

Elements for an Eastern Partnership Plus

A New Association Package for Moldova, Georgia and Ukraine

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Policy Paper on Eastern Europe and Central Asia

ISSN 2625-459X

No 05/15

In this **Policy Brief on Eastern Europe and Central Asia** the authors Katrin Böttger and Cristian Ghinea address the restructuring of the joint initiative named the Eastern Partnership (EP). Against the backdrop of a reinforcement of cooperation through the signing of Association Agreements with Georgia, Moldova and Ukraine, the authors submit their proposals and recommendations for the implementation of an “Eastern Partnership Plus”.

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IEP Policy Briefs on Eastern Europe and Central Asia are published in the framework of the research project “**The EU’s policy towards Eastern Europe and Central Asia – A key role for Germany**”. This project, which aims at analysing the EU’s relations with its East European and Central Asian partners and the role of Germany therein, is led by the deputy director of IEP, Dr. Katrin Böttger and financially supported by the Otto Wolff-Foundation.

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The Eastern Partnership summit in Riga on 21 and 22 May 2015 is the second one (after the Vilnius summit in November 2013) which brings on more criticism than engagement and also fails to deliver on overoptimistic expectations. This paper argues that while Eastern Partnership (EaP) is a success, it has also reached its limits in the current form and thus a reshuffle is necessary.

The EaP was created as a special offer made by the EU to its Eastern vicinity. What differentiated this category of neighbours from the EU neighbours in Northern Africa and the Middle East was a presumed desire for ever closer relations with the EU, moving towards membership for some of them.

Six years after launching the EaP, three of the six countries signed and started to implement Association Agreements (AA) with the EU. We argue that these documents are more important in reality than the public debate on the EaP would imply. We also argue that the three AAs create, in fact, a new category of associated countries. The EU should acknowledge this new association package as such, meaning that on the one hand, the EU is ready to invest massively in reforming these societies but, on the other hand, the EU is not yet ready to offer them a membership perspective, even though this has gained support since 2009.

The debates on the EaP tend to focus currently on the membership perspective and ignore or diminish the importance of reforming and changing these countries. This is unfortunate. The membership perspective became an obsession for the political elites but it would change little in practice. The EU is in crisis and, inward-looking; this will be the case for

the next 10 years. No enlargement is on the agenda. Thus, EaP countries lose nothing by accepting to focus on the implementation of the AAs. Membership perspective is not the most important issue for the EaP countries, but the reforms are. The two authors of this paper have different views on whether the perspective should be offered at this point in time or not, but we agree that its real value is overstated.

These countries should focus on reforms, and the political decision-making inside the EU will take this into consideration. We acknowledge the value of a membership perspective in the internal debates in each of the EaP countries, but we recommend them to focus the debate on the real changes and reforms already agreed in the AAs.

These observations are valid for the three countries within EaP which signed AAs.

The other three are in very different positions – Belarus is playing its geopolitical card without internal liberalisation, Azerbaijan is deepening in illiberalism without any interest in association, while Armenia is looking to combine membership in the Eurasian Economic Union with a new kind of agreement (Association Agreement Minus) with the EU. In this context, the EaP's initial EU + 6 format is not working.

The Riga Summit was not a failure because no real and achievable result could address the very different positions of the six countries. Riga should be the last summit to try to accommodate all of them in the same format. An EU + 3 + 1 + 1 + 1 format is much more plausible with an Eastern Partnership Plus Association Package.

In order to take a pro-active approach, the European Union should redefine its Eastern Partnership to accommodate both its own interest for deeper integration with its immediate neighbourhood and to offer these neighbours as much support as possible in their transformation processes.

In doing so, it should be kept in mind that the Eastern Partnership is not a failure when looking at the development of the relations with the three countries mentioned above since its inauguration in 2009. The Association Agreements, including Deep and Comprehensive Free Trade Areas, prepare them for even deeper integration with the European Union.

In its redefinition, the Eastern Partnership should maintain its multilateral instrument but crown these with the above mentioned Eastern Partnership Plus that focuses on supporting Moldova, Georgia and Ukraine in the implementation processes of their AAs/DCFTAs with a New Association Package.

While the concluding of the AAs/DCFTAs is an important step in the relations of these three countries with the EU, it is only the beginning of a long and daunting implementation process that will fundamentally change the legal and administrative structures of these countries. After all, the Association Agreements are legally binding documents very similar to the Europe Agreements the EC signed with the Visegrad countries in the 1990 and especially the Stabilisation and Association Agreements the EU signed with the Western Balkan countries as part of their accession process. By implementing the Association Agreements, Moldova, Georgia and Ukraine will adopt up to 80% of the EU *acquis*, which will put them on a track that could eventually lead to membership as it prepares them for the accession process.

