

**Including the Mediterranean in the  
Union**

**The European Neighbourhood Policy**

**2009**



Shira Godfried  
0064750  
Public Administration  
University of Twente  
Afstudeercommissie:  
Prof. dr. R.A. Wessel  
Prof. dr. N.S. Groenendijk

Bachelor Thesis

---

## Table of Contents

Chapter 1: Introduction.....	4
Chapter 2: What is the European Neighbourhood Policy and what are its objectives? .....	7
2.1 Introduction .....	7
2.2 Legal status ENP .....	7
2.3 Goals of the ENP.....	8
2.4 Enforceability of the ENP .....	9
2.5 Goals ENP with regards to the Mediterranean .....	9
Chapter 3: What are the means to implement the European Neighbourhood Policy?.....	10
3.1 Introduction .....	10
3.2 Country Reports .....	10
3.3 Action Plans.....	11
3.4 Financial instruments ENP .....	12
3.5 Progress Reports .....	13
3.6 Conclusion.....	14
Chapter 4: Operationalizing the criteria for analysis .....	15
4.1 Introduction .....	15
4.2Choice of criteria .....	15
4.3 Shared values including democracy and human rights protection (Rule of Law).....	15
4.4 Political reforms .....	16
4.5 Economic reforms .....	16
4.6 Social reforms.....	17
Chapter 5: Case studies.....	18
5.1 Introduction .....	18
5.2 Shared values including democracy and human rights protection (Rule of Law).....	19

5.3 Political Reforms.....	21
5.4 Economic Reforms.....	24
5.5 Social Reforms.....	27
Chapter 6: Conclusions and Recommendations .....	30
6.1 Conclusion of the Analysis .....	30
6.2 Central research question, conclusions and recommendations .....	32
Bibliography.....	34

# Part I: Introduction

---

## Chapter 1: Introduction

After the Eastern Enlargement in 2004 the European Union did not only get acquainted with the countries entering the Union, but also had to deal with a whole set of new neighbors; a lot of them non-European. Therefore, the European Union in 2004 launched an ambitious set of bilateral agreements with their neighboring countries in order to create prosperity, stability and especially security (Landabrau 2006:2). Furthermore, since it is clearly stated that a country that wishes to enter the European Union has to be “European”, the Union had to come up with another way to cooperate with those countries, instead of letting them just simply enter the Union. In order to achieve their goals the EU launched the *European Neighbourhood Policy*. In this thesis I will take a close look at this policy. The ENP was initially designed as a “*comprehensive neighbourhood policy, integrating related components from all three ‘pillars’ of the Union’s present structure, [which] will enable neighbouring countries to share the benefits of EU enlargement in terms of stability, security and well-being*”. Furthermore, according to the European Commission, the European Neighborhood Policy was designed in order to create a new impetus to the cooperation between the European Union and their neighbors. More importantly, by means of the ENP the European Union could build up relations with countries that are not covered in Art. 49 of the TEU, by creating a new *ENP/Association model* (ENP Strategy Paper 2004:6; Lippert 2006:87).

The concrete instruments of implementation entail a set of documents, aimed at analyzing the country’s current situation and providing steps to generate changes. First of all, a *Country Report*, wherein the country’s economic, political and institutional situation is drafted, that assesses the points wherein the relationship between the Union and the third country should be deepened. Subsequently, an *Action Plan* is drafted; this is a tailor-made document based on the countries’ needs and capacities, as well as their interests and that of the Union. These Action Plans cover a wide range of topics: from political dialogue to trade related issues and human rights to several home affair issues like transport and energy (EC website, December 14, 2007). This way, the European Union hopes to surround itself with a close circle of “friends” with a high degree of security and internal stability.

One of the geographic areas that the European Union has to build up new relations is the Mediterranean. One can probably understand that the Mediterranean area can indeed be problematic, due to its history and regional instabilities. For instance, Algeria is still in a dispute with Morocco regarding the status of the *Western-Sahara* and only recently the whole Mediterranean region – as well as the rest of the world – was shaken because of the bloody fighting in the Gaza-strip. With regards to the Mediterranean, the EU has a rich history regarding its relations with this region. EU-Mediterranean relationships stem from the seventies, when cooperation agreements were made with several Mediterranean and Middle-Eastern countries. (Börzel and Risse 2004:16). Moreover, in 1995 the Euro-Mediterranean Partnership (EMP) was established; this partnership is also known as the Barcelona Process. The EMP consists of a regional framework for cooperation and

complemented by a network of Association Agreements covering the spheres of politics and security, economy and finances and finally society and culture. After the Barcelona Process, cooperation agreements of a more extensive and ambitious nature have been established in the form of the Euro-Med Association Agreements. Assessment of the relationship between the Barcelona Process and the ENP leads to the conclusion that the draft Action Plans for the Mediterranean countries in question are layered on top of the existing Association Agreement, rather than replacing them. Implementation of the ENP actually takes place through the existing framework of Association Agreements of the Barcelona Progress (Commission 2004:6). The political conditionality that already existed in the Association Agreements is carried over in the new policy structure. Differences between the Association Agreements and the Action Plans mostly concern the further development of democracy and human rights agenda, the inclusion of foreign and security policy, further development of transport and energy policy, and justice and home affairs (Emerson & Noutcheva 2005:1, 9; ENP Strategy Paper 2004:7)

However, since the enlargement this area of the world has become closer than ever in geographical and relational sense. The European Neighbourhood Policy should be able to help create stability and prosperity in this region, as well as help solve political conflicts such as the Israeli-Palestinian conflict (Cameron 2006). Therefore, in my bachelor thesis, I wish to inquire into the question whether the European Neighborhood Policy has an impact on the relationship between the Mediterranean and the EU to such an extent that the EU can reach its objectives concerning stability, security and prosperity. For my thesis, I therefore propose the following research question:

*What are the objectives of the European Neighbourhood Policy and by which means does the European Union intend to implement this policy in relation to some Mediterranean countries?*

In effect, this thesis question consists of two questions. The underlying thought of this paper, regards that by means of this thesis question, I hope to assess whether the current instruments within the framework of the ENP can indeed bring about the EU's objectives. In order to conduct this research, I therefore have to start with both inquiring into the goals, as well as the instruments the ENP incorporates in its policy. This will be done on the basis of a document analysis, also known as a literature research. Furthermore, while an analysis of secondary literature regarding objectives and instruments is certainly useful, an analysis of to what extent the goals are actually embedded in the instruments is perhaps even more helpful. Therefore, on the basis of an assessment of what the instruments actually are, the analysis of this thesis will focus on to what extent the proposed goals of the ENP are embedded in the instruments. Further analysis will be based on secondary literature written with respect to the extent of the incorporation of the goals of the ENP in its instruments.

In this thesis, I propose to divide the thesis into four parts. The first part will focus on theory, by explaining what the objectives of the ENP in effect are and outlining what instruments it uses. This part will be a conceptualization of the most important concepts that will be used in this thesis. In order to keep things clear, the conceptualization part will be divided into two chapters, one discussing the objectives, the other discussing the instruments. In this first part of the thesis the following two sub-questions will be answered:

1. *What is the European Neighbourhood Policy and what are its objectives?*
2. *What are the means to implement the European Neighbourhood Policy?*

From the first chapter, I hope to derive a general scheme with regards to the objectives of the ENP. I hope to propose a clear defined set of goals, based on communications from the Commission, as well as secondary literature written about this topic. In the second chapter of the conceptualization part, main focus will lie on the method with regards to shaping the policy framework of the ENP; and, more importantly, what instruments of implementation the EU uses to achieve the goals as set in the ENP. Like the first chapter of the conceptualization part, this chapter will be based on primary sources as well as secondary literature.

The second part of the thesis will consist of a theoretical framework, wherein I will put the proposed goals of chapter one, into practice. I will try to make the proposed goals measurable on the basis of theory and literature. The process of operationalization will be explained from a methodological perspective. When I have put these concepts into practice, I will be able to perform an analysis with regards to the extent of embedding the goals in the instruments. Since I will solely focus on whether the goals of the ENP are included in the instruments, the analysis will of course be rather limited, however this is necessary due to a limited time span reserved for the BA thesis.

In the third part of this research, I will perform an analysis on two Mediterranean ENP partner countries: Israel and Morocco. In this analysis part I will first argue why I have chosen these two countries and why I have chosen the documents I wish to analyze. On the basis of the concepts I will put into practice, I will be able to assess to what extent the proposed goals of the ENP actually are represented in its instruments. Besides analyzing the concrete instruments provided by the Commission, I will further elaborate on the goal implementation on the basis of secondary literature. In this part of the thesis, I hope to answer the following two sub-questions with regards to the case studies representing the Mediterranean (the argumentation for the choice of the case studies will be provided for in the relevant chapter):

3. *What is the influence of the European Neighbourhood Policy on the relationship between the EU and Israel;*
4. *What is the influence of the European Neighbourhood Policy on the relationship between the EU and Morocco*

In the fourth part, the final concluding chapter, I will first make an analysis regarding differences or similarities regarding the inclusion of ENP goals in the instruments that are used in this policy framework. From here, I will try to draw some conclusions on the goal achievement of the ENP as a whole within the current policy framework. This is consistent with the research question proposed in this thesis; on the basis of these conclusions, I will be able to provide a clear-cut answer to the central research question. Finally, I will try to make some recommendations with regards to goal-achievement within the current policy framework of the ENP, particularly holding in mind the Mediterranean.

# Part II: Conceptualization

---

## Chapter 2: What is the European Neighbourhood Policy and what are its objectives?

### 2.1 Introduction

In this first chapter, we will look at what the ENP entails and what its main objectives are. The ENP started in 2004 as a replacement for the previously used enlargement tool and Association Agreements with non-EU countries. However, with the last enlargement of 2007, the EU had entered in an impasse with regards to generating changes in their neighbouring countries. On the one hand, the enlargement tool was not applicable because the neighbouring countries were either not ready to join the internal market, or non-European. Furthermore, the EU needed to find a balance between enlargement and its absorption capacity, while at the same time addressing the demands and expectations from their new neighbouring countries (Lippert 2006: 86). The previously employed *Association Agreements*, became insufficient with regards to promoting the EU values, so by means of the ENP the EU hoped to create a new strategy; and with regards to the Mediterranean, *“the ENP will also encourage the participants to reap the full benefits of the Euro-Mediterranean Partnership”* (ENP Strategy Paper 2004: 4). In this chapter, first of all we will look into the legal status of the ENP, because by analyzing its status, we can predict its impact. Secondly, we will look into the main goals of the ENP. On the basis of these goals, we can build our case study analysis. Thirdly, we will look into the enforceability of this policy framework. Finally, we will look into specific goals of the ENP with regards to the Mediterranean.

