



Outline of conference speech:

“How to improve the European Neighbourhood Policy? Concepts, perceptions and policy recommendations for its Eastern dimension”

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Panel 2: Changing the perspective: the ENP from the Eastern Partners’ view

Ukraine

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The European Neighbourhood Policy (ENP) has been a policy in the making since the moment it was launched and undergone significant evolution ever since. Thus, the ENP saw several of the European Commission’s Communications and different EU member states’ initiatives, all of which have contributed to the evolution of the ENP. Three dimensions of this evolution can be identified. Firstly, the geographical outreach of the policy has changed. Secondly, the vision of the degree and the mode of integration of the partner countries with the EU has changed. Thirdly, the set of tools aimed at supporting the reform process in the partner countries has increased and improved. In addition, the approach towards fostering cooperation among the partner countries has changed, whereby the multilateral dimension has been offered to the Eastern neighbourhood with the launch of the Eastern Partnership Initiative. Nevertheless, it seems that the bilateral dimension of the EU’s policy towards the Eastern Neighbours will and should prevail, with the multilateral approach being a supplementary one.

Evolution of the ENP and Ukraine’s contribution

This evolution of the ENP can be explained by the fact that the policy lacked clear design and strategy from the very beginning. The approach behind the ENP was that something needed to be done about the EU’s neighbourhood in view of the biggest ever enlargement. The ENP was neither clear about the degree of rapprochement with the EU of the neighbouring countries, nor about the attention and resources the EU would be ready to allocate to support reforms in the neighbourhood. After all, the specific goals or the finalité of the ENP have never been specified. Largely due to its ambiguity the ENP produced various

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interpretations and perceptions of the policy among the partner countries. While some partner countries accepted the policy or were rather indifferent about it, other partner countries, notably Ukraine, never accepted the ENP. The country, which has aspired EU membership, viewed the ENP as a substitute to enlargement, which it could not accept. The ambiguity of the ENP after all allowed sufficient degree of flexibility in terms of its implementation, whereby certain partner countries would be ready to move ahead faster and in this way contribute to the very shaping of the ENP.

As the result, Ukraine has become the flagship country of the ENP and in many ways provoked the evolution of the policy into what it is now. For instance, as a reaction to the Orange Revolution, the EU-Ukraine Action Plan signed in February 2005 was supplemented with the so-called 'List of Additional Measures', which contained new incentives as compared to the version of the Action Plan adopted by the EU Council originally in December 2004. The European Commission's Communication on strengthening of the ENP of December 2006 known as the ENP Plus initiative¹ extended these incentives to other ENP countries. Another example is that of the Association Agreement. This name of the agreement was agreed upon during the EU-Ukraine Summit of September 2008 to replace the working title of the New Enhanced Agreement. Subsequently, with the launch of the Eastern Partnership Initiative, all the ENP's Eastern Partners were offered Association Agreements to replace the current Partnership and Cooperation Agreements in the future.

By now the ENP has become a policy, which can be labelled 'enlargement light'², although the ENP resembled enlargement from the very onset as argued by many scholars.³ This can be explained by the institutional inertia factor, whereby the European Commission in its developing and managing the ENP applied the expertise it acquired while managing enlargement⁴. Secondly, due to its eastward enlargement and by the time the ENP was launched, the EU had arguably emerged as a stronger and more self-conscious reform-promotion actor with relevant implications for its external policies⁵, the ENP being one of those.

¹ European Commission (2006), Communication from the European Commission to the Council and the European Parliament on Strengthening the European Neighbourhood Policy. Brussels 4 December 2006. COM(2006)726 final. http://ec.europa.eu/world/enp/pdf/com06_726_en.pdf.

² N. Popescu, "The EU's Sovereign Neighbours", European Council on Foreign Relations. (December 1, 2008); http://ecfr.eu:80/content/entry/commentary_the_eus_sovereign_neighbors/.

³ Kelley, J. (2004), "International Actors on the Domestic Scene: Membership Conditionality and Socialization by International Institutions", *International Organisation* 58 (Summer 2004), pp. 425-457. Emerson, M. and Noutcheva, G. (2004), "Europeanisation as a Gravity Model of Democratisation". *CEPS Working Document No. 214/November 2004* (Brussels: Centre for European Policy Studies). http://shop.ceps.eu/BookDetail.php?item_id=1175. Kratochvil, P. (2006) (ed.), *The European Union and Its Neighbourhood: Policies, Problems, and Priorities* (Prague: Institute of International Relations).

