

Commission Non-paper on
the Barcelona Process: Union For the Mediterranean

This non-paper sets out the Commission's preliminary proposals for developing the "Barcelona Process: Union for the Mediterranean" initiative. The Commission's proposals are grounded in an analysis of the achievements of the Barcelona process, such as the contribution it has made to dialogue, peace, stability and prosperity in the region. They are also based on a review of the shortcomings and difficulties experienced in the process of multilateral co-operation with the Mediterranean partners which the EU has pursued since 1995. The purpose of a new initiative now is to make improvements to the framework of multilateral relations, to strengthen its working methods and to increase co-ownership of the process. It should also make the process more visible to citizens. The Commission believes that the time is right to take advantage of a renewed political will to inject further momentum into the Barcelona Process, through upgraded, more balanced, visible and immediately relevant cooperation.

The "Barcelona Process: Union for the Mediterranean" will aim at reinforcing the ~~Barcelona Process~~. The Barcelona Declaration, its goals and its cooperation areas remain valid and will continue to contribute to building a zone of peace, stability, prosperity and dialogue.

The current structures of the Barcelona Process, and in particular the Euro-Med Senior officials meetings, the Euro-Med Committee meetings and the experts' meetings should be preserved and reinforced where possible. This reinforcement could include some of the measures already suggested in the document on the improvement of working methods discussed by Euro-Med senior officials, in particular the creation of a group of Brussels-based representatives from Euro-Med countries. Membership will be extended to the new participants in the initiative.

Political and economic dialogues are a major feature of the multilateral dimension of the Euro-Mediterranean relations and will be preserved enhanced.

1) Mandate and follow up

The European Council of 13/14 March 2008 approved the principle of a Union for the Mediterranean and invited the Commission to present proposals defining the modalities of what will be called "Barcelona Process: Union for the Mediterranean". The concept is scheduled for agreement by the June European Council so that it can be presented to a Summit of EU and Barcelona process: Union for the Mediterranean which will take place in Paris on 13 July 2008.

The Commission is also actively collecting the views of Mediterranean partners. The consultation process started with an exchange of views between President Barroso and ambassadors of Mediterranean partner countries on 14 April. A first discussion took place among Euro-Med senior officials on 8 April. Further consultations will be carried out, inter alia, by missions to the countries of the region and during an ad-hoc Euro-Med senior officials meeting planned for 15 May 2008.

In Athens on 28 March 2008 during the 4th plenary session of the Euro-Med Parliamentary Assembly (EMPA), the Commission undertook to consult the EMPA to integrate its views in the overall reflection about the "Barcelona Process: Union for the Mediterranean". The EMPA is one of the major assets of the Euro-Mediterranean Partnership and its parliamentarians will play a very important role in mobilising the necessary political will in the region to revitalise the Barcelona Process.

2) Scope

The "Barcelona Process: Union for the Mediterranean" should be a multilateral partnership. By focusing on regional and trans-national projects it should increase the potential to promote regional integration and cohesion. It should encompass all EU Member States together with the members and observers of the Barcelona Process (Mauritania, Morocco, Algeria, Tunisia, Libya, Egypt, Jordan, Palestinian Authority, Israel, Lebanon, Syria, Turkey and Albania), and the other Mediterranean coastal states (Croatia, Bosnia-Herzegovina, Montenegro and Monaco).

It will be complementary to EU bilateral relations with these countries which will continue under existing policy frameworks such as the accession negotiations, European Neighbourhood Policy, the pre-accession framework, and, in the case of Mauritania, the ACP framework.

3) Main objectives

This new initiative will give a much needed new impulse in at least three very important ways:

- by upgrading the political level of the EU's relationship with its Mediterranean partners;
- by rebalancing and providing more co-ownership to our multilateral relations, and
- Making these relations more concrete and visible through regional and sub-regional projects, relevant for the citizens of the region.

4) Upgrading of relations

All Mediterranean partners have close historical and cultural links with Europe. The Euro-Mediterranean Partnership has provided us with a means to address many strategic

regional questions relating to security, environmental protection, economic relations through trade in goods, services and investment, energy supplies (producing and transit countries), transport, migratory flows (origin and transit), regulatory convergence, cultural and religious diversity and mutual understanding. However, the level of our multilateral relations needs to be upgraded to reflect the importance of our links, the depth of our cultural and historical relations and the urgency of the strategic common challenges we face.

A clear signal of the intention to upgrade the relationship will be the proposed decision to hold biennial summits of Heads of States or Government. The first Summit, due to take place in Paris on 13 July 2008 under the incoming French Presidency, should take the formal decision to create the "Barcelona Process: Union for the Mediterranean", and establish its structure and main goals. The conclusions of the summit should also include a political declaration, and possibly a short list of concrete projects to be set in motion. The conclusions should be adopted by consensus.

