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REPORT

on 'Wider Europe - Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours'
(COM(2003) 104 - 2003/2018(INI))

Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy

Rapporteur: Pasqualina Napoletano

CONTENTS

	Page
PROCEDURAL PAGE	4
DRAFT EUROPEAN PARLIAMENT RESOLUTION	5
EXPLANATORY STATEMENT	16
OPINION OF THE COMMITTEE ON BUDGETS	21

PROCEDURAL PAGE

By letter of 12 March 2003 the Commission forwarded to Parliament its communication on 'Wider Europe - Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours' (COM(2003) 104), which had been referred to the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy and Committee on Budgets for information.

At the sitting of 27 March 2003 the President of Parliament announced that the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy had been authorised to draw up an own-initiative report on the subject under Rules 47(2) and 163, on 'Wider Europe - Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours', and the Committee on Budgets had been asked for its opinion.

The Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy had appointed Pasqualina Napoletano rapporteur at its meeting of 25 March 2003.

The committee considered the draft report at its meetings of 6-7 October and 3-4 November 2003.

At the latter meeting it adopted the draft resolution by 37 votes to 0, with 3 abstentions.

The following were present for the vote: Baroness Nicholson of Winterbourne (acting chairperson), Geoffrey Van Orden (vice-chairperson), Christos Zacharakis (vice-chairperson), Pasqualina Napoletano (rapporteur), Anne André-Léonard (for Ole Andreasen), Per-Arne Arvidsson, Alexandros Baltas, Cees Bremmer (for John Walls Cushnahan), Philip Claeys, Véronique De Keyser, Olivier Dupuis, Hélène Flautre, Glyn Ford, Michael Gahler, Gerardo Galeote Quecedo, Jas Gawronski, Vitaliano Gemelli (for Arie M. Oostlander), Alfred Gomolka, Richard Howitt, Ulpu Iivari (for Catherine Lalumière), Joost Lagendijk, Armin Laschet, Jo Leinen (for Jannis Sakellariou), Nelly Maes, Pedro Marset Campos, Miguel Angel Martínez Martínez (for Rosa M. Díez González), Raimon Obiols i Germà, Jacques F. Poos, Lennart Sacrédeus (for Philippe Morillon), José Ignacio Salafranca Sánchez-Neyra, Amalia Sartori, Elisabeth Schroedter, Ioannis Souladakis, Ursula Stenzel, Ilkka Suominen, Charles Tannock, Gary Titley (for Hannes Swoboda), Joan Vallvé, Karl von Wogau, Jan Marinus Wiersma, Matti Wuori.

The opinion of the Committee on Budgets is attached.

The report was tabled on 5 November 2003.

DRAFT EUROPEAN PARLIAMENT RESOLUTION

on Wider Europe - Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours (2003/2018(INI))

The European Parliament,

- having regard to the communication from the Commission to the Council and the European Parliament on 'Wider Europe - Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours' (COM(2003) 104),
- having regard to the communication from the Commission on 'Paving the way for a New Neighbourhood Instrument' (COM(2003) 393),
- having regard to the communication from the Commission to the Council and the European Parliament on 'Reinvigorating EU actions on Human Rights and democratisation with Mediterranean partners - Strategic guidelines (COM(2003) 294),
- having regard to the Commission proposal for a Council regulation on local border traffic at the EU external land borders (COM(2003) 502),
- having regard to the document *A Secure Europe in a Better World* by the High Representative for the CFSP, endorsed by the European Council at Thessaloniki in June 2003,
- having regard to the Council conclusions of 16 June 2003 on Wider Europe - Neighbourhood,
- having regard to the Second Action Plan for the Northern Dimension, endorsed by the European Council at Brussels in October 2003,
- having regard to the Arab Human Development Report for the year 2002 published by the UNDP (United Nations Development Programme),
- having regard to its resolution of 11 June 2002 on relations between the European Union and the Arab Maghreb Union: a privileged partnership¹,
- having regard to its resolution of 16 January 2003 on the Northern Dimension - New Action Plan 2004-2006²,
- having regard to its resolution of 19 June 2003 on Community immigration policy³,
- having regard to its previous resolutions on the countries and regions neighbouring the enlarging EU,
- having regard to Rules 47(2) and 163 of its Rules of Procedure,

