000/05a</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portugal</td>
<td>10.1</td>
<td>9.7</td>
<td>12</td>
<td>11</td>
<td>0.2</td>
<td>1.5</td>
<td>233</td>
<td>2.3</td>
<td>50</td>
</tr>
<tr>
<td>Spain</td>
<td>41.1</td>
<td>40.0</td>
<td>10</td>
<td>9</td>
<td>0.4</td>
<td>1.3</td>
<td>1,259</td>
<td>3.1</td>
<td>400</td>
</tr>
<tr>
<td>France</td>
<td>60.1</td>
<td>64.6</td>
<td>13</td>
<td>10</td>
<td>0.4</td>
<td>1.9</td>
<td>6,277</td>
<td>10.6</td>
<td>375</td>
</tr>
<tr>
<td>Italy</td>
<td>57.4</td>
<td>51.5</td>
<td>9</td>
<td>11</td>
<td>0.1</td>
<td>1.3</td>
<td>1,634</td>
<td>2.8</td>
<td>320</td>
</tr>
<tr>
<td>Malta</td>
<td>0.4</td>
<td>0.4</td>
<td>13h</td>
<td>8h</td>
<td>0.7h</td>
<td>1.8h</td>
<td>9</td>
<td>2.2</td>
<td>1</td>
</tr>
<tr>
<td>Slovenia</td>
<td>2.0</td>
<td>1.8</td>
<td>9</td>
<td>10</td>
<td>0.1</td>
<td>1.1</td>
<td>51</td>
<td>2.6</td>
<td>5</td>
</tr>
<tr>
<td>Croatia</td>
<td>4.4</td>
<td>4.0</td>
<td>10</td>
<td>12</td>
<td>-0.1</td>
<td>1.5</td>
<td>425</td>
<td>9.6</td>
<td>-25</td>
</tr>
<tr>
<td>Bosnia-Herzegovina</td>
<td>4.2</td>
<td>4.1</td>
<td>12</td>
<td>8</td>
<td>0.0</td>
<td>1.3</td>
<td>96</td>
<td>2.4</td>
<td>200</td>
</tr>
<tr>
<td>Serbia and Montenegro</td>
<td>10.5</td>
<td>10.1</td>
<td>12</td>
<td>12</td>
<td>0.4</td>
<td>1.7</td>
<td>626</td>
<td>5.9</td>
<td>-100</td>
</tr>
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Own production. Source: UNCTAD.


### GRAPHIC F2: Migration in the Mediterranean (1995-2005)

- **Net migration rate (per 1,000 inhabitants)**
- **Migration to other Arab countries (2000/05)**
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<th>15-64 years</th>
<th>≥ 65 years</th>
<th>Rural population</th>
<th>Population of more than one million</th>
<th>Population within 100 km of the coast</th>
<th>Population density /km²</th>
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<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
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**GRAPHIC F3** Age structure (2002)
### TABLE F4  
**Education and training of human capital**

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<th>Primary pupil-teacher ratio</th>
<th>Duration of obligatory schooling</th>
<th>Engineers and scientists in R&amp;D</th>
<th>Expenditure on R&amp;D</th>
<th>Public expenditure of the GDP</th>
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<td>%</td>
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<td>years</td>
<td>million inhabitants</td>
<td>% of GDP</td>
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Own production. Source: UNESCO.  
\(a\) Latest data available for this period.  
\(b\) Data from 1999/2000.  
\(c\) Estimates.  
\(d\) Data from 2000/01.  
(\(..\)) Data not available.

### GRAPHIC F4  
**Primary pupil-teacher ratio (2001/02)**

---

Own production. Source: UNESCO.
TABLE F5  Health and longevity

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<th>Maternal mortality ratio</th>
<th>Estimated number of people living with HIV/AIDS (adults aged 15-49)</th>
<th>Adult smokers</th>
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<td>per 1,000 live births</td>
<td>per 1,000 live births</td>
<td>low estimate-high estimate</td>
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<td>per 100,000 live births</td>
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Own production. Source: UNICEF, UNFPA, UNAIDS, WHO.

a. Data from 2000. b. Latest data available from this period. c. BM. (..) Data not available.


Own production. Source: UNICEF, UNFPA and WHO.
## TABLE F6  Nutrition and food security

### Average daily calories supply per capita

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Own production. Source: FAO. Latest data available from this period. (..) Data not available.


- Maximum value (2002). United States: 3,774
- Minimum value (2002). Eritrea: 1,513
- World average (2002): 2,804

Own production. Source: FAO.
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Own production. Source: UNFPA.

- Latest data available from this period.
- Basically women aged between 15-49.
- Data from 1996.
- All methods are included.
- Data unavailable.

**GRAPHIC F7**

Rate of use of contraceptives (1995-2002a)
### TABLE F8

**Gender: social development**

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<th>Adult literacy rate</th>
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<th>Year in which women obtained the right to vote</th>
<th>Year in which women obtained the right to be elected</th>
<th>First year in which a woman is elected to Parliament</th>
<th>Women in parliamentary seats</th>
<th>% of total</th>
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<td>% females ≥ 15 years</td>
<td>% males ≥ 15 years</td>
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Own production. Source: UNDP, UNESCO. a. Refers to the first year when elected to the current parliamentary system. b. Some of these data are estimates subject to revision. c. The date indicates the first year in which a woman was nominated for parliament. d. First partial recognition of the right to vote or to be elected. e. First partial recognition of the right to vote or to be elected. f. Latest data available from this period. g. Latest data available from this period. (..) Data unavailable.

### GRAPHIC F8

**Occupation of parliamentary seats by gender (2004)**

[Graph showing the percentage of women in parliamentary seats by country.]

Own production. Source: IPU. Situation up to December 2004.
### TABLE F9  Technology and communication

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<th>Country</th>
<th>Daily circulation of newspapers per 1,000 people</th>
<th>Television receivers per 1,000 people</th>
<th>Main telephone lines per 1,000 people</th>
<th>Outgoing international calls per inhabitant (minutes)</th>
<th>Incoming international calls per inhabitant (minutes)</th>
<th>Mobile telephone subscribers per 1,000 people</th>
<th>Personal computers per 1,000 people</th>
<th>Internet users per 1,000 people</th>
<th>Investment in telecommunications in 3 years (millions $)</th>
<th>% of GDP 1999-2001</th>
<th>% of GDP 2002</th>
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<sup>a</sup> Latest data available from this period.  
<sup>b</sup> UNDP, 2004.  
<sup>c</sup> UNESCO.  
<sup>d</sup> UNCTAD, 2003.  
<sup>e</sup> Data unavailable.

### GRAPHIC F9  Telecommunications: Internet and mobile telephony (2002)

- **Internet users (2004)** (per 1,000 inhabitants)
  - Southern Asia: 14
  - Sub-Saharan Africa: 16
  - North Africa and Middle East: 37
  - South-East Asia and Pacific: 44
  - Europe and Central Asia: 87
  - Latin America and the Caribbean: 92
  - European Monetary Union: 331

- **Mobile telephone subscribers (per 1,000 inhabitants)**
  - Southern Asia: 20,000
  - Sub-Saharan Africa: 5,000
  - North Africa and Middle East: 1,000

Own production. Source: WB/ITU.
### Table F10: Security and military expenditure

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<th>By country of origin</th>
<th>By country of asylum</th>
<th>Refugees</th>
<th>Armed forces</th>
<th>Conventional arms transfers</th>
<th>Military expenditure</th>
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<tr>
<th>Own production. Source: UNDP and UNPOP.</th>
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<td>a. Palestinian refugees in Jordan, Palestine, Syria or Lebanon under the mandate of the United Nations Relief and Works Agency for Palestine Refugees (UNRWA) are not included. The data does not refer to the Gaza Strip. b. Paramilitary forces are excluded. c. SIPRI estimate. d. Military pensions are excluded. e. Military assistance from the USA is included. f. Sum of exports or imports in the whole period. g. Amounts only relate to recurring expenditure. h. Data from 2001. i. Data from 2000. j. Data from 2002. k. Expenditure related to defence and security. (.) Less than half of the unit shown. (..) Data unavailable.</td>
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### Graphic F10: Armed Forces (2002)

**Active forces per 1,000 inhabitants**

**Number in active service (2002)**

Mediterranean: 3,063,000
Rest of the world: 15,982,000

Own production. Source: UNDP and UNPOP.
### TABLE F11  Economic structure and production

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<th>National GDP</th>
<th>Average annual growth in GDP</th>
<th>GDP by sector</th>
<th>Consumer price index</th>
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### GRAPHIC F11  Growth in GDP (1990-2002)

- East Asia and Pacific
- North Africa and Middle East
- European Monetary Union
- Europe and Central Asia
TABLE F12  Agriculture

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<th>Agricultural land area</th>
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<th>Permanent pastures</th>
<th>Irrigated land</th>
<th>Cereal area harvested</th>
<th>Cereal production yield</th>
<th>Use of fertilizers</th>
<th>Consumption of pesticides</th>
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Own production. Source: FAO.  

GRAPHIC F12  Freshwater resources and irrigation (2000-2002)

Irrigation land (thousands of ha)

Freshwater resources (billions of m$^3$)
### TABLE F13

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<th>Supply of live animals</th>
<th>Trade in live animals&lt;sup&gt;d&lt;/sup&gt;</th>
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<sup>a</sup> Includes bovine, caprine, ovine and buffalo livestock.  
<sup>b</sup> Includes chickens and hens, ducks, turkeys and geese.  
<sup>c</sup> Includes horses, donkeys, mules and camels.  
<sup>d</sup> Includes the previous categories plus other unspecified animals.  
(--) Data unavailable.