⁴ The ENP was launched by the Romano Prodi Commission. More specifically, the DG Enlargement of the Commission dealt with the policy and many people dealing with the 2004 enlargement were charged with the ENP at that time. Only after the new Commission was appointed in 2004 the ENP became the matter of responsibility of the DG External Relations and ENP.

⁵ Sedelmeier, U. (2003), *EU Enlargement, Identity and the Analysis of European Foreign Policy: Identity Formation through Policy Practice* (European University Institute, Robert Schuman Centre for Advanced Studies).

Dimensions of the ENP: geographical perspective, the degree of integration with the EU, and support to the reform process in the partner countries

Where *geographical perspective* of the ENP is concerned, the initial 2002 British-Dutch idea of the neighbourhood status to Belarus, Moldova and Ukraine⁶ developed into the policy targeted at the entire EU neighbourhood in the East and the South during 2003-2004⁷, and by the end of 2008, with the launch of the Eastern Partnership, the clear trend of separating the Southern and the Eastern dimension was back to the agenda⁸. This even made some analysts argue that such a geographical separation means the death of the European Neighbourhood Policy⁹. Whatever the Eastern Partnership means in terms of the prospects of the ENP as a framework policy to cover all the neighbours of the EU, the undeniable achievement of the Eastern Partnership is the inclusion of Belarus, which was largely excluded from cooperation with the EU before that.

Where *the degree and mode of integration with the EU* is concerned, several ideas have been articulated, but neither of those has become a reality as of yet. The ideas expressed so far included those of sharing with the partner countries 'everything but institutions'¹⁰, extending to the partner countries the EU's 'four freedoms'¹¹, and a more vague 'stake in internal market'¹². The recent debate has given birth to an interesting idea of sectoral integration, whereby the partner countries can even have access to EU institutions in some sectors, similarly to the mode of cooperation of the EEA¹³ countries with the EU¹⁴. Deep and comprehensive free trade area (which is a stake in internal market, although the size of the stake is subject to negotiation) and sectoral integration sound like realistic projects, but are not credible until the moment they become part of the EU-Ukraine Association Agreement currently under negotiation. Even if these 'projects' are agreed upon, it still takes time before they are implemented and therefore demonstrate their effectiveness. In any case Ukraine will need to set the precedent as the first country, which is likely to have the Association Agreement with the EU concluded. Additional element of integration of the partner countries with the EU is that of visa liberalisation with the prospect of the visa free travel in the future.

⁶ In April 2002 the foreign ministers of Great Britain and Denmark proposed to offer 'special neighbors' status to Ukraine, Moldova and Belarus.

⁷ Two Commission's Communication – one in March 2003 and another one in May 2004 - appeared. The three Caucasus countries were included into the policy in 2004.

⁸ See Brussels European Council Presidency Conclusions, 11-12 December 2008. #17271/08.

http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/ec/104692.pdf. See also European Commission (2008), Communication from the Commission to the European Parliament and the Council "Eastern Partnership", COM(2008) 823/4.

⁹ See Gromadski, G. (2008), Five Theses on European Neighbourhood Policy. Policy Brief of the Stefan Batory Foundation, Warsaw, September 2008. http://www.batory.org.pl/doc/ENP_policybrief.pdf

¹⁰ The formula expressed by the President of the European Commission Romano Prodi in 2003.

¹¹ European Commission (2003), 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". Brussels COM. (2003)104 March 11, 2003. http://ec.europa.eu/world/enp/pdf/com03_104_en.pdf.

¹² European Commission (2004), Communication from the Commission to the Council and the European Parliament "European Neighbourhood Policy. Strategy Paper". Brussels COM. (2004) 373 May 12, 2004. http://ec.europa.eu/world/enp/pdf/strategy/strategy_paper_en.pdf

¹³ European Economic Area, which today includes Norway, Iceland and Liechtenstein.

¹⁴ Duleba, A., Najšlová, L., Benč, V., Bilčík, V. (2008), *The Reform of the European Neighbourhood Policy* (Bratislava: Research Center of the Slovak Foreign Policy Association).