¹ P5_TA(2002)0296

² P5_TA(2003)0020

³ P5_TA-PROV(2003)0292

- having regard to the report of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy and the opinion of the Committee on Budgets (A5-0378/2003),
- A. whereas it is essential for the enlarged EU not to have closed external borders and to define a strategy for the relations with its neighbours to the east and south, by means of which to share and develop peace, stability, security, respect for human rights, democracy and prosperity in a large shared area, thus making a positive contribution to the construction of a new international order based on multilateralism,
- B. whereas it is very much in the EU's interest, following the successful experience in the Central and Eastern Accessing Countries, that new impetus be given to efforts to construct a society in Eastern European countries which is democratic, is based securely on the rule of law, respects human rights and is moving towards efficient and sustainable market economic and social systems and environmental protection; whereas the EU should therefore provide incentives and support at all appropriate levels, taking into account the needs resulting from the emergence of new Schengen borders in Eastern Europe,
- C. whereas all the countries on the EU's new eastern external frontier are having to tackle similar structural problems, but a specific analysis for each country seems unavoidable to do justice, for instance, to conflict management in Chechnya, the democratic deficits of Belarus, the regional conflicts surrounding Nagorno-Karabakh or Abkhazia and the problems of Moldova arising from the situation in Transnistria, which are making general political and economic progress more difficult,
- D. whereas one of the challenges of the Wider Europe - Neighbourhood Strategy will be to bring about fresh momentum in the countries concerned for coming into line with the EU's values – security, democracy and a stable market economy – and whereas the prospect of an association agreement as a possible future framework for relations with the EU could here serve as a significant incentive for countries with which the EU does not currently have any such agreement,
- E. whereas the initiated Wider Europe - Neighbourhood Strategy certainly reflects the EU's most important task of contributing to peace, security, democracy and economic stability wherever this is at all possible; whereas the strategy should therefore avoid allowing a new dividing line to emerge with our eastern neighbours in Europe,
- F. whereas in this regard the signal given by the joint declaration by Russia, Ukraine, Belarus and Kazakhstan in late September on the formation of a Common Economic Space should be included in the considerations on the shape of the Wider Europe - Neighbourhood Initiative,
- G. whereas good neighbourly relations between the two sides of the Mediterranean sea border are of even greater importance for an enlarged Europe; whereas, in parallel to its current enlargement in the eastern part of the European continent, the EU must also revive and reaffirm its links with its Mediterranean neighbours and the Middle East,
- H. whereas differing circumstances in our eastern and southern neighbour countries must initially result in evenly-weighted but different approaches, in order to make possible, in due course, the creation of an area of common prosperity and common values on the basis of enhanced economic integration, more intensive political and cultural relations and closer

transfrontier cooperation,

- I. whereas it is necessary to see to that the Mediterranean dimension is at a later point extended to the wider Middle Eastern region and account is taken of the Gulf states and, in the medium to long term, of other countries such as Afghanistan, Iraq and Iran,
- J. whereas conflict prevention, the peaceful resolution of existing conflicts and the fight against organised crime must form the starting-point of the European security strategy, on the basis of the initial guidelines which appeared in the document submitted to the Thessaloniki summit by the High Representative for the CFSP,
- K. whereas it is also necessary to develop means to deal more effectively with 'soft security' challenges such as nuclear hazards, serious pollution, arms smuggling and activities of international criminal and organised crime networks, including the serious crimes of drug trafficking, trafficking in illegal immigrants as well as trafficking in women and children for sexual exploitation,
- L. whereas the Wider Europe - Neighbourhood Policy will have to evaluate existing EU policies and agreements in order to represent a step forward irrespective of, and not in contradiction with, the present and future aspiration of some of the countries concerned to join the EU in the long term or to establish special contractual relations,
- M. whereas the Commission communication on Wider Europe - Neighbourhood considers the relations with Russia, the Western NIS and the Mediterranean neighbours and whereas, therefore, any budgetary implications would currently fall under Heading 4 of the EU Budget (External Actions),
- N. whereas the suggested new framework is not yet fully articulated into concrete actions or contains sufficiently firm elements to allow the budgetary authority to evaluate its final budgetary implications and whereas the Commission states that these shall be reflected in the budget proposals for coming years,
 1. Declares that the new frontier of the enlarged Union should be regarded as a positive opportunity for the countries and regions directly affected, aiming at building up a network of deepened relations; therefore considers that it should be the task of the European Union to develop with these countries and regions a comprehensive and effective neighbourhood concept, capable of furthering the search for more effective solutions to the problems posed by interdependence and globalisation;
 2. Believes, in this connection, that it is necessary to define a coherent system for relations comprising the 25 Member States of the enlarged Union, those countries whose future entry into the Union has, in whatever terms, been agreed, and those whose potential for entry is not yet decided, and all the Union's other neighbours, to be based on respect for human rights, democracy and the rule of law, dialogue between cultures and religions and co-development by means of convergent policies giving special attention to the differing subregional realities;
 3. Considers that the Wider Europe - Neighbourhood Policy and the New Neighbourhood Instrument must be implemented in our relations with all our neighbours and that the geographical dimension of 'neighbourhood' must take account of all the areas that are

essential to ensure real territorial continuity and political sustainability for the Union's strategy, while at the same time clearly differentiating between the regions and countries covered, in particular on the basis of the types of challenges involved, their level of respect for democracy, human rights and individual freedoms, and their interest and capacity to engage in closer cooperation;

4. Points out that, firstly, for this purpose the existing agreements, economic contacts and cultural relations offer suitable starting points for consolidating structures that have proved their worth, but that, secondly, the essentially different circumstances of our eastern and southern neighbours need to be taken into account;
5. Draws emphatic attention to the existing instruments (association agreements, approximation instruments Interreg, PHARE, TACIS, CARDS, MEDA and partnership and cooperation agreements and free trade agreements), and stresses that no third country may be hampered in its own individual progress as a result of the failings of other third countries in the area concerned;
6. Stresses that the analysis of the new threats to global security arising from terrorism, regional and ethnic-religious conflicts and extreme fundamentalist currents calls for an enhanced capacity to develop inclusive policies based on an effective and democratic multilateralism;
7. Supports the use of the Wider Europe - Neighbourhood Policy as one of the instruments for further developing the EU-Russia partnership, but believes that, for reasons linked to Russia's size and resources and its own ambitions, EU-Russia relations outside this policy framework will continue to be very important; stresses, however, that there must be no difference as regards the attention given to respect for human rights and expects of Russia concrete steps in this field; reaffirms that the current situation in Chechnya and the state of democracy are currently obstacles to the full development of the EU-Russia partnership;
8. Calls on the Commission and Council to develop a special policy within the framework of the Wider Europe - Neighbourhood Policy for the countries of the Southern Caucasus, according particular importance to conflict prevention;
9. Calls, similarly, for relations with the Mediterranean region to take account not only of those countries which are already members of the Euro-Mediterranean partnership but also of Libya and Mauritania, which have observer status and which are also, above all, members of the embryonic Arab Maghreb Union;
10. Calls for particular attention to be paid to those European countries which, by reason of size and choice, have not participated in the Union's enlargement process (Andorra, Monaco, San Marino, Vatican City State, Switzerland, Norway, Iceland and Liechtenstein) but are already integrated in different ways into European structures and therefore can contribute actively to the development of this process;
11. Emphasises that the launch of the Wider Europe - Neighbourhood Policy must have absolutely no effect on the candidate status of Bulgaria and Romania (with the aim of accession in 2007) and Turkey (European Council decision to decide, in December 2004, whether to open accession negotiations and, if so, on what date), the potential candidate status of the western Balkan countries (ultimate objective of EU accession confirmed by the