### 2.2 Legal status ENP

At the moment, it is very unclear where the legal justification for the ENP is embedded. According to the ENP Strategy Paper (2004), by means of the ENP *“the EU has emphasised that it offers a means to reinforce relations between the EU and partner countries, which is distinct from the possibilities available to European countries under Article 49 of the Treaty on European Union”* (ENP Strategy Paper 2004:3). However, the current valid treaties which should in effect have incorporated an Article with regards to the ENP only refer to Membership under Article 49 TEU (Lippert 2006:87); while Association Agreements are embedded in Article 3(1)S TEU: *“the association of the overseas countries and territories in order to increase trade and promote jointly economic and social development”*. By means of the Constitution for Europe, the ENP would have been embedded in Article I-57, but since this treaty is off the table, we will have to look into other grounds for the ENP (Blockmans et al 2006:xx). However, the Lisbon Treaty – which should have entered into force on January 1<sup>st</sup>, provides solid ground for the ENP by means of *Article 8* (Article 8 Treaty on the European Union):

1. *The Union shall develop a special relationship with neighbouring countries, aiming to establish an area of prosperity and good neighbourliness, founded on the values of the Union and characterized by close and peaceful relations based on cooperation.*

2. *For the purposes of paragraph 1, the Union may conclude specific agreements with the countries concerned. These agreements may contain reciprocal rights and obligations as well as the possibility of undertaking activities jointly. Their implementation shall be the subject of periodic consultation.*

From the first part of the article one can conclude that the EU indeed has the competences to engage in bilateral agreements as proposed in the ENP. Furthermore, the promotion of democratic structures and human rights policies are made possible by this article. The second part legitimizes the policies developed and the implementations the EU uses to achieve their goals and makes it an obligation to both parties to evaluate the ENP and its implemented measures.

### 2.3 Goals of the ENP

The primary goals of the ENP are multipartite. First and most of all, to create *stability, security and welfare* for the countries at the Union's southern and eastern borders by means of positive interdependence. Secondly, the European Union had to create a policy which could achieve the objectives set in the European Security Strategy (ESS). Thirdly, the ENP places the EU in the role of the *external promoter of democracy and motor for political, economic and social reforms* in their neighbouring countries. This competence was created in particular for the Mediterranean and will be recurring in this thesis. Fourthly, the ENP is an effective *follow-up of the enlargement policy*; by making the countries adopt a part of the *aquis communautaire*, the EU again follows the logic of integration through convergence. In addition, The ENP was also created as a *substitute policy for the enlargement policy* of the EU. Finally the fifth goal contains the *expansion of trade and economic relations* between the Union and its neighbours. In general, we can state that the ENP consist of the following four components: it is a mix of *foreign and security policy, development and enlargement policies and finally the sectoral foreign trade approach* (Lippert 2007:180-181; [http://ec.europa.eu/world/enp/policy\\_en.htm](http://ec.europa.eu/world/enp/policy_en.htm), ENP Website 16 Feb. 09). These goals are consistent with the aims stated in the ENP Strategy paper of 2004: *"The objective of the ENP is to share the benefits of the EU's 2004 enlargement with neighbouring countries in strengthening stability, security and well-being for all concerned. It is designed to prevent the emergence of new dividing lines between the enlarged EU and its neighbours and to offer them the chance to participate in various EU activities, through greater political, security, economic and cultural co-operation"* (ENP Strategy Paper 2004:3).

Therefore, we can say that the ENP is a comprehensive policy tool for the European Union to engage in relations with its new neighbours on a regular, intensive, meaningful and institutional basis. So in effect, the ENP is a policy addressing *"high-politics"* issues as well as economical relations, and is mainly aimed at creating the so-called *"ring of friends"* surrounding the European Union, in order to ensure the Unions own safety, prosperity and stability, while at the same time establishing those guarantees and the EU's shared values in their neighbouring countries.

## 2.4 Enforceability of the ENP

Regarding enforceability of the ENP and further agreements, some scholars have argued that it is very low, since the ENP is based on incentive-based political conditionality. These incentives are (Kelley 2006:35-36):

- 1.a perspective of movement from co-operation to a significant degree of integration
- 2.an upgrade in scope and intensity of political cooperation
- 3.opening of the economy
- 4.participation in programs offered by the Community promoting cultural, educational, environmental, technical and scientific links
- 5.increased financial support
- 6.support for legislative approximation to meet EU norms and standards
- 7.deepening trade and economic relations

While this strategy has worked very well in the past in the enlargement policy, the prospects for the Mediterranean countries are much more limited – entry does not seem an option in the near future- which results in substantially lower incentives for the ENP countries to establish reforms (Kelly 2006:37).

In my opinion especially the economical components are strong incentives for the ENP countries, while the improvement of political relations is of importance for the EU. Furthermore, if the EU can indeed have a positive impact on the institutional structures of the Mediterranean countries diplomatic relations will alter. On the basis of Dahl's *"On Democracy"* (1998) one can state that by improving the democratic structures in a country, the probability of a (violent) conflict will be reduced: in theory, democracies do not fight each other. Also a higher level of prosperity will be established in the ENP countries which reciprocally has a positive consequence for the economic relations between the EU and the Mediterranean (Dahl 1998: 38).

## 2.5 Goals ENP with regards to the Mediterranean

In the Strategy Paper on the European Neighbourhood Policy (2004) a specific section on cooperation between the European Union and the Mediterranean is further elaborated on. This regional cooperation is the consequence of bilateral Action Plans (see Chapter 2), building on previous negotiations on a ministerial level. In the area of infrastructure and interconnection projects assistance could be provided in planning networks facilitating trade as well as access to the European market; furthermore, assistance in the area of promotion of security could be provided. In the area of environment, cooperation in environmental policy issues, as well as specific problems that should be dealt with at (sub)-regional level could be established. When it comes to justice and home affairs topics such as border management, cooperation between enforcement bodies and agencies, the fight against organized crime and cross-border crime, and civil and commercial judicial matters, will be dealt with. In the fields of trade, regulatory convergence and socio-economic development, cooperation is intended to promote regional economic integration between neighbouring countries.

Furthermore countries are willing to cooperate amongst each other with the perspective on the Euro-Mediterranean free trade area, and also participation for more advanced countries in the internal market of the Union is in perspective. Finally, in the field of people-to-people projects, promotion of civil society, support of human rights and democratization, youth organizations, intercultural dialogue and human resource mobility and transparency of qualifications are prioritized when it comes to cooperation in the framework of the ENP. Relations between the EU and the Mediterranean have in general had a positive influence on the ENP countries. Since the EU had an active economic relationship with the Mediterranean the option to raise issues covering human rights and democracy became a reality. By using the ENP, the Commission seeks *to strengthen the stability and effectiveness of institutions that guarantee democracy and the rule of law, while ensuring free and fair elections*. Furthermore, the ENP could indeed help to strengthen political dialogue in the areas of security, conflict prevention and crisis management, border management, migration, visa policies, and organized crime. These intended institutional changes are largely based on the political conditionality principle embedded in the enlargement policy of the EU. This political conditionality principle refers to bargaining political changes in the prospect countries, in exchange for economic benefits or privileges. However, the correlation between democratic progress and aid allocations has been minimal since the EU has tolerated hollow democratic institutions in ENP countries in the past (Kelly 2006:33, 44-45; Milcher & Slay 2005:16; Commission 2004:22-23).

## Chapter 3: What are the means to implement the European Neighbourhood Policy?

### 3.1 Introduction

In the previous chapter we have seen what the European Neighbourhood Policy entails and what its objectives are. Therefore, in this second chapter we will discuss the concrete means to implement the European Neighbourhood Policy and the means as to reaching the objectives that have been elaborated on in the previous chapter. The European Union has access to a wide range of instruments to achieve their internal goals; varying from "soft" to "hard" policies, such as adaptation of the *aquis communautaire*, directives and guidelines, benchmarking and the *Open Method of Coordination* (OMC) (Radaelli 2003:8; Hooghe 1996). The analysis in this chapter mainly focuses on the means as to how the European Union wishes to accomplish its external goals within the framework of the European Neighbourhood Policy. The sub- question as proposed in the title of this chapter will be answered by means of a description of the means and tools the EU employs to achieve its objectives within the ENP. This description is based on primary sources as well as secondary literature.

### 3.2 Country Reports

The first step in the implementation process of the European Neighbourhood Policy entails sketching an image of the countries' in question social, economical, political, institutional and other sectoral aspects. Furthermore, the Country Reports also cover the progress in the implementation of the bilateral agreements and related reforms as proposed within the framework of the ENP. On the basis

of this analysis decisions can be made to what extent relations between the EU and the particular can be deepened, extended or even improved. Furthermore, on the basis of the Country Report concrete policies for specific areas can be developed and implemented. In essence, the Country Reports actually shape the further course of action policy-wise. The competence to decide whether or not to engage in further relations with a possible candidate for the ENP lies with the Council; on the basis of the Country Report this administrative body makes its decision concerning the nature and scope of the agreements. The Country Reports have been drafted between 2004 and 2005 (European Commission Website, [http://ec.europa.eu/world/enp/howitworks\\_en.htm](http://ec.europa.eu/world/enp/howitworks_en.htm), 21 October 2008; Pace 2005:5).

The emphasis of the Country Reports lies on the state of legislative reform and liberalization in ENP partner states, focusing mostly on the economic sector and the criminal justice system. However, issues concerning democracy and rule of law, and human rights and fundamental freedoms are also addressed. Furthermore, all Country Reports are considered critical with regards to “*the democratic conduct of elections, inefficient or partial judicial systems, corruption, limits to the freedom of the media, the freedoms of expression and association, the protection of women’s rights, children’s rights and minority rights, alongside shortcomings in detention conditions, ill-treatment and torture*” (Bosse 2007:48-49).

### 3.3 Action Plans

The most important implementation instrument of the European Neighbourhood Policy is the so-called *Action Plan* (Lynch 2004:5). As we have seen in the *Historical Framework*, the legal basis for the proposed work with each partner country is the *Association Agreement* or *Partnership and Cooperation Agreement* (PCA) in force since 2004. The relationship between the Action Plans and the Country Reports entail that, the Country Reports constitute a starting point for the Action Plans. This policy instrument consists of tailor-made plans based on separate country reports. However, in practice most Action Plans appear to miss the rigor and detail in which values gaps were identified in the initial Country Reports. The plans establish the key priorities that should be addressed in the years ahead. After the Country Reports are completed, the Commission sends a draft of the possible Action Plans to the European Parliament for approval, as well as to the European Economic and Social Committee, and the Committee of the Regions for information and advice (Commission Strategy Paper 2004:7; COM(2004) 795 final 2004:3-4; Bosse 2007:50).

Action Plans follow the principle of *Joint Ownership*, which means that development of the plans is in the hands of two parties: The Union and the ENP country concerned. Furthermore, Action Plans are based on *the principle of differentiation*, which are in practice by being time- and content-oriented towards the specific ENP Country; this last aspect argues for the case of the Action Plans being tailor made (Lippert 2007:5; Pace 2005:5).

While the principle of differentiation is widely applied when drafting the Action Plans, commonly, the Action Plans follow a general scheme and cover the following areas (Lippert 2007:5):

- Economic and social reform and development;
- Political dialogue and reform;
- Cooperation in questions of justice, freedom and security;

- Cooperation and reforms in areas such as transport, energy, information society, environment, research and innovation;
- People-to-people contacts and cooperation in the areas of education, public health and culture.