### GRAPHIC F13
Livestock supply (bovine, caprine, ovine and porcine) (2003)

[Graph showing livestock supply and trade in live animals]
### Table F14: Fisheries Trade in Fish and Fish Products

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Own production. Source: FAO

### Graph F14: Fisheries Production in the Mediterranean and Black Sea (2002)

- **Aquaculture production (mt)**
  - Ukraine 56%
  - Russia 29%
  - Georgia 2%
  - Others unspecified 1%

- **Total marine fishing (mt)**
  - Fishing in the Mediterranean and Black Sea
  - Includes other seas

- **Food Supply from Fish and Fish Products (kg/person)**
  - Portugal: 25,021
  - Spain: 75,434
  - France: 26,113
  - Italy: 65,151

Own production. Source: FAO.
Appendices Med.

2005

366-367

Own production. Source: ILO, WB, UNCTAD and EUROSTAT.

| Unemployment rate Sectorial distribution of the active population |
|----------------------|-------------------|---------------------|---------------------|
|                       | % of active female population | % of active male population | % of active population aged 15-24 |
|                       | 2001/03a | 2001/03a | 2001/03a | 2001/02a | 2001 | 2001 | 2001 |
| Portugal              | 6.3     | 7.2    | 5.5    | 12    | 12    | 35    | 53    |
| Spain                 | 11.4    | 16.4   | 8.1    | 22    | 6     | 32    | 62    |
| France                | 8.9     | 10.1   | 7.9    | 20    | 2     | 24    | 74    |
| Italy                 | 8.7     | 11.6   | 6.7    | 26    | 6     | 32    | 62    |
| Malta                 | 6.8     | 8.2    | 6.2    | ..    | 2     | 32    | 66    |
| Slovenia              | 5.9     | 6.3    | 5.7    | 16    | 11    | 38    | 51    |
| Croatia               | 14.8    | 16.6   | 13.4   | 37    | 16    | 30    | 54    |
| Bosnia-Herzegovina   | ..      | ..     | ..     | ..    | ..    | ..    | ..    |
| Serbia and Montenegro | 13.8    | 15.8   | 12.4   | ..    | ..    | ..    | ..    |
| Macedonia             | 36.7    | 36.3   | 37.0   | ..    | ..    | ..    | ..    |
| Albania               | 15.2    | 18.3   | 13.2   | ..    | ..    | ..    | ..    |
| Greece                | 9.8     | 14.6   | 6.2    | 26    | 16    | 23    | 61    |
| Cyprus                | 4.1     | 4.6    | 3.8    | 7     | 9     | 23    | 68    |
| Turkey                | 10.6    | 9.9    | 10.9   | 20    | 33    | 24    | 43    |
| Syria                 | 11.7    | 24.1   | 8.3    | ..    | ..    | ..    | ..    |
| Lebanon               | ..      | ..     | ..     | ..    | ..    | ..    | ..    |
| Jordan                | 13.2b   | 20.7   | 11.8   | ..    | ..    | ..    | ..    |
| Israel                | 10.3    | 10.6   | 10.1   | 19    | 3     | 23    | 74    |
| Palestine             | 25.6    | 18.6   | 26.9   | ..    | 13    | 29    | 58    |
| Egypt                 | 9.2     | 22.6   | 5.6    | 20    | 30c   | 21c   | 49c   |
| Libya                 | ..      | ..     | ..     | ..    | ..    | ..    | ..    |
| Tunisia               | ..      | ..     | ..     | ..    | ..    | ..    | ..    |
| Algeria               | 27.3    | 31.4   | 26.6   | ..    | ..    | ..    | ..    |
| Morocco               | 11.6    | 12.5   | 11.6   | 15    | ..    | ..    | ..    |

(Own production. Source: ILO, WB, UNCTAD and EUROSTAT.
a. Latest data available from this period. b. Data from WB. c. Data from 1999. (..) Data unavailable.)

TABLE F15 Employment and unemployment

GRAPHIC F15 Investment, GDP and unemployment (2002)
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<th>Second 20%</th>
<th>Third 20%</th>
<th>Fourth 20%</th>
<th>Richest 20%</th>
<th>Relationship between the richest 10% and the poorest 10%</th>
<th>Gini coefficient</th>
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</table>

a. The categories of Portugal, Spain, France, Italy, Slovenia, Greece and Israel are according to income received per capita. For the remaining countries the categories respond to consumption made per capita.

b. Data unavailable.

d. Latest data available from this period.
### TABLE F17  
**Gender: economic activity**

<table>
<thead>
<tr>
<th>Country</th>
<th>Perioda</th>
<th>Female economic activity rate (≥15 years)</th>
<th>Employment by economic activity</th>
<th>Salary-based income receivedc</th>
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<th>$ PPP</th>
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<td>as % of male rate</td>
<td>% of female employment</td>
<td>% of male employment</td>
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<td>44</td>
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<td>6</td>
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<td>54</td>
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</table>

Own production. Source: UNDP WB WB WB WB WB WB UNDP UNDP


### GRAPHIC F17  
**Employment by economic activity (2002)**

Female economic activity rate as a percentage of the male rate (2002)

- Arab States
- Southern Asia
- Sub-Saharan Africa
- OECD
- Central and Eastern Europe and CIS

Own production. Source: WB.
### TABLE F18: Energy consumption and production

<table>
<thead>
<tr>
<th>Country</th>
<th>Production of energy</th>
<th>Consumption of energy</th>
<th>Consumption of energy per capita</th>
<th>Energy consumption by source</th>
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<td>265,570</td>
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<td>11,006</td>
<td>377</td>
<td>94.9</td>
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</table>


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### GRAPHIC F18: Energy consumption according to sources (1999)

- **Fossil fuels (%):**
  - **World Average:** 7.0%
  - **EUROPE:** 3.5%
  - **MENA:** 1.5%

- **Hydroelectric (%):**
  - 7.0%

- **Renewable (%):**
  - 3.5%

- **Nuclear (%):**
  - 1.5%

Own production. Source: WRI.
### TABLE F19
Production, consumption and access to electricity

<table>
<thead>
<tr>
<th>Population with access to electricity</th>
<th>Electricity production</th>
<th>Electricity consumption per capita</th>
<th>Sources of electricity*</th>
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</table>

Own production.

Source: WB.

---

a. The percentages do not always add up to 100% given that renewable sources of electricity are not included.

---

### GRAPHIC F19
Sources of electricity according to income groups in the Mediterranean (2001)

- **Hydroelectric**
- **Coal**
- **Oil**
- **Gas**
- **Nuclear**

- **Countries with incomes of more than 15,000 $/capita**
- **Countries with incomes of between 5,000 and 15,000 $/capita**
- **Countries with incomes of less than 5,000 $/capita**

Own production. Source: WB.

---

Note: The percentages do not always add up to 100% given that renewable sources of electricity are not included.
### CO₂ Emissions

<table>
<thead>
<tr>
<th>Country</th>
<th>Total millions of mt</th>
<th>Per capita mt</th>
<th>World proportion</th>
<th>Industry %</th>
<th>Domestic %</th>
<th>Road transportation %</th>
<th>Public electricity and heating %</th>
<th>Number of motor vehicles per 1,000 people</th>
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<tbody>
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<td>2000</td>
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**Source:** Own production. Source: WRI and UNDP.

*Latest data available from this period.*  
*Does not include motorcycles.*  
*The majority of the remaining percentage should be attributed to the commercial, agricultural or public service sector.*  
*WRI. Includes tractors.*  
*WRI. Data from 1996.*  
*WRI. Number of vehicle licences.*  
*Includes Monaco.*  
*Includes San Marino.*  
*Data from 1999.*  
*Less than half of the unit shown.*  
*Data unavailable.*

---

**TABLE F20**


**GRAPHIC F20**


**World proportion (%)**

- 1.5 %
- 0.6 %
- 0.2 %

**National (millions of mt)**

- 0
- 75
- 150
- 225
- 300
- 375
- 450

**Per capita (mt)**

- 0
- 7.5
- 15
- 22.5
- 30
TABLE F21

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<th>Country</th>
<th>Water consumption in agriculture in the Arab countries (2000) (%)</th>
<th>Water consumption in agriculture (%</th>
<th>Consumption as a percentage of total resources (%)</th>
<th>Agriculture</th>
<th>Domestic</th>
<th>Industry</th>
<th>Desalinate water production</th>
<th>Emissions of organic contaminants into water</th>
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Own production. Source: FAO

GRAPHIC F21

Water consumption, exploitation and agriculture (2000)

Water consumption in agriculture in the Arab countries (2000) (%)

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Agricultural water consumption (%)
### TABLE F22
Natural environment

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<th>Marine or coastal(^b)</th>
<th>Unknown species(^b)</th>
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<td>2002</td>
<td>% of total</td>
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Own production. Source: FAO, WRI, IUCN, WWF

\(^a\) Includes continental shelf up to a depth of 200 metres.

\(^b\) Only mammals (not marine) and nesting birds.

\(^c\) According to IUCN categories I-V.

\(^d\) Creation in-house from FAO data.

\(^e\) Latest data available from this period.

\(^f\) Data unavailable.

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### GRAPHIC F22
Ecological footprint (2001)

Ecological footprint (millions of gha)

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Own production. Source: WWF and WB.

The global (biologically) productive area is a way to refer to the biological capacity of the Earth to produce resources and absorb waste.
TABLE F23  International trade

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Own production. Source: UNCTAD UNCTAD UNCTAD UNCTAD UNCTAD WB UNCTAD UNCTAD UNCTAD. a. Military expenditure excluded. b. Negative values indicate that disinvestment has been taken into account within the investment flow. c. The data for Cyprus are from 2001 and those for Malta from 2002, UNCTAD. d. Data from 2000. e. From goods and services. f. Data from 2001. g. Guadalupe, French Guyana, Martinique and Reunion are included in the data for France. h. Creation in-house from data from UNCTAD. i. Includes remittances from workers, salaries paid and transfers of capital. j. Data unavailable.

GRAPHIC F23  Trade balance and current account balance

[Graph showing trade balance and current account balance for various countries, with bars representing exports and imports and the balance in millions of dollars for each country.]
TABLE F24

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<th>ores and metals</th>
<th>manufactured products</th>
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Own production. Source: UNCTAD. 

