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## FOREWORD

In Antiquity, the Mediterranean world was a common space of classical civilization. The Romans referred to the Mediterranean Sea as *mare nostrum*, or 'our sea'. In their minds, it did not so much geographically separate the northern and southern shores, but rather bound people and cultures together. It would not have struck them as remarkable that the greatest book inspired by the Sac of Rome in 410 was written by a bishop from the present-day Algeria, St. Augustine.

Today, the gentle waves of the Mediterranean Sea no longer roll on the shores of one civilization. Centuries of divergent historic evolutions have resulted in a clearer conceptual demarcation of Europe on the northern shore and Africa on the southern one, with Asia starting at the eastern and northern shore. In the minds of some people, the Sea has even become a border – protection for some, an obstacle for others.

However, the geographical proximity is obviously still there. That is why it is important to stress the special relationship which continues to exist between the countries on the northern shore – the large majority of which is now member of the European Union – with the countries on the southern and eastern shores, culturally, commercially and politically.

This special relationship has always been acknowledged by the European Union and its forerunners. The EEC Treaty of 1957 signed in Rome (*ancora!*) already mentioned the importance of a relationship between the six founding Member States and the Mediterranean area. Closer ties were formalised with the Barcelona Process in 1995 and with the European Neighbourhood Policy in 2004. In recent years, the EU has taken measures to stimulate the Euro-Med relationship that led to the creation of the Union for the Mediterranean during the Paris Summit in July 2008.

The Euro-Med relationship has evolved rapidly over the last twenty years. While many important steps towards developing stronger ties have been taken, in particular in the area of trade, there is still a long road ahead in improving cooperation between the two flanks of the Mediterranean Sea. The political and economic differences between the two sides are considerable – and, in many respects, unfortunately so. However, the EU and the Mediterranean countries face important common challenges. To address those challenges, including illegal immigration and the financial crisis, both sides have stepped up their efforts to strengthen cooperation.

This study by Ms. Karolien Pieters focuses on one specific and crucial component of the developing Euro-Med relationship. It deals with the evolving participation of the Mediterranean neighbours in the EU internal market for goods, services, capital and persons. While the protection of the integrity of this internal market is vital for the Union, it is prepared to allow Mediterranean countries to

participate in it. The free movement of goods should improve economic stability in the Mediterranean region, the free movement of capital ought to attract European investors to the region and the facilitation of the movement of persons might increase employment opportunities.

The crucial idea behind this book is that the EU could contribute to the development of an economically stable Mediterranean area by giving the Mediterranean partners a stake in the EU's internal market. Strengthened trade and economic ties should lead to an increase in employment and investment opportunities on both sides of the Mediterranean. Moreover, focusing on economic issues and improving commercial cooperation could help to bring forward the establishment of peace and security in the region. Strengthened trade and economic ties could also contribute to resolving old conflicts such as the Israeli-Palestinian conflict, which continue to threaten regional stability. Tensions in the region cannot be used as an excuse to slow down this cooperation. Conversely, this focus should trigger the development of stronger bonds across the Mediterranean. The Union would benefit considerably from stability and prosperity at its southern border, not least in terms of access to a potentially very important market.

The book discusses the unique nature of the EU internal market. It analyses each step towards a closer integration of the Mediterranean neighbours into the internal market and examines the results. It provides a comprehensive and detailed assessment of instruments used jointly by the EU and the Mediterranean countries to attain their integration goal.

While this integration process is far from complete, important steps have already been taken, for example in the field of the integration of the internal market for goods. In other areas, such as integration into the internal market for services, more work remains to be done. Mediterranean partners which are willing to benefit from participation in the EU internal market are required to take important further steps that will contribute to a fluent exchange of goods, services, capital and persons. Those steps will ultimately serve the purpose of freedom and prosperity.

A full integration of the Mediterranean countries in the EU internal market is currently not on the cards. There are too many political and economic obstacles for this to be a short-term policy objective. However, as Ms Pieters' study shows, the remarkable and significant steps toward economic integration which have been taken have proven to benefit people on both sides of the *Mare Nostrum*.

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