

The new Euro-Mediterranean context: What direction for the Morocco-European Union partnership?

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Introduction

In 2004 the European Neighbourhood Policy (ENP) became the policy framework setting the scene for EU interactions with its neighbours. The launch of this policy framework occurred in a context of relative stability and peace in Europe's neighbourhood, at a time when the EU was redrawing its borders through the 2004 big bang enlargement. Nonetheless, the ENP was doomed to face a panoply of conflicts, crises, and even wars. No other policy framework in the EU encountered so many challenges across time and policy sectors. Twenty years on, the EuroMeSCo Survey reveals a widespread disillusionment about the effectiveness of the ENP impact on priority areas for EU interactions with the Southern Neighbourhood. A disillusionment that couples with the perceived need to change the current ENP, either through another revision of it or through its complete renovation as a policy framework. How did we get here? And what could we do to relaunch the ENP?

The Mediterranean dynamic is unfolding in the shadow of a major geopolitical and geo-economic shock, following the combined effects of the Covid-19 health crisis, the Russia-Ukraine war, and Sino-American rivalry. One of the visible consequences is a shift in the paradigms that have so far framed international relations and, by extension, the Euro-Mediterranean parameters. Liberal globalisation and its corollary interdependence increasingly come up against the rise of neo-protectionist and interventionist practices. The global political economy seems to be reconceptualised around vague and imprecise notions such as sovereignty and economic security, energy autonomy and strategic autonomy.

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This article aims to draw up a portrait of the new dynamics that we believe are relevant to the Euro-Mediterranean debate in general, and to the modernisation of the Morocco-EU partnership in particular: 1) the neo-protectionist trend in EU trade policy; 2) multi-scale threats and risks in the Mediterranean; 3) an ongoing change in the geopolitical status quo; 4) New Moroccan ambitions.

The neo-protectionist trend in EU trade policy

Liberal globalisation is struggling to withstand the geopolitical and geo-economic consequences of the Covid-19 pandemic, the war in Ukraine, and the growing rivalries between the USA and China, and probably between the West-Global South. Neo-protectionism, interventionism, and normative and/or judicial extraterritoriality are today the hallmarks of a new area in which the maintenance of open markets is being altered by issues considered more important, such as economic security, energy autonomy, supply chain resilience, or technological supremacy.

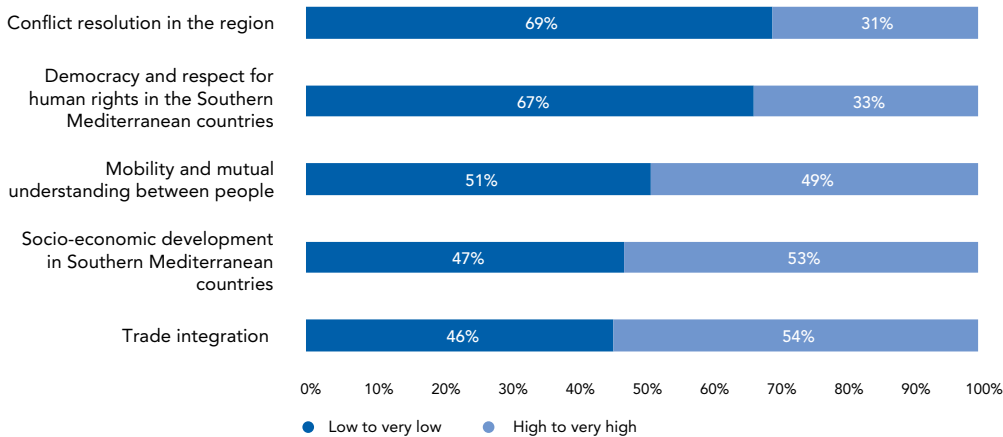
The EU has become a force that issues standards and jurisdictional rulings, some of which risk harming the interests of third countries.

In this context, the EU, concerned about its economic dependence on China and the United States trade policy (Inflation Reduction Act¹), is adopting a package of measures from 2022 onwards that will have no impact on its Mediterranean partners: the carbon tax; the anti-deforestation law; rules to combat foreign subsidies, the anti-coercion instrument; the Green Pact industrial plan; the directive on the duty of care of companies to operate fairly and sustainably throughout their value chain. These measures reveal a long-underestimated factor: the weight of law and legal standards in European trade policy. The EU has become a force that issues standards and jurisdictional rulings, some of which risk harming the interests of third countries.

