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on the review of the European Neighbourhood policy

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I. Context

In the mission letter sent to Commissioner Hahn, the President of the European Commission, Jean Claude Juncker stressed that the focus of his work "should be on strengthening the EU's political and economic ties with its Southern and Eastern neighbourhood". The aim is still to "promote stability at Europe's borders". "The European Neighbourhood Policy should appropriately distinguish between the specific situations of different parts of Europe's neighbourhood"¹.

On 4 March 2015, the European Commission launched a broad process of consultation by publishing a green paper "Towards a new European Neighbourhood Policy"². The green paper lists an important number of questions and divides the future improvements of the policy into 4 different areas:

- Differentiation;
- Focus;
- Flexibility;
- Ownership and visibility.

II. The European Neighbourhood Policy

1. Inception and evolution

Launched in 2004, the European Neighbourhood Policy (ENP) promised a deep structural transformation of the EU's partner countries in order to create an "area of prosperity and good neighbourliness, founded on the values of the Union".

Since its inception in 2003³, the EC has published Communications on how to strengthen the policy, and the European Council has called for future presidencies and the EC to make progress in strengthening it. Already in 2008, the Council conclusions underlined the "key principles of partnership and joint ownership, as well as differentiation and tailor-made assistance" and indicated that further reflection was necessary to make the ENP "more effective and more attractive to our ENP partners, with the aim of making full use of its potential"⁴.

The EU offered two main shared-assets:

- EU market access;
- The four freedoms (i.e. freedom of movement for products, services, capital and people);

The 2011 events in the Neighbourhood, called the Arab Spring, brought to the fore the

¹ See http://ec.europa.eu/about/juncker-commission/docs/hahn_en.pdf

² See JOIN (2015) 6 final <http://ec.europa.eu/enlargement/neighbourhood/consultation/consultation.pdf>

³ See Communication from the Commission to the Council and the European Parliament "Wider Europe - neighbourhood: a new framework for relations with our Eastern and Southern Neighbours", COM (2003) 104 final, http://eeas.europa.eu/enp/pdf/pdf/com03_104_en.pdf

⁴ See External relations Council conclusions of 18 February 2008, http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/gena/98818.pdf

shortcomings of the Policy and its tools, where the approach did not allow the Union to respond adequately to rapidly changing circumstances and highlighted the wide gap between the stated objectives and actual outcomes.

With these uprisings in the Southern Mediterranean, the EC and the European External Action Service (EEAS) conceived a change in policy. Two further communications were published: first "A partnership for democracy and shared prosperity with the Southern Mediterranean"¹ on 8 March 2011, and secondly "A new response to a changing Neighbourhood"² on 25 May 2011.

The new approach was to be based on "mutual accountability and a shared commitment to the universal values of human rights, democracy and the rule of law... with a much higher level of differentiation allowing each partner countries to develop its links with the EU as far as its own aspirations, needs and capacities allow"³. The rationale behind the policy of incentives was still in place but differentiation would be more important and based on political and economic reforms. It was summarised by the VP/HR Catherine Ashton by: "Money, market and mobility".

As an immediate action the Commission adopted two financial packages, "Spring" and "EaPIC" for the Southern and Eastern Neighbours respectively, that would provide financial support "awarding" the well-performing partners.

The new approach was reflected in the new financing instrument for the ENP for 2014-2020, the European Neighbourhood Instrument.

However, since the introduction of the new approach in 2011, political developments in the Neighbourhood have drawn further attention to the fact that there is a need to rethink more radically the policy framework, assessing the tools and offers, incentives and conditionality, as well as their attractiveness to the EU's partners. These developments have also shown that the EU cannot ignore the foreign policies of other countries in the broader neighbourhood, and the role and influence of global partners such as US but also Russia and China and other countries such as Turkey, Iran and the Gulf States for example, however reminding that this should not impede EU's interests.

2. Policy flaws

Critical stances on the limitations of the ENP could be summarised as follows:

- A flawed conceptual framework based on the enlargement approach of incentives but in a dynamic process with accession perspectives.
- A Eurocentric nature, as the EU seems to fail to take into account the role and influence of other stake holders but also non-state actors (like ISIS for example).
- An inconsistent conditionality resulting from a political compromise between different interests⁴.

