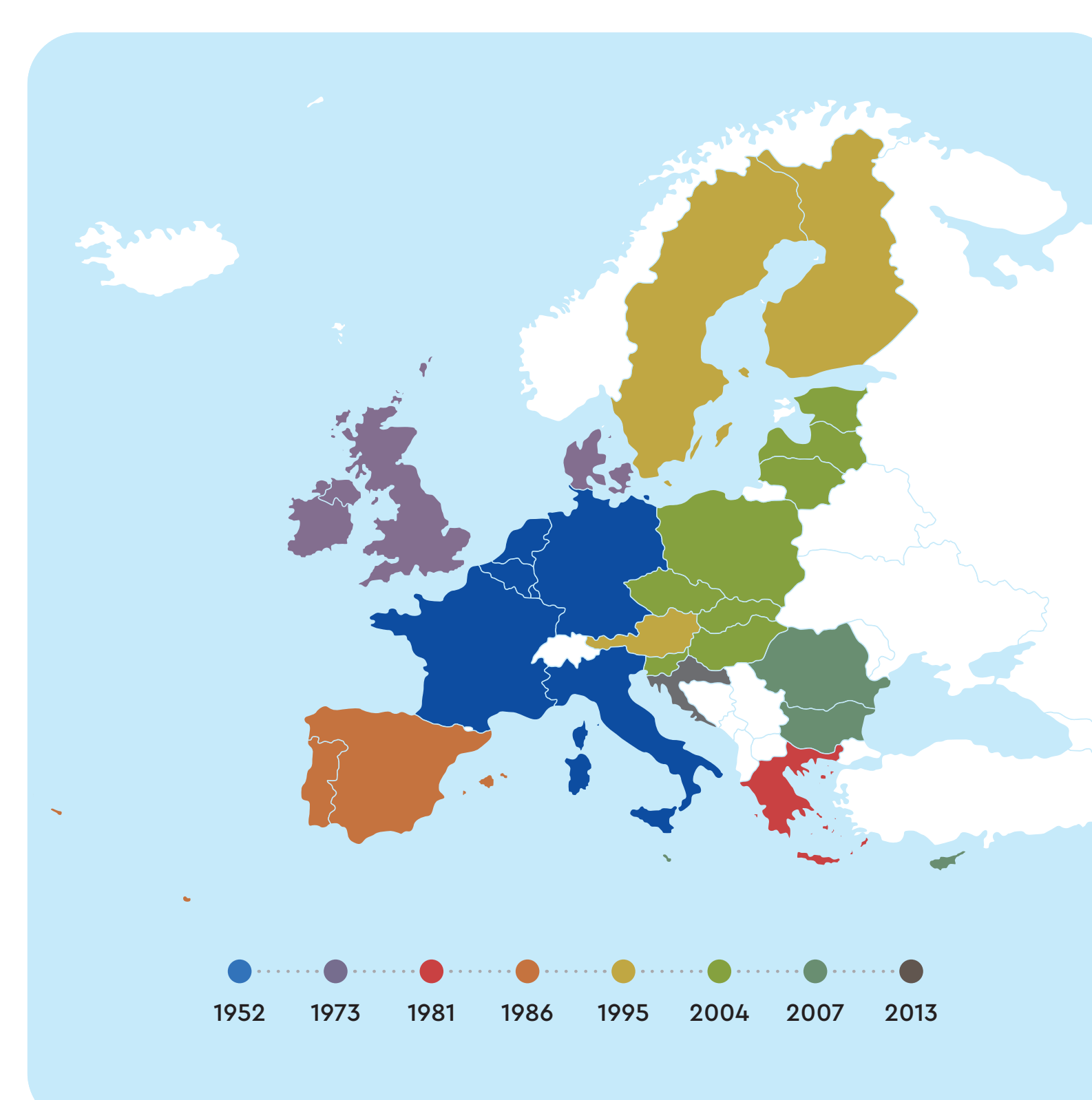


L-Università ta' Malta  
Institute for European Studies

## 20 YEARS OF EU MEMBERSHIP

# THE EUROPEAN UNION & ENLARGEMENT

Six countries signed the Treaty of Paris in 1952, establishing the European Coal and Steel Community, followed by the Rome Treaty in 1957, establishing the European Economic Community (the countries being Belgium, France, Italy, Luxembourg, the Netherlands and West Germany). Since then, the Community has undergone several treaty reforms, expanded its competences into many areas of life (including a single currency and a free market) and is now a European Union of 448 million people.