European Council in March and June 2003), or the eligibility criteria for EU membership;

12. Takes the view that irrespective of the question of a possible future membership, Turkey should also be included in the Wider Europe - Neighbourhood Policy;
13. Believes that the involvement of the western Balkan countries in a new overarching Wider Europe - Neighbourhood policy could entail their participation in the Euro-Mediterranean partnership, and that in any case maximum priority should be given to subregional integration in the area as an essential step towards further integration into the European structures;
14. Considers that the Wider Europe - Neighbourhood Policy is in no way incompatible with certain European neighbouring countries' aspirations to EU membership or different contractual relations, and can in fact, despite being separate from enlargement policy, constitute an important instrument for enabling those countries to move towards the ability to make an application for accession under Article 49 of the EU Treaty on the basis of the progress made so far, neither should the Wider Europe - Neighbourhood Policy exclude forms of association at a later stage;
15. Stresses, in the meantime, that under Article 49 of the Treaty on European Union any European State which respects the principles of liberty, democracy, respect for human rights and fundamental freedoms and the rule of law may apply to become a member of the Union, and clear recognition of the right of the countries that explicitly express their European aspirations, like Ukraine, to obtain EU membership when they fulfil all necessary political and economic criteria should be a strong incentive for their cooperation in the framework of the Wider Europe - Neighbourhood Initiative;
16. Considers that, for those countries which aspire to eventually become members of the EU, the instrument of screening by the European Commission of the approximation to EU rules, that was developed for the candidate countries, should be made available;
17. Considers that in order to have maximum effect, the Wider Europe - Neighbourhood Policy should encompass a vast pan-European and Mediterranean region, structured bilaterally, subregionally and regionally (including the Northern Dimension and cooperation in the Black Sea and Mediterranean regions); points to the geopolitical differences between the eastern and southern neighbourhoods, and believes that while there should be significant scope for developing subregional and regional cooperation in the South, a bilateral approach is more promising in the East as regional cooperation scarcely seems possible in view of these differences;
18. In this context, with regard to the New Neighbours in Eastern Europe:
 - recognises that a resolution of the Transnistria conflict would greatly improve the conditions for economic and social progress in Moldova and relieve Europe of a source of instability; notes with interest that ideas on sending an EU civilian or military mission are being considered in the Council;
 - notes that the European Union provides Moldova with balance of payment loans and that these loans are made necessary not least by the barriers which the European Union maintains against Moldovan export products; regrets this incoherence between EU

policies affecting Moldova and calls on the Commission to address this issue;

- notes that the political conditions in Belarus, the only dictatorship left in Europe, continue to make it inappropriate to engage in any comprehensive cooperation with the country; calls, however, for intensified EU support to the civil society and to the democratic opposition and for the exploitation of all existing possibilities in this regard; stresses the importance of preparing an Action Plan for this purpose, so as to create the preconditions for the European Union to have relations with this country;
- considers that Ukraine by virtue of its size, geographical location, deep historical, cultural, economic and other links to Central and Western Europe, as well as to Russia, and its potential to become an ever more valuable partner of the EU in essential areas must be given a particularly important role in the context of the EU's Wider Europe-Neighbourhood policy; supports Ukraine's desire for EU integration and the Council's and the Commission's current focusing on preparing an Action Plan for Ukraine;
- notes that the projected establishment of a Common Economic Space together with Russia, Belarus and Kazakhstan could hamper further cooperation between Ukraine and the EU; is of the opinion that only a fully democratic and independent Ukraine which has developed an open society comparable to those of the new EU Member States can decide on the country's final orientation; calls for close monitoring of the state of democracy in the run up to the presidential elections in 2004; takes the view that in order to support those who seek to advance the reform process, the EU should leave its door open to membership;

19. With regard to the Mediterranean area and the Middle East:

- considers that there should be a relaunch of the current Euro-Mediterranean partnership through bilateral and multilateral sectoral initiatives, including through the establishment of a Foundation for Dialogue between Cultures, repositioning it in the wider framework of the Wider Europe - Neighbourhood Policy; reaffirms the priority of enhancing sub-regional relations in the Maghreb and the Mashreq, which is, moreover, the ultimate goal of the association agreements which are bilateral but which should promote, and contribute to, greater regional integration; reaffirms the need for the European Union to implement high-profile programmes in these regions, taking care to ensure that civil society in the countries concerned is fully involved;
- points out that a multilateral, coherent and effective Euro-Mediterranean partnership, in addition to encompassing the socio-economic dimension, must also fully embrace respect for, and the promotion of, human rights, as well as education and the fight against exclusion and poverty; demands that these fundamental principles be applied firmly and consistently in the European Union's relations with its Mediterranean partners, and in particular in connection with the MEDA programmes and current and future association agreements;