Three major trends emerge from this new situation:

- The shift in the EU's degree of openness is leading to a new strategy for multilateral negotiations, bilateral trade agreements, and unilateral trade measures. This means that future negotiations will need a new economic-political consensus while bilateral (1+1) and/or regional (1+12) economic interdependence remains the final objective sought by the partners. As such, the EuroMeSCo Survey sends an important signal, namely that 54% of Moroccans appreciate the contribution of the ENP to economic integration (see graph 1).

Graph 1: Q.1 The European Neighbourhood Policy (ENP) was designed 20 years ago. It became the structuring framework of Euro-Mediterranean relations. Since then, to what extent do you consider that it has effectively impacted the following areas? (Moroccan respondents)



Source: Compiled by the IEMed based on the results of the 14th Euromed Survey

- Indeed, the eventual resumption of negotiations for a Deep and Comprehensive Free Trade Agreement (DCFTA) between Morocco and the EU, suspended in 2014, must take into account three challenges: 1) the inclusion of new European regulatory measures; 2) Morocco's new economic priorities and orientations; 3) the weight of European judicial extraterritoriality. These factors are all the more important as they impact all the agreements previously signed by the two parties. Firstly, the carbon tax, foreign subsidies, anti-coercion, the green pact, and corporate social responsibility throughout their value chain would require a colossal effort to converge standards, with no reluctance on Morocco's part. Secondly, the future agreement needs to be adapted to changes within the national economy, so that its impact on the national productive fabric and the socio-economic sector is guaranteed. Finally, the European court rulings on the territoriality of agricultural and fishing agreements concerning the Sahara provinces raise fundamental questions about the future of the Morocco-European relations model².
- Furthermore, agreements with the EU are increasingly global. They cover not only economic aid but also political issues such as migration. After signing similar agreements with Tunisia, Mauritania, and Egypt, the EU must negotiate another agreement with Morocco. While some see this trend as giving partners considerable leverage, given the high expectations of Europeans in particular, others believe that expanded negotiations would expose partners to brutal conditionality. Their negotiating capacity is reduced by the link between financial payments under the agreement of compliance

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with commitments in the field of migration control. In fact, it is less the usefulness of this type of agreement that poses problems than the risk of partner countries substituting certain commercial interests for financial aid.

Multi-scale threats and risks in the Mediterranean

Threat perception and localisation have always been oriented towards the Southern shore, perceived as the sole source of instability. However, the new geopolitical and security situation undermines this certainty, as the nature and geography of the threat have changed.

The biggest accommodation effort is that of redefining relations between the two shores based on the new grammar of the threat in the Mediterranean. Threat perception and localisation have always been oriented towards the Southern shore, perceived as the sole source of instability. However, the new geopolitical and security situation undermines this certainty, as the nature and geography of the threat have changed. Today, we can legitimately speak of a multi-scale threat.

The war in Ukraine and the struggle for influence between Russia and the Western states have arisen at a time when the global geopolitical situation is very tense due to the weight of Sino-American rivalry. The Mediterranean is suffering the consequences of this struggle for influence, both in terms of posture and functionality. During the Cold War, it was referred to as NATO's "Southern flank" for its strategic role in the Alliance's anti-Soviet defense system, just as it was a pillar of the Soviet defense system. Today, after several years of strategic vacuum, all the signs confirm the Mediterranean's return to the status of a theatre of NATO-Russia power relations and security levelling. The new situation paves the way for the comeback of sea power and the maritimisation of power relations in the region, making the situation even more unpredictable.

The Southern shore does not yet have a collective security governance system capable of guaranteeing a united and comprehensive response to the new asymmetrical "crisis inducing" factors. Political instability in Libya and the Sahel continues to encourage the mobility of these networks and the emergence of certain "destatised" zones, particularly in the Sahel. These networks flourish in a corridor of vulnerability stretching from the Mediterranean to the Atlantic.

The stability of the Mediterranean is therefore no longer exclusively linked to considerations inherent to this area but has also become dependent on the stability of other peripheral regions in Africa (Sahelo-Saharan strip, Atlantic seaboard). Moreover, the terrorist threat is no longer confined to the South. The series of attacks that have hit a number of European countries has revealed the continental reach of radical Salafists. The rise of these European networks poses a threat to both Europe and North Africa, given the ease with which they can move between the two shores, particularly in a North-South direction.