Map of EU enlargement with year of accession  
Source: Shutterstock



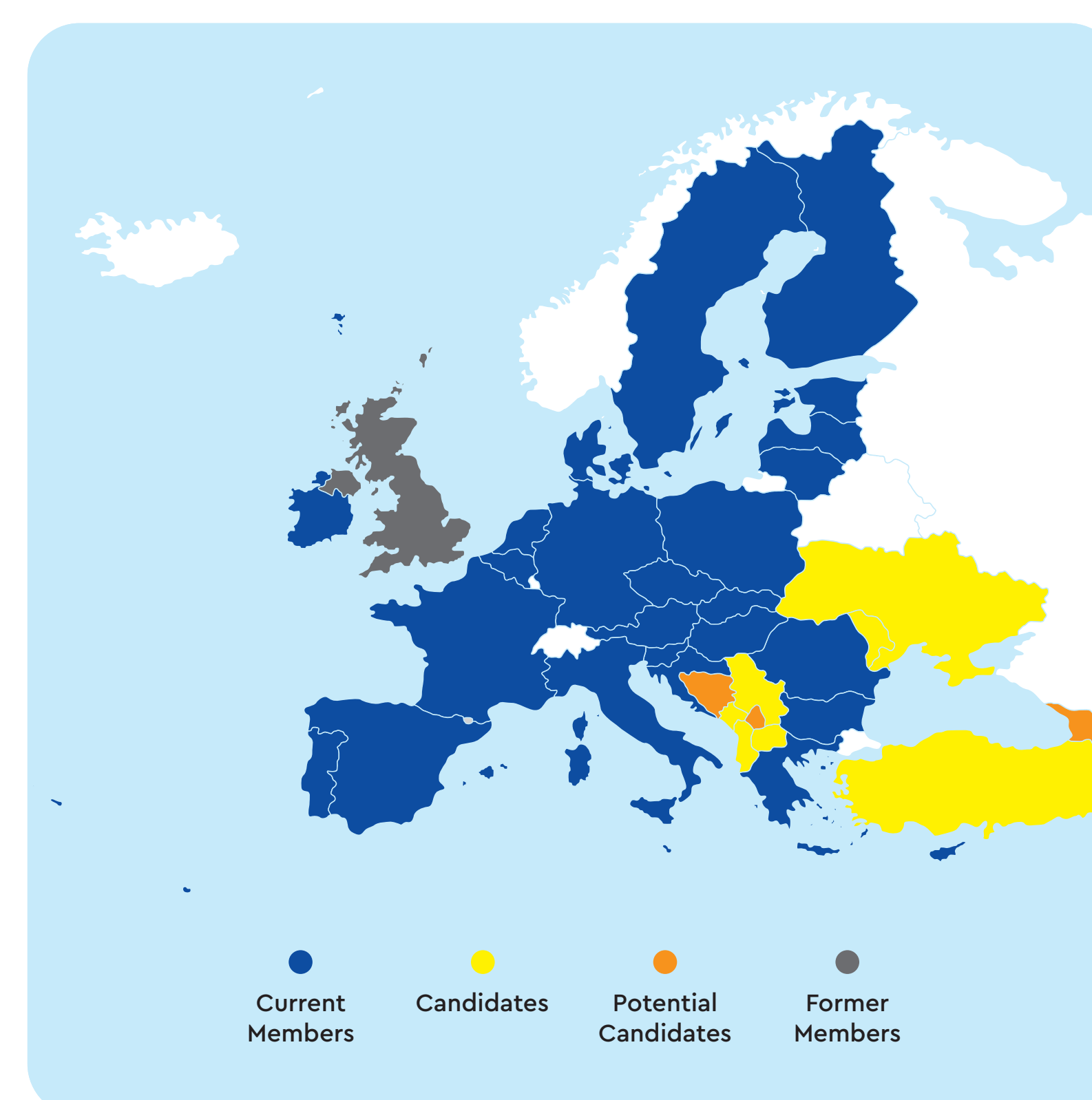
Malta's Membership of the EU  
Source: Wikimedia Commons

The first enlargement took place in 1973 and saw the accession of Denmark, Ireland and the United Kingdom. Norway had negotiated to join but the 1972 referendum saw 54% vote against.

The next enlargement took place in 1981 (Greece) and 1986 (Portugal and Spain) and is generally referred to as the Mediterranean enlargement. A few years later, the fall of the Berlin Wall paved the way for the reunification of Germany, while three additional countries, Austria, Finland, and Sweden joined in 1995. Again, Norway was due to join but the referendum of 1994 saw 52% vote against.

With the return to democratic rule in most countries in central and eastern Europe, 2004 saw the largest expansion in EU history, with ten countries joining, including the Mediterranean states of Cyprus and Malta. In 2007 Bulgaria and Romania joined with Croatia being the last country to join, in 2013. In 2020 the United Kingdom became the first country to leave the EU.

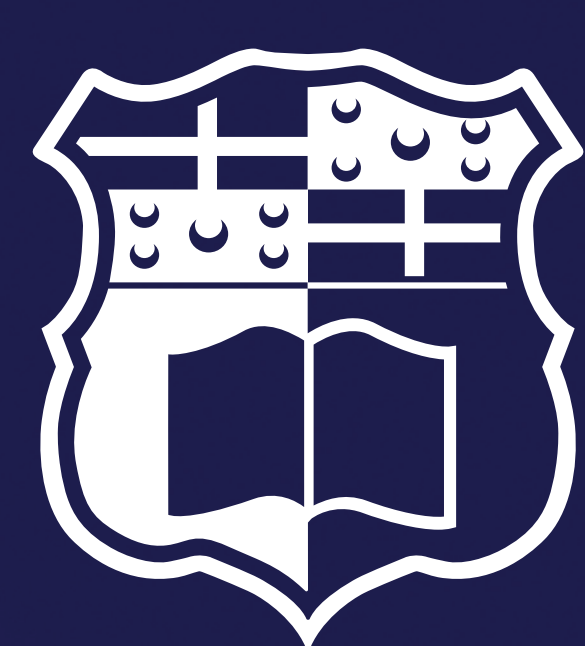
Eight countries are currently listed as applicants, including Serbia, Türkiye and Ukraine.



EU Applicant States  
Source: European Union, Statista Research

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## 20 YEARS OF EU MEMBERSHIP

### MALTA-EU RELATIONS PRE-MEMBERSHIP

Malta's membership of the European Economic Community (EEC) started to be discussed in 1961 following the United Kingdom's application to join the Community.

