# The European Neighborhood Policy: Challenges for the Eastern Partnership: what's next?

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### **Abstract**

The world we are living in changes day by day. To adapt better it is important to know what challenges exist. In this research paper I will focus my attention on the European Neighbourhood Policy of the European Union and more precisely on the Eastern Partnership in order to understand what were the reasons to create such a platform, what are the priorities and how it must change in order to ensure the spreading of the democratic values and European standards outside the EU borders. The methods used in this research paper are chronologically and progressive analysis.

Keywords: European Neighborhood Policy, Eastern Partnership

## 1. Introduction

Eleven years have passed since the launching of the European Neighbourhood Policy, a project of the European Union aiming at becoming much more than the policy framework governing the relations with adjacent regions. The ENP is considered an umbrella for a growing number of sub-regional initiatives, such as the Black Sea Sinergy (BSS), the Eastern Partnership (EaP) and the Union for the Mediterranean (UfM).

In 2004, after the largest accession wave, the European Union was inspired to bring the values governing it across its boundaries. Now is becoming clearer that this ambitious goal of expanding the "zone of prosperity, stability and security" is difficult from being achieved. In this research paper I will underline which are the major challenges faced by the EU and its neighbours and what can be changed in their relation, focusing mostly on the Eastern Partnership.

Today, the EU's neighbourhood became more politically fragmented and unstable. The 6 countries from the Eastern Partnership face regional instability, coming from the Russian growing influence in the region, while the Mediterranean neighbours come back to their religious and traditional values, opposing the

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European ones. With the exception of Azerbaijan and Lebanon, predominantly the Muslim countries in the ENP tend to favor the application of Islamic law (sharia) or at least parts thereof and an increased role for religious leaders in politics.

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Digging back into history, we can remember the Presidency conclusions of the December 2002 Copenhagen European Council included a section devoted to "The enlarged Union and its neighbours". At that time, the 15 EU member states to "take forward relations with neighbouring countries based on shared political and economic values", the Union remaining "determined to avoid new dividing lines in Europe and to promote stability and prosperity within and beyond the new borders of the Union", concluding that "the enlargement will strengthen relations with Russia". But the aim of getting closer to Russia did not happen, on the other side the relations worsened. By tracking the EU-Russia relation during time, I will try to make a link to the present problems and why now we are facing a crisis of paradigm concerning the Eastern Partnership.

In 1994, on the island of Corfu, Greece, was signed the far-reaching Partnership and Cooperation Agreement (PCA) with Russian Federation. The president Boris Yeltsin in his speech promised to "do everything possible to support European integration". The PCA entered into force in 1997. Under this agreement, a complex structure of cooperation was set up. At the highest level, there were to be 2 summit meetings every year between Russia and EU, and at lower level, a network of different committees and councils that would cover different areas and subjects. The problem that appeared in this ambitious settled structure is that the Russian side intended to discuss all problems at the highest level, not trusting the EU horizontal model of role distribution. And more important than that, the era of Yeltsin ended up, Russian Federation under Vladimir Putin has taken a different perspective toward foreign policy with the Western partners. Russia requested to be treated as a separate actor, not as part of the ENP. In the meantime the first Country Reports and Action Plans were drafted by the European Commission (and the former High Representative for CFSP issues) and the European Neighbourhood and Partnership Instrument (ENPI) entered into force on 1st January 2007 within the framework of the 2007-2013 financial perspectives. Russia was not included as such in the ENP framework, though benefiting from the ENPI funds. During the summit in St Petersburg in 2003, four common spaces between Russia and EU were settled. In Moscow in 2005, agreement was reached on very ambitious "road maps"

<sup>4</sup> European Council, Presidency conclusions, The enlarged Union and its neighbours, Copenhagen, 12 and 13 December 2002, point 22. http://ec.europa.eu/research/ era/docs/en/council-eu-27.pdf.

<sup>&</sup>lt;sup>5</sup> Excerpts of Yeltsin's speech on that occasion can be found at "Athens News Agency Bulletin", Hellenic Resources Network, 25 June 1994, available at http://www.hri.org/news/greek/ana/1994/94-06-25.ana.txt.

for the common economic space, the common space of freedom, security, and justice, the common space for external security, and the common space of research and education. Afterwards we all can remember the Ukraine's Orange Revolution (2004), Georgia's war (2008), Ukraine's war and annexation of Crimea (2014) and other regional events that changed the paradigm of relation between Russian Federation and European Union and even more destabilized the world peace. The Partnership and Cooperation Agreement with Russia expired in 2007 and after the events in Georgia, the launch of negotiations toward a new cooperation platform were postponed. In November 2009, in Stockholm talks started on the so-called Partnership for Modernisation, which was officially launched at the summit in Rostov in June 2010 (during Medvedev presidency). In 2012 Putin returned to take a third term as president of the Russian Federation. This mandate is marked by geopolitical actions that begin to be taken and more important by creating and consolidating the Euroasian Union with Kazahstan, Belarus and other countries willing to join. Instead of moving step by step towards the often discussed free trade area from Lisbon to Vladivostok, Russian policy now sought to establish a customs union with in international perspective fairly high tariff barriers and numerous restrictive practices. We can mark the EU – Russia relation as a failure, which made even more difficult to develop an effective Eastern Partnership policy.