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GRAPHIC F24

Export concentration index (2001)

Own production. Source: UNCTAD.
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</table>

*Own production. Source: UNCTAD.  
*Guadeloupe, French Guyana, Martinique and Reunion are included in the data for France.  
*b Data from 2000.  
*(..) Data unavailable.

### GRAPHIC F25

Import concentration index (2001)
## TABLE F26  Tourism in the Mediterranean

<table>
<thead>
<tr>
<th>Country</th>
<th>International inbound tourists</th>
<th>Tourist departures by country of origin</th>
<th>Number of nights in destination country</th>
<th>Average length of stay</th>
<th>Income from international tourism</th>
<th>Expenditure on international tourism</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>growth rate %</td>
<td>thousands</td>
<td>2003/02</td>
<td>2002</td>
<td>2001</td>
<td>millions of $</td>
</tr>
<tr>
<td>Portugal</td>
<td>-4.3(^b)</td>
<td>11,644</td>
<td>2,425(^i)</td>
<td>25,229</td>
<td>7 (13^f)</td>
<td>5,919</td>
</tr>
<tr>
<td>Spain</td>
<td>3.3(^b)</td>
<td>51,748</td>
<td>3,748</td>
<td>232,035</td>
<td>7 (13^f)</td>
<td>33,609</td>
</tr>
<tr>
<td>France</td>
<td>-2.6(^b)</td>
<td>77,012</td>
<td>17,404</td>
<td>581,037</td>
<td>7 (13^f)</td>
<td>32,329</td>
</tr>
<tr>
<td>Italy</td>
<td>0.6(^b)</td>
<td>39,799</td>
<td>25,126</td>
<td>146,672</td>
<td>9</td>
<td>26,915</td>
</tr>
<tr>
<td>Malta</td>
<td>-0.6(^b)</td>
<td>1,134</td>
<td>11,067</td>
<td>5,919</td>
<td>16.1</td>
<td>2,274</td>
</tr>
<tr>
<td>Slovenia</td>
<td>5.3(^b)</td>
<td>1,302</td>
<td>2,055</td>
<td>3,653</td>
<td>3</td>
<td>1,083</td>
</tr>
<tr>
<td>Croatia</td>
<td>6.6(^b)</td>
<td>9,444</td>
<td>38,384</td>
<td>11,229</td>
<td>6</td>
<td>3,811</td>
</tr>
<tr>
<td>Bosnia-Herzegovina</td>
<td>-3.8(^b)</td>
<td>1,160(^c)</td>
<td>222</td>
<td>11,229</td>
<td>6</td>
<td>112(^c)</td>
</tr>
<tr>
<td>Serbia and Montenegro</td>
<td>27.5(^b)</td>
<td>448 (^c)</td>
<td>1,281</td>
<td>11,229</td>
<td>6</td>
<td>77(^c)</td>
</tr>
<tr>
<td>Macedonia</td>
<td>24.3(^b)</td>
<td>123 (^c)</td>
<td>213</td>
<td>18,826</td>
<td>10</td>
<td>1,863</td>
</tr>
<tr>
<td>Albania</td>
<td>-3.8(^b)</td>
<td>34(^c)</td>
<td>18(^d)</td>
<td>11,229</td>
<td>6</td>
<td>48(^c)</td>
</tr>
<tr>
<td>Greece</td>
<td>14,180(^c)</td>
<td>1,935(^i)</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>9,741</td>
</tr>
<tr>
<td>Cyprus</td>
<td>-4.7(^b)</td>
<td>2,418</td>
<td>...</td>
<td>18,826</td>
<td>10</td>
<td>1,863</td>
</tr>
<tr>
<td>Turkey</td>
<td>3.8(^b)</td>
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<td>5,130</td>
<td>36,368</td>
<td>10</td>
<td>9,010</td>
</tr>
<tr>
<td>Syria</td>
<td>-27.9(^b)</td>
<td>662(^d)</td>
<td>3,273</td>
<td>4,637(^d)</td>
<td>15(^d)</td>
<td>1,197</td>
</tr>
<tr>
<td>Lebanon</td>
<td>6.3(^b)</td>
<td>956 (^c)</td>
<td>1,650(^d)</td>
<td>...</td>
<td>3</td>
<td>956(^d)</td>
</tr>
<tr>
<td>Jordan</td>
<td>-3.0(^b)</td>
<td>1,622</td>
<td>1,726</td>
<td>...</td>
<td>5</td>
<td>786</td>
</tr>
<tr>
<td>Israel</td>
<td>-27.9(^b)</td>
<td>862 (^d)</td>
<td>3,273</td>
<td>4,637(^d)</td>
<td>15(^d)</td>
<td>1,197</td>
</tr>
<tr>
<td>Palestine</td>
<td>-7(^b)</td>
<td>7(^c)</td>
<td>22</td>
<td>...</td>
<td>3</td>
<td>0(^c)</td>
</tr>
<tr>
<td>Egypt</td>
<td>17.1(^b)</td>
<td>4,906</td>
<td>3,074</td>
<td>...</td>
<td>6</td>
<td>3,764</td>
</tr>
<tr>
<td>Libya</td>
<td>-17(^b)</td>
<td>650(^c)</td>
<td>339(^f)</td>
<td>...</td>
<td>...</td>
<td>28(^c)</td>
</tr>
<tr>
<td>Tunisia</td>
<td>1.8(^b)</td>
<td>5,064</td>
<td>1,669</td>
<td>...</td>
<td>6</td>
<td>1,422</td>
</tr>
<tr>
<td>Algeria</td>
<td>16.4(^b)</td>
<td>688 (^c)</td>
<td>1,257</td>
<td>...</td>
<td>9</td>
<td>133(^c)</td>
</tr>
<tr>
<td>Morocco</td>
<td>-0.7(^b)</td>
<td>4,193</td>
<td>1,533</td>
<td>22,593</td>
<td>9</td>
<td>2,152</td>
</tr>
</tbody>
</table>

Own production. Source: WTO, UNCTAD, WB.

\(^a\) Latest data available from this period.
\(^b\) Data from the period 2002/01.
\(^c\) Data from WB.
\(^d\) Data from 2000.
\(^e\) Data from 2001.
\(^f\) Data from 1999.
\(\cdot\) Data unavailable.

### GRAPHIC F26  Tourism impact and dependence (2002)

- **International inbound tourists (in millions)**
- **Arrivals of tourists with regard to local host population (%)**
- **Income from tourism (% of exports)**
- **Tourism by destination region**

Own production. Sources: WTO and WB.
TABLE F27 Official aid

<table>
<thead>
<tr>
<th>Official Development Assistance from donor countries</th>
<th>Official Development Assistance or Official Aid in receiving countries*</th>
</tr>
</thead>
<tbody>
<tr>
<td>millions of $</td>
<td>% GNI(^b)</td>
</tr>
<tr>
<td>Portugal</td>
<td>323</td>
</tr>
<tr>
<td>Spain</td>
<td>1,712</td>
</tr>
<tr>
<td>France</td>
<td>5,486</td>
</tr>
<tr>
<td>Italy</td>
<td>2,332</td>
</tr>
<tr>
<td>Malta</td>
<td>..</td>
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<tr>
<td>Slovenia</td>
<td>..</td>
</tr>
<tr>
<td>Croatia</td>
<td>..</td>
</tr>
<tr>
<td>Bosnia-Herzegovina</td>
<td>..</td>
</tr>
<tr>
<td>Serbia and Montenegro</td>
<td>..</td>
</tr>
<tr>
<td>Macedonia</td>
<td>..</td>
</tr>
<tr>
<td>Albania</td>
<td>..</td>
</tr>
<tr>
<td>Greece</td>
<td>276</td>
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<tr>
<td>Cyprus</td>
<td>..</td>
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<tr>
<td>Turkey</td>
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</tr>
<tr>
<td>Syria</td>
<td>..</td>
</tr>
<tr>
<td>Lebanon</td>
<td>..</td>
</tr>
<tr>
<td>Jordan</td>
<td>..</td>
</tr>
<tr>
<td>Israel</td>
<td>..</td>
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<td>Palestine</td>
<td>..</td>
</tr>
<tr>
<td>Egypt</td>
<td>..</td>
</tr>
<tr>
<td>Libya</td>
<td>..</td>
</tr>
<tr>
<td>Tunisia</td>
<td>..</td>
</tr>
<tr>
<td>Algeria</td>
<td>..</td>
</tr>
<tr>
<td>Morocco</td>
<td>..</td>
</tr>
</tbody>
</table>

Own production. Source: DAC-OECD and WB.