Furthermore, the Action Plans will cover the two broad areas of commitments to specific actions which confirm or reinforce adherence to shared values and to certain objectives in the area of foreign and security policy and, secondly commitments to actions which will bring partner countries closer to the EU in a number of priority fields. Furthermore, the Action Plans will identify key actions in a limited number of fields which are marked as *high priority* and actions in a wider range that have a lower priority. The different types of priorities are linked to a different time frame for addressing these priorities. The partner countries in question vary in the number of priorities: Ukraine has 300, while the Palestinian Authority “only” has a 100 (Commission Strategy Paper 2004:9-10; Smith 2005: 764). These shared values include *“strengthening democracy and the rule of law, the reform of the judiciary and the fight against corruption and organised crime; respect of human rights and fundamental freedoms, including freedom of media and expression, rights of minorities and children, gender equality, trade union rights and other core labour standards, and fight against the practice of torture and prevention of ill-treatment; support for the development of civil society; and co-operation with the International Criminal Court”* (Commission 2004:13). This especially, since the promotion of democracy, human rights, and the rule of law actually forms the core of the Unions effort in achieving political as well as economic stability for its neighbours by means of political dialogue. (Börzel & Risse 2004:15). Through the ENP and the establishment of the Action Plans the EU hopes to promote these goals.

### 3.4 Financial instruments ENP

In order to achieve their objectives as set in the ENP, the European Union needs substantive (financial) instruments to complete these objectives. In general, the ENP instruments include *negotiated (bilateral) agreements (treaties) to provide better access to markets for goods, services and factors of production; soft law/economic cooperation; and development assistance and financing* (Hoekman 2005:14). Financial instruments are however most important. In the years before the development of the ENP, the EU already provided financial support within programmes such as *TACIS* for Eastern European countries and the *MEDA programme* for the Mediterranean ones. In the period of 2000-2003 the total of these instruments encompassed almost four billion euro’s. Furthermore, the *European Investment Bank* provided approximately the same amount in loans for Mediterranean countries in the same time period. Another financial instrument that has been used before existence of the ENP is the *Macro Financial Assistance (MFA)*. This programme is intended for third countries that face exceptional negative balance of payments financing needs, such as Ukraine and Moldova. Finally, apart from these programmes or loans, the EU also provided almost 400 million Euros for humanitarian and food aid for the countries known today as the ENP countries (Commission Strategy Paper 2004:23-24).

In corollary with the development of the ENP the EU has proposed a set of harmonised instruments that should support the assistance towards the ENP countries, including those already covered by TACIS and MEDA. The implementation of the priorities in the Action Plans will be supported by financial assistance through the existing MEDA and TACIS programs.

The design of these instruments is aimed at supporting the implementation of the ENP and the financial resources should be allocated as well to that effect. At least until 2007, TACIS and MEDA would continue to exist as the main financial assistance instruments for the partner countries, ensuring and providing support for the implementation of the Action Plans. Since 2007, the European Union has introduced the tool called the *European Neighbourhood Partnership Instrument* (ENPI) (former known as the *European Neighbourhood Instrument*) which will focus in particular on supporting the implementation of the ENP Action Plans and will substantially increase in funding towards the ENP countries ( *COM(2004) 795 final* 2004:4; Kelly 2006:38).

This ENPI is designed to *“promote enhanced cooperation and progressive economic integration between the European Union and the partner countries and, in particular, the implementation of partnership and cooperation agreements, association agreements or other existing and future agreements. It shall also encourage partner countries’ efforts aimed at promoting good governance and equitable social and economic development”* (Art 2.1, REGULATION (EC) No 1638/2006). This means that, overall, the ENPI aims to support the partner countries’ commitment to common values and principles. The areas the ENPI should cover are the *shared values* that are addressed in the Action Plans, such as political dialogue, promotion of human rights and promotion of participation for ENP countries in community programs. Especially for those ENP countries thus far covered by TACIS, the ENPI will mark a major improvement, moving from technical assistance to full-fledged cooperation; the ENPI allows assistance towards partner countries to be explicitly policy-driven, drawing also on new forms of cooperation and with an increase in resources. (Art 2.2, REGULATION (EC) No 1638/2006; *COM(2006)726 final* 2006:3; Bosse 2007:55).

While on the one hand economic integration, political cooperation, sustainable development, poverty reduction, stability and security issues are addressed by means of the ENP, the question remains whether these *shared values* can indeed be achieved by means of the ENPI. This seems unlikely, because first and foremost the ENP does not create a new legal basis for relations between the Union and neighbouring partner countries and therefore the provisions in the Association Agreements or PCA continue to apply. This *means that enhanced relations with partner states cannot be suspended on the basis of a breach of commitment to the shared values as set out in the AP’s* (Bosse 2007:56). So in the end, the ENP does not create new instruments to institutionalize the *shared values* and without a new legal basis the proposed policy is unlikely to change the enforceability of political values (Bosse 2007:57; Smith 2005:767).

### 3.5 Progress Reports

By means of *Progress Reports*, the EU hopes to evaluate and monitor to what extent the implementation process of the ENP has been completed. Progress Reports are differentiated for every country, just like the Country Reports and Action Plans. Also a general report is written, which provides an overview on the current state of implementation and achieved goals as set in the Action Plans. In this section a brief overview of the implementation of the ENP will be provided by means of the *COM(2008) 164* Communication from the Commission towards the Council and Parliament, published April 3<sup>rd</sup>, 2008. As for the institutional framework wherein the ENP operates, it appears that except for Belarus, Libya and Syria, all the necessary *Partnerships and Cooperation Agreements* (PCA) and *Association Agreements* have indeed been finalized. With Ukraine, the EU has conducted *New Enhanced Agreements* (NEA) in order to draw this country closer to the Union. Furthermore,

following the adoption of action plans with Armenia (November 2006), Azerbaijan (November 2006), Georgia (November 2006), Lebanon (January 2007), and Egypt (March 2007), a total of *twelve countries* have now chosen to develop their relations with the EU using this tool to accompany domestic reforms and the strengthening of bilateral and regional cooperation (*COM(2008) 164 2008:2-3*).

### 3.6 Conclusion

Concluding, we have discussed the methods of the European Union to implement the ENP in the partner countries. In answering the research question of this chapter, "*What are the means to implement the European Neighbourhood Policy?*", we can only conclude that the implementation process consists of several steps including exploration of the current situation in the ENP countries, developing a fitting method to address the issues and objectives within the ENP framework, providing financial assistance and thorough evaluation and further development of policies. By means of *Country Reports*, *Action Plans*, the *European Neighbourhood Partnership Instrument*, and *Progress Reports*, the EU hopes to fulfil its objectives. Action Plans are based on two main principles: joint ownership and differentiation. Even though every Action Plan is different and addresses different issues, a general scheme can be distinguished, to promote the objectives of the EU and promote their shared, maybe somewhat idealistic, values. Concrete instruments to fulfil the objectives consist of the ENPI, are built on existing financial (aid) programs and are laid down in EU regulations. Finally, the current method of evaluation of the implementation process encompasses separate *Progress Reports* for all the ENP countries, which should provide insight as to what stage the implementation process is in.



Figuur 1 Schematic Illustration of ENP means

# Part III: Method of Assessment

---

## Chapter 4: Operationalizing the criteria for analysis

### 4.1 Introduction

The most important part of this research, is the analysis to what extent the goals of the ENP are met by the instruments. To assess this, I will have to propose certain criteria of assessment. Therefore, in this chapter, I will explain why the theoretical framework I propose in this chapter is relevant and explore the criteria with which I will assess the ENP instruments. The criteria I will propose, will be based on the ENP goals. To complete this theoretical framework, I will – from a theoretical perspective – look into how these criteria are shaped. Finally, in this chapter I will bring these criteria into practice on the basis of the theoretical perspective. On the basis of this knowledge I will be able to assess the ENP instruments and determine to what extent the ENP goals are manifested in those instruments.

### 4.2 Choice of criteria

Since my bachelor thesis is a conclusion of my bachelor's study Public Administration, it seems appropriate to further inquire into goals which are consistent with the four disciplines of Public Administration: Law, Economics, Sociology and Political Science. Regarding these disciplines, it seems to fall exactly in line with the idea that the EU should play the role of external promoter of democracy (Rule of Law), political, economic and social reforms. Taking into account the fact that we wish to look into goal achievement with regards to ENP instruments, this is the set of goals that, in my opinion, is most appropriate to put into practice, and therefore I will refer to it in the chapter regarding the theoretical framework. Furthermore, as we have seen in the conceptualization of the means part of the ENP, shared values are very important within this policy framework. These shared values refer to the promotion of democracy and human rights, as well as political, economical and social change within the ENP partner countries. Therefore, these are the four criteria I have chosen to work with in this thesis. These criteria will be further explicated in this chapter.

### 4.3 Shared values including democracy and human rights protection (Rule of Law)

As earlier stated, the Commission seeks *to strengthen the stability and effectiveness of institutions that guarantee democracy and the rule of law, while ensuring free and fair elections*. Furthermore, the ENP could indeed help to strengthen political dialogue in the areas of security, conflict prevention and crisis management, border management, migration, visa policies, and organized crime. Political dialogue *“encompasses foreign and security policy issues, conflict prevention and crisis*

*management and common security threats*" (ENP Strategy Paper 2004:13). These intended institutional changes are largely based on the political conditionality principle that was originally embedded in the enlargement policy of the EU (Kelly 2006:33, 44-45; Milcher & Slay 2005:16). According to the Worldwide Governance Indicators, rule of law refers to: *"the extent to which agents have confidence and abide by the rules of society, and in particular the quality of contract enforcement, the police and the courts, as well as the likelihood of crime or violence"*([http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=999979](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=999979), 23 February 2009). This is very similar to the explanation of the shared values by the ENP strategy paper: *"values of respect for human dignity, liberty, democracy, equality, the rule of law and respect for human rights. These values are common to the Member States in a society of pluralism, tolerance, justice, solidarity and non-discrimination. The Union's aim is to promote peace, its values and the well-being of its peoples. In its relations with the wider world, it aims at upholding and promoting these values"*( ENP Strategy paper 2004: 12). Furthermore, one of the most important objectives of the ENP is to enhance respect for human rights and democratic principles (Smith 2005:765). On the basis of this knowledge, the criterion regarding democracy and human rights will be assessed by looking at actions in the ENP instruments intended to promote democracy, equality, human, civil and political rights.

#### 4.4 Political reforms

Bringing about changes in ENP partner countries with respect to shared values is only possible when political reforms in the countries themselves take place as well. However, how can we define these political reforms, as it is a broad term. According to Kelly (2006), political reforms within the ENP framework *"focus on strengthening the stability and effectiveness of institutions guaranteeing democracy and the rule of law, and they frequently mention the conduct of specific upcoming elections"*. Furthermore, media freedom and freedom of expression also fall under this category (p.33). This seems very similar to the section above; the focus is however different, as now we are looking specifically on the functioning of *institutions*. It appears that these political reforms are intended to strengthen the shared values as mentioned above; respect is needed for democracy and the rule of law (Cameron & Rhein 2005:2). Therefore, it would be appropriate to look into measures within the ENP means that promote institutional change regarding stability and effectiveness of institutions concerning democracy and rule of law, media freedom and freedom of expression.