Malta became independent on 21 September 1964. On 4 September 1967, Malta approached the European Commission requesting negotiations for the conclusion of a trade agreement comprising mutual tariff reductions that would develop into the complete liberalization of trade.



AirMalta, formed in 1973  
Source: InsectWorld/Shutterstock



The EC-Malta Association agreement, the first ever accord between Malta with the EEC, being signed by Malta's Prime Minister Dr George Borg Olivier and Mr Sigismund von Braun, President of the European Communities, Valletta, 5 December 1970  
Source: MaltaToday, December 1970, Vol. V, No. 12

An Association Agreement was signed in Valletta in December 1970, which became effective in 1971. The agreement envisaged Malta joining the EEC's customs union in two stages.

The EEC's 1972 Global Mediterranean Policy triggered further negotiations and by the mid-seventies several bilateral protocols were concluded widening the scope of the 1970 agreement. Malta's relations with the EEC had their ups and downs and the two sides could not agree on a date ushering in the customs union, which eventually came into effect when Malta joined the EU in 2004.

The Association Agreement benefitted Malta in several ways by opening the vast EEC market to Maltese manufactured exports. Improved market access to Europe became an attraction for foreign direct investment (FDI). The Association Agreement led to a surge in exports and the creation of thousands of new jobs with several multiplier effects. A vibrant export-oriented sector grew side-by-side with protected economic activities, an anomaly that ended some four decades later with EU membership.

In 1977 the Opposition Nationalist Party adopted EU membership as a policy goal and from here onwards membership became a main feature of the Maltese political debate.

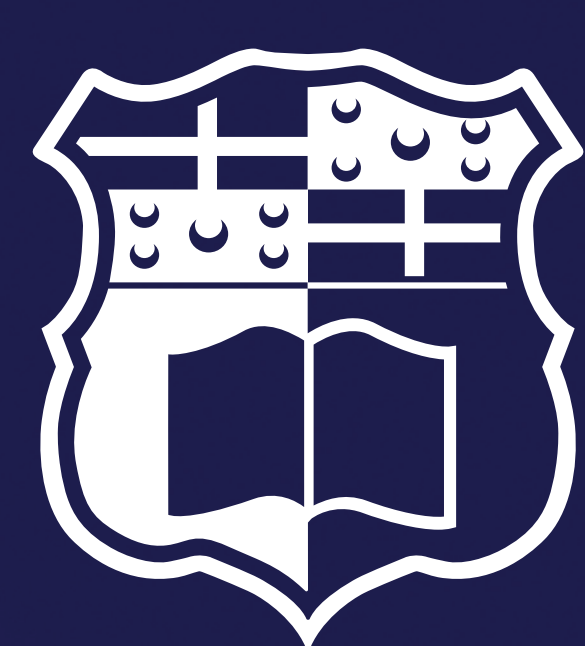


A stamp commemorating Malta's participation in the 1970 Expo  
Source: Igor Golovniy/Shutterstock

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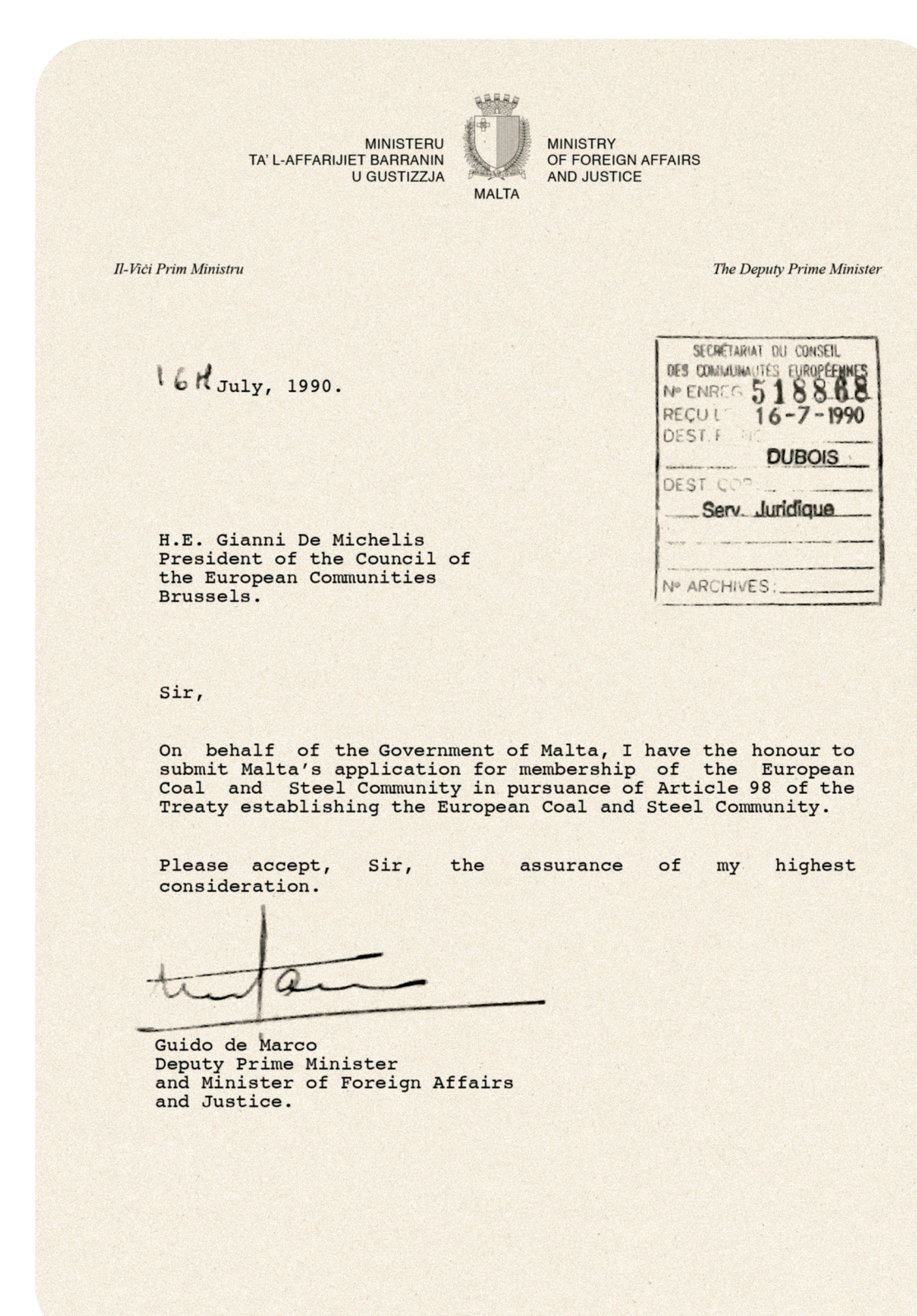


