



QUICK REVIEW
THE ARAB MAGHREB UNION (AMU) : THE « FORGOTTEN DREAM »

Date: 12 May 2018

EXECUTIVE SUMMARY: The Arab Maghreb Union (AMU) was established in 17 Feb 1989 when the five founding members Algeria, Tunisia, Morocco, Libya and Mauritania (currently with an overall estimated population of 96 million), signed the Treaty of Marrakesh. The AMU was supposed to be a competitive alternative to the Arab League and the African Union. Politicians and businessmen raised high hopes that AMU would also help the Maghreb use its strategic position between the Atlantic and Mediterranean to function as a trade hub and could serve as a negotiating block to achieve better, closer ties with unified Western Europe, the United States and China.

KEY WORDS: Arab Maghreb Union, Western Sahara, economic growth, EU, Algeria, Tunisia, Morocco

HIGHLIGHTS:

- 1964 .The first Conference of Maghreb Economic Ministers (Algeria, Libya, Morocco and Tunisia) took place in Tunis.
- 1988 .The first Maghreb Summit of the five Heads of State is held in Algeria.
- 1989.The Heads of State of Algeria, Libya, Mauritania, Morocco and Tunisia finally signed the Treaty establishing the AMU in Marrakech (Morocco).
- AMU has not convened due to differences between Algeria and Morocco over Western Sahara Since 1994.
- AMU renewal is progressively perceived by Algeria and Morocco as a way to address security and economic challenges common to the five countries - such as inadequate rate of economic growth, domestic unrests and terrorism threat.

BACKGROUND.

The Arab Maghreb Union (AMU), constituted by Algeria, Libya, Mauritania, Morocco and Tunisia, is a trade agreement aiming for economical and future political unity among Arab Countries of the Maghreb region in North Africa. The AMU's five countries have a combined surface area in excess of 80% of the European Union and a population of around 96 million of inhabitants, largely sharing common cultural values: the Maghrebi Arabic language and a moderate Islam tradition (Sunni's Malekist branch).The idea of Maghreb integration has existed since Morocco and Tunisia gained independence from France in the 1950s. At that time, what was foreseen was a political union, and little attention was paid to economics.

The first Conference of Maghreb Economic Ministers – associating Algeria, Libya, Morocco and Tunisia - took place in Tunis in 1964. They agreed to establish a Maghreb Permanent Consultative Council with the aim of coordinating and harmonizing the development plans of the four countries as well as inter-regional trade and relations with the then European Economic Community. However, the plans never came to fruition.

It was not until the late 1980s that new impetus began to bring the parties together again, enlarged to include a fifth partner; Mauritania. The first Maghreb Summit of the five Heads of State, held in Algeria in June 1988, resulted in a decision to set up the Maghreb High Commission and various specialized

commissions. The Heads of State of Algeria, Libya, Mauritania, Morocco and Tunisia finally signed the Treaty establishing the AMU in Marrakech (Morocco) on 17 February 1989.

According to the Constitutive Act, the AMU objectives are:

- To strengthen the ties of brotherhood which link the member States and their people to one another;
- To achieve progress and prosperity of their societies and defending their rights;
- To contribute towards the preservation of peace based on justice and equity;
- To pursuing a common policy in different domains
- To work gradually towards achieving free movement of persons and transfer of services, goods and capital among them.

The principal structures and institutions of AMU are:

- **The Presidency Council:** There is a rotating chairmanship which is held in turn by each nation for one year, currently held by Libya. The Marrakech Treaty stipulates that all decisions must be made by agreement of all members;
- **The Permanent Secretary-General of AMU:** The AMU's Secretary-General Headquarters is in Rabat (Morocco). Its aim is to supervise the implementation of the decision taken by the Presidency Council. The function is currently occupied (since May 2016) by Mr. Bacchouche, a former Tunisian Ministry of foreign affairs.
- **The Advisory Council:** It is located in Algiers (Algeria). It is composed of 301 representatives per country, mainly chosen by the legislative institutions of the Member States.
- **The Judicial Instance:** It is located in Nouakchott (Mauritania). It is composed of two judges from each member country, appointed for a period of six years and renewable by half every two years. It hears disputes relating to the interpretation and application of the Treaty.
- **The Maghreb Bank for Investment and Foreign Trade (BMICE).** Its headquarter is in Tunis (Tunisia and it was launched in 2015 and its mission is to contribute to the construction of a competitive and integrated Maghreb economy, to carry out joint projects, to promote inter-Maghreb trade and to strengthen investment and movement of goods and capital between Maghreb countries.
- **The Maghreb Academy and University.** Their aim is to develop new elites at the regional level by promoting a culture of dialogue and capitalizing on a linguistic unity and already educated and rapidly growing young population in the Maghreb. Both institutions are based in Tripoli (Libya).