20. Believes that the Wider Europe - Neighbourhood Policy could offer cooperation in three areas:

- first area - political, human, civil and cultural;

- second area - security (internal and external);
- third area - sustainable economic and social co-development;

also believes that a certain number of common policies could be developed in each of these areas;

21. Believes that the Wider Europe - Neighbourhood concept should include a common policy on human rights, citizenship, democracy and the rule of law, as well as a common policy for the development of civil society, the latter paying special attention to credible media and respect for pluralism, education, research, culture and health care; strongly endorses, in this connection, the Commission's recent communication on the measures undertaken by the EU with its Mediterranean partners in this field; stresses that the recommendations set out therein must be implemented in a systematic, decisive and consistent fashion, especially in terms of clear and publicly-stated objectives and reference criteria for the different Action Plans, by incorporating into them, in particular, compliance with international human rights instruments; reaffirms the need to include in these actions, on a mainstreamed basis, the promotion and protection of women's rights; considers it important to strengthen all the opportunities for inter-cultural dialogue, to enable the peoples of the European Mediterranean to consolidate their mutual respect, understanding and tolerance; recalls the active and crucial role played by the EP in these areas, and reiterates that if democratic legitimacy is to be ensured there must be greater parliamentary control of these processes;
22. Believes that the Wider Europe - Neighbourhood Policy should include common efforts in the field of illegal migration, the fight against terrorism, illegal trade, concern for international legal order, combatting corruption and a policy on conflict prevention and settlement; in all these fields, the EU's principles concerning the rule of law must be guaranteed;
23. Considers that securing the European Union's external frontiers with regard to drug smuggling, subsidy fraud, illegal immigration, trafficking in human beings, fighting terrorism, and veterinary and food inspections should be pursued in close cooperation with the new neighbour countries; in the surveillance of the external frontiers the Galileo navigation system and the Global Monitoring of Environment and Security (GMES) satellite monitoring system must also be involved; in addition, the technological equipment of customs authorities should be standardised;
24. Believes that the Wider Europe - Neighbourhood Policy should include: a policy to facilitate the free movement of people, goods, services and capital; macroeconomic and monetary policy which also safeguards social cohesion; microeconomic and employment policy with the introduction of special programmes for technical and financial assistance and infrastructure and networks policy; considers, in this connection, that particular stress should be laid on energy, and recommends the development of convergent policies between the EU and its neighbours possessing energy resources; considers it necessary to develop environmental and social policies that are closely linked to the above economic policies;
25. Draws the Commission's attention to the health and environmental situation affecting Belarus and Ukraine, as a result of the Chernobyl catastrophe; calls for the development of a programme of medical aid and supplies of hospital equipment, bearing in mind these countries' fragile resources and means;

26. Stresses that each of the above areas and the associated common policies will need to receive adequate funding; considers that the EBRD should play a major part here, and that the EIB should be given a mandate and appropriate resources to extend loans to all of eastern Europe, including Moldova and Ukraine, while the existing EIB section for the Mediterranean and the Middle East must be developed into a branch thereof, which will be able to fulfill the future requirements of the new strategy, also with financial contributions from other Mediterranean countries;
27. Considers that the development of the three areas should, above all, create the general conditions for progressive sharing of common values and principles with all the countries concerned; believes that, at the same time, it will be essential to develop, especially for policy in the economic and social area, the various regional and subregional dimensions in order to take account of the specific characteristics of the different areas and countries;
28. Considers, in that respect, the opportunity to take into account, as a new option, the setting up of a Free Trade Area which could encompass aspects of the internal market as well as internal and external security ("European Economic Area Plus") between the EU and its European neighbours without ruling out future membership;
29. Recalls further that one of the eventual aims of the Barcelona Process is the setting up of a Free Trade Zone within the Mediterranean;
30. Draws the Commission's attention to the existence of environmental euro-regions straddling new Member States and New Neighbours, such as the Bialowieska (Poland/Belarus), Neman (Poland/Lithuania/Belarus) and Polesye (Ukraine/ Belarus/Poland) reserves, which are of prime importance for the continent of Europe;
31. Welcomes the general thrust of the Wider Europe - Neighbourhood Initiative but points out, at the same time, that the regions concerned by it are already covered by major EU geographical cooperation programmes and notes that the Communication does not give any clear indication how these will be streamlined, made more effective and how they will finally play a part to reach the ambitious goals of the new Initiative;
32. Notes that the Communication expressly mentions "...increased financial assistance.."; takes the view, whilst fully accepting the importance of the relations with the Union's neighbours, that the margins left under the current financial perspectives have not allowed the financing of new needs without affecting other areas negatively; underlines that the financial amounts should be an important element in the negotiations on a new financial perspective for 2007 and beyond;
33. Takes the view that the new enhanced relationship with the Union's neighbours goes beyond what has traditionally been seen as "external actions" for third countries and creates a new dimension to the partnership; believes, therefore, that the possibility of opening up heading 7 of the financial perspective (pre-accession strategy), or other adjustment of the current headings, with appropriate financing after 2006, could be considered;
34. Takes the view that at least the CARDS part of funding under a Neighbourhood Instrument could be financed under Heading 7, Pre-Accession Strategy, in line with the suggestion to transfer the EU's relations with the Balkan region to this heading from heading 4 (external action);