Subsequent summits should follow this format by adopting a political declaration, endorsing a broad two-year work programme for the "Barcelona Process: Union for the Mediterranean" and agreeing on a number of concrete projects. Foreign Affairs Ministerial conferences should take place between summits to review progress in the implementation of the summit conclusions and prepare the next summit meetings.

5) Increased co-ownership

All countries agree on the need to build a stronger partnership and that this should come through greater co-ownership of the different processes. Two proposals have received overall support from partners: the establishment of a co-presidency and the setting-up of a light secretariat.

a) Co-Presidency

Establishing a co-presidency will increase and improve the balance and the joint ownership of our cooperation.

The establishment of a co-presidency from the EU side must be compatible with the provisions on the external representation of the European Union in the Treaty of the European Union and the Treaty establishing the European Community. From the entry into force of the Lisbon Treaty, the external representation of the EU will be the responsibility of the President of the European Council and the President of the Commission (at the level of Heads of State and Government), and the High Representative / Vice President of the Commission, at the level of Ministers of Foreign Affairs. Given the complex regional environment, the selection of the co-president from the Mediterranean side will require consensus among Mediterranean partners. The co-presidency from the Mediterranean side should be chosen for a period of two years. The country assuming the co-presidency on the Mediterranean Partner side may host the summit of the "Barcelona Process: Union for the Mediterranean". The summit meetings should take place alternately in the EU and in Mediterranean partner countries. Countries

hosting summit or ministerial meetings of the “Barcelona Process: Union for the Mediterranean” should invite all countries which are parties to the initiative.

The co-presidency system will apply to summit meetings and to foreign affairs ministerial meetings. Sectoral ministerial meetings and senior officials meetings will continue to operate under the current Barcelona Process system.

b) Secretariat

Another key tool for enhancing co-ownership and promoting a more balanced partnership will be the new secretariat.

In order to make the new “Barcelona Process: Union for the Mediterranean” more visible on the ground, it should have a strong project focus. The Commission is interested in Member State and partner views as to whether the secretariat should focus only on projects or whether it should also play an institutional role in the preparation of summits and ministerial meetings.

The legal status, the composition of the secretariat and its location will depend on the scope of its mandate:

- A project-oriented secretariat would be able to make proposals for joint initiatives that would be decided by the political bodies. It would also ensure the necessary follow-up to project-related decisions taken by the Heads of State and Government.
- A broader secretariat could be responsible for a range of tasks including the necessary “governance” of the “Barcelona Process: Union for the Mediterranean” (including, for example, preparation of draft agendas, drafting of proposals and conclusions, preparation of senior official meetings, ministerial meetings and summit meetings, general coordination tasks, etc). This broader secretariat should work in close cooperation with the Commission. This option has the advantage of significantly increasing the joint “governance” of the Process and enhancing the co-ownership by Mediterranean partner countries.

Under either option, the secretariat should benefit from the participation of seconded officials from EU MS and partner countries as well as from the Commission. The secretariat could be located either in the EU or in a Mediterranean partner country.

6) Projects

Under either scenario, the project dimension should be at the heart of the “Barcelona Process: Union for the Mediterranean”. The programmes developed under this initiative should have a strong potential to promote regional cohesion and economic integration, and to develop infrastructural interconnections. They should constitute visible and relevant projects for the citizens of the region.

The selection process should take into account:

- the regional, sub-regional and trans-national dimension of proposed projects, including the possibility of cooperation among a limited number of countries;
- their relevance and interest for Mediterranean Partners;
- their potential to promote regional integration, cohesion and interconnections;
- their financial feasibility including the maximisation of private sector financing and participation; and
- their maturity or degree of preparedness to be rapidly launched.

7) Funding

The EU and its Member States already provide significant funding in the Mediterranean region (see Annex I for details). To bring added value to existing arrangements, the "Barcelona Process: Union for the Mediterranean" should be designed to mobilise additional funding for the region, mainly through regional projects. Its added value will very much depend on its capacity to increase private sector financial resources for regional projects. Mediterranean partners have expressed their support for a revitalisation of the Barcelona Process, but have made it clear that they do not wish to see a reinforcement of multilateral investments at the expense of their bilateral budget allocations in the ENPI or other EU instruments. While there can be no prior earmarking of EU funds, certain projects which fit with the objectives of EU regional programmes can be considered for funding. In so far as funding from the EU budget is concerned, the normal selection and procedural rules will continue to apply. In cases where EU funding is used to co-finance projects with other donors or organisations, the projects should be managed by the lead donor.