¹ See COM(2011) 200 final, http://eeas.europa.eu/euromed/docs/com2011_200_en.pdf

² See COM (2011) 303 final,

<http://eurlex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2011:0303:FIN:en:PDF>

³ IBID.

⁴ See the paper "Time to reset the European Neighbourhood policy", by Stefan Lehne, February 2014, <http://carnegieeurope.eu/publications/?fa=54420>

The policy is also criticised for its bureaucratic approach with lengthy administrative procedures, a single set of policy tools and a review too often replaced by a process of "ticking the boxes".

3. Current political context of the review

However, the EU is currently facing a double crisis: first a crisis of confidence in its model and institutions and second, the destabilisation of its neighbourhood. This has also an impact on the way the neighbourhood is perceived and on the way the EU is perceived in the neighbourhood. Both crises are intertwined and the EU's ability to answer the second one will depend on its capacity to address the first one. The EU therefore needs address the crises and conduct thorough review of the ENP. Only such process can lead to re-establishing the relevance of the EU's in external relations and ultimately achieve success in the South and East neighbourhood.

A parallel could also be drawn with the context in 2003 when the EU adopted for the first time a security strategy¹, as the EU is currently reviewing this strategy following the mandate given by the European Council on 19-20 December to the VP/HR to "assess the impact of changes in the global environment, and to report to the Council in the course of 2015"².

The consultation process should have been based on a prior assessment of the positive and negative aspects of the policy, of the use of its tools, and of the EU's offer towards partner countries. However the procedure of review has been somehow turned into a broad consultation, without yet any sound proposals for reform. It should also be clarified whether partners will be consulted again once a new policy is proposed. The EC should clearly provide an assessment of the policy over the last 5 years.

Finally, for the Policy to really succeed, the full and sincere engagement of the EU Member States towards the ENP is crucial.

III. Incorporating the "acquis" of 10 years of policy measures

When reviewing its policy, the EU still has to honour its commitments with its partners of the neighbourhood. In terms of market access for its closest partners, this entails the EU carrying on the negotiations of a Deep and Comprehensive Free Trade Agreement with Morocco with a view to bringing them to a successful conclusion and launching those with Jordan and Tunisia, following the mandate given by the European Council in 2011, and ensuring implementation of its commitments under the DCFTAs with Georgia, Moldova and Ukraine and supporting those countries in implementing their commitments .

Parliamentary scrutiny of the implementation of those agreements should be reinforced.

Mobility is a core issue for our neighbours. The future design of the ENP must enable creative

¹ See "A secure Europe in a better world", <http://www.consilium.europa.eu/uedocs/cmsUpload/78367.pdf>

² See European Council conclusions of 19/20 December 2013, https://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ec/140245.pdf

and ambitious solutions, in particular with regard to circular mobility. The current negotiations on visa facilitation and readmission agreements engaged with Jordan, Morocco and Tunisia have to be completed. Those concluded with Armenia, Azerbaijan, Georgia and Ukraine and the visa liberalisation with Moldova need to be fully implemented.

All the current programmes of assistance and cooperation committed for the current programming period should be respected and the review should take into account the need to integrate the "acquis" of relationships of cooperation established with partners, sometimes for 20 years (in the case of Tunisia for example).

However, the EU should review the existing agreements that will reflect the renewed ENP, establishing different types of contractual frameworks that foresee different levels of engagements. The agreements should be reviewed and upgraded according to the ambitions of partners, to demonstrated implementation of the already existing commitments and to resources available.

The EU should ensure that the revised ENP can provide a quick response to the situation on the ground, through the policy and its tools.

IV. Limited resources and the European Neighbourhood Instrument

When engaging with partners, the EU should also take into account the level of cooperation and assistance provided by the partners of the neighbourhood countries. The resources available by the EU for the "EU as a global player" until 2020 within the multi-annual financial framework, only amount to 6% of the total budget and cover all EU programmes including development and cooperation assistance.

The European Neighbourhood Instrument regulation will apply until 2020 and it is not intended to revise it for the moment. Combining a review process with a financing instrument that remains unchanged may prove difficult.