35. Welcomes the Council's call, included in its conclusions of 16 June 2003 and the 7 October 2003 EU-Ukraine Summit, for the Commission to pave the way for a deepening of bilateral relations with Ukraine, Moldova and the southern Mediterranean partners through the preparation of Action Plans; considers, however, that the entire Wider Europe - Neighbourhood will require coherent Action Plans;
36. Insists that the proposed functioning of these Action Plans must fully respect the legislative and budgetary prerogatives of the Parliament and rejects any proposal that would give the Council predominance on policy issues; emphasises that issues of policy must be dealt with in the established procedures and guarantee the rights of both arms of the legislative and budgetary authorities;
37. Stresses that the Action Plans should be integrated into the common fields of cooperation; prefers, therefore, that cooperation measures and measures for integration levels are as far as possible adjusted to one another, as this will also increase transparency and help to limit the management burden on the Commission; calls, in particular, for the definition of a clear mechanism of implementation of the measures concerning democracy and human rights which will be included in the Action Plans so as to prevent the ineffectiveness of the current human rights clauses;
38. Stresses that it is particularly important to take as starting point of the Wider Europe - Neighbourhood Policy the evaluation of the currently existing agreements and financial instruments which concern the new EU neighbours and to take into account this evaluation by drafting country and regional Action Plans; asks for being closely associated in the Wider Europe - Neighbourhood Policy by taking part through an annual report in the evaluation of the implementation of the Action Plans;
39. Considers that the EU should in the first instance support the applications to join the WTO from its neighbouring countries that are not yet members, which involves several important steps towards adapting their legislation to that of the EU;
40. Supports the Commission's proposal, in its communication on a New Neighbourhood Instrument, for Neighbourhood Programmes as provisional solutions to the long-standing bureaucratic problems which greatly complicate EU support for crossborder cooperation; calls for these programmes to be put in place with all speed; regrets that Parliament's call for action in this field was not properly acted on much earlier, and that the rigidity of the financial perspective will delay the launch of the New Neighbourhood Instrument until 2007; calls for the proposed instrument, additionally to the crossborder dimension to be implemented as a pilot project in some parts of the border and to be targeted as of now on transnational cooperation, on the lines of the INTERREG III B mechanisms;
41. Stresses that cross-border cooperation and interregional cooperation constitute a key element to enhance relations with the neighbour states and calls for the application of an instrument with the mechanisms of INTERREG III A and C that includes the participation of the regional and local authorities;
42. Welcomes the proposal, within the overall Wider Europe - Neighbourhood Initiative, to create a New Neighbourhood Instrument to promote cross-border actions and improve the current unsatisfactory situation, due to the different character of the financing instruments now used, (INTERREG for Member States' share of projects and TACIS, PHARE for

neighbouring countries' shares); also notes that MEDA and CARDS should be covered by the Initiative;

43. Considers that the New Neighbourhood instrument for the enlarged Union's external borders must be linked to external policy programmes and processes, while taking into account the various existing regional priorities; considers that this instrument should combine objectives associated with both external policy and social and economic cohesion; stresses that this instrument must be based on the lessons learned from previous experiences with implementing cross-border cooperation;
44. Draws attention in the definition of New Neighbourhood programmes and of future New Neighbourhood instruments to the different problems concerning countries with a land border with the enlarged EU and those with which the EU shares sea borders; is convinced, in this regard, that the Schengen Agreement should allow small and local border movement for populations, thus preserving and developing traditional cross-border relations;
45. Points out that New Neighbourhood programmes and New Neighbourhood instruments must be easily accessible to regional and local communities, which must be directly involved in their management; calls, in this regard, on the Commission to start establishing in border regions an EU consular infrastructure so as to deal with the necessary simplification of visa procedures and facilitate decentralised implementation of the programmes;
46. Welcomes the Commission's proposal for a regulation on local border traffic at the external land borders of the Member States, and regards this proposal as an important step towards ensuring that the new Schengen borders will not be a barrier to trade, social and cultural interchange or regional cooperation; notes, however, that such risks persist in relation to other regions of the relevant neighbouring countries than the border regions, and that further measures should therefore be taken where possible;
47. Draws emphatic attention once again to the important role of the new Member States in stepping up their work at their frontiers for political dialogue and the gradual establishment of a free trade area, by means of national action plans, and the consolidation of cross-frontier cooperation;
48. Is convinced that the existence of several diverse bodies involving the countries concerned by this resolution is a favourable point of departure for ensuring a multilateral institutional dimension for the Union's strategy and the management of common policies; stresses that the political dialogue and the associated institutions must take account of the different levels - government, parliament, regional and local government and civil society organisations;
49. Advocates, in connection with the Wider Europe - Neighbourhood Initiative, for
 - the EU's joint action in existing international institutions (OSCE, Council of Europe) to be stepped up,
 - closer cooperation with the Council of Europe, with particular reference to its experience in the consolidation of democracy and the establishment of the rule of law,
 - consideration of the possibility of extending the OSCE to the countries of the Mediterranean

and the Middle East, or, at least, developing cooperation processes with those countries,