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20 YEARS OF  
EU MEMBERSHIP

## THE APPLICATION, NEGOTIATIONS, REFERENDUM

Malta applied to join the European Community on 16 July 1990. The European Commission issued an overall positive opinion in June 1993. However, it noted that several reforms were needed before membership, including a review of economic regulatory frameworks, the independence of the Central Bank, further liberalisation of the markets and the introduction of environmental regulations, amongst others. By this time, the issue of EU membership had become a divisive issue in Maltese politics with the Nationalist Party in favour and the Labour Party opposed to joining.



The Covering Letter for Malta's  
Application to join the EC

Source: Authors



The EU referendum in Malta

Source: Department of Information, Malta

In 1996 the Labour Party was elected to government and suspended Malta's application, advocating instead for a special relationship with the EU, under the slogan, 'Switzerland in the Mediterranean'. However, an early election in 1998 saw the Nationalist Party return to power and immediately re-activate the application with formal negotiations beginning in 2000.

By the end of the negotiation process, Malta had managed to obtain special arrangements to ease the transition to EU membership, including a permanent derogation on the purchasing of secondary properties by EU citizens not residing in Malta. A Protocol on Abortion and a Declaration on neutrality, both respecting Malta's position on both issues, were attached to the accession Treaty.

A referendum on Malta's EU membership was held on 8 March 2003 with Malta being the only country from the 2004 accession states where the outcome was uncertain. Following a highly polarised contest, 53.65% of those voting opted in favour of membership, while 46.35% voted against. Malta signed its Accession Treaty in Athens on 16 April 2003.

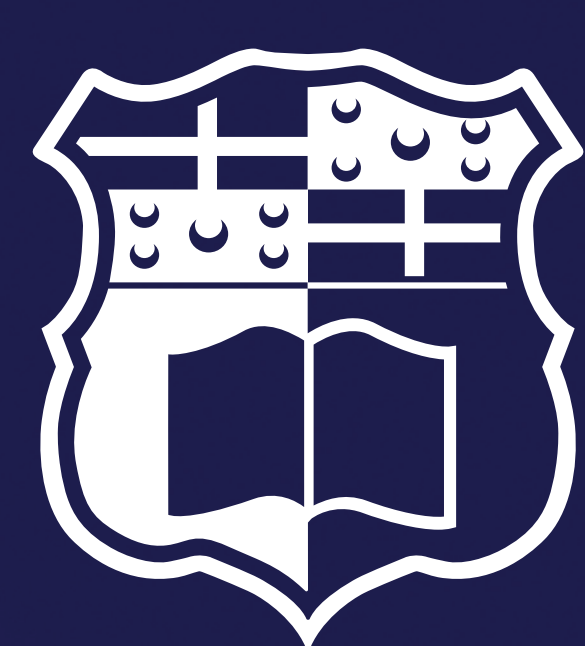


The signing of the accession treaty,  
Dr Eddie Fenech Adami, Maltese Prime Minister,  
and Dr Joe Borg, Minister of Foreign Affairs

Source: Department of Information, Malta

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## 20 YEARS OF EU MEMBERSHIP

# THE APPLICATION, NEGOTIATIONS, REFERENDUM

Membership in the European Union means that the smallest EU Member State (Malta comprises 0.12% of the EU population) is automatically entitled to a seat in many EU institutions.

The Maltese Prime Minister sits on the European Council, a key institution which provides political direction to the Union. The Council meets a minimum of four times a year.



Dr Robert Abela and other Mediterranean  
leaders meeting in Malta in 2023  
Source: Department of Information, Malta



The College of Commissioners in 2023  
Source: Public Domain

The Maltese Government sits alongside the other 26 Member States in the Council of the EU. A key decision-making body, the Council is there to protect national interests and legislates with the European Parliament. Voting power is often dependent on the size of a country but some areas, like enlargement, are voted via unanimity where each country's vote is equal.

