

Report from roundtable discussion on EU-MENA relations



Swedish Dialogue Institute
for the Middle East and North Africa

SUMMARY:

On April 27, the [Swedish Dialogue Institute for the Middle East and North Africa](#), in coordination with the Swedish Foreign Ministry and the Permanent Representation of Sweden to the EU, hosted an informal online roundtable dialogue to discuss challenges and opportunities in the relationship between the MENA region and Europe, in the lead up to the Swedish Presidency of the European Union in 2023.

In a candid and constructive exchange, the participants reflected on the state of EU-MENA relations today, both from a MENA and European perspective, the impact of the new geopolitical developments (in particular the Russian invasion of Ukraine), the economic headwinds, and the opportunities for greater collaboration. They also provided a number of specific recommendations to advance the relationship, including stronger emphasis on common interests, deepening people-to-people exchanges, balancing interests versus values, and expanding the economic and technical collaboration.

REPORT:

On April 27, the [Swedish Dialogue Institute for the Middle East and North Africa](#), in coordination with the Swedish Foreign Ministry and the Permanent Representation of Sweden to the EU, hosted an informal online roundtable dialogue, bringing together a group of eminent analysts and practitioners from the MENA region and Europe. The aim was to discuss challenges and opportunities in the relationship between the MENA region and Europe, one year after the adoption of [Council conclusions on a renewed Partnership with the Southern Neighbourhood - A new agenda for the Mediterranean](#) and in preparation for the Swedish Presidency of the European Union, beginning in January 2023.

The overarching vision and ambition for the EU with respect to its partnership with the ten countries on the southern and eastern shores of the Mediterranean provided a context for the discussion and are stated clearly in the beginning of the Council conclusions: *“a democratic, more stable, greener and prosperous Southern Neighbourhood is a shared strategic priority and fundamental interest for both the EU and its Southern Neighbourhood partners. Global and regional challenges have increased and highlighted our mutual interdependence. Only through stronger action in a spirit of partnership and joint ownership will the objectives set 25 years ago in Barcelona to bring peace, stability and prosperity to the people of the Mediterranean be fulfilled.”*

In a candid and constructive exchange, the participants reflected on these ambitions and addressed, among other things, the state of EU-MENA relations today, viewed both from European and the MENA perspectives, the impact of the new geopolitical developments (in particular the Russian invasion of Ukraine), the economic headwinds, and opportunities for enhanced collaboration. They also provided a number of specific recommendations to advance the relationship, including reaffirming common interests, deepening people-to-people exchanges, balancing interests versus values, and expanding economic collaboration.

From the MENA perspective, several participants raised what they considered to be double standards from the EU, specifically in terms of a perceived contradiction between a values-based European foreign policy, often highlighting democracy and human rights, and a political praxis prioritizing migration, security, and other concerns. One speaker pointed to the EU's criticism of the authoritarian trends in Tunisia, while accepting Egyptian authoritarianism, and felt that the interests of member states often take precedence over a more values-based approach.

While the EU was seen in a more positive light in the region than other great powers, Europe was not considered as "*a heavenly partner*", and the weight of great expectations had also created tensions. In particular, Europe's colonial past is difficult to erase, especially in certain parts of the region. One speaker called the EU's engagement "*transactional*", largely ignoring countries such as Syria and Lebanon: "*While it supports NGOs, there is no political energy to change the political situation.*" At times, the EU is not seen as a reliable partner; yet, at the same time it is taken for granted.

The Russian invasion of Ukraine was seen to have aggravated southern partners' grievances and disappointment vis-à-vis Europe, due to perceived double standards. At the same time southern partners know that they are needed more than ever, both in terms of energy and migration issues; "*Ukraine brings MENA back as a key neighbour to the EU*", as one panellist put it. This could risk reinforcing authoritarian consolidation and allow for a greater dictating of conditions to the EU. The war in Ukraine was also interpreted as a crisis to the global order, which will likely drive further proxy conflicts in the region. In particular, the invasion has intensified the EU concerns on migration from both the south and east and has spurred search for new sources of energy.

While the Russian invasion's negative consequences for the MENA region were clear, including higher energy and food costs, increased general inflation, and lower development spending, one speaker wondered if the West's newfound confidence and unity would allow the EU to build broad alliances with progressive liberal democracies and focus more on a social justice agenda in MENA. An alternative interpretation saw Europe heading towards self-protection, and a strengthening of "*fortress Europe*".

The bleak economic outlook facing the MENA region was also discussed, given a context of "*unprecedented multiple and intensive shocks.*" The pandemic has led to significant social and economic scarring, and a majority of the southern Mediterranean countries have reached unsustainably high debt levels, limiting the range of policy options available to them. Tightening monetary conditions globally is an additional pressure as are the commodity, energy, and food shocks, which are leading to dwindling foreign currency reserves. The private sector's inability to generate sufficient jobs is another challenge. Most employment is created in the informal sector, with very limited job security and little tax revenue being generated.

The spectre of higher inflation across the region was seen as particularly troubling, as it may lead to growing social unrest and violence, as the authorities respond to riots and demonstrations. Strikes across key economic sectors will impact the economy and push countries to spend more, even though the fiscal space is so limited. All in all, the region is facing an "*explosive economic landscape, with less foreign currency reserves, higher debt, higher inflation, lower growth, and reduced fiscal space,*" as one panellist put it.

The situation of youth in the MENA region was also highlighted, in particular the lack of economic and political opportunities. For instance, in Morocco educated youth try to leave the country straight after graduation, with over 10 000 – 14 000 trained doctors having migrated already.