- the relaunch of the European Conference as an instrument for cooperation in the framework of the Wider Europe - Neighbourhood Policy in which the countries of the Southern Caucasus may also take part as full members,
 - establishment during the Italian Council Presidency of the Euro-Mediterranean Parliamentary Assembly, with a view to conferring a solid parliamentary dimension on the Barcelona process and ensuring its future extension to the other countries of the Mediterranean region and the Middle East;
50. Proposes that consideration be given to the possibility of negotiating, with the countries participating in the Wider Europe - Neighbourhood Policy, the conversion of the provisions on human rights and fundamental freedoms in the bilateral agreements between the EU and third countries and the UN conventions signed by the parties concerned into one or more multilateral conventions that would embody a real and concrete area of common rights and freedoms;
51. Calls on the countries included in the Wider Europe - Neighbourhood Policy that have not yet done so to sign, ratify and strictly apply all the current international treaties on anti-terrorist measures; calls for the introduction of a network of contacts to allow the exchange of information and cooperation in the fight against terrorism;
52. Favours, in order to strengthen respect for human rights in the Mediterranean area, the creation of independent institutions in the countries concerned, which could guarantee effective implementation of the rights that follow from signed bilateral and multilateral agreements; invites all concerned countries that have not yet done so, to adhere to the proposal of a moratorium on the death penalty and to the International Criminal Court;
53. Instructs its President to forward this resolution to the Council, the Commission, the Governments and Parliaments of the Member States and the candidate countries, the United Nations, the Council of Europe, the OSCE, and the Governments of the countries referred to in this resolution.

EXPLANATORY STATEMENT

'Wider Europe'

1. The **Commission communication**¹ on 'Wider Europe – Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours' provides an opportunity to begin an organised debate, without raising false hopes or causing disappointment, on a situation that is highly complex and is continuing to evolve. The Council did well to time the signing of the Treaty of Accession for the 10 new Member States to coincide with the debate – at the **enlarged European Conference** in Athens held on 17 April 2003, bringing together 39 countries – on a wider strategy for relations with the enlarged Union's neighbours, with the aim of creating a 'ring of friends' stretching from Russia to Morocco.

The EU's has a strong interest in long-term stability in its neighbourhood, which leads it to promote democracy and good governance, human rights and sustainable development.

All these circumstances, together with the important resources and the power of attraction vis-à-vis its neighbours which it possesses, place the EU in a strong position for the realisation of this goal. However, initial discussions in the European Parliament have highlighted the risks arising from the differing nature of the geographical areas concerned. The objections raised can only be replied to if there is a more coherent definition of the strategy.

In practice, when defining and adopting its policy on the 'Wider Europe - New Neighbours Initiative' (WE-NNI), the EU will at all moments have to pay particular attention to the potential impact of the proposed measures on civil society, human rights, economic dynamism, etc, independently of which partner state is being considered. A clear and formal declaration by the EU setting out its permanent commitment to pursuing an ambitious policy vis-à-vis its neighbours, followed by the adoption and swift implementation of the various policies concerned, would have a major influence on the dynamic forces in the individual partner states. The article on the neighbouring countries in the draft Constitution needs to be strengthened at the IGC.

2. The approaching 'big-bang' EU enlargement will have the strongest direct effects on the eastern European countries sharing borders with the new Member States. Mitigating the negative effects of the creation of Schengen borders, finding ways to enhance crossborder cooperation and making sure that the potential benefits of becoming a direct neighbour to the EU are realised have now become urgent tasks.

In this context, a key position is now occupied by Moldova, where stabilisation efforts are of major importance, and Ukraine. The significance of Ukraine, in particular, derives not only from its size and the fact that it shares borders with three acceding and one candidate country: in addition, its Central European cultural heritage links Ukraine to the enlarged EU. In view of the internal situation, it is essential that Ukraine should be offered the prospect of closer relations with the EU.

¹ COM(2003) 104, 11 March 2003

With its borders with three acceding countries, Belarus is also of great importance. The EU has, however, all but frozen relations because of the serious limitations that characterise Belarus' system of government and the continuing grave human rights violations. Given this, and as for all the other countries concerned, consideration will have to be given to proposals for developing projects in sensitive areas with a view to supporting civil society organisations.

Russia is, beyond doubt, a special case in view of its strategic importance. In the context of the neighbourhood policy, it will be essential to strengthen cooperation in the Baltic region – including on issues relating to the Kaliningrad enclave inside the enlarged EU and nuclear hazards in north-western Russia; the process has in fact begun already, with the creation of the Northern Dimension. Also, an energy dialogue and talks on the creation of a common economic area with Russia are now under way. In addition, the extension to Russia of some of the mechanisms and instruments developed in the WE-NNI may be expected.

The southern Caucasus has been left outside the WE-NNI by the Commission. This should change, and the strategy should be extended to Georgia, Armenia and Azerbaijan. The three countries are members of the Council of Europe and the OSCE. Conflict prevention needs give the EU every reason to enhance its role in the region.

On the Mediterranean dimension, there is a need to refer primarily to the partners in the Barcelona process, without ignoring observer countries such as Libya and Mauritania, which are members of the Arab Maghreb Union (AMU). Euro-Mediterranean cooperation needs to be developed, putting the emphasis on shared values, as the Commission correctly points out. Finally, should Turkey join the EU the neighbourhood criterion would confront the Union with new bordering countries, including Iran and, indeed, Iraq. It would also be a good idea to take account of the countries of the Gulf Cooperation Council, with which the Union is negotiating a free-trade area. These are countries whose strategic importance is proving crucial, not least because of the vast energy resources at their disposal.

As the communication appears to suggest, we need to ensure that this 'ring of friends' approach does not turn into a crude argument between those who say that 'neighbouring country' means 'a country destined never to join the EU' and those who believe that the prospect of joining the EU is the only way of achieving closer cooperation. Given the diverse realities facing us, we would risk taking a wrong turning. What we should be encouraging instead is the determination to avoid further division, while bearing in mind, as the Commission puts it, that 'the 20th century saw dramatic changes in geography, politics and culture both on the European continent and in the Mediterranean ... [which] ... have not necessarily led to greater convergence' in the diverse situations concerned, which require a genuine dialogue focused on culture and civilisation.