The mid-term review of the external financial instruments should take into account the review of the Policy. The ENI should therefore reflect the ambition of making the ENP more flexible.

Greater focus should be given to using technical assistance programmes such as TAIEX, Twinning, and including the partners in the Union programmes such as Erasmus, Horizon 2020, as they contribute to the sharing of knowledge and establishing networks at different levels, and are the basis for creating a Common Neighbourhood Area.

Moreover, considering the limited resources, the EU should focus on better coordination with other donors and international financial institutions, as well as on joint programming with its Member States.

V. Added value of action at EU level

1. A clear distinction between enlargement policies and the EU policy towards its neighbours
There should be a clear distinction between the Neighbourhood Policy and Enlargement Policy. Their objectives are different and any costs of engagement should reflect this. The

ENP should not be seen as a “waiting room” for membership. It is a policy in its own right. However, the EU should be clear that European countries can and are encouraged to apply for membership if they satisfy the criteria and conditions of admission under Article 49¹.

Recently, a number of Member States have launched an initiative regarding the "Updating of the ENP". For these countries, greater attention should be paid by the ENP to the EU's interests and those of our partners.

2. Differentiation and more for more

Differentiation responds to a necessity. The ENP is a single policy framework addressing a variety of situations and levels of cooperation with a single tool box mainly divided into three policy fields: market access, mobility and assistance and cooperation. It applies to a geographical area covering the Eastern and Southern neighbourhood including sixteen countries, sharing geographical proximity to the EU.

However, recently, the neighbourhood has become more fragmented than ever. The neighbouring countries differ in many respects, from their levels of economic development, political orientation to their cultural and historical backgrounds. Moreover, in relation to the EU the neighbouring countries show different ambitions merged with different expectations.

Therefore, the EU must create a more functional policy framework that could deal with such diversity, and differentiation should take place not only between Eastern and Southern partners but also among themselves.

The EU should invite non-association partner countries, for e.g. in the East, Armenia, Azerbaijan and Belarus, to engage in sectorial cooperation following a model of ENP Plus tools, including prospects for conclusion of sectorial agreements that would facilitate integration of the non-association partner countries into given sectorial parts of the single area of four basic freedoms of the EU.

3. Engagement beyond the Neighbourhood

There are many other strategic actors that have influence in the region- the “Neighbours of Neighbours”, but also international and regional organisations.

The EU must take them into account, as well as the contractual relations and engagements the ENP countries might have with them. Countries beyond the neighbours who are their strategic partners, should be engaged at different levels, such as in annual high-level meetings, also at parliamentary level. The EU should consider realistically the different policy options that its partners face and how to build bridges between these partners. Regional organisations, such as the Council of Europe, OSCE, African Union, the League of Arab States, are important fora to engage partners in carrying out reforms, address concerns on human rights, foster democratisation. The EU should take advantage of the expertise of these organisations and encourage partners to strengthen their engagement.

4. Support to democracy, reform of justice, rule of law, institutions capacity building

A strong asset of the EU is its model of democracy and the rule of law, especially in a

¹ See Treaty on the Functioning of the European Union

perspective of integrating the "acquis communautaire". Without the perspective of accession for the EU's partners, the incentive to undertake reforms should overcome their political, social or economic costs.

An added value of action at the EU level would be to focus on the strengthening or consolidation of democracy, the rule of law, the independence of justice, respect for minorities and diversity. Capacity building of national institutions, including their national assemblies, together with support to civil society and to political parties will enhance political dialogue and pluralism.

5. A diversified offer: priority sectors

Based on the priorities of integration into different policy fields as identified by partners and of the EU's priorities in engaging with them, the EU should focus cooperation on economic development, infrastructure and regional development, environment, competition policies, SMEs, migration, security, energy and energy efficiency, aiming at creating an area of prosperity and good neighbourliness. The externalisation of internal policies should be reflected in the new approach of the ENP as well.

First, once the Energy Union is consolidated, the EU should envisage expanding it with the aim of strengthening its energy security by involving the Neighbours, for example Ukraine and Moldova that joined the European Energy Community. The EU should look into gradual integration into the Energy Community of other partners.