GRAPHIC F27 Evolution of the ODA in North Africa and Middle East countries (1989-2002)

- Portugal
- Spain
- France
- Italy
- Greece
- Total DAC

- ODA and Official Aid received (millions of $) (2002)
- 1997
- 2002

Own production. Source: DAC-OECD and WB.
<table>
<thead>
<tr>
<th>Country</th>
<th>External debt millions of $</th>
<th>External debt % of GNI</th>
<th>External debt $ per capita</th>
<th>Debt service millions of $</th>
<th>Debt service % of GNI</th>
<th>Debt service % de exportaciones</th>
<th>Debt service $ per capita</th>
</tr>
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<tbody>
<tr>
<td>Portugal</td>
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</tr>
<tr>
<td>Italy</td>
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</tr>
<tr>
<td>Malta</td>
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<td>..</td>
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<td>..</td>
<td></td>
</tr>
<tr>
<td>Slovenia</td>
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<td>..</td>
<td>..</td>
<td>..</td>
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</tr>
<tr>
<td>Croatia</td>
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<td>1,421</td>
<td>7.0</td>
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<td>Bosnia-Herzegovina</td>
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<td>613</td>
<td>108</td>
<td>2.0</td>
<td>7.1</td>
<td>26</td>
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<tr>
<td>Serbia and Montenegro</td>
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<td>109</td>
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<td>0.7</td>
<td>2.8</td>
<td>10</td>
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<td>810</td>
<td>137</td>
<td>3.9</td>
<td>15.8</td>
<td>69</td>
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<tr>
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<td>410</td>
<td>32</td>
<td>0.7</td>
<td>3.4</td>
<td>10</td>
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<tr>
<td>Greece</td>
<td>..</td>
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<td>..</td>
<td>..</td>
<td>..</td>
<td></td>
</tr>
<tr>
<td>Cyprus</td>
<td>..</td>
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<td>..</td>
<td>..</td>
<td>..</td>
<td>..</td>
<td></td>
</tr>
<tr>
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<td>9,705</td>
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<td>50.7</td>
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<td>2.9</td>
<td>9</td>
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<tr>
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<td>96</td>
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<td>1,682</td>
<td>9.5</td>
<td>51.0</td>
<td>382</td>
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<tr>
<td>Jordan</td>
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<td>89</td>
<td>1,557</td>
<td>473</td>
<td>5.2</td>
<td>8.8</td>
<td>91</td>
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<tr>
<td>Israel</td>
<td>..</td>
<td>..</td>
<td>..</td>
<td>..</td>
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<td>..</td>
<td>..</td>
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<td></td>
</tr>
<tr>
<td>Egypt</td>
<td>30,750</td>
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<td>463</td>
<td>1,952</td>
<td>2.0</td>
<td>3.8</td>
<td>29</td>
</tr>
<tr>
<td>Libya</td>
<td>..</td>
<td>..</td>
<td>..</td>
<td>..</td>
<td>..</td>
<td>..</td>
<td></td>
</tr>
<tr>
<td>Tunisia</td>
<td>12,625</td>
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<td>628</td>
<td>2,950</td>
<td>8.5</td>
<td>24.3</td>
<td>100</td>
</tr>
</tbody>
</table>

Own production. Source: WB.

* Own production from World Bank data
* Data unavailable.
Definitions

**Adolescent fertility rate**
Number of births per thousand women aged between fifteen and nineteen.

**Adult literacy rate**
Percentage of people over fifteen years of age who can read, write and understand a short, simple text about their daily life.

**Agricultural surface area**
Land surface area made up of arable and permanently cultivated lands and by permanent meadows and pastures.

**Annual population growth rate**
Exponential change in the growth of the population during the period indicated.

**Aquaculture production**
Includes marine and salt water fish, diadromous, molluscs and crustaceans cultivated in marine, inland or brackish environments.

**Arable lands and permanent crops**
Agricultural surface area that groups the data on arable or farm land and land used for permanent crops. Arable and farm land is land given over to temporary crops (those giving two yields are only counted once), temporal meadows for cutting or grazing, land dedicated to commercial vegetable gardens or orchards and land temporarily fallow for a period of less than five years. The term does not include land that has been abandoned as a result of migratory cultivation. Land destined for permanent crops refers to land dedicated to crops that occupy the terrain during long periods and that do not need to be replanted after each harvest, such as cocoa, coffee and rubber. It includes land occupied by bushes destined to flower production, fruit trees, walnut trees and vineyards, but excludes land planted with trees destined to the production of firewood or wood.

**Armed forces**
Strategic, land, naval, aerial, command and support forces. It also includes paramilitary forces, such as the gendarmerie, the customs services and the border guard if they are trained in military strategy.

**Average daily calories supply per capita**
Supply of food for human consumption, expressed in kilo calories per person and per day. A national level of foods for human consumption is calculated, after deducting all the non-food consumption (exports, fodder, industrial use, seeds and waste).

**Average length of stay**
Average number of days spent by a non-resident tourist in the visited country.

**Carbon dioxide (CO₂) emissions**
The emissions of carbon dioxide produced in the burning of all fossil fuels by each individual economic sector. The industrial sector includes those originating in the construction and manufacturing industries. The domestic sector includes the emissions from burning fossil fuels at home and excludes transport. The road sector refers to the emissions of all road and agricultural vehicles. The emissions of the public electricity and heating sector include the sum of the emissions originating from the burning of all kinds of fossil fuels used for the generation of electricity and heat.

**Cereal production**
The figures only refer to cereal harvests of dry grain. The cereals harvested for forage, unripe for foodstuffs, for silage or grazing are therefore excluded.

**Cereal production yield**
The outputs per hectare have been calculated using the data on surface area and production.

**Children with lower than normal weight for their age**
Percentage of children under five whose weight and height, for their age, is less than twice the standard deviation in comparison with the average for the relevant age group. The population of reference is the child population of the USA, which is assumed to be well nourished.

**Combined primary, secondary and tertiary education enrolment ratio**
Number of students registered in a spe-
specific level of education, regardless of age, as a percentage of the population of official school age for this level.

**Concentration index of exports**
The Herfindahl-Hirschmann Index is used, in a normalised version, to obtain values between zero and one (maximum concentration). It measures the degree of market concentration and the calculation takes into account the different product groups exported, according to the Standard International Trade Classification (SITC).

**Concentration index of imports**
The Herfindahl-Hirschmann Index is used, in a normalised version, to obtain values between zero and one (maximum concentration). It measures the degree of market concentration and the calculation takes into account the different product groups imported, according to the Standard International Trade Classification (SITC).

**Contraception prevalence rate**
Percentage of married women (including couples living together) between fifteen and forty-nine years of age, who use, or whose partners use, contraception of any type, modern or traditional.

**Consumer price index**
Reflects changes in the cost, for an average consumer, in the acquisition of a basket of goods and services that can be fixed or can change at specific intervals; for example annually. The Laspeyres formula is normally used.

**Coverage ratio**
Relation between the exports and imports of an economy, expressed as a percentage.

**Conventional arms transfers**
The voluntary transfer of weapons, on the part of the supplier (excluding, therefore, captured weapons and weapons obtained from deserters), with military purposes destined for the armed forces, paramilitary forces or intelligence services of another country. They include conventional weapons or large scale systems, classified in six categories: ships, aircraft, missiles, artillery, armoured vehicles and guidance and radar systems (excluding lorries, services, munitions, small arms, support items, components and component technology and towed or naval artillery under 100 millimetre calibre).

**Crude birth rate**
Number of births per year per thousand inhabitants. An estimate is made in the middle of the current year.

**Crude death rate**
Number of deaths per year per thousand inhabitants. An estimate is made in the middle of the current year.

**Current account balance**
The sum of the net exports – exports minus imports – of goods and services, incomes and net transfers.

**Daily newspaper circulation**
Number of newspapers published at least four times a week.

**Deserts and dry land**
Total area of semi-arid land (dry lands), barren and hyperborean (desert) that make up a country.

**Desalinated water production**
Amount of water produced by elimination of salt from salt water using a variety of techniques, including inverse osmosis. Most of this water is used for domestic purposes.

**Distribution by sector of the active population**
Percentage of the workforce employed in the different economic sectors: agriculture, industry and services.

**Duration of compulsory education**
Number of years, within a determined age group, that children and young people are legally obliged to attend school.

**Ecological footprint**
Measurement of the use of renewable natural resources by humanity. For a given population it is defined as the total area of biologically productive land and water required to produce the resources consumed, to maintain energy consumption, to make way for infrastructures and to absorb the waste generated by the population. The unit used to measure the ecological footprint is the global hectare and is defined as a hectare of biologically productive space, equal to the world average.

**Economic activity rate**
The proportion of the population over fifteen years of age that contributes – or is able to contribute – labour in the production of goods and services.

**Electricity consumption per capita**
Refers to the gross production per inhabitant and includes the consumption of auxiliary stations and the losses in the transformers considered an integral part of the central station. It also includes the total electricity produced by pumping stations, without deducting the electricity absorbed by the pumps.

**Electricity production**
Measured in the alternating equipment terminals of electric power stations. Also includes hydroelectric, coal, oil, gas and nuclear energy sources and generation by geothermal, solar, wind, tidal and marine energy, as well as renewable residues and fuels.

**Electricity sources**
Energy sources used to generate electricity: hydroelectric, coal, oil, gas and nuclear.

**Emigrant remittances**
According to the definition of the International Monetary Fund (IMF) Balance...
of Payments Manual, workers’ remittances are goods and financial assets transferred by immigrants living and working in an economy (where they are considered residents) in favour of the residents of their former country of residence. An immigrant must live and work in the new economy for more than one year to be considered a resident there. The transfers made to the immigrants own accounts abroad are not considered transfers. Moreover, all those derived from the possession of a business by an immigrant are only considered to be normal transfers to the country of origin.

Emissions of organic water pollutants
Measured in terms of the biochemical demand for oxygen, which refers to the quantity of oxygen consumed by the water bacteria in order to decompose the residues. This is a standard water treatment used to determine the presence of organic contaminants.

Environmental Sustainability Index (ESI)
The ESI benchmarks the ability of nations to protect the environment over the next several decades. It does so by integrating 76 data sets – tracking natural resource endowments, past and present pollution levels, environmental management efforts, and the capacity of a society to improve its environmental performance – into 21 indicators of environmental sustainability. These indicators permit comparison across a range of issues that fall into the following five broad categories: Environmental Systems, Reducing Environmental Stresses, Reducing Human Vulnerability to Environmental Stresses, Societal and Institutional Capacity to Respond to Environmental Challenges and Global Stewardship.

Fertilizer consumption
Amount of vegetable nutrients used per unit of cultivable land. The fertilizers considered are nitrogen, phosphorous and potassium. Consumption is calculated as production plus imports minus exports, and traditional nutrients (animal and vegetable fertilizers) are not included. The data obtained is the result of dividing the consumption of fertilizer of each country by the surface area of arable and permanently cultivated land.

Forest area
Understood as all land with natural or artificial plots of trees, whether productive or not.

Food supply from fish and fish products per inhabitant
Calculated from the supply of fish and its derivatives for human consumption, divided by the total population within the geographical borders of any given country. Nationals living in other countries are excluded, although foreigners living in the country are included.

Fishing in the Mediterranean and the Black Sea
Fishing catches for commerce, industry or subsistence (including recreational catches where the data is available). The data refers to the catch by the fleet of a country in the Mediterranean and/or in the Black Sea.