Rather than insisting on an immediate membership perspective, the governments of these countries should focus on implementing these reforms that will not only prepare them for potential deeper integration with the EU but also increase their standards in all policy areas. As some examples in the Western Balkans (Bosnia and Herzegovina, Macedonia) and Turkey show, membership perspective should no longer be seen as sufficient condition for triggering a successful transformation process. The public enthusiasm for an accession perspective would quickly fade and make place for disappointment when experiencing the long and rocky path towards membership. Focusing on long term perspective may even encourage the lack of attention to short term reforms and deliveries for the common citizens. The Western Balkans proves this could bring on another sort of enlargement fatigue, this time from the other side.

Therefore, the governments of these three countries should take the lack of membership perspective as an “on hold” option (neither “Yes” nor “No”), and should rather focus on implementing the Association Agreements.

They should even tell their citizen the truth behind this “on hold” option; the EU, through the AAs, invests in reforming these countries and in bringing their citizens solid public goods (functional institutions with less corruption, access to the EU markets, higher standards for goods). The narrative should be focused not on the long term European perspective but on short term tangible Europeanization through the AAs.

Of course, the national governments should be capable of implementing the AAs and successfully delivering the public goods. As the example of Moldova (the most advanced country in the EaP) shows, the pro-EU politicians are often inept and corrupt, so the pro-EU citizens need to find new champions for their cause after each round of elections.

An Eastern Partnership Plus should strive to support the implementation process of the Agreements in practical and financial terms. It should do so both on a bilateral and on a multilateral level.

Possible bilateral elements of a New Association Package could be:

- Annual progress reports (going beyond the ENP progress reports) clearly measuring the country's progress by AA and DCFTA chapter and giving concrete recommendations on next steps, similarly to the way Visa Liberalisation Plans are implemented;
- special funds besides the DCFTA facility for SME used to support the implementation of the AAs/DCFTAs in their various sectors;
- special funds for the intercultural dialogue foreseen between member states and Eastern Partnership countries' civil society and cultural institutions;
- Possibility of the Eastern Associated countries to participate in all EU wide cooperation programmes on an opt-in principle. A good example is the Horizon 2020 Programme. Moldova signed its association to Horizon in July 2014 together with Western Balkans countries, and Ukraine joined in March 2015. It is a good precedent, and other Programmes should be opened to the EaP Plus package (LEADER programme on rural development would be another good start).

Possible multilateral elements of a New Association Package could be:

- Annual comparative reports giving best practice examples from the three countries along with concrete steps undertaken and contact details for the public servants responsible for this success;

- special funds used to support the exchange of the civil servants in the bodies responsible for the implementation of the AAs/DCFTAs (in case of Ukraine Government Office for European Integration – GOEI);
- Working groups of Moldova, Georgia and Ukraine as well as the EU-Commission and representatives of newer EU member states on specific DCFTA chapters to exchange best practices;
- Working groups of the various civil society institutions foreseen in the AAs/DCFTAs of all three countries.

Within the framework of the Eastern Partnership Plus, separate additional meetings can be scheduled for the Eastern Partnership summits during which declarations can be formulated that do not need to accommodate the other three Eastern Partnership countries of Armenia, Azerbaijan and Belarus. They would, however, be open for one of those countries to join the group given their advancement to a similar level of integration with the European Union. The 1+1+1 countries should receive special care so that such a change is seen as encouragement as opposed to abandonment; they can always join the EaP Plus package provided the reforms and political will to do so.

For the time being, these three countries are not only in a very different situation than Georgia, Moldova and Ukraine, but their interests and relations with the EU are also not comparable amongst them. Armenia is looking for a formula to have an Agreement including a Free Trade Area with the EU that is compatible with the Eurasian Economic Union. Therefore, Armenia could be a model for Belarus, but only in the long term. Azerbaijan is different and only interested in an Agreement with the EU, but without a DCFTA.

Beyond the New Accession Package, a reformed Eastern Partnership would also have to proactively deal with reconciling with the Eurasian Economic Union not only in the case of Armenia but also beyond that. This would allow all EaP countries to continue trade relations also with Russia.

In order to achieve this, working groups should be established on several levels:

- Between civil servants of the EU-Commission and the Eurasian Economic Commission;
- Between the Eastern Partnership countries and the member states of the Eurasian Economic Union.
- This process of reconciliation could be accompanied by trilateral Civil Society Dialogue fora (e.g. EU-Ukraine-Russia).

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Supported by:

B | S | T The Black Sea Trust
for Regional Cooperation
A PROJECT OF THE GERMAN MARSHALL FUND

The publication is part of the project “**Regional Cooperation Romania-Moldova-Ukraine – key for stability in the post-Crimea Black Sea Region**”, financed by the Black Sea Trust for Regional Cooperation.