

**Margot Wallström**

Vice President of the European Union responsible for Institutional Relations and Communication Strategy

**The European Neighbourhood Policy  
and the Euro-Mediterranean  
partnership**

Check Against Delivery  
Seul le texte prononcé fait foi  
Es gilt das gesprochene Wort

Euro-Mediterranean Parliamentary Assembly

**Cairo, 14 March 2005**

Mr President,

Members of the Assembly,

It is a great honour for me to take part on behalf of the European Commission in this first session of the Euro-Mediterranean Parliamentary Assembly.

Mr President,

Let me first greet you in particular as an Egyptian presiding over the work of this first session hosted in Egypt's capital, Cairo. These two circumstances are symbolic and reflect your country's commitment to the Euro-Mediterranean partnership since its inception. This commitment will be illustrated yet again at the upcoming inauguration in Alexandria of the Anna Lindh Euro-Mediterranean Foundation for the Dialogue between Cultures.

Members of the Assembly,

There is no need for me to stress the importance the Commission attaches to the creation of the Euro-Mediterranean Parliamentary Assembly. As you know, the Euro-Mediterranean partnership rests on three pillars: political, economic and social, cultural and human. Since the launching of the Barcelona process, it has become apparent that these pillars were not equally strong and that whereas the economic and trade pillar was solid, those supporting the political, cultural and social aspects of the partnership were less so. The creation of the Euro-Mediterranean Parliamentary Assembly, which has a political mandate above all (even if it deals with other issues), bolsters the Partnership's foundations. The Commission will cooperate closely with your Assembly, and of course take account of any suggestions, ideas and initiatives that it puts forward.

The Presidency of the European Union - represented by Mr Nicolas Schmit, Deputy Foreign Minister of the Grand Duchy of Luxembourg - have reviewed the Barcelona process and taken stock of its implementation. For my part, I wish to speak to you about a relatively new aspect of the EU's foreign policy, namely the European Neighbourhood Policy (ENP), or rather spell out the ENP's relationship with the Barcelona process, which remains the nucleus of relations between the European Union and its southern Mediterranean partners.

\* \* \*

**What does the European Neighbourhood Policy consist of ?** It is based on a simple idea formulated by the Copenhagen European Council of December 2002 which stated that the Union should seize the opportunity offered by its enlargement to enhance relations with the neighbouring countries on the basis of shared values and avoid the creation of new divides within Europe.

To that end, the Council called for stronger relations with Ukraine, Moldova, Belarus and the countries of the southern Mediterranean. This circle of neighbours has been extended to other countries: Armenia, Azerbaijan and Georgia. The idea of the circle of friendly neighbouring countries has taken concrete shape over the last two years, notably since the EU Council meeting of 28 June 2003.

The main features of the Neighbourhood Policy are:

- **The new Neighbourhood Policy complements the Barcelona process** and should not supplant the current framework of the EU's relations with its southern Mediterranean partners established in the context of the Barcelona process and complemented by association agreements and the common strategy.

- The European Neighbourhood Policy has **general objectives which are similar to the Mediterranean partnership and based on it**, namely to work together with our partners to reduce poverty, create a space of prosperity and shared values, based on free trade, increased economic integration, stronger political and cultural ties, greater cross-border cooperation and shared responsibilities in the prevention and resolution of conflicts.
- **These strands overlap with those defined in 1995 in Barcelona but with new stress on certain aspects.** The most important is the prospect of gradual participation in the EU internal market and its regulatory structures, including those relating to sustainable development (health, consumer and environmental protection), based on the approximation of legislation. Whereas the idea underlying Barcelona, implemented through association agreements, was trade integration which stopped at the borders (notably through tariff dismantling), the Neighbourhood Policy goes beyond that and provides for greater integration, going beyond borders so to speak by means of approximation of legislation. In short, this policy will enable partners to share in the European internal market. More emphasis will also be put on integrating the two sides of the Mediterranean in transport, energy and telecommunications networks.
- **Differentiation is at the root of the new EU policy towards its neighbours** and is implemented by action plans. These action plans will become the key instruments of the medium-term policy conducted by the Union in its relations with its neighbours. These are policy papers based on existing association agreements and clearly setting out overall strategic objectives, shared objectives and political and economic reference criteria and a timetable for achieving them. This is an approach that is more precise, more concrete and better defined in its timing than that of the association agreements. As you know, action plans were already negotiated in 2004 with Israel, Jordan, Moldova, Morocco, the Palestinian Authority and Ukraine. Negotiations are planned with Egypt and Lebanon in 2005. An important thing to note is that these action plans are drawn up jointly between the Union and its partners and adopted by the Association Councils.
- **This policy will be financed by a new neighbourhood instrument** aimed at promoting sustainable economic and social development among the neighbouring countries, pursuing regional and transnational and cross-border cooperation and ensuring the smooth functioning and secure management of frontiers. They will be among the financial instruments included in the new financial perspectives beyond 2006.