Foreign Direct Investment (FDI)
Net direct investment that is made in order to acquire a lasting management interest in an enterprise operating in a country other than that of the investor. It is equal to the sum of the equity capital, the reinvestment of earnings and other long term and short term capital.
Freshwater resources
The total renewable resources, covering the watercourses of the country (rivers and underground rain water reserves) and the watercourses originating in other countries.

Gini coefficient
Measurement of inequality in the distribution of income and consumption. A value of zero represents perfect equality and a value of one hundred total inequality.

Gross Domestic Product (GDP)
The sum of the added value by all the resident producers in an economy, plus any tax on the product (without taking into account the subsidies). The added value is the net profit of an industry after adding together all the profits and subtracting the intermediate contributions.

Gross Domestic Product per capita (GDP per capita)
Using the official exchange rates to convert the figures in national currency into USA dollars does not measure the relative internal acquisition powers of each currency in each country. The International Comparison Project (ICP) of the United Nations and the World Bank develop measures of the GDP on an internationally comparable scale using as conversion factors, the Purchase Power Parities (PPP) in respect to each country.

Gross National Income (GNI)
The sum of value added by all resident producers plus any product taxes (less subsidies) not included in the valuation of output plus net receipts of primary income (compensation of employees and property income) from abroad. Value added is the net profit of an industry after adding all profits and subtracting intermediate consumption.

Growth in GDP
Measurement of growth of an economy, obtained through the change in GDP over a long period of time, calculated at constant prices and in the local currency.

Human Development Index (HDI)
Index prepared by the United Nations Development Programme (UNDP) by relating three indicators: level of incomes (GDP per inhabitant), health (life expectancy at birth) and level of education (literacy rate and a combination of registration in primary, secondary and higher education).

Imports
Value of all goods received by an economy from the rest of the world. It excludes labour and income in concept of property, as well as transfer payments.

Infant mortality rate
Shows the number of deaths in infants under one year of age per thousand live births.

Information and communications technology expenditures
Internal and external spending on information technology, as well as telecommunications and other office infrastructures.

International inbound tourists
The number of trips that travellers from a given country make from their normal country of residence to any other one, for any other reason other than to undertake a paid activity in the country visited.

International tourism expenditure
The expenditure in other countries of travellers from a given country, including the payments to national freight companies for international freight. It can include the expenses of single day travellers. The percentage it represents in respect of the exports, is calculated as a ratio of the exports of goods and services.

International tourism receipts
Income received in a given country from visitors, including payments made to national freight companies for international freight. It also includes the prepayment of goods and services received in the destination country. It can include the income from single day visitors. The percentage it represents in respect to exports is calculated as a ratio of the exports of goods and services.

Internet users
The number of computers within an economy that are directly linked to the world-wide internet. These statistics are based on the country codes of the addresses of the users and do not always correspond to the physical location of the computer.

Investment in telecommunications
Expenses associated with the acquisition of telecommunications equipment and infrastructures (including land, buildings, intellectual property and others). These expenses refer both to the initial installations and to all the reforms undertaken in the existing installations.

Irrigated lands
The areas equipped with hydraulic infrastructure to supply water to crops. Areas with partial or total control of the distribution, surface areas irrigated by diversion of rises in level and low and flood- ed areas where available water is controlled are included.
| **Known species** | **Total number of species in a given country. Only mammals (excluding marine life) and birds (only nesting, excluding hibernating or migrating) have been taken into account.** |
| **Land cultivated with cereals** | **The figures related to cultivated crop surface areas generally refer to the area harvested, although those corresponding to permanent crops can refer to the total planted area. The figures for the cultivated cereal area only refer to harvests of dry grain. Crops harvested for hay, unripe foodstuffs, forage and silage, or are used for grazing, are therefore excluded.** |
| **Land surface area** | **The total surface area minus the surface covered by inland waters. Inland waters are defined in general as rivers and principale lakes.** |
| **Life expectancy at birth** | **The number of years that a new-born infant would live if prevailing patterns of mortality at the time of its birth were to stay the same throughout its life.** |
| **Labour force occupational rate** | **According to the International Standard Industrial Classification (ISIC), the Agriculture category also includes hunting, fishing and forest exploitation; the Industry category includes mining, extraction activities (including oil production), manufacturing, construction and public services (electricity, water and gas); the Services category includes the wholesale and retail trades, restaurants and hotels, transport, storage services, communications, financial services, insurance, real estate, business services, as well as community, social and personal services.** |
| **Main telephone lines** | **Telephone lines that connect the client’s telephone equipment with the public telephone network exchange.** |
| **Marine and freshwater fishing** | **Fishing catches for commerce, industry or subsistence (including recreational catches where the data is available). The data refers to the catch by the fleet of a country in any part of the world.** |
| **Maternal mortality ratio** | **Annual number of deaths of women owing to causes related to pregnancy, for every 100,000 live births.** |
| **Military expenditure** | **Total of expenses effected by the Ministry of Defence and other ministries on the recruitment and training of military personnel, as well as the manufacture and acquisition of military supplies and equipment. Military assistance is included in the expenses of the donor country.** |
| **Mobile phone subscribers** | **Mobile telephone users subscribed to a public, mobile and automatic service providing access to the public telephone network using cellular technology.** |
| **Motor vehicles** | **Includes cars, buses and loading vehicles, but not mopeds or motorcycles.** |
| **National protected areas** | **Areas of land or sea especially dedicated to the protection and maintenance of the biodiversity, the natural and associated cultural resources and managed through legal and other instruments. According to The World Conservation Union (IUCN) it includes the total area of all natural reserves, virgin areas, national parks, natural monuments, management areas of habitats and species, as well as protected land and sea areas in each country.** |
| **Net enrolment ratio** | **Number of students enrolled in a level of education who are of the official school age for that level, as a percentage of the total of the population of official school age for that level. The figures are shown for primary and secondary education.** |
| **Net migration rate** | **The data is based on estimates that represent the average value per year for the period 2000-2005.** |
| **Number of fishermen and women** | **The number of people employed in commercial and subsistence fishing (both personnel on land and at sea), who work in fresh water, brackish water, marine area or in aquaculture activities.** |
| **Number of immigrants** | **Refers to the people born outside of a given country at the mid point of the year. The data is given in absolute figures and as a percentage in respect to the population of the receiving country.** |
| **Net number of migrants** | **The entry of immigrants into a given country minus the outgoing emigrants of the same country. The data is estimated and represents the total net number for the period 2000-2005.** |
| **Number of nights in the destination** | **Number of nights that non-resident tourists spend within the country visited, regardless of the type of tourist establishment.** |
| **Official Aid** | **Official payments from donor countries to countries and territories on part II of the list of receivers of the Development Assistance Committee (DAC). This assistance is provided according to terms and conditions similar to those of the ODA.** |
| **Official Development Assistance (ODA)** | **The net payment of donations and loans granted under concessible financial terms by official boards of partner countries of the Development Assistance Committee (DAC) of the Organisation** |
for Economic Co-operation and Development (OECD), the Organisation of Petroleum Exporting Countries (OPEC) or others, as well as international organisations, with a view to promoting economic development and wellbeing, including co-operation and technical assistance.

**Oil equivalent**
All the values of energy production and consumption presented are calculated and published by the International Energy Agency (IEA) which uses the equivalent metric tone of oil based on the calorific content of the energy products as the unit of measurement. An equivalent metric tone of oil is defined as 10^7 kilo calories or 11,628 gigawatts per hour (GWh). This amount of energy is practically equal to the amount of energy contained in a tone of crude oil.

**Population infected with HIV**
Estimated number of people of any age infected with HIV or AIDS. Includes the whole living infected population at the end of 2003, regardless of whether or not they have developed the disease. It shows the actual figure and the percentage in respect of the population of the country.

**Population in urban agglomerations of more than one million inhabitants**
Percentage of the population of a country living in metropolitan areas, that in 2003 had a population of more than one million people.

**Population per physician**
The figure is obtained by dividing the number of inhabitants of a country by the number of doctors in its health system.

**Population with access to affordable essential drugs**
The percentage of the population with access to at least twenty of the most essential drugs (those that satisfy the health care needs of the majority of the population) that are continuously and affordably available from the public and private health services or from chemists, less than one hour away from their residence.

**Population with access to drinking water**
The percentage of the population that has reasonable access to any of the following sources of drinking water: household water connections, public standpipes, bore holes, protected dug wells, protected springs and rainwater deposits. Reasonable access is defined as the availability of at least twenty litres per person per day, from a source located within a radius of one kilometre from the home of the user.

**Population with access to electricity**
The number of people with access to electricity as a percentage of the total population.

**Population with access to improved sanitation facilities**
Percentage of the population with access to adequate installations for the elimination of excrement, such as connection to drains or systems of septic tanks, flush latrines, pour flush latrines or ventilated improved pit latrines. A system of elimination of excrement is considered adequate if it is private or shared (but not public) and if it allows the efficient avoidance of people or animals entering into contact with the excrement.

**Population within 100 km of the coast**
The estimations of the percentage of the population that lives in the coastal area, based on the 1995 population data.

**Primary school pupil-teacher ratio**
Number of pupils registered in primary schools divided by the number of teachers in primary schools.

**Public education expenditure**
Capital expenses (construction, renovation, major repairs and purchase of heavy equipment or vehicles) and running costs (goods and services consumed during the current year and need to be renewed the following year). It covers expenses such as salaries and rendering of services, contracted or acquired services, books and didactic material, social welfare services, furniture and equipment, minor repairs, fuel, insurance, rent, telecommunications and travel.

**Public health expenditure**
Recurring and capital expenses in government budgets (central and local), loans and external concessions (including donations by international agencies and non-governmental organisations) and social or compulsory medical insurance funds.

**Refugees**
People who have been forced to flee their country for fear of persecution owing to reasons of race, religion, nationality, political opinions or membership of determined social groups and who are unable or unwilling to return. The asylum country is the country in which...
the refugee has requested asylum, but has not yet received a response, or where he or she has been registered as an asylum seeker. The country of origin refers to the nationality of the seeker or to the country in which he or she is a citizen.