Illegal migratory flows have returned to their usual pace following the end of the Covid-19 health crisis. Galloping demographics combined with climate change (drought) and a persistently fragile economic situation are having an impact on the day-to-day lives of populations, and fostering the conditions for migratory flows, particularly towards the Mediterranean and beyond. This situation is causing security stress in North Africa and Europe, especially as clandestine migration is far from

being a transitory phenomenon that can be eradicated by strictly punctual means. Thus, when Europe signs migration agreements with its partners, it ultimately treats only the symptoms. What's more, the brain drain encouraged by selective European policies is depriving the countries of the Southern shore, Morocco in particular, of the vital forces needed to support its economic development.

One of the lessons learned from the current situation is the need for a new political paradigm that will take into account these new endogenous and exogenous dynamics. It is a Moroccan and Southern Mediterranean conviction as the results of the survey reveal. Indeed, 69% of Moroccans are aware that conflicts and rivalries in the Mediterranean area exceed the capacities of regional cooperation mechanisms (see graph 1).

The geopolitical status quo in the Mediterranean is changing

Global tensions are accelerating the redistribution of geopolitical and geo-economic maps. Since 1990, the regulation of the Mediterranean, through cooperation and the control of violence, has been and remains Western. However, the tectonics of geopolitical plates has brought powers to the surface of the Mediterranean that are challenging European and American pre-eminence in the region:

- Russia's return to the Eastern Mediterranean and China's rise of power in the region as a whole is creating a new dynamic that is fraught with both constraints and opportunities for the countries on the Southern shore of the Mediterranean.
- Turkey's positioning as a key player and regulator on the Mediterranean stage.
- Developments in the Libyan situation have shown how the stagnation of the crisis and the incoherence of the European powers have opened the way to many players who are now part of the solution (Russia, Gulf states, etc.). Its strategic dimension (NATO military intervention) and implications exceed the capacities of the Arab League, the Arab Maghreb Union, and continental institutions (African Union, EU). Since then, the country and the region have been caught up in a contradictory power game.
- Security and stability in the Euro-Mediterranean region remain intimately linked to the outcome of the Israeli-Palestinian conflict. Admittedly, the centrality of this issue is not new, but the war in Gaza augurs a change in the representation of this conflict. From now on, perceptions of the conflict are no longer purely political; they are based on identity, centered on religious convictions, and exploited by extremists of all sides. Today, international mobilisation is more necessary than ever to establish international legality in the Middle East, by guaranteeing the right of the Palestinian people to a viable state.

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- The acceleration of events since 2021 in the Maghreb and the Strait of Gibraltar has completely overturned the status quo that prevailed in the region. American recognition of the Moroccan Sahara, the resumption of relations with Israel, and Morocco's desire for strategic autonomy have all contributed to a geopolitical recomposition favourable to Morocco and Spain.

Furthermore, it is necessary to add a European trend observed since the Arab Spring (2011), that of replacing democratic priority with political stability in relations with the Southern shore. This shift, which takes into account the fear of seeing certain countries slide into instability, explains, in part, the doubt expressed by 67% of Moroccans concerning the impact of the ENP on democratic consolidation and respect for human rights in North Africa and the Middle East (see graph 1).

Morocco's new geopolitical and geo-economic ambitions

Like any process, Morocco-European relations are a series of phases and stages, with achievements, inconsistencies, and limitations that call for joint reflection on effective responses to improve the partnership. For Morocco, relations with Europe are a fundamental asset that must be consolidated for a new, deeper, and broader partnership³. The Moroccan position could be inspired by several major issues. The fundamental challenge for Morocco's foreign policy is to find the best balance between, on the one hand, managing interactions with the West, held by the weight of history and geography, and on the other, adhering to a South-South community of geo-economic interests. Morocco's objective is to build and/or consolidate its own links between the North-South pattern and the Latin America-Africa-ASIA cooperation axis.

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In this sense, the United States and Europe, while strategic partners are no longer the only ones to exert an influence on Morocco's strategic orientations. The war in Ukraine and the Sino-American rivalry reveal three lines of conduct: 1) self-assertion and sovereignty, which translates into autonomous decision-making in foreign policy; 2) the consolidation of historic gains with the USA and the EU, the relevance of the economic partnership with China, and the shift towards sub-Saharan Africa, in search of new economic, political, and diplomatic frontiers⁴. Global strategic competition is therefore seen as highly favourable, as the involvement of emerging powers is multiplying and diversifying international partnerships. Some new players, including China, India, Brazil, the Gulf States, and Turkey, offer attractive new prospects. Morocco has thus entered an era of choice, which should not be interpreted as a structural reversal of its orientations.