This is supported by analysis of ENP means by Emerson and Noutcheva (2005). Under the heading of political reforms, *national dialogue on democracy independent judiciary further freedom of expression and media and political dialogue* (p.94). Concretely, this means that when we assess the ENP means in the light of political reforms, we will be looking into the functioning and reforming of governmental and judiciary institutions and initiatives for political dialogue.

#### 4.5 Economic reforms

While the primary goal of the ENP is to create a so-called "ring of friends", the main strategy to achieve this goal is to offer the countries in question significant improvements in access to the single market and expanded technical assistance (Milcher & Slay 2005:5). When the CEEC-countries gained access to the European single market and transformed their market structures in respectively 2004 and 2007, a higher level of prosperity and economic growth was achieved. By implementing structures to grant access to the single market for the ENP countries, the European Union hopes to replicate the effect the CEEC transition success.

According to the strategy plan proposed by the European Commission direct as well as indirect benefits can be expected: *"direct benefits concern the reduction of tariff and non-tariff barriers to trade, which should bring about efficiency gains and improve welfare through increased market integration"* (ENP Strategy Plan 2004:14). In other words, transaction costs are lower when access to the European market is improved.

The most appealing economic component of the ENP is of course an increase of trade relations between the ENP countries and the Union, the progressive participation in a number of EU policies and programs, and furthermore increased financial and technical assistance (Dodini & Fantini 2006:511). In the Action Plans means to ensure that both the EU as well as its partners derive the full benefits of the trade provisions contained in the Association Agreements. The ENP also provides greater market opening in accordance with the principles of the WTO. In practice, this means *"a free trade area for goods has been agreed and asymmetric liberalization has begun"*. Furthermore, the ENP provides ways to promote trade liberalization as well as regional integration in coherence with the EUROMED-partnership. When it comes to the financial markets, measures taken in the legal framework of finances in combination with access to the European financial markets should enhance the stability in the partners' financial markets and their overall economic performance. Additionally, improvements in the investment climate -such as ensuring transparency and the simplification of the ENP countries' regulatory framework- should help to facilitate and increase two-way investments. *"Regulatory convergence in key trade-related disciplines will bring economic benefits in the field of reforms in the partner countries, as well as in the field of an enhanced investment climate"*(ENP Strategy Plan 2004:15-16).

Furthermore, in order for the *"market access for reform"* bargain to work as it has in the past, the economic benefits to be reaped from the ENP should be positive and significant. Previous experiences with non-EU countries have shown that the extension of the single market brings positive effects to these countries. However since most ENP-countries have lower quality infrastructure, lower per capita GDP and much greater political instabilities, other elements of the ENP, such as financial assistance and infrastructure developments become more important. However, if and when the neighbourhood countries *do* implement the aquis for *"market access for reform"*, substantial benefits for these countries can be brought about through liberalized access to the single market. First and foremost, *"better market access, combined with enhances dialogue and cooperation on social and employment policies, could encourage reforms directed at reducing poverty and increasing the effectiveness of social assistance"* and *"legal changes in the areas of customs and financial services should promote trade facilitation and business creation"* (Milcher & Slay 2005:13).

As we are looking for criteria by which to assess ENP means, analyzing the actions that create better market access – such as tariff and non-tariff reduction, eventually leading to a free trade area – and legal changes in the areas of customs and financial services should provide a good image to what extent the ENP goals are incorporated in the ENP means.

#### 4.6 Social reforms

The role of the EU in generating social reform is translated into improving the social situation of ENP partner countries' citizens, create a higher employment rate and dedicate themselves with regards to poverty reduction. Furthermore, people-to-people contacts are important as well. These include

education, training and youth, cultural and audio-visual issues, and public health matters. By proposing these reforms in the ENP partner countries, the EU hopes to improve their current social situation (Emerson & Noutcheva 2005:94). As we have seen, according to other scholars, employment policies, fall under the heading of economic reforms, however under the definition of the *Malcolm Wiener Center for Social Policies* at Harvard University, social policies include "public policy and practice in the areas of health care, human services, criminal justice, inequality, education, and labor" (<http://www.hks.harvard.edu/socpol/about.html>, 25 February 2009).

The European Union incorporates its own social model: *European Social Model*. This model "is a vision of society that combines sustainable economic growth with ever-improving living and working conditions. This implies full employment, good quality jobs, equal opportunities, social protection for all, social inclusion, and involving citizens in the decisions that affect them" (<http://www.etuc.org/a/111>, 25 February 2009). According to Gstöhl (2008), social reforms – which are largely based on the ESM – proposed in previous PCA's and by now also in the ENP include non-discrimination of nationals regarding working conditions, remunerations and dismissals, but also social cooperation aiming at improving working conditions, health and safety of the workers. Furthermore, social protection and technical assistance should be provided with regards to employment (Gstöl 2008: 62,64).

Putting these theories and the ESM into practice for this thesis, we will assess the ENP means with regards to social reforms by looking at elements of? social policies, including a.o. health care, equal treatment, education, labour and social inclusion.

## Part III: Analysis

---

### Chapter 5: Case studies

#### 5.1 Introduction

In this chapter we will assess the previously proposed criteria on the instruments of the ENP, as applied to two countries, Morocco and Israel. First of all, I will discuss why I have chosen these specific two cases in this study. Beside my personal interest in Israel the choice to compare these two countries is a very clear one. First of all, both countries are highly focused on maintaining as well as creating new trade relations with the European Union. Both hope that they can become closer to the Union and participate in the trade area; Morocco even applied for a candidate status of the EU more than twenty years ago – it was denied of course, since Morocco is not a European Country and was considered to have poor democratic and human rights standards. Israel perhaps has not gone this far, but already had established Co-operation Agreements with the EU in 1975, thereby expressing their interests in Europe (<http://riadzany.blogspot.com/2006/10/moroccos-dream-of-eu-membership.html>; [http://www.delisr.ec.europa.eu/english/content/eu\\_and\\_country/1.asp](http://www.delisr.ec.europa.eu/english/content/eu_and_country/1.asp), 2 March 2009). Secondly, these two countries both have the highest ratings -in comparison with their neighboring Mediterranean countries- with respect to securing political rights and civil liberties and in the field of the extent of governance in the country. This is important, because if you wish to

compare two case studies, one has to find similarities in situations between the two cases in order to make a decent comparison (Emerson & Noutcheva 2005: 18-19). Thirdly, these are the only two countries currently in existence (the future Palestinian state was also named) that ultimately might obtain Union membership; this however in the very distant future. Fourthly, both countries are considered “willing” to introduce reforms by means of the ENP (Stetter 2005:6; Emerson Noutcheva & Popescu 2007:26,27). Fifthly, it is interesting to compare an Arab democracy to a non-Arab democracy, perhaps the implementation of the ENP with regards to its goals is different between these regimes.

Furthermore, the instruments that will be analyzed will be the Action Plans. As we have seen in the Conceptualization part, the AP’s are the most important instrument of implementation of the ENP. By means of the Action Plans, the ENP goals are primarily implemented (Hoekman 2005:14).. Although Country and Progress Reports are important as well, the implementation of ENP goals is not so evident in these ENP means; Country Reports report on the current situation and Progress Reports provide a sort of evaluation of the implementation process of the Action Plans. Moreover, due to the time limitations of this study, I will merely focus on these Action Plans, since as stated previously they are the most important implementation instrument of the ENP goals.

## 5.2 Shared values including democracy and human rights protection (Rule of Law)

On the basis of the previous chapter, we have established that the proper assessment criteria’s for this category are democracy, equality, human, civil and political rights. In this section, we will analyze both AP’s of Morocco and Israel with regards to this topic. How are these goals included in the AP’s? After this analysis, we will make a further analysis with regards to this section on the basis of secondary literature.

Action Plan Israel with regards to this topic (Israel Action Plan 2004):

*Democracy, human rights and fundamental freedoms*

- *Work together to promote the shared values of democracy, rule of law and respect for human rights and international humanitarian law*
- *Explore the possibility to join the optional protocols related to international conventions on human rights*
- *Promote and protect rights of minorities, including enhancing political, economic, social and cultural opportunities for all citizens and lawful residents*
- *Promote evaluation and monitoring of policies from the perspective of gender equality*
- *Promote a dialogue on policies for the physically and mentally disabled*

The Action Plan of Morocco is however more extensive with regards to shared values including democracy and human rights protection (Morocco Action Plan 2004):

Democracy and the rule of law

- (1) *Consolidate the administrative bodies responsible for reinforcing respect for democracy and the rule of law*
- (1) *Step up efforts to facilitate access to justice and the law*
- (2) *Cooperation in tackling corruption*

Human rights and fundamental freedoms

- (3) *Ensure the protection of human rights and fundamental freedoms according to international standards*

- (4) *Freedoms of association and expression*
  - *Ensure implementation of the law on freedom of association and of assembly in accordance with the relevant clauses of the UN International Covenant on Civil and Political Rights.*
- (5) *Further promote and protect the rights of women and children*

However, these are merely the priorities as named in the Action Plan. These priorities are further specified in concrete actions, which with regards to democracy and rule of law, will be further specified in the next section. In reference to Human rights and fundamental freedoms, the exact actions can be found in the appendix.

As for Israel, with regards to human rights and democratic values, Israel is considered to be advanced on this topic since it is considered to have shared democratic values because of its historical European roots. However, like Morocco, some scholars have noted that Israel is hesitant to implement the shared values of the EU with regards to human rights and democracy in their reform; they are hesitant to let the EU meddle in their internal affairs and due to internal disincentives by the existing regimes. As a consequence one can conclude that it is rather the question whether the attempt to implement these new structures in the existing regimes will succeed. (Emerson & Noutcheva 2007:26; Tocci 2007:29). Despite these changes Europe does seem to have a credibility problem when it comes to enforcing democratic structures in the Mediterranean. First of all, while in the Euro-Med Partnership clauses have been added concerning the promotion of human rights; however, these have *never* been invoked. Secondly, efforts to promote democratic structures in Arab countries could empower extremist Islamic forces and cause destabilization in the entire region. Finally, the historical relationship between the Mediterranean and the EU hinders major institutional changes. During the Cold War the EU was capable to uphold economic relations with these countries, but not engage in an extensive relationship aimed at promoting democratic reforms. Furthermore, it was not even possible because the Union as a whole has only developed democratic promotion strategies in the last decade. Since then, enforceability of these strategies including democratic or human rights values has been very low, because the amount of development aid and the intensity of economic relations have not changed; the bargain of *aid/trade in exchange for (promise of) institutional changes* clearly does not work (Kelly 2006 46:51).

In Morocco cosmetic reforms, which have led to a greater public debate, by King Mohammed VI have actually gone hand-in-hand with new restrictions on the media, professional associations, civil society organizations and some political groupings, but certainly not regime changes. For, although the Moroccan constitution claims to abide to international principles with respect to human rights protection, unfortunately it does not guarantee inalienable human rights to Moroccan citizens . This also holds for freedom of expression, assembly, association and religion, for some problems have been reported with regards to the actual guarantee of these freedoms. As regards discrimination against women – although the constitution guarantees equality - there is no reference in Moroccan law with respect to equality in civil matters, nor with respect to education, work and health. So in effect, while the EU in name is dedicated to promotion of their *shared values*, in practice the EU has increasingly used its economic and political leverage to encourage Arab governments to cooperate with Europe on controlling illegal migration and sharing information on counter-terrorism, instead of encouraging democratic reform. This also holds for the use of political pressure. Some critics even say that the EU's rhetoric about the importance of democracy is due to their eagerness to please the

US – who in fact are determined to promote democracy in the Middle-East -, rather than genuine enthusiasm to promote democracy (Young 2006:1-2; Gillespie 2005:1; Baracani 2005:12).