**R & D expenditure**
The current and capital expenses of creative and systematic activities that increase the stock of knowledge. Includes basic and applied research and experimental development work that leads to new devices, products or processes.

**Rural population**
The estimated population at the mid point of the year in areas defined as rural, as a percentage of the total population of the country.

**Scientists and engineers in R & D**
Professionals that have received further training to work in any scientific field.

**Seats in parliament held by women**
Percentage of seats occupied by women in a lower or single chamber, or in a higher or senate, according to each case. In the case where there are two chambers, the data refers to the weighted average of the participation of women in both chambers.

**Share of income**
In the questionnaires carried out in homes in diverse countries to determine the distribution of income, they make five divisions (or quintiles) from the lowest to the greatest incomes. The two lower quintiles (40%) are considered the poorest. A relation is also made between the richest 10% and the poorest 10%, in order to establish the degree of inequality in incomes.

**Smokers**
The percentage of men and women who smoke cigarettes. The age range varies between countries, but in general it is fifteen years of age or above, who are generally considered as part of the population of their country of origin. Values for 2003 and projections for 2030 are shown.

**Stock of living animals**
All domestic animals regardless of age, location or final purpose are included. FAO has made estimates for countries that have not supplied data, as well as for countries supplying partial statistics.

**Television sets**
Data on the number of televisions in use is obtained by the International Telecommunication Union (ITU) using questionnaires sent to the national broadcasting authorities and industry associations.

**Threatened species**
Includes all the species classified by The World Conservation Union (IUCN), as “vulnerable, in danger, or in critical danger,” but excludes all introduced species, species whose status is not sufficiently known, extinguished species and those still without an assigned status. Only mammals (excluding marine life) and birds (only nesting, excluding hibernating or migrating) have been taken into account.

**Total debt service**
The sum of the main payments and interest payments made in foreign currencies, goods or services for long term debts, interest paid on short term debts and repayments (redemption and charges) to the International Monetary Fund (IMF).

**Total Fertility rate**
Number of children that would be born to a woman if she were to live to the end of her childbearing years and bear children in accordance with current age-specific fertility rates.

**Total population**
The residents of a country or territory with the legal status of citizen, except refugees settled in a country of asylum,
**Water withdrawals**
Total water used by humans in a year, without taking into account the losses due to evaporation in reservoirs. Includes water from non-renewable underground sources, from rivers coming from other countries and from desalinated plants.

**Wood fuel production**
Includes wood from trunks and branches, used as fuel for cooking, heating or producing energy.

**The year when women received the right to stand for election**
The dates refer to the year when the universal and equal right to stand for election was recognised. In the cases when two years appear, the first refers to the first partial recognition of the right to stand for election.

**The year when women obtained the right to vote**
The dates refer to the year when the universal and equal right to vote was recognised. In the cases when two years appear, the first refers to the first partial recognition of the right to vote.
Map A.6 | Refugees and Displaced Persons in Balkans

Updated to reflect the situation as of 1st August 2004

These statistics are based on information available to UNHCR, and should be regarded as estimates only. They do not include refugees/asylum-seekers from countries outside the region.

IDP: Internally Displaced Person

Source: UNHCR, www.unhcr.org

Map A.14 | Environmental Sustainability Index

Environmental Sustainability Index-World ranking position (2005)

| No data | 0 | 20 | 40 | 60 | 80 | 100 | 120 | 140 |

* More information on the Environmental Sustainability Index in the Definitions section.

Own production.

Source: Yale Centre for Environmental Law and Policy-Yale University; Centre for International Earth Science Information Network-Columbia University

Environmental Sustainability Index Components

- Environmental systems
- Worldwide administration
- Social and institutional capacity
- Reduction of human vulnerability
- Reduction of impact
Map A.17 | Passenger Traffic in MEDA* countries (2000)

*Main heavy traffic areas in MEDA countries. Lines correspond to both in-bound and out-bound passengers.

Air Traffic
- 1 million passengers
- 5 million passengers

Sea Traffic
- Own production.

Road Traffic
- Source: Euromed Transport Project, Transport infrastructure contract.

Map A.18 | Population in 2003 and forecasted for 2030

Each country is assigned a proportional volume for the population that it had in 2003 and that it is forecast to have in 2030.

- Population in 2009
- Population increase according to forecast 2030
- Population reduction according to forecast 2030
- halve a million inhabitants

FERTILITY RATE (2002) (children per woman)
- Own production. Source: World Bank and UNPOP
Map A.21 | Inequality in Male and Female Salaries (2002)

Women's salaries in relation to men's salaries (%)

| No data | 28 | 33 | 38 | 43 | 48 | 53 | 58 | 62 |

Earned Incomes (in $ PPP)

Own production, Source: UNDP
List of the Organisms Consulted for the Realization of the Tables, Graphics and Maps

CARIM, Euro-mediterranean Consortium for Applied Research on International Migrations (CARIM)
www.carim.org

EUROSTAT, Statistical Office of the European Commission
http://europa.eu.int/comm/eurostat

FAO, Food and Agriculture Organization of the United Nations
www.fao.org

IEA, International Energy Agency
www.iea.org

ILO, International Labour Organization
www.ilo.org

IMF, International Monetary Fund
www.imf.org

IPU, Inter-Parliamentary Union
www.ipu.org

IRFFI, International Reconstruction Fund Facility for Iraq
www.irffi.org

ITU, International Telecommunication Union
www.itu.int

IUCN, World Conservation Union
www.iucn.org

OECD, Organization for Economic Co-operation and Development
www.oecd.org

Plan Bleu
www.planbleu.org

SIPRI, Stockholm International Peace Research Institute
www.sipri.org

UNAIDS, Joint United Nations Program on HIV/AIDS
www.unaids.org

UNCHR, Office of the United Nations High Commissioner for Human Rights
www.ohchr.org
References of the reports and yearbooks consulted for the realization of the tables, graphics and maps

Arab Human Development Report, 2004 (PNUD)
Handbook of Statistics, 2004 (UNCTAD)
Human Development Report, 2004 (PNUD)
SIPRI Yearbook, 2004 (SIPRI)
World Development Indicators, 2004 (BM)
World Resources, 2002-2004 (PNUD, PNUMA, BM, WRI)
Country Abbreviations List Used in Graphics and Maps

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Country Name</th>
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<td>Acronym</td>
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<td>ACP</td>
<td>Africa, Caribbean and Pacific Group of States</td>
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<td>AECI</td>
<td>Spanish Agency for International Cooperation</td>
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<td>AER</td>
<td>Assembly of European Regions</td>
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<td>AHDR</td>
<td>Arab Human Development Report</td>
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<td>AIDS</td>
<td>Acquired Immunodeficiency Syndrome</td>
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<td>All</td>
<td>Adriatic-Ionic Initiative</td>
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<td>Arab Maghreb Union</td>
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<td>ANIMA</td>
<td>Euro-Mediterranean Network of Investment Promotion Agencies</td>
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<td>APEM</td>
<td>Euro-Mediterranean Parliamentary Assembly</td>
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<td>ASCAME</td>
<td>Association of the Mediterranean Chambers of Commerce and Industry</td>
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<td>ATHOC</td>
<td>Athens Organizing Committee for the Olympic Games</td>
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<td>BMF</td>
<td>Mediterranean Franchise Forum</td>
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<td>BNF</td>
<td>Barcelona Business and Franchise Exhibition</td>
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<td>BOT</td>
<td>Build-Operate-Transfer</td>
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<td>BWC</td>
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<td>Common Agricultural Policy</td>
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<td>CARDS</td>
<td>Community Assistance for Reconstruction, Development and Stabilization</td>
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<td>Euro-Mediterranean Consortium for Applied Research on International Migration</td>
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<td>CCDH</td>
<td>Human Rights Consultative Council</td>
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<td>CEDARE</td>
<td>Centre for Environment &amp; Development for Arab Region and Europe</td>
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<td>CEEEC</td>
<td>Central and Eastern European Countries</td>
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<td>CenSad</td>
<td>Community of Sahel and Saharan States</td>
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<td>CERMAC</td>
<td>Center for Research and Studies on the Contemporary Arab World</td>
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<td>CETMO</td>
<td>Transport Study Center for the Western Mediterranean</td>
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<td>Committee of Regions</td>
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<td>Coalition Provisional Authority</td>
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<td>Conference of Peripheral Maritime Regions of Europe</td>
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<td>CSCM</td>
<td>Conference on Security and Cooperation in Mediterranean</td>
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<td>Higher Council for Scientific Investigation (SP)</td>
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<td>DCR</td>
<td>Democratic Constitutional Rally</td>
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<td>Gross Domestic Product</td>
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<td>Moroccan Islamic Combatant Group</td>
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<td>GNP</td>
<td>Gross National Product</td>
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<td>United Nations Mission for the Referendum in Western Sahara</td>
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<td>Mediterranean Information Office for Environment, Culture and Sustainable Development</td>
</tr>
<tr>
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<td>Mediterranean Investment Project Observatory</td>
</tr>
<tr>
<td>MPC</td>
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</tr>
<tr>
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<td>NABDF</td>
<td>North Africa Business &amp; Development Forum</td>
</tr>
<tr>
<td>NAFTA</td>
<td>North American Free Trade Agreement</td>
</tr>
<tr>
<td>NATO</td>
<td>North Atlantic Treaty Organisation</td>
</tr>
<tr>
<td>ND</td>
<td>New Democracy</td>
</tr>
<tr>
<td>NESTEAR</td>
<td>Nouveaux Espaces de Transport en Europe - Application de Recherche</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-governmental organizations</td>
</tr>
<tr>
<td>NHP</td>
<td>National Hydrological Plan</td>
</tr>
<tr>
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<td>National Indicative Programme</td>
</tr>
<tr>
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<td>New Member States</td>
</tr>
<tr>
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<td>Treaty on the non-Proliferation of Nuclear Weapons</td>
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<td>Official Development Assistance</td>
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<td>OECD</td>
<td>Organisation for Economic Cooperation and Development</td>
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<td>Olympic Games</td>
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<td>Organization of the Petroleum Exporting Countries</td>
</tr>
<tr>
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<td>Organization for Security and Co-operation in Europe</td>
</tr>
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<td>PANIFD</td>
<td>National Action Plan for the Integration of Woman in Development</td>
</tr>
<tr>
<td>PDN</td>
<td>National Democratic Party</td>
</tr>
<tr>
<td>PHARE</td>
<td>Poland and Hungary Assistance for the Restructuring of the Economy (EU)</td>
</tr>
<tr>
<td>PJD</td>
<td>Justice and Development Party (MA)</td>
</tr>
<tr>
<td>PKK</td>
<td>Kurdistan Workers' Party</td>
</tr>
<tr>
<td>PNA</td>
<td>Palestinian National Authority</td>
</tr>
<tr>
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<td>Popular Party</td>
</tr>
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<td>Personal Status Code</td>
</tr>
<tr>
<td>PSI</td>
<td>Pan Sahel Initiative</td>
</tr>
<tr>
<td>PSOE</td>
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</tr>
<tr>
<td>SEMC</td>
<td>Southern and Eastern Mediterranean Countries</td>
</tr>
<tr>
<td>SME</td>
<td>Small and Medium-Sized Enterprises</td>
</tr>
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<td>Description</td>
</tr>
<tr>
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</tr>
<tr>
<td>RAED</td>
<td>Arab Network for Environment and Development</td>
</tr>
<tr>
<td>RELEX</td>
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</tr>
<tr>
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<td>Resident Moroccans abroad</td>
</tr>
<tr>
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<td>SADR</td>
<td>Saharawi Arab Democratic Republic</td>
</tr>
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<td>Severe Acute Respiratory Syndrome</td>
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<td>SCIRI</td>
<td>Supreme Council of Islamic Revolution</td>
</tr>
<tr>
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<td>International Logistics Exhibition</td>
</tr>
<tr>
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<td>Short and Medium-Term Priority Environmental Action Programme</td>
</tr>
<tr>
<td>SRS</td>
<td>Serbian Radical Party</td>
</tr>
<tr>
<td>STI</td>
<td>Sexually Transmitted infections</td>
</tr>
<tr>
<td>TACIS</td>
<td>Technical Assistance to the Commonwealth of Independent States (EU)</td>
</tr>
<tr>
<td>TEN</td>
<td>Trans-European Networks</td>
</tr>
<tr>
<td>TMC</td>
<td>Third Mediterranean Countries</td>
</tr>
<tr>
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<td>Union of Mediterranean Confederations of Enterprises</td>
</tr>
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<td>UNCTAD</td>
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</tr>
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</tr>
<tr>
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</tr>
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</tr>
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</tr>
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</tr>
<tr>
<td>WHO</td>
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</tr>
<tr>
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<td>World Trade Organization</td>
</tr>
<tr>
<td>WTO</td>
<td>World Tourism Organization</td>
</tr>
</tbody>
</table>
Index of Boxes