Similarly to the deep free trade area prospect, the visa free prospect can only become credible if the visa free roadmaps will be signed with the partner countries similarly to the roadmaps signed with the Western Balkan countries.

Finally, where *the tools to support the reform process* are concerned, the ENP initially lacked those. However, those appeared in the process and mostly as the response to development of EU-Ukraine relationship, whereby the new tools offered to Ukraine were also offered to other neighbours as shown above. The ENP Plus initiative of December 2006 and the Eastern Partnership initiative are of particular importance here. Thus, certain conditionality was introduced to the ENP, although it has so far remained very vague from the perspective that the incentives are rather long-term, while no specific reform objectives are linked to specific short-term rewards. In addition, the European Commission introduced regular monitoring, which now takes place every spring in the form of the Progress Reports. The problem with the monitoring is that it is based on what has been achieved as compared to the previous report, not as compared to the objectives, which both the EU and the partner countries would share (the equivalent of Copenhagen criteria for the accession countries).

In addition to conditionality, supplemented with monitoring, the European Union (the European Commission together with the partner countries) offered new socialisation channels to the partner countries. This includes socialisation on the elite level within the multiple channels for political dialogue and developed bilateral institutional setting, as well as socialisation on the level of civil society, academia and other professional groups via different programmes of the European Commission and the member states. Finally, different forms of assistance on the part of the EU, including individual member states, play an important role in supporting the reform process. This concerns not only financial assistance, but also such forms of assistance as guidance for the reform process and administrative capacity-building programmes, which require substantial human resources on the part of the EU.

Why bilateral dimension?

The bilateral dimension has so far prevailed in the EU's policy towards the Eastern neighbours. Although the Eastern Partnership introduces the multilateral dimension, there are good grounds to regard the bilateral dimension as a primary one and such that can better help to achieve the objectives of the ENP. If we assume that the EU is interested in confirming its role of the strong international player who is able to project its norms and values to surrounding countries and regions, and also that the EU aims at securing itself, to which democratic, well-governed and, prosperous neighbours can certainly contribute, the bilateral approach would play an important role.

Firstly, different Eastern partners of the EU have different objectives in terms of their relationship with the EU. Given this, the EU has different leverages to influence those countries. Ukraine, Moldova and Georgia aspire EU membership and are therefore less immune to the EU's pressure than Armenia and Azerbaijan, who are less interested in becoming members of the EU. On top of that, energy resources, which Azerbaijan possesses, make it more resistant to any external pressure. Secondly, different EU neighbours are ready to progress in their rapprochement with the EU on different pace. The development of the EU's relationship with the Eastern neighbours so far has revealed these differences in the approach, with Ukraine having been willing to move ahead faster than the other neighbours. Therefore, the bilateral approach makes the EU more flexible in terms of recognising the needs and capabilities of different neighbours. Already now it is clear that, for instance, the deep free trade area Ukraine and the EU are negotiating will be different from those the EU will come to negotiate with the other neighbours. The same concerns sectoral integration, the degree of which might be different depending on the country in question. As the result the contents of the Association Agreements the EU will conclude with its neighbours in the future will presumably differ significantly, unlike the Partnership and Cooperation Agreements that are rather similar. Finally, support to the reform process in the neighbourhood countries might require different tools on the part of the EU, depending on the reform needs of the partners and their receptiveness to specific tools. For instance, financial assistance is probably the weakest tool the EU can offer to Azerbaijan, which even refused from the ENPI funding at the beginning. On the contrary, financial assistance might be appealing to rather poor countries such as Moldova and Georgia.

The multilateral dimension is nevertheless a good idea for the region, which since the collapse of the Soviet Union has experienced only disintegration. The multilateral dimension might help the countries of the region to share the experience of the reform process and integration with the EU. For the time being it is difficult to say how and what kind of experience might be relevant, but cooperation via the multilateral institutions of the Eastern Partnership might help to identify the issues of common interest. Similarly, multilateral dimension is needed in order to tackle common challenges, such as illegal migration, protection of environment, and development of transportation routes among many others. From the latter perspective, it is not only an opportunity to discuss and debate, which is needed, but also common capacity building projects for the border guards, environmental agencies and other professional groups from the Eastern Partnership countries.