Furthermore, according to Young (2006), the EU should develop a new approach within the ENP if they wish to generate real democratic reforms in Arab countries – including Morocco. First of all, the EU should take a tougher stand in their criticism of political repression. Even though democracy cannot be imposed from outside, at least Arab leaders would see that the EU is serious about their dedication to democracy. Secondly, the EU should award bigger incentives, because the current ones are too meager; this theory is supported by other authors as well. Furthermore on this point, the EU should take measures to include the Mediterranean area on a higher level into the single market. Thirdly, lack of a *pan-neighbourhood dimension* within the ENP leads to the vision of a confusing initiative for the region. Therefore, a neighbourhood-wide strategy for supporting reform movements should be created. Finally, often funding does not reach the grass-roots reformers in Mediterranean countries – and especially the Arab ones – but only civil society organizations that are approved by the incumbent government. This has to change if the EU wants to foster democratic changes; this includes engaging in relations with Islamist parties. Furthermore, as for human rights and democracy mentioned in the Action Plan, although a substantial part of the Action Plan is dedicated to these matters, there is no suggestion of a major reform initiative; for instance the modernization process of judiciary institutions and respect of fundamental freedoms and human rights are still not sufficient. Moreover, the immediate agenda is more concerned with the consolidation of administrative changes and intensifying trans-frontier cooperation with Southern Members, rather than shared values. (Young 2006:6; Pieters 2004:429-430; Gillespie 2005: 6-7, Emerson, Noutcheva & Popescu 2007:26 ).

### 5.3 Political Reforms

In the section regarding political reforms, we will look into the Action Plans in the light of the functioning and reforming of governmental and judiciary institutions and initiatives for political dialogue. These institutions should provide the necessary structures to provide an efficient implementation of the previously discussed shared values. As in the previous chapter we will cite the specific actions and priorities from the relevant Action Plans.

The Action Plan of Morocco states (Morocco Action Plan 2004):

*Consolidate the administrative bodies responsible for reinforcing respect for democracy and the rule of law*

*Short term*

*– Exchange experience and know-how in relation to development of the regulatory framework governing political parties.*

*– Strengthen the Administration's capacity, in particular by supporting implementation of the Law on the formal motivation of administrative acts of public administrations, local authorities and public institutions.*

*– Continue efforts towards decentralisation and enhancing the powers of local authorities through support for the new National Planning Charter ("Charte sur l'Aménagement du Territoire").*

*Medium term*

*– Ensure implementation of local authority reform.*

*(2) Step up efforts to facilitate access to justice and the law*

*– Simplify judicial procedures, including shortening the length of procedures, trials and the enforcement of judgements and improving legal assistance.*

*– Support for family courts within the courts of first instance in order to support the provisions of*

*the new family code.*

- *Support for youth justice as part of the reform of the new criminal code.*
- *Pursue the national plan for modernising the prison administration, in particular the elements dealing with training, reintegration and protection of prisoners' rights.*
- *Training of judges and other court staff.*
- *Continue the MEDA programme on "Modernising law courts in Morocco".*

*(3) Cooperation in tackling corruption*

*Short term*

- *Follow-up the conclusions of the "justice and security" sub-committee.*
- *Exchange information on respective laws and international instruments.*
- *Assistance in the application of the measures provided for in the UN Convention; international cooperation.*

*Medium term*

- *Strengthen and support the implementation of a national anti-corruption strategy, including training expert anti-corruption services, applying a code of conduct and public awareness-raising campaigns.*

*(4) Strengthen political dialogue and cooperation on foreign and security policy and other subjects of common interest*

- *Pursue enhanced, structured and regular Morocco-EU strategic policy dialogue covering internal developments in both parties, Mediterranean, African, regional and international issues and other matters of common interest.*
- *Develop and enhance this bilateral policy dialogue with a view to strengthening ties based on active solidarity between the two parties and allowing their positions and reciprocal interests to be taken into account.*
- *Cooperate to make multilateral institutions and conventions more effective, so as to reinforce global governance, strengthen coordination on initiatives for combating security threats and address related development issues.*
- *Promote a regular political dialogue on the non-proliferation of weapons of mass destruction and their means of delivery.*

The Israeli report on the other hand hardly has any references towards the criteria of governmental and judiciary institutions, other than mentioned in the previous paragraph. This can be explained by the fact that, as earlier stated, Israel is considered to be advanced with regards to this topic because of its shared European root, democratic values with regards to functioning of institutions (Wallace 2003:11). However, political dialogue and cooperation with regards to foreign, regional and security policies are mentioned (Israel Action Plan 2004):

*Political dialogue and co-operation*

*Israel and the EU are committed to achieve closer political co-operation and dialogue on the basis of their common values: the respect for human rights and fundamental freedoms, democracy, good governance and international humanitarian law. Both parties are committed to join efforts to combat common security threats, to promote peace and stability in the Middle East, to support the work of international multilateral frameworks and co-operate in these fora. The EU and Israel are also firmly committed to promote regional co-operation, as a way to address the challenges of a trans-boundary nature.*

Problems with inducing political reforms in the ENP Mediterranean partner countries have to do with a lack of credibility and enforceability of the ENP policy framework. The enforceability of the ENP and further agreements are very low, since it is merely based on political conditionality. That is, if the ENP countries implement the proposed political reforms and engage actively in political dialogue, they get benefits – the incentives mentioned in the Conceptualization chapter – in return. While this has worked well in the past with previous enlargement, the question remains whether these incentives are high enough to create proper reforms. Two aspects are of importance: first of all, the countries have to be willing to accept the proposed changes; and secondly, the countries must have "*fertile*

*domestic ground*" (Levenex & Schimmelfennig 2008:146). Furthermore, if the EU envisages political reform as a primary goal of the ENP, it is important to hold into account that Mediterranean countries, such as Morocco and Israel have lower starting points in terms of *common values*. They have internal differences which are important for creating conditions of democratization: creating effective and stable governmental and judiciary institutions. Another difference is that while the enlargement countries were engaged in political competition, the new ENP countries are not. This can result in that only those ENP countries that share or commit themselves to engage in those reforms, will have *anything* to gain from the ENP framework. (Emerson & Noutcheva 2005: 94-95; Kelley 2006:50; Del Sarto & Schumacher 2005:23).

Del Sarto and Schumacher (2005) provide three potential assets for the ENP. First of all, by means of the ENP, the EU creates an opportunity for itself to exert political influence on the Mediterranean neighbourhood by means of one-on-one contacts. This bilateral approach corresponds to the preferences of most Mediterranean countries, in particular Israel and Morocco, by which they now can voice their (general) concerns. Secondly, by means of *joint ownership* of the Action Plans, the ENP partner countries are consulted as well with regards to political reforms, which creates a country specific definition of political priorities. Thirdly, political conditionality can actually lead to countries such as Morocco further pursue their reform agenda (Del Sarto & Schumacher 2005:28-29).

However, the notion that political conditionality will induce change – particularly in this case in Morocco – and that this is desired by the EU is challenged by another scholar. In the study aimed at assessing EU dedication to generate democratic reforms in Morocco, the scholar in question, Gillespie (2005), mentions that Southern members of the EU take a reluctant stance against European democracy promotion policies. This is because they are afraid that the policies will actually backfire: while aimed at bringing more stability and development in the Maghreb in the long run, they will actually lead to great instabilities in the short run! Of course, the Southern members would be first and most affected due to their geographical proximity. Furthermore, the conditionality principles under the ENP to encourage democratization will perhaps not work, because in the Moroccan case (as well as the entire north of Africa) conditionality up until now has been based on economic as opposed to political criteria. As a result, it is quite possible that Morocco will continue to receive favorable EU treatment as a reward for implementing actions from the Action Plan that do *not* involve democratic changes or reforms in domestic power structure. This may be, but still during the legislative elections in 2007, Morocco has made progress on the transparency of the electoral process, while at the same time allowing political opponents access to the media (Gillespie 2005:1-2, 6-7; Levenex & Schimmelfennig 2008:161). Furthermore, the ENP could indeed help to strengthen political dialogue in the areas of security, conflict prevention and crisis management, border management, migration, visa policies, and organized crime. These intended institutional changes are largely based on the political conditionality principle embedded in the enlargement policy of the EU. This political conditionality principle refers to bargaining political changes in the prospect countries, in exchange for economic benefits or privileges. However, the correlation between democratic progress and aid allocations has been minimal while the EU furthermore has tolerated hollow democratic institutions (Kelly 2006:33, 44-45; Milcher & Slay 2005:16).

Engaging in political dialogue is especially important for Israel due to its conflicts with the Palestinian authority. With regards to this problem, the EU hopes to obtain a greater influence in the Middle-

Eastern peace process by means of the ENP. In that sense, the ENP is not merely an instrument to create intensified economic relations, but moreover statement of the intentions by the EU to promote their common values and objectives as part of their overall strategic external relations in general, and towards the Middle-East in particular as part of their political dialogue actions. However, this vision can encounter some obstacles in relation to Israel; for the EU is quite critical on Israel's policies towards the West Bank, the Gaza Strip and overall retaliation actions. Therefore, Israel will have to pay the political price to obtain their much wanted economic benefits created by the ENP and adjust some of its policies, which in reality is quite difficult for many Israeli citizens to accept (Harpaz 2004:273). Furthermore, the question is raised whether the additional benefits provided by the ENP are significant enough for Israel to allow the EU to exert more influence on their domestic and international political affairs. The EU however, has appeared to be reluctant to do so in the past. Part of the problem herein is caused by the fact that Israel has a fair amount of influence on the EU due to historical relations with Europe (Tocci 2005:29-30).