Keys

International Terrorism in Mediterranean Countries
   The Alliance of Civilizations: a Spanish Proposal Adopted by the United Nations, Isaías Barreñada ................................................................. 15

Turkey and the European Union
   Turkey’s Accession to the EU: Major Documents ........................................ 30

Iraq: Repercussions of the Conflict
   International Reconstruction Fund Facility for Iraq ..................................... 38

Israel, Palestine and the Post-Arafat Period
   Separation Wall .................................................................................. 46

International Strategies in North Africa
   Forum for the Future, Lurdes Vidal and Mariona Rico .................................. 55
   The Sea Island Declaration ................................................................... 59

Dossier. Ten Years After the Barcelona Process. Assessment and Perspectives
   Ten Years of the Barcelona Process, Juan Prat y Coll ............................... 65
   The Barcelona Process, Ten Years on, Jordi Pujol ...................................... 66
   Barcelona Plus: towards a Euro-Mediterranean Community of Democratic States, Álvaro de Vasconcelos .......................................................... 68
   An Assessment of the Economic Aspects of the Barcelona Process on the Occasion of its 10th Anniversary, Frédéric Blanc ........................................ 77
   Proposals for a Renewed Social Dialogue in the Mediterranean Zone, Habib Guiza . 83
   Progress Made in 10 Years by the Economic and Financial Pillar of the Barcelona Process ................................................................. 85
   Strengthening the Role of Civil Society, Mourad Allal ................................ 87
   9th Euro-Mediterranean Summit of Economic and Social Councils and Similar Institutions .............................................................. 92
   The Barcelona Process and the Employers’ Confederations ....................... 98

Panorama: The Mediterranean Year

The Euro-Mediterranean Partnership
   Main Meetings of the Euro-Mediterranean Process ................................... 109
   Evaluation and Monitoring of the External Co-operation Programmes of the European Union ................................................................. 114
   The Social, Cultural and Human Pillars of the Barcelona Process: Dialogue, Coordination and Action, Helena Oliván .......................... 117
## Mediterranean Politics

### Europe
- Mediterranean Security Initiatives, Elizabeth Dalmau ........................................ 120
- The Elections in Greece and Spain ................................................................. 126

### Maghreb
- Justice and Reconciliation Commission (IER), Mariona Rico ........................................ 13
- Western Sahara, Álvaro Iranzo ........................................................... 134
- Western Sahara: Links of Interest ................................................................. 140

### Middle East
- Freedoms in the Arab World ........................................................................ 147
- Freedom of Association in Syria: an Issue still to be Resolved – a Possibility, Jaume Guardans ................................................................. 149

### Balkans
- The Accession of Croatia and Macedonia to the EU ............................................ 153

### Economy and territory

#### Productive structure and labour market
- Venice 2003: First Euro-mediterranean Conference of Agriculture Ministers, Elizabeth Dalmau ................................................................. 156
- EUMEDIS Programme, Zahra Piñero Lozano .......................................................... 162
- Mediterranean Countries within Worldwide Tourism ............................................. 165

#### Commercial Relations
- Association of Mediterranean Chambers of Commerce and Industry (ASCAME) ................................................................. 177

#### Sustainable Development
- Role of the Arab Network for Environment and Development (RAED) in Environmental Co-operation among Mediterranean States, Emad Adly ................................................................. 185

#### Territory and Transports
- MedCities Network: Activities 2003-2004 ........................................................... 193
- The Demand for New Instruments for Decentralised Co-operation, Helena Oliván ................................................................. 194
- The Pyrenees – Mediterranean Euroregion, Anna Repullo ........................................ 197
- Territorial Cohesion and Governance: the Role of the Regions, CRPM ................................................................. 198

### Culture and Society

#### Development and Cooperation
- The Situation of Women in the Arab World (AHDR 2004) ...................................... 207
- Family Code: a Few Landmarks ....................................................................... 210
- Culture Matters. An Initiative for the Integration of Human Rights and Cultural Diversity in Co-operation for Development, Tomás Jiménez Araya ................................................................. 213
- Activities of the Interculturality and Human Rights Euromed Observatory ................................................................. 217

#### Migrations
- Development of the EU Agenda on Migrations .................................................... 223
- Migration in the Mediterranean. Documents and Links ........................................ 225
- The Development of Emigration into the EU for Work Purposes ................................................................. 230
- World Congress HMI. Human Movements and Immigration: a Challenge for the 21st Century ................................................................. 233

#### Cultural Dialogue
- Universal Forum of the Cultures: Dialogues ........................................................ 235
- Winpeace 2003-2004, Margarita Papandreou ........................................................ 239
- “MastEuromed” at the University of Cairo: the First Master’s Degree in Euro-Mediterranean Studies in the Arab World, Jean Marcou and Wafaa El Cherbini ................................................................. 242
Index of Tables

Table 1 International donations to Iraq ................................. 38
Table 2 The UNRWA in figures ........................................... 52
Table 3 Share (in %) of the different categories of products in MPCs exports .......... 82
Table 4 The overall trends of regional specialisation of the MPCs and the NMS ....... 82
Table 5 The regulation of Market Entry and Exit in the MPCs .......................... 84
Table 6 Chapter Headings of the ENP Action Plan for Jordan ...................... 95
Table 7 Priorities and Incentives in the Action Plan for Jordan .................... 96
Table 8 Middle East and Northern Africa: Average Ratings of Political Rights and Civil Liberties ...................................................... 97
Table 9 Average assessment of the projects by monitoring and programme criteria ... 114
Table 10 Elections in Greece ................................................ 123
Table 11 Elections in Spain .................................................. 123
Table 12 Half yearly evolution of the appraisal of the President and of his Government ... 127
Table 13 Main Moroccan agricultural exports and EU tariff quotas .................. 157
Table 14 Mediterranean Countries within Worldwide Tourism ....................... 165
Table 15 Aggregated investment (MIPO: Mediterranean Observatory New Foreign Investment Projects) ................................................. 171
Table 16 GDP per capita index (Purchasing Power Parity) ............................ 174
Table 17 Distribution of FDI (% of total FDI) ................................ 174
Table 18 Development of trade between Morocco and Egypt (in millions of dirhams) ... 176
Table 19 Development of trade between Morocco and Tunisia (in millions of dirhams) 176
Table 20 Development of trade between Morocco and Jordan (in millions of dirhams) 176
Table 21 Energetic Balance of the Ebro diversion .................................. 188
Table 22 Average expediency value of water in the Mediterranean basins .......... 189
Table 23 Results of the question: Do you think that gender equality in your country has improved, has stayed at the same level or has deteriorated over the last five years? (Percentage of answers) ........................................... 207
Table 24 Workforce emigration policies ...................................... 220
Table 25 Primary Smuggling Routes from and through the Mashreq ................ 232