Malta nominates one member of the European Commission and has had five Commissioners since 2004, the first being Dr Joe Borg, the latest, Dr Helena Dalli. Maltese Commissioners have been given various responsibilities including Fisheries and Maritime Affairs and the Equality Portfolio.

Originally Malta had five seats within the European Parliament but since the Lisbon Treaty Malta has had six seats. Since membership, Malta's MEPs have promoted several policies including rule of law, human rights, and sustainable development. In 2022 Dr Roberta Metsola was elected President of the European Parliament.

Malta also has five representatives in the European Economic and Social Committee and the European Committee of the Regions, sits on the European Central Bank's Governing Council as well as having the right to nominate three members of the European Court of Justice and a member of the European Court of Auditors.

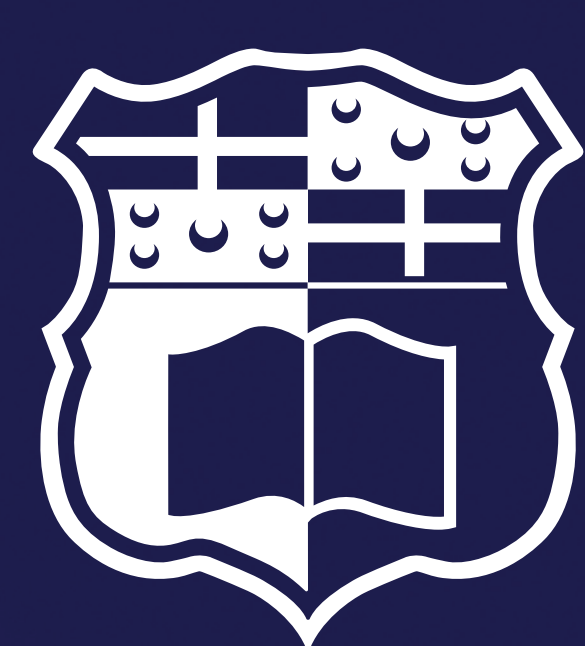


Dr Roberta Metsola  
Source: Public Domain

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# THE SINGLE CURRENCY

Following EU membership, the Maltese authorities aimed to adopt the Euro as rapidly as possible. The main challenge was to reduce the budget deficit and government debt.

Malta managed to implement the required fiscal consolidation and in July 2007, the Council of the European Union approved Malta's application to join the Euro Area on 1 January 2008, together with Cyprus.



Maltese Lira in circulation before 2008



Central Bank of Malta

Cash entered into use on the same day, with a short dual circulation until 31 January. A comprehensive information campaign and dual display of prices, as well as legal prohibition of rounding of prices upon conversion to the euro, resulted in an overall smooth transition and changeover process.

With the adoption of the single currency, Malta's small and open economy, with its strong trade and investment linkages to the Euro Area, benefited from the elimination of transaction costs related to currency conversion and exchange rate risk.

On the other hand, the dependence on a few sectors makes the economy exposed to possible country-specific shocks and the diversification into new service activities contributed to mitigate against such risk.

Following Malta's membership of the euro, the Euro Area faced an international financial crisis and sovereign debt crises necessitating bail-outs to a number of Member States. However, the Maltese economy weathered these challenges relatively well. Since then, the Euro Area has also changed with enlargement to include Slovakia, the Baltic countries and Croatia, as well as the establishment of the European Stability Mechanism, the Banking Union and reforms to the Stability and Growth Pact.