## 5.4 Economic Reforms

In the field of economic reforms, we will assess the Action Plans with regards to measures creating better market access – such as tariff and non-tariff reduction, eventually leading to a free trade area – and legal changes in the areas of customs and financial services. The Israeli Action Plan provides the following measures with regards to this objective (Israel Action Plan 2004):

### *Economic co-operation and structural reforms*

#### *Develop co-operation on economic reforms*

#### *Sustainable development*

#### *Promotion of sustainable development*

#### *Trade-related issues, market and regulatory reform*

#### *Movement of goods*

#### *Promote trade relations*

1. Establish a structured and comprehensive dialogue to promote trade and investment between Israel and the EU

2. Develop regional trade links

3. Customs-related issues

#### *Technical regulations, standards and conformity assessment procedures (EU harmonised areas)*

4. Facilitate market access of industrial products

#### *Elimination of restrictions and streamlined administration (EU non-harmonised areas)*

5. Facilitate the movement of goods and improve administrative co-operation

#### *Sanitary and phyto-sanitary issues*

6. Improve co-operation on sanitary and phyto-sanitary matters as well as on food safety

7. Agriculture

#### *Right of establishment, company law and services.*

8. Improve the environment for business operations

9. Promote greater freedom in the areas of establishment and foreign investment

10. Promote liberalisation of trade in services

11. Company law

– Promote, to the extent possible, implementation of the principles in relevant international rules

and standards in the fields of accounting and auditing

– Promote the mutual exchange of information on rules and standards in the fields of auditing and

accounting

11. Financial services

– Strengthen co-operation between the EU and Israel on regulation, supervision and financial stability and examine the possibility of convergence with a prudential regulatory/supervisory framework equivalent to the underlining principles of those existing in the EU while taking into account Israel's right to maintain and set benchmark standards and regulations

– Carry out an assessment of the scope for legislative approximation with a view to inclusion of this sector in a FTA and ultimately Israel's participation in the European Single Market for

*financial services.*

12. *Facilitate transparency and control of state aid*

13. *Creation of a suitable environment for SMEs and entrepreneurial activity*

As for the Moroccan Action Plan with regards to this topic, we can say that the following actions are proposed (Moroccan Action Plan 2004):

*(13) Consolidate progress made with a view to improving macroeconomic indicators to promote growth and development*

*(14) Improve the performance and competitiveness of the Moroccan economy*

*(15) Ensure the introduction of a coherent agricultural policy (including sustainable rural development measures and product quality policy) with the aim of convergence towards the necessary conditions for establishment of a Morocco-EU free trade area;*

Trade, market and regulatory reform

Movement of goods

Trade relations

*(19) Implementation of the undertakings in the AA, Title II (Free movement of goods)*

*(20) Contribute to the creation of the Euro-Mediterranean free trade area*

Customs

*(21) Modernisation and capacity-building of customs services, alignment of customs legislation with international and EU standards*

*(22) Cooperation on securing the international supply chain*

Technical regulations, standards and conformity assessment procedures (EU harmonised areas)

*(23) Facilitate access to the market for industrial products. Bring Moroccan legislation on industrial products further into line with international and European rules and practices*

Elimination of restrictions, streamlined administration (EU non-harmonised areas)

*(24) Facilitate the movement of goods and improve administrative cooperation*

Health and plant health issues

*(25) Improve the health safety of food for consumers and facilitate trade in agricultural products with the EU*

2.3.2. Right of establishment, company law and services

Right of establishment and company law

*(26) Continue efforts to liberalise establishment and foreign investment (other than establishment in the services sector)*

*(a) Establishment*

– Continue efforts to promote a suitable environment for companies.

*b) Company law:*

– Work towards convergence with key principles of international and EU rules and standards in company law.

Services

*(27) Gradual liberalisation of trade in services between Morocco and the European Union*

*Financial services*

With reference to the FSAP recommendations:

– Develop a regulatory framework for the supervision of financial markets converging towards the EU's.

– Reinforce the prerogatives of the financial market supervisory authorities in accordance with international standards.

Capital movements and current payments

*(28) Pursue implementation of the strategy for gradual capital account liberalisation taking account of progress on the following:*

These actions on the economic dimension have two broad objectives: first of all, the development of the partner countries; and secondly the integration of these countries in the EU system (Hoekman 2005:14). As for economic changes in the relationship between the EU and Israel on the basis of the Action Plans, it appears that the economic independence of Israel might be at stake because of the need to adopt large parts of the EU's economic, financial and trade laws. This argument could be valid for other ENP Mediterranean countries as well. Therefore, the approximation of laws should be

dealt with cautiously, as for bringing about economic changes. By means of the ENP, Israel's competitors can enjoy the four fundamental freedoms, but because of the selective nature of the ENP, Israel is able to pick the components of the Internal Market that are consistent with its own interests, and rejecting those that are inconsistent. The dark-side of this approach is that tailor-made approaches could come at the expense of regional coherence and solidarity, which is already a problem in the Middle-East. In effect, the regional coherence is at stake. Furthermore, intensifying the economic relations with the EU could come at the expense of trade relations with the US. Finally on this account, further exposure of the Israeli market to European competition could create problems for Israeli competitors who are not prepared for intensified international competition. However, the *carrots* in this case could provide Israel and other Mediterranean countries with the offer of enhanced preferential trade relations, a *stake* in the EU internal market, the progressive participation in a number of EU policies and programmes, as well as increased financial and technical assistance. Mainly, the possible impact of the ENP in the Mediterranean, in the field of trade and investment the ENP could bring about substantial efficiency and welfare gains for the ENP partner countries, by means of the liberalized access to the EU's single market. However, the *sticks* in this case include approximation of law on *high politics* level as well as *low* (Harpaz 2004: 264-268; Dodini & Fantini 2006:511; Milcher, Slay & Collins 2005:174).

According to Escribano (2006), Morocco is still a long way from being able to participate and join the Internal Market. According to the *Country Report* analyzed by him, several obstacles are still present and should be dealt with before envisaging full participation in the Internal Market. However, the prescribed solutions within the Action Plans are considered even more challenging if you consider the starting point. Furthermore, the Action Plans lack a determination to aim at deeper regional integration, on the field of trade reform (Escribano 2006:6; Haddad & Pogoda 2006: 21).

If Morocco and Israel – as well as the other ENP partner countries – implement the proposed changes from the Action Plans, economic growth is expected through three separate, but interconnected channels (Dodini & Fantini 2006:512):

1. *Structural reform*: successful application of the ENP should result in an upgrade of the regulatory framework which contributes to growth;
2. *Macro policy anchor*: closer adherence to sound monetary and fiscal policies should result in a better macroeconomic environment;
3. *Trade and factor movement*: the reduction in tariff- and non-tariff barriers between the EU the ENP partners – and in the future among ENP partners – should generate growth through the customary benefits of trade liberalization.

There are however risks and problems in implementing the ENP in its partner countries with respect to its economic dimension. The two major risks are *overregulation* and *risks of integrity to the Internal market*. The first one refers to the problem that if the *acquis* was to be adopted prematurely, it would risk saddling the private sector with major compliance costs, while at the same time also divert administrative resources away from higher priority tasks. The latter means that the mere approximation and adoption of legislation is not sufficient to safeguard the functioning of the Internal Market; a high extent of mutual trust between administrations – regulatory and enforcement – is necessary as well (Dodini & Fantini 2005:10). In the case of the ENP Partner countries *market access for reform* is very difficult to achieve for two reasons. First of all, the ENP

partner countries are much poorer and more heterogeneous than the CEEC-countries in the case of enlargement. Secondly, the ENP is probably not a satisfactory substitute for EU- Membership (Milcher, Slay & Collins 2005:174).

The final set of difficulties with regards to the economic dimension of the ENP is fivefold: first of all, it is quite a burden for the ENP Mediterranean countries to adopt the ever growing *acquis communautaire* due to wide institutional, political and public service traditions; the extent of institutionalization for the ENP requires a substantial amount of human and financial resources to create effective policy-making, -shaping and dispute settlement; thirdly the geometry will entail fragmentation of the EMP and will weaken the already fragile sub-regional integration initiatives. Fourthly, to complete the functioning of the ESM in the ENP partner countries as well, structural cohesion funds are necessary as well, to deal with social and economic disparities. Finally, in the field of agriculture and services, it is doubtful whether inclusion in the internal market will have positive net effects for ENP countries, since it does not guarantee free access to the European agricultural market and liberalization of services can become a disaster (for instance elites controlling privatized companies) (Escribano 2006:8-9).

## 5.5 Social Reforms

In this final analysis of this part, we will assess the ENP means with regards to the social objectives of this policy by looking at elements of social policies, in particular to the following elements: health care, equal opportunities and treatment, education, employment and social inclusion, social protection for all, social inclusion, and involvement of citizens in the decisions. We have based these criteria on European perspectives on social policies, because one of the ENP goals is to introduce European models into the Mediterranean.

As for the Action Plans we can say the following. The Israeli Action Plan includes the following actions with regards to social policies (Israel Action Plan 2004):

*Movement of persons, including movement of workers and co-ordination of social security*

*1. Implement the provisions under Article 64 and 65 of the Association Agreement as regards the co-ordination of social security*

*Social situation, employment, poverty reduction*

*Implement the provisions of the Association Agreement as regards the development of a dialogue and co-operation on social matters of mutual interests*

*1. Promote best practices on social problems of post-industrial societies*

*– Promote dialogue, co-operation and formulation of policies between relevant bodies on social issues of mutual interest such as poverty alleviation, domestic violence, drug abuse and alcoholism and social exclusion*

*– Exchange experience on pension and welfare policies including health care and care for the elderly*

*– Exchange experience on labour policies and labour relations, including disabilities issues*

*– Explore avenues of co-operation in international fora*

*– Promote the participation of Israeli experts in selected European fora*

*Education, training, and youth*

*1. Creation of a "European Higher Education and Vocational Training Area", increased mobility of teachers and students included*

*– Establish a policy dialogue between the EU and Israel in the field of education and training*

*– Further promotion of Israel's participation in Community Programmes*

*– Explore possibilities to extend co-operation in the areas of school education, vocational education and training, as well as adult education*

*– Begin talks with the aim to reach a bilateral agreement on higher education*

- Developing a mechanism for coordinating the respective EU and Israeli systems of study credits, with a view to facilitating the exchange of students in the future
- Promote dialogue on special challenges in education (inter alia disabilities, gender equality issues, special needs, etc.)
- Promote dialogue on the role of ICT and IST in education and e-learning
- Explore the scope for training in the fight against racism and anti-Semitism, including issues related to Holocaust awareness and remembrance
- Promote the exchange of young professionals between Israeli and European bodies
- 2. Enhance co-operation in the field of Youth and Sport
- Civil society co-operation
- 4. Promote civil society co-operation
- Public health
- 5. Increase the level of health security and epidemiological safety in Israel based on global standards taking into account EU legislation and in co-operation and with the support of the WHO. Relate the information system of Israel to the health indicator process underway in the EU. Integrate Israel in the EUPHIN health information and knowledge system.
- 6. Communicable Disease Surveillance and Health Security
- Participation in Communicable Disease Networks and dedicated surveillance networks
- Develop laboratories networking

The Moroccan Plan is even more elaborate with regards to social reforms that have to take place (Morocco Action Plan 2004):

*Cooperation on employment and social policy*

*(16) Implement Articles 69 to 72 of the Association Agreement and align Moroccan legislation with EU standards and practices in the social and employment sectors.*

*Short term*

- Pursue the dialogue on employment and social policy with a view to developing a joint analysis of the situation and identifying challenges and possible responses (social dialogue, labour law, gender equality, health and safety at work, employment policy, social protection and inclusion).
- Pursue the dialogue on living conditions of Moroccan workers and their families legally resident in the EU with a view to identifying ways and means of achieving progress on equal treatment and improving social integration.
- Pursue the dialogue on improving the exchange of information on programmes and initiatives to facilitate social inclusion, the integration of disadvantaged groups in the labour market and combating discrimination and xenophobia.
- Ensure equality for men and women, including in the field of employment; promote the role of women in social and economic progress; cooperate on combating child labour.
- Health and safety in the workplace: prevention of occupational risks: extension of occupational health services in line with new legislation; support for the implementation of ILO Conventions on the use of benzene and asbestos.
- Foster cooperation on social security schemes (exchanges of experience, support for the reform and implementation of social protection systems, in particular compulsory health insurance and pension schemes).