\*\*\*

I have just outlined the main features of this European Neighbourhood Policy. We have to admit that this policy, when it was announced, provoked among our Mediterranean partners first surprise, then questions and even concern. Will this policy replace the Euro-Mediterranean policy, swallow it up or water it down? Would there be two policies for the same countries? **What would be the relationship between the Neighbourhood Policy and the Euro-Mediterranean partnership?** Some commentators pointed out certain contradictions between the Neighbourhood Policy and the Euro-Mediterranean policy. I see two main ones:

On the geo-political level, despite the differences that exist within the area, the Euro-Mediterranean partnership encompasses countries which geographically the Mediterranean draws closer together more than it divides them. Historically, these countries have seen their destinies intertwined, even if this was sometimes through conflict. The Euro-Mediterranean idea is highly symbolic. As for the neighbourhood policy, it has to be admitted that it concerns countries which are much more diverse.

Secondly, whereas the Euro-Mediterranean partnership approach is mainly regional, the Neighbourhood Policy is more bilateral and differentiates among the partners.

**The few differences I have mentioned can be overcome.** As it is a regional framework, we have to reiterate that the Barcelona process remains key to relations between the European Union and the southern Mediterranean. It is not matter of recasting Barcelona but rather rereading it, rediscovering it and realising, as certain analysts have said, its potential.

Where the model is concerned, we probably have to go beyond the framework of association which was in some respects rather vague. Or we might use that framework but apply more specific methods. The idea of harmonisation or at least convergence of legislative systems, which was embryonic in the association agreements, is spelled out more clearly in the Neighbourhood Policy and above all in the action plans.

But the differences in the Neighbourhood Policy approach should not be taken too far. Whilst the action plans already agreed with the first signatory Mediterranean countries contain differences, they are also bedrock of shared values and objectives which the Commission deems indispensable if we are to avoid diverging paths. It is more in the pace of progress that the divergences can exist. The ultimate objective, participation of those countries in large parts of the European internal market, is what those countries are aiming at.

Mr President, ladies and gentlemen,

As I have tried to point out, the European Neighbourhood Policy does not replace the process launched ten years ago in Barcelona. It renews it, clarifies it and breathes fresh life into it.

Convergence between the two policies will be at the core of the Commission's communication ahead of the tenth anniversary of Barcelona Declaration. This communication, still in the pipeline, will propose for the next five years a limited number of initiatives with three main thrusts:

- Continued promotion of political reform, including protection of human rights, in the Mediterranean, as reform is the key to security, peace and stability in the region.
- Support for the development of education, particularly primary education, and vocational training, substantially increasing the means of financial cooperation earmarked for them.
- Continued progress on trade liberalisation and economic reform, by starting negotiations on balanced liberalisation of services and adopting for agriculture an approach combining the opening up of markets and cooperation on rural development.

This does not exclude continuation of activities conducted under the Barcelona process on migration, cooperation on energy or transport and the environment.

In conclusion, celebrating Barcelona must not simply be about marking the date. Anniversaries are about bringing us closer to events and not making them more remote. The European Neighbourhood Policy does not make Barcelona more remote, rather it brings it into sharper focus.