The Union has been unable to achieve tangible progress on many of its goals due to deep economic and political disagreements between members. No meeting of the Presidency Council took place since the last one in April 1994 in Tunis. The five countries have signed more than 30 multilateral agreements covering diverse economic, social, and cultural areas. However, only six of them have been ratified by all Union members. Worst of all, while the final aim of the regional organization was to support and promote economic growth among State-members, the AMU lost more than half of its economic weight in the world; between 1980 and 2017, the AMU's share of world exports fell from approximately 2% to less than .5%. According to the World Bank figures, the loss of income for the five countries due to the absence of Maghreb's integration is estimated at €7.5 billion annually. Consequently, many commentators regard the Union as "largely dormant" or a project "that never gets off the ground".

THE ROOT CAUSES OF THE LIMITED RESULTS.

Since the AMU's creation in 1989, the Maghreb region has been exposed to different crises that forced the five countries to postpone the final objectives of the Union. Only three years after the signing of the AMU's Treaty, there was a fierce conflict between the Algerian Government and various radical armed groups that was to last for 9 years. In 2011, during the so-called Arab Spring, it was the turn of Tunisia and Libya to be exposed to social unrest and popular revolts, leading to the collapse of the Ben Ali's regime in Tunisia and Gadhafi's one in Libya. Both leaders were the historic signatories of the AMU Treaty. Finally, the transnational threat represented by AQIM and ISIL/DAESH's terrorist organizations, has forced the five AMU country members to reinforce security and military presence at their respective borders, de facto undermining the key final aim of the Union: "free movement of persons and transfer of services, goods and capital among country members and citizens".

Inter-state political tensions between Morocco and Algeria are complicating the AMU's consolidation. Algeria and Morocco have had disputes over country borders inherited from the decolonization process.

The AMU has paradoxical policies towards the European Union. The AMU was originally formed principally to enable its members to negotiate with the EU when it declared a single European market and to encourage trade and economic co-operation by allowing freedom of movement across frontiers. As a matter of fact, the AMU treaty was similar to the European Economic Community Treaty of 1957. It was hoped that the AMU could serve as a negotiating block to achieve better, closer ties with, not only a unified Western Europe, but also the United States and, most recently, China. However, with the aim of ensuring their own interests, each AMU's member state has continued to manage its external relations with the USA, China and the EU, to the detriment of the other countries of the Maghreb Union

The AMUs member states have their own strategic objectives, alliances and political agendas. The AMU is a regional component interlinked and interacting with other Arab organizations such as: Arab League, the Council of Arab Economic Unity and the Gulf Cooperation Council, the Agadir Agreement¹ and the African Union. In addition, the 5+5 Dialogue brings together the five countries from the Maghreb Union and those from the northern shore of the Mediterranean (France, Italy, Malta, Portugal and Spain).

Libya is led by two main governing bodies: the Tripoli-led Government of National Accord (GNA) and the internationally recognized House of Representatives (HOR), elected in June 2014. Both of them have largely thrown off the legacy of Gaddafi's African ambitions and while the Tripoli-led authorities would be interested by a renewal of the AMU project, the Tobruk-led ones are much more focused on increased cooperation with Egypt (that doesn't belong to AMU, so far²).

Morocco has encouraged its banks to invest in Western Africa (especially in Mauritania, Senegal and Ivory Coast) and is developing a strategic partnership with Nigeria while officially asked to join the Economic Community of West African States (ECOWAS) as a full member. In addition, Morocco has often been invited to join the GCC (Gulf Cooperation Council) and even signed some trade agreement. Furthermore, along with Tunisia, Morocco signed in February 2004 the Agadir Agreement.

Algeria has been focusing on a regional security structure to combat instability and extremism in the Sahel region, particularly in Mali, ever since al-Qaeda emerged there. Algeria has been seeking engagement in regional and International security initiatives to promote stability in the Sahel region.