*Medium term*

- Labour law: support the implementation of the new provisions of the Labour Code. Continue the adoption of implementing decrees for the new Labour Code and support implementation of the Code, with the assistance of training, information and communication programmes and institutional capacity-building in the labour inspectorate.
- Approximation of Moroccan legislation to the extent possible with Community standards in the social sector.
- Pursue social dialogue at all levels (bipartite and tripartite).

*Regional and local development*

- (17) Ensure more harmonious development and a better distribution of resources in the various regions of the country and combat poverty in urban and rural areas*
- Movement of persons, particularly workers, and coordination of social security*
- (29) Full implementation of commitments under Articles 64-67 of the Association Agreement*
- Ensure full application of the clause on equal treatment irrespective of nationality as regards working conditions, remuneration and dismissal.
- Ensure full application of the clause on non-discrimination in the area of social security for workers and members of their families.

– Adopt a decision in the Association Council concerning the implementation of Article 65 on the coordination of social security systems.

*People-to-people contacts*

*Education, training, youth and sport*

(78) Improve Morocco's education and vocational training systems in order to promote competitiveness, employability and mobility, particularly by bringing Morocco closer to the European higher education area

(79) Strengthen cooperation in the areas of education, training, youth and sport

(80) Governance of the education system

– Strengthen the process of devolving and decentralising education services and the decentralisation of higher education.

(81) Quality of education

*Civil society*

(84) Step up and facilitate the development of civil society networks

*Health*

(85) Raise the level of public health and epidemiological safety, in line with EU legislation and in cooperation with the WHO, by participation in information networks

*Health information*

*Epidemiological surveillance and monitoring*

– Encourage association with/participation in networks for the surveillance of transmissible diseases.

*Increase health system decentralisation*

– Improve basic health care at regional level.

– Pursue decentralisation of the treatment of cancer sufferers, in particular to the newly created centres..

Like the political and economic benefits, the social reforms are conditioned towards political and democratic reforms. While in the past within the EMP framework, the propositions regarding social development in the Mediterranean were rather modest and proved to be an insufficient driving force for social advance, the Action Plans include equal treatment of workers, social dialogue and cooperation. In particular, the Moroccan AP has clauses concerning equal treatment of workers and social security. Israel's proposed actions also include a social security scheme. What is remarkable however, is that while all the ENP is focused on promoting both economic *and* social development, Gstöl (2008) argues that the Israeli one is only clear with regards to the first objective, while it is still included in the Action Plans. This is made clear by the objective that the EU "*will encourage and support Israel's objectives for further integration into European [economic and] social structures*" (Gstöl 2008:64; Del Sarto & Schumacher 2005:18; Israel Action Plan 2004; Emerson & Noutcheva 2005:96; Tocci 2005:27).

As for Morocco, even though social reforms are proposed on the short term, the reforms as proposed in the Action Plans are being introduced at a much slower pace, than in other ENP partner countries – for instance in Eastern Europe. This however can be attributed to the fact that Morocco's starting point is much lower. Israel would like to use the Action Plan process as a way to further develop operational links of an institutional and programmatic nature; this is especially relevant for the social reforms, since it is primarily based on ENP partner countries participating in EU programmes. However, this policy does not seem to sufficiently address the socio-economic realities in the southern Mediterranean nor, the many shortcomings of the EMP, because of lack of perspective to full membership and therefore a lesser perspective of participation in the EU's programmes. However, social reforms should in the end result in a democracy-enhancing dynamic, while aspects of this policy area can be judged to have been inimical to political liberalisation. (Emerson, Noutcheva & Popescu 2007:26, 27; Del Sarto & Schumacher 2005:36; Youngs 2005: 10).

Furthermore, as for internal obstacles to introduce social reform in Morocco and other Arab countries in the Mediterranean, the Islamist movements enjoy strong public support in most Arab societies because of their provision of social services. The ruling elites attempt to curb the inflow into oppositional groups by refraining from deregulating labour markets at the expense of short-term flexibility of their own economies. It is therefore questionable whether the proposed social reforms can be implemented in Arab countries. Even more paradoxical is that while the Action Plans refer to intensifying and promoting dialogue with civil society, this implicitly refers to the non-Islamic sector, which often consists of elite civil society organisations. The Islamists have been left out of the dialogue, and therefore a large section of the population is excluded which in its turn has led to a large hypocrisy in conditionality (Haddad & Pogoda 2006:11,15). Therefore, in Morocco and other Mediterranean countries, the problem remains that *“the Mediterranean governments succeeded in excluding the stakeholders of the civil society out of the process of policy-formation in the European Neighbourhood Policy. Hence, the ruling elites were able to assert sole representation as well as their preference for skin-deep reforms”* (Haddad & Pogoda 2006:22). This is also seen in Israel, because most European leaders officially refuse to acknowledge they are engaging in relations with the political branch of the Hamas. By this refusal, forms of social exclusion are actually practiced by the EU and engagement with the conditions of possibility of democracy is placed aside (Pace 2009:49). It is therefore questionable whether true social reforms, especially with regards to social inclusion, will be introduced. Although it is understandable that the EU has reservations towards including Islamist parties in the process, it seems down-right hypocrite to leave them out: no social reforms will take place if they are left out.

## Part IV: Conclusions

---

### Chapter 6: Conclusions and Recommendations

#### 6.1 Conclusion of the Analysis

In this chapter, we have looked into the question how the ENP goals are translated in the most important means of implementation: the Action Plans. We have compared two ENP partner countries with regards to proposed shared values, political, economic and social reforms. As opposed to proposed reforms in the Barcelona Process, the driving force behind these reforms is much greater and the extent of integration is much larger. In general, we can state that the proposed actions for Morocco are much more extensive than those aimed at reforms in Israel. This can be attributed to the fact that the EU already has incorporated European practices in their regime, due to historical relations with this continent. However, both in Morocco and Israel the proposed actions and reforms have to overcome several obstacles; sometimes with different causes. Shared values of the EU are mostly focused on enhancing democratic structures, improving human rights and fundamental freedom conditions and strengthening the rule of law. This is valid for both countries, although the Moroccan actions are substantially larger than the Israeli ones. Hindrances for

implementation of these actions can be found in the fact that Israel is hesitant to let the EU “meddle” in their internal affairs. Other problems with enforcing the shared values of the EU in the Mediterranean including Israel can be found in primarily lack of *credibility* in enforcement. In Morocco cosmetic reforms with regards to democratic structures have taken place. Furthermore, it appears that the EU in name is dedicated to promotion of their *shared values*, while in practice the EU has increasingly used its economic and political leverage to encourage Arab governments to cooperate with Europe on other issues, instead of encouraging democratic reform.

When looking at proposed political reforms, we have looked for action items with respect to judiciary and governmental institutions, which support the building of democratic structures, as well as political dialogue. Most striking about the Action Plans for Morocco and Israel is, is that there is no mention of the first two aspects in the Israeli Action Plan, while the latter is only mentioned briefly. The Moroccan Action Plan addresses consolidation of administrative bodies, facilitation of access to justice and law, the tackling of corruption and political dialogue and cooperation. The last action is just like the Israeli reference to political dialogue aimed at cooperation with regards to foreign and security policy on the basis of common interests. For the EU, the ENP provides new opportunities with regards to generating political reform in the Mediterranean; by means of joint ownership the EU can abandon the “one-size-fits-all”-approach of the EMP, while at the same time exert a greater influence on this region. Like the former area of reform, the major problem with inducing political reforms in the Mediterranean is credibility and furthermore EU internal differences with regards to introducing European democracy promotion policies in this region. This reluctance stems from a fear of causing instabilities in the Mediterranean. However in my opinion, if the Islamist parties are included in the dialogue in an early stage, this fear can be reduced by good communication and clear agreements. For Israel, political dialogue is especially important with regards to trying to solve the Israeli-Palestinian conflict. However, the recent war in Gaza has proven the Middle-East is still a long way from peace and stability.

Economic reforms with regards to preferential trade relations, better market access, sustainable development, structural reforms, consumer protection, financial services, customs, legal approximation with regards to company law are all included in the Action Plans for both Israel and Morocco. These actions are designed to achieve two broad objectives: the development of the partner on the one hand, and integration in the EU system on the other. By implementing these actions, economic growth can be expected in the partner countries. These economic benefits are of course the most appealing aspect of the ENP in the perspective of the partner countries. The economic benefits are proposed in the form of *sticks and carrots*. The ENP partner can obtain the offer of enhanced preferential trade relations, a *stake* in the EU internal market, progressive participation in a number of EU policies and programmes, as well as increased financial and technical assistance. On the whole, the potential impact of the ENP in the Mediterranean, in the field of trade and investment, is that it could bring about substantial efficiency and welfare gains for the ENP partner countries, by means of the liberalized access to the EU’s single market. On the other hand, as discussed previously a fivefold set of difficulties with regards to the economic dimension of the ENP arises, which should be looked into in the future, from the ENP partner country’s perspective, as well as from the EU’s.

The last aspect we have discussed in the analysis chapter, is social reforms in the Action Plans. Social reform is an important and elaborate part of the ENP means. In the past, social advance of the ENP countries was only modestly included in the EMP. In the ENP framework on the other hand, social reforms have a much greater driving force with regards to equal treatment of workers, education, health, social dialogue, social inclusion of several groups in society and cooperation with regards to social problems. The model behind the proposed social reforms is based on the European Social Model. Although these proposed reforms seem to be comprehensive and very well aimed at social problems that are prevalent in Mediterranean society, in practice the large problem of social exclusion is under- or even not addressed. Governments of both Israel and Morocco exclude large stakeholders in civil society from decision-making, in internal practices as well as in the development of the ENP actions. Furthermore, the EU is hesitant and sometimes even refuses to engage in dialogue with these stakeholders. This seems at best paradoxical and even downright hypocritical: on the one hand the EU advocates social inclusion, but on the other hand it employs a policy which excludes these civil society stakeholders! Therefore, it very much remains the question whether the proposed social reforms will be implemented, even though on a formal level they seem to be comprehensive and able to anticipate the social problems in the Mediterranean partner countries.

## 6.2 Central research question, conclusions and recommendations

After the conclusion of the analysis, we will now address the central research question *“What are the objectives of the European Neighbourhood Policy and by which means does the European Union intend to implement this policy?”*. As for the first part of the research question, we can state that the ENP's primary goal is a dual one: on the one hand it is aimed at creating *stability, security and welfare for the Unions southern and eastern bordering neighbours by means of positive interdependence*, and on the other hand *at the same time placing the EU in the role of external promoter of democracy, political, economic and social reforms in these countries*. In the ENP highly political issues as well as possible economic cooperation forms are addressed. The EU hopes to create a stable and secure environment by engaging in relations with its (direct) neighbours. By means of implementing the EU's *shared values* on democracy, market reform and human rights, the EU hopes to create a *“ring of friends”*, which in the end from a European perspective helps ensure a stable, safe and prosperous situation within the internal borders as well.