3. It is worth confirming the full validity of the decisions to close the negotiations for accession with Bulgaria and Romania by 2007, the possibility of opening negotiations with Turkey after 2004 on the basis of the decisions of the Copenhagen summit, and the prospect of future accession of all the western Balkan countries. Finally we should not forget that, as the Athens declaration states, enlargement policy remains a **distinct process**.

However, the proposal addressed to our neighbours promises to be an **inclusive process**. So there is a need, in the interests not only of clarity but also of strategic effectiveness, to devise an appropriate framework for participation in this new system of relations with our

neighbouring countries, for those countries for which the prospect of accession has been recognised.

We must devise a strategy for the present time. Therefore, we need now to define a system of relations that will guarantee not only the creation of a vast area of common security, but also a **'good neighbour'** policy, by developing the horizontal dimension and so promoting crossborder cooperation between all the countries in the field of the four freedoms (on which the communication is centred). We must not be satisfied with establishing bilateral relations between the EU and each of the countries concerned, but must encourage them all to strengthen relations on a balanced and mutually advantageous basis, and to join a virtuous circle of cooperation and integration.

For the western Balkan countries, bearing in mind the Council conclusions of 20 and 21 March 2003 reaffirming that those countries' future is within the Union, it is important to preserve the regional dimension of the stabilisation process for the region as a whole, which has already allowed cooperation to resume, as is essential for security in Europe. This point needs making, since the various countries concerned could join the Union at different times (Croatia's application has already been received, and others will follow), and these different timings must not be allowed to harm the stabilisation process.

The strategy must involve the 25 countries of the enlarged Union, those with which, on whatever basis, full integration with the Union has now been agreed, and all the neighbouring countries to the South and East. This will mean defining a consistent proposal applying to a complex geopolitical area stretching from Russia to Morocco, which, for historical and cultural reasons and the fact of its geographical proximity, may be defined as a **'pan-European and Mediterranean region'**.

What are the values that such a heterogeneous region will be able to share? First of all, a **common political project** based on **human rights, fundamental freedoms and the rule of law**. This project will also need to form a wider framework for the other, equally important, aspects of the Commission proposal, as it is by this means that we shall be able to ensure consistency and cohesion in a strategy that will also need regional and subregional articulations in order to be fully implemented.

4. Hence if the main aim is to create a **shared area** of freedom, democracy and legality, great attention must be given to the instruments required: and here the European Parliament has a role to play in integrating the Commission proposal. At the moment, every cooperation or association agreement between the Union and the various countries concerned contains human rights clauses. These clauses, in what are mainly economic agreements, have not so far produced significant results. The Commission has recently presented a communication on how the promotion of human rights can be made more effective in the Mediterranean area¹. It contains ten practical and useful recommendations, but more wide-ranging initiatives may also be needed.

Arrangements mirroring the most relevant parts of the comprehensive body of law and the implementing mechanisms built up by the Council of Europe could be developed for the Mediterranean region. Additional arrangements covering the entire 'Wider Europe' should not

¹ COM(2003) 294, 21 May 2003

interfere with existing ones. Best possible use should also be made of the treaties and standards developed within the UN system, and closer cooperation with UN agencies should be pursued. A first step might comprise turning these clauses into law, in the shape of one or more **multilateral conventions** that could give symbolic embodiment to a real and effective area of shared rights and freedoms. Such conventions could be grounded in institutions entitled to receive appeals and punish violations.

A second step might comprise turning the content of the proposed conventions into objectives for specific programmes to which resources would be allocated. This means that the fundamental aspects to be taken into account will need to form part of projects concerning the legal system, press freedom, freedom of meeting and association, the relationship between citizens and institutions, social rights, and the role and freedoms of women.

5. The problem having been outlined, the resolution considers more closely those aspects of the communication dealing with the **four freedoms (free movement of goods, capital, services and persons)** which lie at the core of the proposal.

Obviously, any strategy affecting the policies relating to trade, market access, the environment, the fight against crime, and such problems as immigration will need to take account of the diversity and specific character of each of the countries concerned. However, these objectives can be easily achieved if we develop the regional and subregional dimensions and identify the specific aspects that link some groups of EU Member States and of eastern, south-eastern and southern countries. In this regard, it is true that the effectiveness of the strategy will be proven when it is able to influence citizens' real living conditions for the better. We should not forget that the average level of incomes and quality of life in the countries concerned is, although differing from one country to another, well below the European average.

A proposal that will convey a strong and symbolic message, backed up by extremely practical and effective policies, is, then, what we want to help define.

Your rapporteur believes that the proposed strategy, taken as a whole, should aim, in an ambitious fashion, to create a number of **common political areas**, including: a political, human, civil and cultural area; a security area (internal and external); and an area for sustainable economic and social co-development. Each of these areas should be articulated around specific common policies, as set out in the draft resolution.

These common political areas should give priority to the pan-European and Mediterranean dimension and to all the possible regional and subregional articulations within that large area, with a view to developing a coherent strategy based primarily on the principles and values shared with the 'ring of friendly countries'. However, the development of the policies for the economic and social area should take account of the particular circumstances of each country involved.