Mauritania, sharing with Algeria similar concerns and priority about the Sahel region stability, joined Mali, Niger, Chad and Burkina Faso, in February 2014, for the creation of a new regional organization - the G5 SAHEL - to strengthen cooperation on development and security between them. Since that creation, security officials of member countries have been meeting regularly to evaluate the security situation in the Sahel-

¹ It is a free trade agreement between Egypt, Jordan, Morocco and Tunisia which came into force in March 2007

² It has to be noted that, during the 16th session of the AMU Foreign Ministers - held on 12 November 1994 in Algiers - Egypt officially applied to join the AMU grouping.

Sahara joint or coordinated operations in the fight against terrorism and serious crime in the region. Mauritania hosts the headquarters of the new grouping.

Tunisia, following the collapse of the Ben Ali's regime, canvassed Morocco, Mauritania and Algeria in a bid to breathe life into the moribund Arab Maghreb Union, claiming that economic integration could boost regional economy and called on Morocco and Algeria not to let the Western Sahara dispute obstruct progress on economic integration. Tunisia has been making significant diplomatic efforts to secure the organization of a seventh summit of the AMU's Heads of State and government (the last one took place in April 1994) aimed at advancing the project. The fact that the five countries agreed, in 2016, to the nomination of a Tunisian as Permanent Secretary-General of the Union is probably an indication that they are not immune to the Tunisian arguments.

REASONS FOR HOPE AND OPTIMISM ABOUT AMU'S FUTURE.

First of all, despite officials throwing in the public space statements of the AMU being "a dead organization", it should be acknowledged that none of the five AMU member states is willing or expressing the desire to cut its membership of the Union. It is important to recognise that, despite some setbacks, the Union achieved important successes³.

In the 1990s, AMU members reached agreement for the construction of key pipelines to transport gas to Europe⁴. In March 2018 the Algerian Minister of Energy and Mines, Mustapha Guitouni, also announced that his country is considering exporting electricity to Libya through Tunisia by the end of this year. Other issues that have been discussed include a joint airline, joint agricultural and industrial projects, and intra-Maghreb road improvements.

In a 2012 report, the World Bank stated: "successful Maghrebi integration would have allowed each AMU member to achieve at least a 5% rise in its GDP". To unlock new opportunities and generate more employment, closer economic cooperation and the reduction of trade barriers are needed. In support of an optimistic perspective for AMU's future, after a lapse of nearly twenty years, a supposedly annual Council of Ministers of the Interior successfully took place in Nouakchott, on April 2015.

In November 2017 Moroccan King Mohamed VI highlighted the benefits of the Arab Maghreb Union during the fifth EU-AU summit in Abidjan (Ivory Coast). He underlined its importance for the security and stability of Africa and trans-Mediterranean relations.

In mid-December 2017 the AMU and Common Market for Eastern and Southern Africa (COMESA) signed a Memorandum of Understanding officially starting cooperation. COMESA has well advanced technology and innovations regarding E-Trade platforms, Virtual Trade and Transport Facilitation, coordinated and integrated border post management which should assist economic development in the AMU states.

FINAL REMARKS.

Reviewing the current challenges and perspectives the AMU is facing, as well as its member states separately, there are two major issues: boost their economic growth and create a security environment . These two issues are mutually connected and affect each other and constitute a common interest that will help to reinforce and promote AMU.

³ Globally, visas are no longer required for travel of member nationals, and plans have been made for a common identity card. General agreements have been reached on the integration of transportation and improvements on a railway between Tunisia and Morocco via Algeria, have begun. However, the idea of a high-speed rail road connecting Algeria and two of its neighbors (Tunisia and Morocco) - approved in 2006 - did not become a reality yet

⁴ The Maghreb-Europe Gas Pipeline (MEG) links the Hassi R'Mel field in Algeria through Morocco with Cordoba in Spain (with an extension to Portugal) while the Trans-Mediterranean Pipeline (TransMed) is a natural gas pipeline from Algeria via Tunisia to Sicily and thence to mainland Italy (with an extension to Slovenia). More recently, new investments into the energy sector among AMU members are ongoing. On January 2018, the Algerian National oil company (SONATRACH) signed an agreement with its Libyan counterpart to run a number of crude oilfields located on the border between the two countries.

The 5+5 Dialogue constitutes a forum that may help to encourage AMU since it brings together the five countries from the Maghreb Union and those from the northern shore (France, Italy, Malta, Portugal and Spain). To sum up, the elimination of trade barriers and enhanced involvement in the multilateral trading system would allow the countries of the AMU to facilitate the creation of a regional framework

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