The biggest problems in reaching ENP goals however, lie in the enforceability and credibility of the policy. Enforceability of the policy is quite low, since it is based on political conditionality. This political conditionality is accompanied by incentives: if a ENP partner country reforms their institutional structure in a certain sector, which is valued by the EU, it is rewarded by primarily economic rewards. However, since full membership is *not* an option for Mediterranean countries, the incentives appear to be only marginal, so in the end *grand design reforms* should not be expected; this is seconded by secondary literature.

As for the means by which the EU and the ENP partner countries hope to implement the ENP framework we can say the following. The essence of the method of implementation consists of firstly, an analysis of the countries situation concerning several aspects of society, government, human rights and the economical system, in the form of a country report. After assessment of a

country's performance on these aspects, a comprehensive tailor-made Action Plan is drafted based on the findings of the Country Report. In contrast with the Country Report – which is a one-way input from the EU – the Action Plans are based on *joint ownership*. The other principle on which Action Plans are based is *the principle of differentiation*: it is time- and content oriented towards the ENP partner in question. In general, the Action Plans follow a scheme which consists of five points:

1. *Economic and social reform and development;*
2. *Political dialogue and reform;*
3. *Cooperation in areas of justice, freedom and security;*
4. *Cooperation and reforms in areas such as transport, energy, information society, environment, research and innovation;*
5. *People-to-people contacts and cooperation in the areas of education, public health and culture.*

This general scheme has been consistent with the analysis of the Action Plans for the case studies. The Action Plans commit the ENP partner countries to specific actions which confirm or reinforce the adherence to the EU's shared value; and commitments to actions which will bring partner countries closer to EU rules, practices and standards. Evaluation and monitoring of the ENP framework implementation takes place by means of Progress Reports. Like the Country Reports and Action Plans, they are differentiated towards the ENP partner countries. The principle financial instrument to implement the ENP is the *European Neighbourhood Policy Instrument*, which replaces TACIS and MEDA. The ENPI is a financial aid program and is aimed at supporting the partner countries' commitment to implementing EU common values and principles. However, the central role in the implementation process of the ENP is attributed to the Action Plans.

On the basis of the above we can make a few recommendations for further research and with regards to the ENP implementation itself. It is very important to look into means to include measures into the ENP to further promote regional coherence. In the Mediterranean there are still a lot of tensions, creating a greater extent of regional coherence could diminish these tensions. Furthermore, the extent of input for democratic reform in the ENP is still insufficient. While on a formal level – the ENP Strategy Paper, Country Reports and Action Plans – in practice the enforcement of these actions and proposals for reforms with regards to democracy are very low. It is, in my opinion, therefore important to conduct further research with regards to the effectiveness of the ENP in relation to generating democratic reform in the partner countries. Finally, in this thesis, the emphasis was laid upon how the ENP included its objectives in its means; the last recommendation is connected to democratic reform as well. The European Commission should however remain guarded against the problem that during the implementation of the ENP, the original goals regarding stability, prosperity and security are replaced by merely bilateral trade relations.

Concluding, we have analyzed the Action Plans with regards to the extent to which the goals of the ENP are included in the Action Plans. By means of this analysis, we hope to make an assessment to which extent the ENP goals are indeed incorporated in the means. With respect to this question we can say the following: the ENP goals are indeed included in the Action Plans, although the extent varies among the Action Plans. This can be explained by the tailor-made approach and nature of the

Action Plans. While on the one hand it is positive that the EU has departed from their “one-size-fits-all”- approach, which was employed in the EMP, the question remains whether this differentiated approach will be at the expense of regional coherence. Furthermore, while on a formal level the ENP goals are indeed included in the implementation process of the ENP, several obstacles which are present in practice are still to be overcome in the implementation process. Most importantly, it remains very much the question whether true democratic reform will take place with the introduction of the ENP, or whether it will remain a formal framework without any meaning. This especially applies for the Arab democracies, where the EU’s dedication to these reforms remains questionable. In the future, the EU should try to address the challenges as stated in the paragraph above, to make the ENP framework more effective with regards to its goals. Only then, a true “ring of friends” can emerge.

## Bibliography

### *Secondary Literature*

*Adler, E. & Crawford, B. (2004), Normative Power: The European Practice of Region Building and the Case of the Euro-Mediterranean Partnership (EMP), posted at: eScholarship Repository, University of California*

*Baracani, E. (2005), “From the EMP to the ENP: A new European pressure for democratization? The case of Morocco”, Working Paper presented at conference: “Europeanization and Democratization: The Southern European Experience and The Perspective with Member States of the Enlarged Europe”*

*Blockmans, S. & Lazowski, A. ed., (2006)The European Union and its Neighbours, A legal appraisal of the EU’s policies of stabilization, partnership and integration, T.M.C. Asser Press, The Hague*

*Bosse, G. (2007), “Values in the EU’s Neighbourhood Policy: Political Rhetoric or Reflection of a Coherent Policy?”, European Political Economy Review, no. 7, pp.38-62*

*Cameron, F. with Balfour, R. (2006)The European Neighbourhood Policy as a conflict prevention tool, EPC Issue Paper No.47*

*Cameron, F. (2003), The Wider Europe, European Policy Centre*

*Dachs, G. & Peters, J. (200x), Israel and Europe, The Troubled Relationship: Between Perceptions and Reality, The Israeli European Policy Network*

*Dieckhoff, A. (2005), The European Union and the Israeli-Palestinian conflict, Inroads no. 16, Winter/Spring 2005, pp.52-62*

*Dodini, M. & Fantini, M. (2006), The European Neighbourhood Policy: Implications for Economic Growth and Stability, JCMS vol.44, no.3, pp.507-532*

*Emerson, M. (2004), European Neighbourhood Policy: Strategy or Placebo?, CEPS Working Document no.215, November 2004*

*Emerson, M. & Noutcheva, G. (2005), From Barcelona Process to Neighbourhood Policy, Assessment and Open Issues, CEPS Working Document no.220, March 2005*

*Escribano, G. (2006), Europeanisation without Europe? The Mediterranean and the Neighbourhood Policy, EUI Working Paper RSCAS, No. 2006/19*

*Gil-Bazo, M.T. (2006), The Practice of Mediterranean States in the Context of the European Union's Justice and Home Affairs External Dimension. The Safe Third Country Concept Revisited, Oxford University Press*

*Gillespie, R. (2005), Spain and Morocco: Towards a Reform Agenda?, Working Paper no.6, January 2005, [www.fride.org](http://www.fride.org)*

*Haddadi S. (2003), The EMP and Morocco: Diverging Political Agenda's?, in: Euro-Mediterranean Relations after September 11, by: Junneman, A. ed, vol.8, nos. 2-3, pp.73-?*

Harpaz, G. (2004), *Enhanced Relations between the European Union and the State of Israel under the European Neighbourhood Policy, some Legal and Economic Implications*, in: *Legal Issues of Economic Integration*, vol.31, no.4, pp. 257-274

Hooghe, L. (1996), *"Cohesion Policy and European Integration: Building Multi-Level Governance"*, Oxford University Press: Oxford

Kelley, J. (2006), *New Wine in Old Wineskins: Promoting Political Reforms through the New European Neighbourhood Policy*, in: *JMCS*, vol.44, no.1, pp. 29-55

Lippert, B. (2007), *The Neighbourhood Policy of the European Union*, in: *Intereconomics*, July/August 2007, pp. 180-240

Lippert, B. (2007), *"The Discussion on EU Neighbourhood Policy – Concepts, Reform Proposals and National Positions"*, *International Policy Analysis*, Friedrich

Lynch, D. (2004), *The European Neighbourhood Policy*, in: *Eurojournal.org*, June 2004, pp. 1-7

Milcher, S. & Slay, B. (2005), *The economics of the "European Neighbourhood Policy": An initial assessment*, presented at: conference "Europe after the Enlargement", 8-9 April 2005, Warsaw

Montanari, M. (2007), *The Barcelona Process and the Political Economy of Euro-Mediterranean Trade Integration*, in: *JMCS*, vol.45, no.5, pp.1011-1040

Oddvar Eriksen, E. (2005), *Towards a Cosmopolitan EU*, Working Paper No.9, February 2005

Pace, M. (2005), *"The European Neighbourhood Policy: A Statement about the EU's Identity"*, *Internationaler Dialog*, no. 12, 2005

Phillipidis, G. & Sanjuan, A.I. (2006), *An Examination of Morocco's Trade Options with the EU*, in *Journal of African Economies*, vol.16, no.2, pp.259-300

Radaelli, C. (2003), "The Open Method of Coordination: A new governance architecture for the European Union?", Swedish Institute for European Policy Studies,  
<http://exeter.openrepository.com/exeter/bitstream/10036/22489/1/Radaelli%20Open%20Method.pdf>

Smith, K. (2005), *The outsiders: the European neighbourhood policy*, in: *International Affairs*, vol.81, no.4, pp.757-773

Schimmelfennig, F. (2005), *European Neighborhood Policy: Political Conditionality and its Impact on Democracy in Non-Candidate Neighboring Countries*,  
[http://aei.pitt.edu/3302/01/European\\_Neighborhood\\_Policy.txt](http://aei.pitt.edu/3302/01/European_Neighborhood_Policy.txt), 14 December 2007

Tovias, A. (2003), *Mapping Israel's Policy Options Its Regarding Its Future Institutionalised Relations with The European Union*, Working Paper No.3, March 2003

Tovias, A. (2006), *Exploring the "Pros" and "Cons" of Swiss and Norwegian Models of Relations with the European Union, What Can Israel Learn from the Experiences of These Two Countries?*, in: *Cooperation and Conflict*, vol.41, no.203, pp.203-222

Vahl, M. (2005), *Models for the European Neighbourhood Policy, The European Economic Area and the Northern Dimension*, CEPS Working Document, No.218/February 2005

Verheugen, G. (2004), *The European Neighbourhood Policy*, speech at conference "Towards a Wider Europe: the new agenda", Bratislava, 19 March 2004

### *Primary sources*

Commission Staff Working Paper (2004), *Country Report Morocco*, <http://ec.europa.eu/world/enp>, 14 December 2007

Commission Staff Working Paper (2004), Country Report Israel, <http://ec.europa.eu/world/enp>, 14 December 2007

EU/Israel Action Plan, <http://ec.europa.eu/world/enp>, 14 December 2007

EU/Morocco Action Plan, <http://ec.europa.eu/world/enp>, 14 December 2007

European Commission (2004), Communication from the Commission, European Neighbourhood Policy: Strategy Paper, <http://ec.europa.eu/world/enp>, 14 December 2007

### Websites

European Commission, European Neighbourhood Policy website, <http://ec.europa.eu/world/enp>, 14 December 2007

Governance Matters VI: Governance Indicators for 1996-2006  
[http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=999979](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=999979), 23 February 2009

<http://riadzany.blogspot.com/2006/10/moroccos-dream-of-eu-membership.html>, 2 March 2009

[http://www.delisr.ec.europa.eu/english/content/eu\\_and\\_country/1.asp](http://www.delisr.ec.europa.eu/english/content/eu_and_country/1.asp), 2 March 2009