The Commission believes that additional funding for regional projects and activities should come mainly from the following sources:

- Private sector participation ;
- Bilateral cooperation from EU MS ;
- Contributions from Mediterranean partners ;
- International financial institutions, regional banks and other bilateral funds;
- The FEMIP ;
- The ENPI (approx. € 50 million per year already programmed for the period 2007-2010) and the Neighbourhood Investment Facility and the cross-border cooperation instrument within the ENPI.

8) Conclusions and next steps

The Commission will hold informal consultations with EU Member States and Mediterranean partners to get their reactions to the concept outlined in this non-paper. The input of EU and Mediterranean partner administrations will be essential in order to make sure that we choose the right structures and objectives, and that we can create the requisite political will and sense of ownership in all participating countries. It will then prepare formal proposals which it will set out in a Communication to the Council and the European Parliament in May to prepare discussions in the June European Council and the summit planned on 13 July in Paris.

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ANNEX 1

EU Financial Support to the Barcelona Process

Between 2000 and 2006 the EC supported the Barcelona Process through its MEDA budget line. Since 2007 support has been provided under the European Neighbourhood Policy Instrument (ENPI) budget line for the Barcelona countries.

From 2000-2006, the Commission made **€4.6 billion** available to the eight Barcelona Process partner countries* in bilateral cooperation and regional programmes. In 2007 under ENPI the Commission made **€1.3 billion** available to ten** partner countries.

Total financial support for 2000-2007 is €5.9 billion.

Country details:

Commitments € millions

	2000-2006 under MEDA	2007 under ENPI
Bilateral Cooperation		
Algeria	339	57
West Bank and Gaza	522	453
Egypt	593	137
Jordan	331	62
Lebanon	133	50
Morocco	980	190
Syria	180	20
Tunisia	518	103
Israel	0	2
Libya	0	2
Total bilateral	3595	1076
Regional Cooperation	1052	178
TOTAL	4647	1254

* Algeria, West Bank and Gaza, Egypt, Jordan, Lebanon, Morocco, Syria, Tunisia.

** Israel and Libya began receiving bi-lateral assistance in 2007.

Official Development Bilateral Assistance Grants to MED Countries - Commitment

		France	Italy	Germany	Netherlands
Year	Recipient				
2004	Algeria	172.4	2.8	4.5	0.1
	Egypt	127.1	16.5	76.4	8.9
	Jordan	5.9	0.6	50.4	0.5
	Lebanon	51.2	4.8	13.1	0.2
	Libya				
	Morocco	258.4	4.6	71.9	5.4
	Palestinian adm.areas	33.4	10.3	46.4	16.5
	Syria	23.1	6.6	21.1	4.2
	Tunisia	96.1	23.7	19.0	0.6
		TOTAL MED	767.5	69.8	302.7
2005	Algeria	234.3	5.5	17.1	0.1
	Egypt	124.6	7.7	60.7	38.7
	Jordan	5.1	1.2	22.0	0.6
	Lebanon	56.0	1.9	1.4	0.1
	Libya	2.5	8.8	0.2	0.2
	Morocco	245.5	3.6	2.2	0.4
	Palestinian adm.areas	19.4	13.1	63.4	28.0
	Syria	30.7	1.3	19.4	2.2
	Tunisia	95.9	22.0	15.6	0.5
		TOTAL MED	813.9	65.3	202.1
2006	Algeria	171.8	7.1	5.2	0.1
	Egypt	130.6	6.9	89.3	41.9
	Jordan	4.8	1.0	41.7	0.1
	Lebanon	75.7	45.5	45.9	13.3
	Libya	2.4	2.7	3.9	
	Morocco	240.9	7.0	80.0	0.1
	Palestinian adm.areas	47.3	6.5	82.4	38.6
	Syria	29.0	9.1	39.1	
	Tunisia	105.3	24.4	24.4	
		TOTAL MED	807.8	110.1	411.8

Support for Palestine

As well as receiving financial assistance from the MEDA and ENPI budget lines, Palestine has received and continues to receive funding from various other budget lines including those for the Peace Process, UNRWA (for providing social services for 4.5 million refugees), ECHO (humanitarian aid) and the Food Aid and Food Security budget line.

From these various budget lines **€2.4bn has been made available** for the benefit of the Palestinian people from 2000-2007. This represents an average of €300 million per year.

Financial support to Palestine has sharply increased over the last few years due to increasing needs and the evolving political situation.

While the average annual EC support amounted to €245 million in the period 2000 to 2004, in 2005 the EC support reached €280 million, €340 million in 2006 and €550 million in 2007. Member States are equally important donors contributing €315 million in 2005, €385 million in 2006 and €405 million in 2007.

Total EU support to Palestine reached therefore €955 million in 2007 (€725 million in 2006 and €595 million in 2005).