APPENDICES

Table A1 Official assistance to Mediterranean countries financed by the European Commission budget and by the European Development Fund (EDF) in 2003 .................................................. 341
Table A2 MEDA programme 2003 ........................................ 342
Table A3 CARDS programme 2003 (millions of euros) ......................... 342
Table A4 Mediterranean countries candidates for admission ....................... 343
Table A5 European Investment Bank loans to Mediterranean countries in 2003 ... 344
| Table A6 | European Initiative for Democracy and Human Rights (EIDHR) in the Mediterranean countries | 345 |
| Table A7 | Food security | 345 |
| Table A8 | European Agency for Reconstruction | 345 |
| Table A9 | European Community Humanitarian Office (ECHO) | 345 |
| Table B1 | Budget implementation by the Spanish agency for international co-operation (AECI) | 346 |
| Table B2 | Distribution of Spanish co-operation in the Mediterranean by instrument (2004) | 347 |
| Table C1 | Amount of foreigners from MPC according to their nationality in the European Union | 348 |
| Table C2 | Turkish Nationals Abroad per Host Country 2002 | 349 |
| Table C3 | Moroccan Nationals Abroad per Host Country | 349 |
| Table D1 | The Euro-Mediterranean Association Agreements | 350 |
| Table D2 | Stabilisation and Association Agreements with the Western Balkan Countries | 350 |
| Table E1 | Multilateral treaties on human rights and penal matters | 351 |
| Table E2 | Multilateral treaties on labour rights | 351 |
| Table E3 | Multilateral treaties in the field of the environment | 352 |
| Table E4 | Multilateral disarmament treaties | 352 |
| Table F1 | Human Development Index | 353 |
| Table F2 | Population: demography | 354 |
| Table F3 | Population: structure and distribution | 355 |
| Table F4 | Education and training of human capital | 356 |
| Table F5 | Health and longevity | 357 |
| Table F6 | Nutrition and food security | 358 |
| Table F7 | Access to health resources | 359 |
| Table F8 | Gender: social development | 360 |
| Table F9 | Technology and communication | 361 |
| Table F10 | Security and military expenditure | 362 |
| Table F11 | Economic structure and production | 363 |
| Table F12 | Agriculture | 364 |
| Table F13 | Livestock | 365 |
| Table F14 | Fisheries | 366 |
| Table F15 | Employment and unemployment | 367 |
| Table F16 | Distribution of income | 368 |
| Table F17 | Gender: economic activity | 369 |
| Table F18 | Energy consumption and production | 370 |
| Table F19 | Production, consumption and access to electricity | 371 |
| Table F20 | CO₂ Emissions | 372 |
| Table F21 | Water | 373 |
| Table F22 | Natural environment | 374 |
| Table F23 | International trade | 375 |
| Table F24 | Exports | 376 |
| Table F25 | Imports | 377 |
| Table F26 | Tourism in the Mediterranean | 378 |
| Table F27 | Official aid | 379 |
| Table F28 | External debt | 380 |
Index of Graphics

Graphic 1  North African Partners Imports from the EU 25  ........................................ 73
Graphic 2  North African Partners Exports to the EU 25  ........................................ 73
Graphic 3  Eastern Mediterranean Arab Partners Imports from the EU 25  ..................... 74
Graphic 4  Eastern Mediterranean Arab Partners Exports to the EU 25  .......................... 74
Graphic 5  Israel and Turkey Imports from the EU 25  ............................................. 74
Graphic 6  Israel and Turkey Exports to the EU 25  .................................................. 74
Graphic 7  Share of EU 25 in total imports of Mediterranean Partners  ........................ 75
Graphic 8  Share of EU 25 in total exports of Mediterranean Partners  .......................... 75
Graphic 9  FDI (inward) in millions of dollars (3-year moving averages)  ......................... 75
Graphic 10 Evolution of GDP per Capita (PPP). 1980-2005  ........................................ 79
Graphic 11 MPCs trade mean annual growth over two periods  .................................... 81
Graphic 12 Governance in the EU Neighbourhood  ................................................... 97
Graphic 13 Evolution of the oil price (2004)  ............................................................ 168
Graphic 14 Urban growth in the Mediterranean. Urban population in the Mediterranean countries: trends and forecasts  ........................................ 182
Graphic 15 The costs of environmental deterioration  ................................................. 183
Graphic 16 “Decoupling”: Two Plan Bleu scenarios for energy in 2025  .......................... 184
Graphic 17 Expected water flows in Tortosa on the basis of the volumes between 1940 and 1995  .......................................................................................... 187
Graphic 18 Logical Framework of the Interreg IIIB Medocc Programme  ......................... 191
Graphic 19 Percentage of interviewees who agree that women should have the same rights, in five arab countries, “Freedom Survey” 2003  ................................. 207
Graphic 20 European Union. Immigration with origin in Mediterranean partner countries (MED12)  ................................................................. 221

APPENDICES
Graphic A1  EU Co-operation 2003  ............................................................................ 341
Graphic A2  MEDA programme evolution (1995-2003)  ............................................. 342
Graphic B1  Distribution of Spanish co-operation in the Maghreb and the Middle East by sector (2004)  .......................................................... 346
Graphic B2  Spanish co-operation in Central and Eastern Europe by sector (2004)  .... 347
Graphic F1  Life expectancy and education (2002)  .................................................... 353
Graphic F2  Migration in the Mediterranean (1995-2005)  ......................................... 354
Graphic F3  Age structure (2002)  ............................................................................. 355
Graphic F4  Primary pupil-teacher ratio (2001/02)  ..................................................... 356
Graphic F5  Health and longevity (2002-2003)  ......................................................... 357
Graphic F6  Evolution of availability of calories (1982-2002)  .................................... 358
Graphic F7  Rate of use of contraceptives (1995-2002)  ............................................. 359
Graphic F8  Occupation of parliamentary seats by gender (2004) ............................... 360
Graphic F9  Telecommunications: Internet and mobile telephony (2002) ......................... 361
Graphic F10 Armed Forces (2002) ................................................................................. 362
Graphic F11 Growth in GDP (1990-2002) .................................................................... 363
Graphic F12 Freshwater resources and irrigation (2000-2002) ....................................... 364
Graphic F13 Livestock supply (bovine, caprine, ovine and porcine) (2003) ...................... 365
Graphic F14 Fisheries production in the Mediterranean and Black sea (2002) ............. 366
Graphic F15 Investment, GDP and unemployment (2002) ............................................. 367
Graphic F16 Gini coefficient (1990-2001) ..................................................................... 368
Graphic F17 Employment by economic activity (2002) .................................................. 369
Graphic F18 Energy consumption according to sources (1999) ....................................... 370
Graphic F19 Sources of electricity according to income groups in the Mediterranean (2001). ................................................................................. 371
Graphic F20 CO₂ Emissions (1999-2000) ................................................................. 372
Graphic F21 Water consumption, exploitation and agriculture (2000) ......................... 373
Graphic F22 Ecological footprint (2001) ........................................................................ 374
Graphic F23 Trade balance and current account balance ............................................. 375
Graphic F24 Export concentration index (2001) .......................................................... 376
Graphic F25 Import concentration index (2001) ........................................................... 377
Graphic F26 Tourism impact and dependence (2002) ..................................................... 378
Graphic F27 Evolution of the ODA in North Africa and Middle East countries (1989-2002). 379
# Index of maps

<table>
<thead>
<tr>
<th>Map 1</th>
<th>Medocc</th>
<th>192</th>
</tr>
</thead>
</table>

## APPENDICES

<table>
<thead>
<tr>
<th>Map A1</th>
<th>Iraq: Population Density and Oil</th>
<th>389</th>
</tr>
</thead>
<tbody>
<tr>
<td>Map A2</td>
<td>Palestine Refugees (2004)</td>
<td>390</td>
</tr>
<tr>
<td>Map A3</td>
<td>International Organisations in the Mediterranean</td>
<td>391</td>
</tr>
<tr>
<td>Map A5</td>
<td>Military expenditure (2002-2003)</td>
<td>392</td>
</tr>
<tr>
<td>Map A6</td>
<td>Refugees and Displaced Persons in Balkans (2004)</td>
<td>393</td>
</tr>
<tr>
<td>Map A7</td>
<td>Locust Plagues (2004)</td>
<td>393</td>
</tr>
<tr>
<td>Map A8</td>
<td>Consumption and Production of Electricity and Trans-European Electricity Networks (2001)</td>
<td>394</td>
</tr>
<tr>
<td>Map A9</td>
<td>Gas Consumption and Trans-European Networks (2001)</td>
<td>395</td>
</tr>
<tr>
<td>Map A10</td>
<td>Mediterranean Tourism (2002)</td>
<td>396</td>
</tr>
<tr>
<td>Map A11</td>
<td>Water consumption (2000)</td>
<td>396</td>
</tr>
<tr>
<td>Map A12</td>
<td>Mobile Phones (2002)</td>
<td>397</td>
</tr>
<tr>
<td>Map A14</td>
<td>Environmental Sustainability Index (2005)</td>
<td>399</td>
</tr>
<tr>
<td>Map A15</td>
<td>Urban Population (2003)</td>
<td>400</td>
</tr>
<tr>
<td>Map A17</td>
<td>Passenger Traffic in MEDA Countries (2000)</td>
<td>401</td>
</tr>
<tr>
<td>Map A18</td>
<td>Population in 2003 and Forecasted for 2030</td>
<td>401</td>
</tr>
<tr>
<td>Map A19</td>
<td>Multilateral Treaties on Human Rights and Child-Labour</td>
<td>402</td>
</tr>
<tr>
<td>Map A20</td>
<td>Multilateral Disarmament Treaties</td>
<td>402</td>
</tr>
<tr>
<td>Map A21</td>
<td>Inequality in Male and Female Salaries (2002)</td>
<td>403</td>
</tr>
<tr>
<td>Map A22</td>
<td>Mediterranean Immigrants in Gulf Countries (2002)</td>
<td>404</td>
</tr>
<tr>
<td>Map A23</td>
<td>World Heritage</td>
<td>404</td>
</tr>
</tbody>
</table>
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