Second, the ENP should step up its contribution to sustainable social and employment policies. High unemployment, especially among the young population, social exclusion, and poverty combined with a low level of participation of women are root causes of instability. DCFTAs alone will not tackle these issues. The ENP should initiate flagship initiatives to promote the creation of jobs and entrepreneurship in its neighbourhood.

6. Security dimension

Security and stability are basic concerns in the Neighbourhood. Out of the 16 ENP countries, eleven are directly affected by conflict, and these affect also relations with the other neighbours. The EU cannot disregard this basic fact in reshaping its policy towards its neighbours. The new policy should aim at ensuring that the countries have proper state structures to deal with these issues, such as effective law enforcement, intelligence and security which should be accompanied by proper parliamentary oversight.

There is the need for an overarching political strategy to restore the European political order under full respect of international law and commitments, as laid down in the Helsinki Final Act of 1975, based on respect of human rights, minority rights and fundamental freedoms, independence, sovereignty and territorial integrity of states, and peaceful resolution of conflicts.

As part of security component, the EU should focus on building capacities for protection of borders of the association partner countries as a part of promotion of their territorial integrity and state sovereignty.

The EU should not shy away from areas such as promoting security sector reform and engaging further in promoting and assisting the peaceful settlement of conflicts in the region,

with different tools and instruments, according to the added value it may provide, such as through its EUSRs, confidence-building programmes, CSDP Missions, etc. Last but not least, in its new policy towards its neighbours the EU should be enabled to show its solidarity when its partners are under threat.

7. Foster regional integration

Another added value of action at the EU level is the aim of developing regional integration. The regional cooperation programmes that have been established to date, though generating challenges for implementation, are important to bring inclusiveness among the Partners, and should be enhanced.

The new approach could aim at supporting further the regional integration when priorities identified by partners are similar for a policy field. The EU cooperation assistance should aim at bringing partners closer to each other in terms of economic standards and legislation.

VI. Policy objectives and tools

1. The new policy should be politically driven

The policy should be more strategic with a real political vision. It should be discussed regularly within the Council in order to fine-tune it to evolving circumstances on the ground as well as with the European Parliament in the presence of either the VP/HR or the Commissioner responsible.

In order to be efficient, the EU's approach should show a real flexibility and reactivity. The policy tools used in lengthy time-frame of negotiations should be adaptable to the national and EU contexts. This is a precondition for the effective implementation of a differentiated approach.

2. It should distinguish between objectives for the EU and for partners

The EU should identify its priorities and strategic objectives in the short-, medium- and long-term. It should clearly distinguish between its own priorities and those of its partners, aiming at conciliating divergent objectives. In defining its offer, it is essential that the EU looks at the specific interests and development of the country, and considers the interests of their societies (not only of the elites) and encourages their development. Most importantly the EU must return to its core values and principles and keep these at the centre when developing relations with the partners.

Local ownership is paramount for the new approach. EU policy, actions and financing, should be defined in accordance to local needs with a comprehensive approach benefiting all segments of societies and looking towards local development, reaching out to the remote areas.

3. Assessment tools and visibility

The Action plans, established in close partnership with the authorities in partner countries, should focus on a limited number of priorities to be implemented. Their implementation should be assessed on a regular basis with policy options which could be commonly agreed.

The progress reports should focus on the implementation of the priorities identified in the action plans, and reflect the level of engagement of the partner country. The data contained should be put into perspective by reference to the national context and by including trends from the previous years.

The visibility of EU assistance has to be enhanced to show clearly to the populations in the partner countries the benefits of EU support. Such assistance should also show clear benefits for the EU's citizens. The capacity to counter propaganda should be enhanced.

In line with the new approach, communication campaigns should be differentiated as well, with messages shaped to the targets, in order to best explain the EU and gather support for its further integration. The campaigns should not be focused only on the capitals, but reach out to the regions and local communities. The EU delegations in the countries, as well as the EP when visiting the ENP countries, have a crucial role to play in this area.

The revised European Policy should be renamed in order to express that it is the EU partnership for democracy and prosperity with countries of its neighbourhood.