It is necessary to ensure that the Union's strategy vis-à-vis its new neighbours includes a multilateral institutional dimension. A favourable starting-point exists given that all the countries concerned are already members of several different bodies. The resolution accordingly includes concrete proposals for involving the Council of Europe, the OSCE, the European Conference and the proposed Euro-Mediterranean Parliamentary Assembly (whose

creation the EP strongly supports). Consideration should also be given to establishing one or more multilateral conventions based on a system of common rights and freedoms.

7 October 2003

OPINION OF THE COMMITTEE ON BUDGETS

for the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy

on 'Wider Europe - Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours'
(COM(2003)104 – 2003/2018(INI))

Draftsman: Reimer Böge

PROCEDURE

The Committee on Budgets appointed Reimer Böge draftsman at its meeting of 10 July 2003.

It considered the draft opinion at its meeting of 6 October 2003.

At the latter meeting it adopted the following conclusions unanimously.

The following were present for the vote: Terence Wynn (chairman), Anne Elisabet Jensen (vice-chairman), Franz Turchi (vice-chairman), Reimer Böge (draftsman), Joan Colom i Naval, Manuel António dos Santos, Den Dover, Bárbara Dührkop Dührkop, Markus Ferber, Catherine Guy-Quint, Jutta D. Haug, María Esther Herranz García, Constanze Angela Krehl, John Joseph McCartin, Jan Mulder, Juan Andrés Naranjo Escobar, Bartho Pronk (for Ioannis Averoff), Kyösti Tapio Virrankoski, Ralf Walter and Brigitte Wenzel-Perillo .

CONCLUSIONS

The Committee on Budgets calls on the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy, as the committee responsible, to incorporate the following points in its motion for a resolution:

1. Whereas the Commission Communication on Wider Europe/Neighbourhood considers the relations with Russia, the Western NIS and the Mediterranean neighbours and whereas, therefore, any budgetary implications would currently fall under Heading 4 of the EU Budget (External Actions),
2. Whereas it is not excluded that the European Parliament will change the geographical scope of the Initiative,
3. Whereas the suggested new framework is not yet fully articulated into concrete actions or contains sufficiently firm elements to allow the budgetary authority to evaluate its final budgetary implications and whereas the Commission states that these shall be reflected in the budget proposals for coming years,
4. Whereas the new framework should reflect the relations of the EU with its new Eastern and Southern neighbouring countries,
5. Welcomes the general thrust of the Wider Europe Initiative but points out, at the same time, that the regions concerned by it are already covered by major EU geographical cooperation programmes and notes that the Communication does not give any clear indication how these will be streamlined, made more effective and how they will finally play a part to reach the ambitious goals of the new Initiative;
6. Endorses the aim that the new Initiative should not override the existing framework for relations with these regions but supplement them; notes in this regard that the implementation of existing agreements should continue to be improved and points out that, for example, annual appropriations available for MEDA and TACIS amount to some € 900 million in 2003 and that outstanding commitments (RAL) amount to € 3,4 billion and € 1 billion respectively;
7. Notes that the Commission's suggested actions are largely possible under existing programmes and their legal bases and asks the Commission to present a clear analysis of which new actions are not covered;
8. Considers necessary an evaluation of what legislative proposals, if any, the Commission intends to put forward, including a financial analysis for each one, so as to establish the added value of the new Initiative compared to already existing regional programmes;
9. Notes that the Communication expressly mentions "...increased financial assistance.."; takes the view, whilst fully accepting the importance of the relations with the Union's neighbours, that the margins left under the current financial perspectives have not allowed the financing of new needs without affecting other areas negatively; underlines that the financial amounts should be an important element in the negotiations on a new financial perspective for 2007 and beyond;

10. Expresses itself in favour of the idea of some form of conditionality, including the setting of benchmarks, which is suggested for Wider Europe (additional advantages in exchange for progress of reform);
11. Welcomes the proposal, within the overall Wider Europe Initiative, to create a New Neighbourhood Instrument to promote cross-border actions and improve the current unsatisfactory situation, due to the different character of the financing instruments now used, (INTERREG for Member States' share of projects and TACIS, PHARE for neighbouring countries' shares); also notes that MEDA and CARDS should be covered by the Initiative;
12. Takes the view that the new enhanced relationship with the Union's neighbours goes beyond what has traditionally been seen as "external actions" for third countries and creates a new dimension to the partnership; believes, therefore, that the possibility of opening up heading 7 of the financial perspective (pre-accession strategy), or other adjustment of the current headings, with appropriate financing after 2006, could be considered;
13. Takes the view that at least the CARDS part of funding under such a Neighbourhood Instrument could be financed under Heading 7, Pre-Accession Strategy, in line with the suggestion to transfer the EU's relations with the Balkan region to this heading from heading 4 (external action);
14. Believes that such an Instrument must not be presented "on top" of current provisions, which would only complicate and over-burden the situation, but that it should genuinely replace the provisions in current programmes that are not functioning satisfactorily;
15. Welcomes, in this respect, the initial idea that specific funding allocations could be made available within the relevant external programmes and, as a consequence, be largely budgetary neutral;
16. Asks the Commission to clarify what the difference and added value of the suggested "Action Plans" for each country are compared to the "Country Strategy Papers" which already exist for many countries, as the justifications and proposed content appears to be very similar;
17. Insists that the proposed functioning of these Action Plans must fully respect the legislative and budgetary prerogatives of the Parliament and rejects any proposal that would give the Council predominance on policy issues; emphasises that issues of policy must be dealt with in the established procedures and guarantee the rights of both arms of the legislative and budgetary authorities.