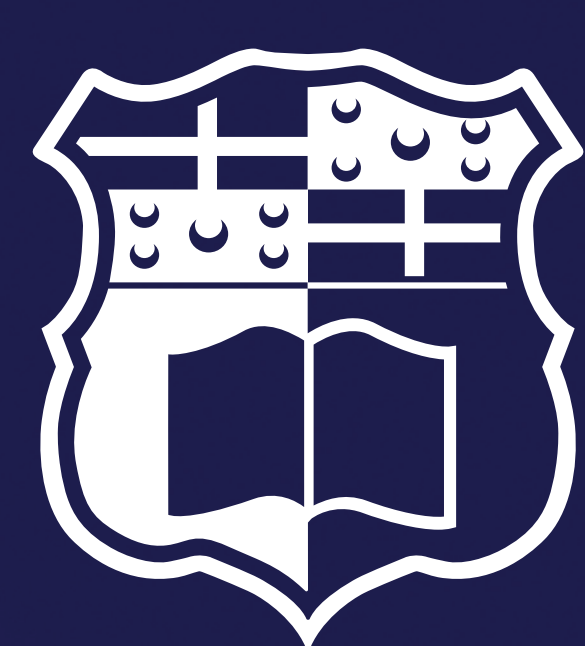


The Maltese Euro coins in circulation after 2008

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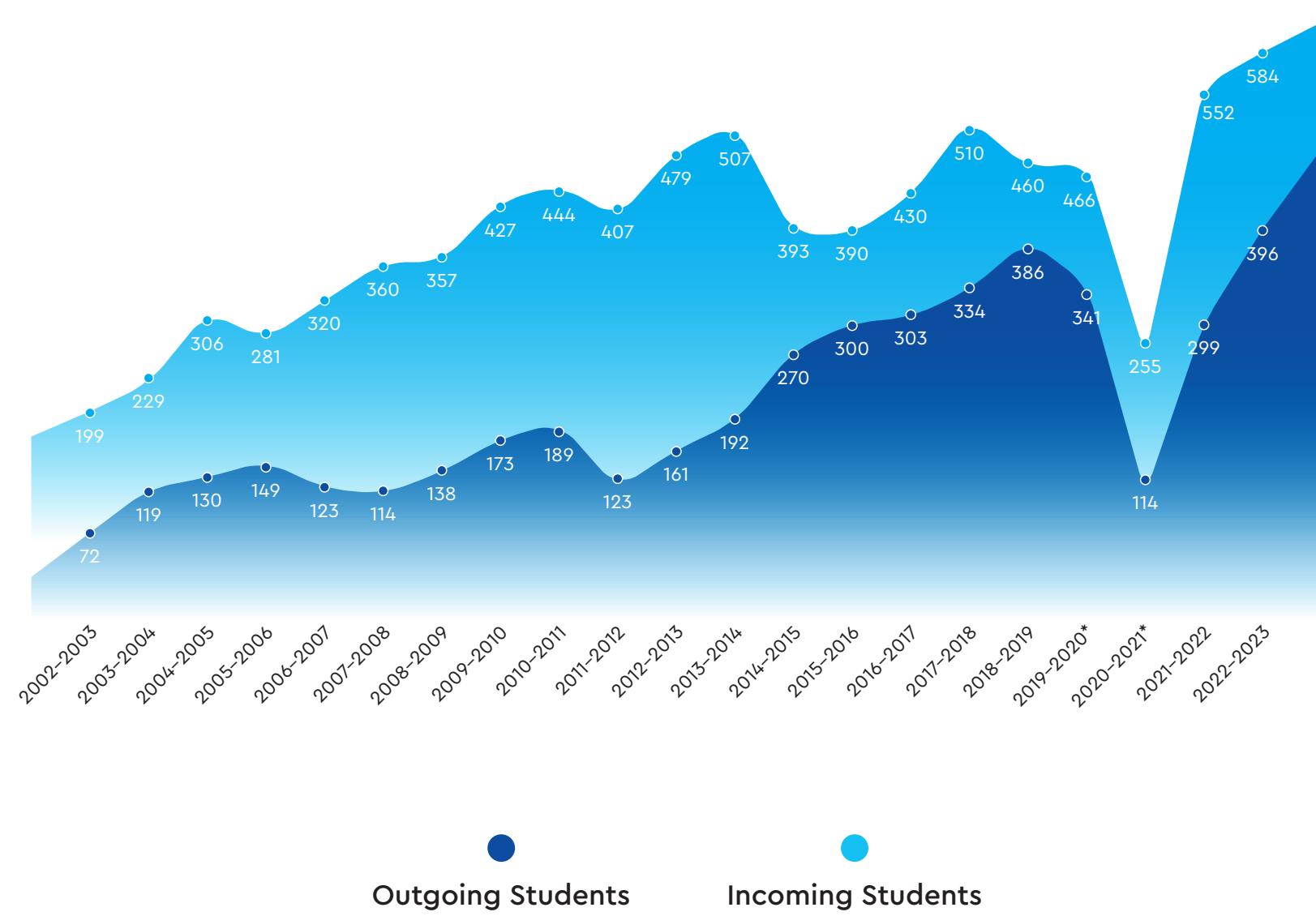
20 YEARS OF  
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ERASMUS+

The Erasmus+ Programme was launched in 1987 and is considered one of the most successful initiatives of the European integration project. Since 1987, it has been expanding and developing with the purpose of promoting closer cooperation between universities and higher education institutions across Europe. At present, Erasmus has an estimated budget of €26.2 billion, nearly double the funding compared to its predecessor programme (2014–2020).



Logo of the Erasmus+ programme  
Source: European Commission



Outgoing and Incoming Erasmus+ Students  
from and to University of Malta (2002–2023)  
Source: University of Malta

The University of Malta joined the Erasmus+ programme in 2000, before Malta joined the EU. The Erasmus programme offers Maltese students, and educational professionals, diverse opportunities for international mobility, including studying in a foreign university or undertaking a traineeship abroad, ensuring that such a mobility is academically recognised as part of the student's programme of studies. The Institute for European Studies was one of the first entities at the University of Malta to participate in the Erasmus programme.

Between 2001 and 2023, the University has had an average of 400 incoming students every year, while an average of 210 Maltese students per year went to study abroad through the programme.

Up until the end of the last programming cycle (ending 2020) the main Maltese institutions sending students abroad, in Malta, were the University followed by MCAST and the Institute of Tourism Studies. Of these students, the main destination was the United Kingdom followed by Italy and Germany.

20% of the University's graduates have participated in a mobility programme throughout their study cycle of which, 95% would have gone abroad through Erasmus+. For the contract year 2021–2023 the University utilised 99.5% of the funds awarded to it, which is the highest ever to date.