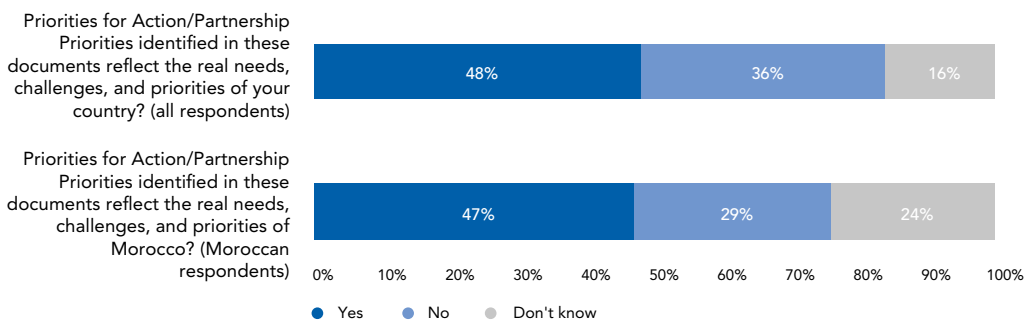
The challenges are both economic (economic prosperity of the country, Global Value Chain [GVC]) and geo-economic (efficient African economic and financial hub). The first calls for the mobilisation of the State to focus this part of the partnership with the EU on the country's main industrial ecosystems: phosphates-fertilizers, automotive, agri-food, and aeronautics. The integration of these ecosystems into the GVCs has been stepped up, enabling the Moroccan economy to become one of the few in the MENA region with a rate of participation in the GVCs similar to – or even higher

than – emerging countries such as Russia, India, or Turkey⁵. In this context, the re-launch of the partnership must be done based on the ENP economic achievements. In fact, 53% of Moroccans positively appreciate the effects of these instruments of socio-economic development in the South (see graph 1).

The geo-economic dimension, meanwhile, has a regional value, since Morocco needs geo-economic depth, particularly in North-West Africa, as an alternative to the Maghreb blockage. The Morocco-Nigeria gas pipeline project, the Atlantic Initiative for the Sahel⁶, and the opportunities offered by the African Continental Free Trade Area (AfCFTA) confirm this orientation. The State’s ambition is to create the right conditions for a stable geo-economic North-South and South-South positioning, with the Strait of Gibraltar, port and air infrastructures, and the depths of West Africa as junction and connection points. However, the question of Morocco’s ability to mobilise the necessary economic resources and political support remains. While the commitment of the Gulf partners seems to be a given, that of Europe, on the other hand, remains to be negotiated, particularly with a view to modernising the Morocco-EU partnership.

It goes without saying that the partnership with the EU needs both new ideas and political commitments for better implementation of action plans. Some institutional constraints arose in the realisation of various plans, which were nonetheless developed based on the principle of ownership around Moroccan priorities. (Graph 2).

Graph 2: Q.8a Do you think the Priorities for Action/Partnership Priorities identified in these documents reflect the real needs, challenges, and priorities of Morocco? (Moroccan respondents)



Source: Compiled by the IEMed based on the results of the 14th Euromed Survey

Conclusion

Morocco-European relations need a new model of partnership, rebalancing expectations on both sides, promoting dynamic, inclusive, and productive growth that reduces Moroccan vulnerabilities and consolidates economic interdependence.

The strategic changes underway are opening up new prospects fraught with uncertainties and opportunities for Morocco-European relations and for the Mediterranean as a whole. The diplomatic agenda looks set to be a busy one. The process of adaptation is not without its inconveniences, but it is made necessary by national and multilateral strategic shifts. The stakes of present and future choices call for joint reflection on the convergences and complementarities that the Mediterranean needs to overcome current challenges. Morocco-European relations need a new model of partnership, rebalancing expectations on both sides, promoting dynamic, inclusive, and productive growth that reduces Moroccan vulnerabilities and consolidates economic interdependence.

Notes

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4. Rachid El Houdaigui, Atlantic Africa: United States, Europe, China, Russia...Influences with Variable Geometry. A View from the South, Report on *Great Power Competition in the Atlantic*, Atlantic center, Ministry of National Defence, Portugal, November 2023.
5. Morocco's foreign trade profile, <https://www.tresor.economie.gouv.fr/Pays/MA/profil-du-commerce-exterieur-du-maroc>(consulted on the 20th of March 2024).
6. Launched in November 2023 by King Mohammed VI, this initiative aims to promote access of the Sahel States to the Atlantic Ocean, through Moroccan ports.