



The EU and its Southern Neighbourhood

#25BCNPROCESS



November 2021

The EU and its partner countries from the Eastern and Southern Mediterranean regions celebrated in November 2020 the 25th anniversary of the launch of their partnership (so-called “Barcelona Process”). This was a timely opportunity to reflect on the strategic partnership with the region in light of the political, socio-economic, financial and environmental challenges exacerbated by the COVID-19 pandemic and reassess our partnership with our Southern Neighbourhood partner countries. Following consultations with partners, this reflection will result in the **“Joint Communication on the renewed partnership with the Southern Neighbourhood”** in February 2021.



Historical snapshot

1995: Launch of the Euro-Mediterranean Partnership at the Barcelona Conference, with the goal of creating an area of peace, stability, economic prosperity, upholding democratic values and human rights

2004: Launch of the European Neighbourhood Policy and inclusion of the Mediterranean countries to strengthen the prosperity, stability and security of all

2005: Creation of the Anna Lindh Foundation for the dialogue between cultures in the Euro-Mediterranean region

2008: Creation of the Union for the Mediterranean at the Paris Summit for the Mediterranean

2015: Review of the European Neighbourhood Policy setting out stabilisation as main policy goal

2021: Publication of the “Joint Communication on the renewed partnership with the Southern Neighbourhood” and the annexed “Economic and Investment Plan for the Southern Neighbours”

Key elements of the partnership with the Southern Neighbourhood



Since the start of the Barcelona Process, the EU and Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Palestine* and Tunisia have established **Association Agreements** that have deepened trade integration, encouraged political and technical dialogue and promoted cultural, economic, financial and social cooperation.



For many years, the EU has been actively cooperating with its southern partners on diverse and important areas including **good governance, socio-economic development, migration and support to refugees, climate change, environment, energy and security.**



Since 2007 the EU has allocated

€20.5 billion

for cooperation through the European Neighbourhood financial instruments.

This includes assistance to the eight above-mentioned associated countries as well as vulnerable communities, migrants and refugees from conflict-affected areas, notably Libya and Syria.

Neighbourhood Policy

*This designation shall not be construed as recognition of a State of Palestine and is without prejudice to individual positions of the Member States on this issue.



In 2020, total trade between the EU and the region was €149.4 billion. The EU's imports were worth €58.0 billion, whereas its exports totalled €91.4 billion. **Foreign Direct Investment** between the EU and the region have grown continuously by 36% for outward EU stocks (from €91.5 billion to €124.8 billion) and by 80% for inward stocks from the region (from €45.1 billion to €81.4 billion) in the period 2013-2018. The EU is also willing to modernise its trade and investment relations with its Southern partners, as underlined in the February 2021 EU Trade Policy Review.



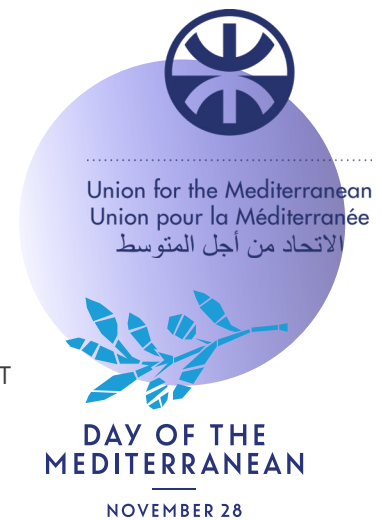
The EU supports the **improvement of partner countries' public administration** addressing core areas of governance and public service delivery. Through programmes in the field of public finance management, justice sector or administrative reforms, fight against corruption, amongst others.



The EU supports its partner countries in promoting **inclusive economic growth and decent job creation** through initiatives to enhance the investment climate, social and green economies, entrepreneurship and innovation. The EU works closely with International and European Institutions to facilitate access to finance for micro, small and medium-sized enterprises, which are the primary sources of employment in the region.

Key elements on the Union for the Mediterranean

- ▶ **Complementing EU bilateral and regional cooperation with the Southern Neighbourhood**, the UfM is a **privileged forum for dialogue** for its 42 Member States (27 from the EU and 15 from the Eastern and Southern Mediterranean).
- ▶ The EU is supporting the UfM secretariat by financing 50% of its operating costs through a yearly contribution of €4.2 million.
- ▶ UfM Ministerial Meetings take place every year on topics such as Women's rights, Transport, Energy, Industry, Environment, Climate Change, Water, Digital Economy, Trade, Employment and Sustainable Urban development.
- ▶ 28 November has been declared the « Day of the Mediterranean », recognising Mediterranean culture, cooperation and embracing the rich diversity of the region.



Some results of EU cooperation



The swift EU response to socio-economic and immediate health-related needs following the **COVID-19 outbreak** was possible thanks to regular dialogue and cooperation channels with partner countries. More than €2.3 billion have been mobilised so far.



Through the Neighbourhood Investment Platform, €500 million in grants have leveraged €6 billion in loans from European and International Financing Institutions for **energy and climate change infrastructure** projects in the region.



The EU supports **entrepreneurs** of the region with access to financial resources through the SANAD Fund for micro, small, and medium enterprises, which distributed over 215,000 loans worth €570 million, creating over 60,000 jobs.



Thanks to **Erasmus+**, 44,000 students, researchers and university staff moved between Europe and the Mediterranean region between 2015 and 2019, participating in 3,951 projects.



Since 2005, **237 institutional twinning** activities between EU Member States' and partner countries' public administrations helped transfer of administrative good practices and approximation to EU laws and norms.