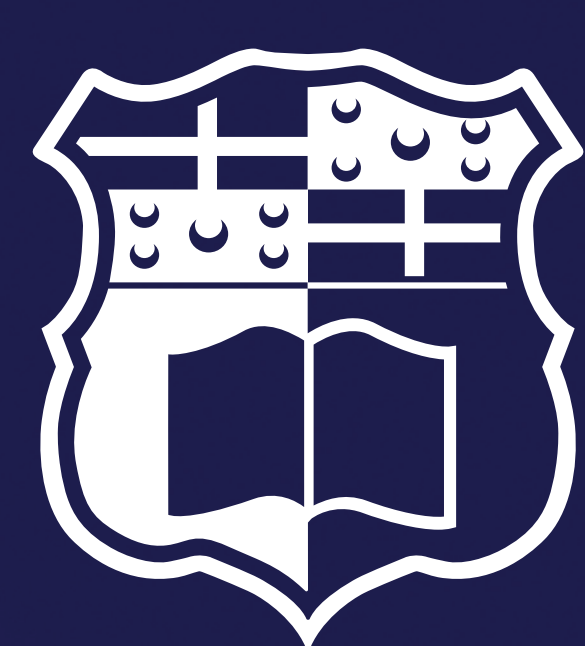


The University of Malta (UM)  
Source: University of Malta

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## 20 YEARS OF EU MEMBERSHIP

# MALTA'S PRESIDENCY OF THE COUNCIL OF THE EU (2017)

Each Member State of the European Union holds the Presidency of the Council of the EU for six months every 14 years. The Council of the EU is one of the three main EU institutions and is where the Member States are represented directly by Government Ministers.

Chairing the Council is an important opportunity for countries and a successful presidency can help a country and its status within the EU. To ensure greater coherency, since 2010 each country has held the presidency in *trio*, namely in cooperation with two other countries.



The Prime Ministers of Malta, the Netherlands and Slovakia addressing a press conference during their *trio*

Source: Department of Information, Malta



MALTA EU 2017

The Maltese Presidency's logo

Source: Public Domain

Malta assumed the presidency in January 2017. Malta formed part of a *trio* with The Netherlands (January to June 2016) and Slovakia (July to December 2016).

The Maltese Presidency was run under the banner of 'ReUnion' and had six main priorities, covering migration, better management of the EU's external borders, the deepening of the single market, social inclusion, the neighbourhood policy as well as maritime, with a focus on Blue Growth.

Malta's Presidency faced several challenges, most notably Brexit, with Britain activating Article 50 in March 2017, as well as the Government's decision to hold early elections in June 2017. But the Presidency also represented an opportunity to focus on issues of importance to Malta and in February 2017 the Government hosted an informal meeting of the EU Heads of State and Government in Valletta to discuss irregular migration in the central Mediterranean, from which was issued the Valletta Declaration. It was also during Malta's Presidency that the New Consensus on Development was sealed.

The general consensus in the international media was that the presidency had been a success and that many decisions had been taken under Malta's stewardship of the Council.

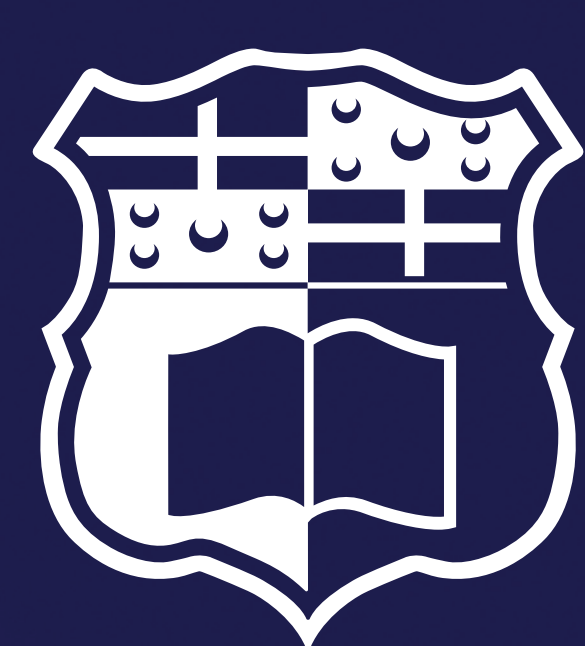


EU leaders in Malta in February 2017

Source: Department of Information, Malta

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## MALTA AND EU FUNDS

EU funds have been central in boosting Malta's public investment. The country has placed priority on acquiring and managing these funds since joining the EU and, due to strong economic growth, is no longer considered a less developed region. Most of the EU funds have been acquired through the EU Cohesion policy, whose primary objective is to alleviate the growth constraints of regions considered less developed. The policy contributed to financing more than 60 percent of Malta's public investments before the country became a transition region.



Malta and EU funds  
Source: Shutterstock



Citadel, Gozo  
Source: Shutterstock

EU funds, combined with government financial contributions, support a wide spectrum of areas ranging from infrastructure investments to business start-ups. Many historic fortifications and buildings have been restored in Malta thanks to funds acquired from the EU. Projects of note include the Citadel in Gozo, which also won the EU Regiostars 2022 prize as the best 'Partly EU funded restoration Project' in a Member State. Over the years, EU funding priorities have become more directed towards environmental and educational targets, which have contributed to the realisation of a vast array of projects including solar panel installations and educational initiatives to counteract early school leaving among others.

EU funds also help to attain important social goals such as increasing the employment rate and counteracting the risk of social exclusion. One of the outcomes of these efforts (in conjunction with other government policies such as tax incentives) has been to increase the female labour participation rate by, as an example, contributing to improve quality child-care facilities.