Libya was mentioned as an example of where internal polarisation and divisions within the EU have weakened the Union's engagement with a Southern Neighbourhood country. One speaker explained that while the EU mission in Libya remains a major funder, various member state interests have impacted negatively on the coherence and consistency of its development efforts.

From the European perspective, there was a very honest acknowledgement of the status of and the various challenges facing the Euro-Med relationship: *"The mood is very different today; we don't see things the same way."* All speakers agreed that the high hopes of the Barcelona Process initiated in 1995 have not been met, and that the overall expectations of the relationship have been – and perhaps continue to be – too high. The Arab spring complicated relations, with civil society organizations feeling that Europe didn't adequately support them, while governments resented what they considered to be interference. Several panellists feared that relations would suffer further, as the EU might embrace an increasingly transactional approach, given the Russian challenge.

According to one panellist, the south wants more trade and investment, and more acceptance of regime behaviour, effectively a *"a more equal partnership, on the condition that the situation on the ground is accepted."* Messaging from the EU is said to be *"taken note of but is considered just another element in a long list of documents. Benefits will be pocketed while requirements on human rights ignored."*

Ultimately, the EU is seen as a lesser evil in a multi-polar world: *"less demanding, not requiring many things, and better than Russia, US, or China."* This could be capitalized on, and the EU could look to be a partner of choice, particularly if it adapts to navigating multi-polarity better and coordinates effectively with other great powers. According to another participant, the best case remains that of a *"friendly neighbour, not a strong partner."*

Speakers attested to the difficulties of convincing decision-makers in Brussels to devote time and political capital to the MENA region, given its multiple and often long-running crises; *"there is no miracle cure or new approach or hope to offer."* Thus, a practical and results-oriented approach is sometimes needed to get the attention of political echelons.

Yet there are clear opportunities, particularly in the economic sphere, where the region remains largely unintegrated. *"In the Middle East we rush from one crisis to another. From the Nile to Syria to Western Sahara to Israel/Palestine. We lost track of the most important thing, namely economic development and investments,"* as one EU diplomat put it. Renewable energy production remains a considerable opportunity, since the EU needs to buy energy from the east or south, and in this context COP 27 in Egypt (followed by COP 28 in UAE) provides a *"huge opportunity"*. In fact, renewable energy and green transition are issues that capture political attention.

The MENA response to Ukraine was considered a *“missed opportunity”* and disappointing, given the perceived bias towards Russia among governments and people. The argument in the region that the food crisis was due to EU sanctions was dismissed as outrageous; *“We can’t accept blame that higher food prices is our fault – it is Russia’s.”*

The role of the Union for the Mediterranean was also raised. It was considered to be a very useful, dispassionate forum to discuss technical cooperation and issues, and it was pointed out that at the last meeting in Barcelona, more ministers than ever attended. In the words of one speaker: *“We need more technical work – less big speeches and crisis management.”*

The notion of balancing principles with interests was also addressed, with many calling for finding a correct or better balance between longer-term values and shorter-term, pragmatic requirements. The issue of energy is a clear example of this, given the need to reduce energy independence in the wake of the Russian invasion of Ukraine, and actually offers both opportunities and risks. The EU’s long-term energy demand could be a boost for renewables and promote more investment in the region, but short-term energy requirements could also drive acceptance of less democratic, energy-producing countries.

In the context of discussing values versus principles, it was mentioned that the EU has to deal with the governments that are in place, some more legitimate than others – *“we have to be realistic about that.”* Yet it must not forget about the core aspects of EU policy, including the importance of good governance in the broadest possible sense, which serves as a key foundation for democracy, growth, and investments. The Neighbourhood Strategy in fact clearly envisages additional financial support for those who show strong engagement on implementing democracy and other reforms.

Finally, the participants provided a number of recommendations regarding the future of EU-MENA relations, and also specifically to EU decision-makers:

1. Remember and make more efforts to emphasise the common and shared interests, including trade, energy, renewable energy, environment, connectivity, and develop those areas.
2. Deepen people-to-people approaches and strengthen academic exchanges, by increasing academic scholarships (Erasmus) and implementing EU-funded local and regional programmes in the region.
3. Provide youth with more tools to be included in public policymaking and integrated in governance in the region, including through more public discussions.
4. In particular, the EU should:
 - a. Keep working with local authorities, municipalities, civil society organizations, and unions, so as to facilitate sustained and bottom-up change, help avoid failed regimes, and decrease authoritarian tendencies.
 - b. Maintain a discourse based on democracy and human rights, even when accused of hypocrisy and double standards. Deepen and broaden cooperation among democracies.
 - c. Consider carefully, the balance of values versus interests, both in the short and long term. Avoid transactional thinking and zero-sum perspectives.

- d. Reframe budget support modalities, including how it complements other development partners' efforts.
- e. Realign its post-Covid investment facilities to invest in sectors where the MENA region can provide win-win partnerships to support growth and social stability, including for example agriculture, renewable energy, connectivity and digitalization.
- f. Increase its focus on equality, including gender equality, and social justice components. While there are opportunities ahead – such as the green transition – they must be beneficial for all.

The speakers also welcomed the very open and candid exchange that the round table discussion had provided and looked forward to continued dialogues on the EU-MENA relations, which the Dialogue Institute could facilitate.

“A democratic, more stable, greener and prosperous Southern Neighbourhood is a shared strategic priority and fundamental interest for both the EU and its Southern Neighbourhood partners. Global and regional challenges have increased and highlighted our mutual interdependence. Only through stronger action in a spirit of partnership and joint ownership will the objectives set 25 years ago in Barcelona to bring peace, stability and prosperity to the people of the Mediterranean be fulfilled.”

Council conclusions on a renewed Partnership with the Southern Neighbourhood - April 2021