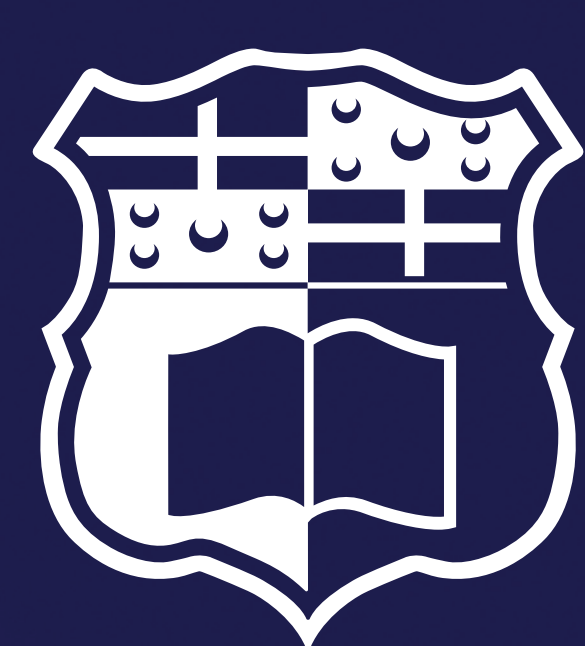


Children at a day-care centre  
Source: Shutterstock

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## 20 YEARS OF EU MEMBERSHIP

# 20 YEARS OF EU MEMBERSHIP

EU membership has the potential to impact Member States in multiple ways. Through access to the single market, the EU's regulatory system, opportunities to work and travel across the EU as well as the diffusion of the Union's values, the impact of membership can be significant.

20 years of EU membership have seen many changes; Malta became one of the first 2004 accession states to join the euro and Schengen in 2008. Public policy planning has become more structured and many new areas of policy have evolved since 2004, including rural development, renewable energy and asylum.



Maltese and EU flags in Valletta  
Source: Shutterstock



EU legislation to stop roaming charges within the EU  
Source: Shutterstock

Malta's 2017 presidency of the Council of the EU helped focus efforts to manage migration in the central Mediterranean while Maltese MEPs were at the forefront of the successful efforts to stop roaming charges within the EU. In 2018 Valletta was designated a European Capital of Culture.

Since membership, Malta has had some of the highest economic growth rates in the Union as well as the highest population growth rate over the last 20 years. With change and economic growth come challenges. Malta's urbanisation has created pressure on resources, including traffic congestion, while pollution has also increased. These are issues often highlighted as concerns of the Maltese in Eurobarometer surveys.

Also, Malta has found itself at odds with the European Commission and infringement procedures have been launched relating to Spring Hunting and Malta's 'citizenship-by-investment' programme. Malta's participation in European Parliament elections has also declined steadily from a high of 82% in 2004 to 72% in 2019.

Despite these developments, after 20 years of EU membership the Maltese regularly express their satisfaction with the Union and Maltese membership. Eurobarometer surveys often show that the Maltese are happy with how democracy works in the EU, that the overwhelming majority see themselves as EU citizens and that nearly 75% believe Malta can face the future better by being inside the European Union.

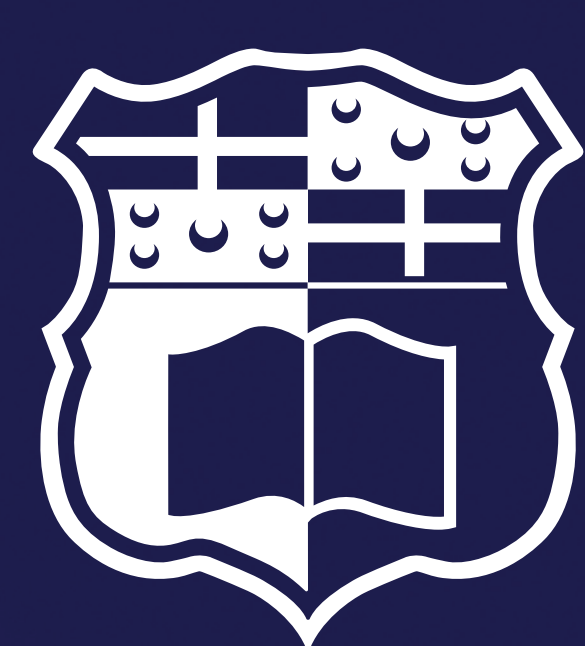


European Elections 2024  
Source: Shutterstock

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## THE INSTITUTE FOR EUROPEAN STUDIES

The Institute for European Studies was established in 1991 as a teaching and research centre within the University of Malta. The Institute has been operating for over 30 years.

The Institute offers a Bachelors in European Studies (General and Honours), taught Masters (the M.A. in European Politics, Economics and Law), an M.A. by Research (the M.A. in European Integration Studies) as well as a Ph.D. programme.

The Institute's courses are multi-disciplinary, covering the history, politics, economics and law of modern European integration.



Entrance to the Institute for European Studies, UM  
Source: University of Malta



B.A. (Hons) Graduates in 2021 (top)  
M.A. Graduates in 2021 (bottom)  
Source: University of Malta

During the course students can travel abroad with the Erasmus+ programme to Estonia, Finland, France, Germany, Ireland, Italy, Poland, the Netherlands and Türkiye. Students can also gain work experience through the placement programme and can work with government, the EU institutions and private companies.

Over 1,000 students have graduated from the Institute. They now work as senior diplomats, public servants in Government Ministries, EU officials in Brussels and Luxembourg, private consultants for EU funds, as well as with the media and academia.

Some alumni have entered politics and are members of the national and European parliament, have served as ministers as well as representing Malta in international organisations.

The Institute also operates as a research centre and has its own library which is also a European Documentation Centre. The Institute participates in international programmes, is part of several academic networks and is a Jean Monnet Centre of Excellence. The Institute also publishes regularly, the latest publication being the '20 Years of EU Membership Paper Series', available on the Institute's webpage.



Paper Series Logo  
Source: University of Malta

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