And now let's come back to the values promoted by the European Neighbourhood Policy and to see where exactly it failed. The ENP is based on the EU's own model of economic integration, political and regional cooperation. Here we can bring the notion of "normative power", which EU claims to be. This term can be understood as "the ability to define what passes for normal in world politics" and the most important factor shaping the EU's international role "is not what it does or what it says, but what it is". European Union is not just a political block, but as well an economic one. So, near the term of "normative power", we can underline the term "market power Europe". Gissle Bosse argues that there is no coherent discourse on values nor an agreement among EU actors or among and within ENP partners on the contents and significance of these values. Furthermore, there is a gap between the political rhetoric on shared values and the capability to enforce these values.8 When transferring the values of a space outside its boundaries it is important to take into consideration the local features and realities. But in this respect, the EU has backlogs. Not only European Union has problems at this chapter. Generally, it is almost impossible to bring values abroad and to expect that

http://onlinelibrary.wiley.com/doi/10.1111/1468-5965.00353/pdf

<sup>&</sup>lt;sup>6</sup> 15th EU Summit: Road Maps for Four Common Spaces", European Commission, available at http://ec.europa.eu/research/iscp/pdf/ policy/russia\_eu\_four\_common\_spaces-%20roadmap en.pdf.

<sup>&</sup>lt;sup>7</sup> Normative Power Europe: a contradiction in terms?

<sup>&</sup>lt;sup>8</sup> Values in the EU's Neighbourhhod Policy: political rhetoric or reflection of a coherent policy? http://eper.htw-berlin.de/no7/bosse.pdf

everyone will be happy by implementing them. Even inside the EU, not every member state perceive the values in the same way.

Let me bring an example of the ambiguity of values. The first 'Wider Europe' Communication of the European Commission (2003) referred to shared values with a footnote to the Charter of Fundamental Rights of the EU, whereas the ENP Strategy Paper one year later focused on international standards, including human rights conventions of the United Nations, the Council of Europe and the Organization for Cooperation and Security in Europe. Let us remember that these values should be put up in practice by some Action Plans. Having these ambiguities in defining them, you can't expect to have clear results. I will focus my attention on the 6 countries from the Eastern Partnership: Azerbaijan, Armenia, Belarus, Georgia, Ukraine and Republic of Moldova. Even between these countries are differentiations which make difficult to unite them under the same umbrella of values and principles. At the previous review of its European Neighbourhood Policy in 2010-11, the EU introduced the more-for-more principle: the EU will develop stronger partnerships and offer greater incentives to countries that make more progress towards democratic reform – free and fair elections, freedom of expression, of assembly and of association, judicial independence, fight against corruption and democratic control over the armed forces. As an example the "morefor-more" principle has worked when Moldova signed the Visa Liberalization Agreement, but from my personal perspective there is no vision how in future will be applied this principle. EU is coping now with extremely challenging problems: euro-zone crisis, humanitarian/immigration crisis. The ENP and more precisely the EaP with the geo-political problems it brings is not anymore a top priority on the EU's agenda.

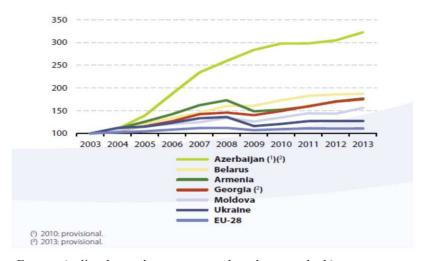
The two groups of countries (those that signed an AA and those that didn't) from the EaP are by no means homogeneous. In particular, Armenia, Azerbaijan and Belarus have very different expectations vis-à-vis the EU. Moreover, while AAs and DCFTAs were signed with three countries only, other EU instruments (starting with visa facilitation/liberalisation) cover all six countries. Above all, the EaP countries face common challenges emerged from the post-Soviet transformation.

The limits of the Eastern Partnership can be better seen in the case of Armenia. Between 2010 and 2013, Armenia reformed in line with the EU Directives, but on September 2013 they announced the decision to join the Euroasian Customs Union. The EU has shown flexibility in this relation, by opening in 2015 the possibility of the European Union and Armenia signing an association agreement without its free-trade component. Speaking on January 20 after a meeting in Brussels with Armenian Foreign Minister Eduard Nalbandian, Johannes Hahn said that the EU "should make best possible use of the already existing association agreement which we negotiated and safeguarded for future reference," and added that it needs "to be adjusted in order to reflect the new context but the substance of its political part I hope should be kept." Until it is signed the

political part of the agreement, a way to continue the cooperation EU – Armenia could be by enhancing and strengthening the role of the civil society. In the Single Support Framework 2014-2017, support to civil society is defined as "complementary" with only 5% of total funds allocated to this priority. The EU should consider increasing this amount. Azerbaijan and Belarus are another case in the Eastern Partnership that proved its pitfalls. Still, a degree of cooperation with EU should be maintained. The most important are the people-to-people contact, supporting the civil society and stronger links in energy and technical cooperation.

By signing the Association Agreement and the DCFTA, Georgia, Ukraine and Republic of Moldova have taken massive commitments in terms of harmonization to the EU standards and regulations. An effective implementation of these agreements will be possible only with the sustainable support from the European Union. In the case of the Republic of Moldova, the EU has stopped the macro-financial assistance, due to the political instability and financial-banking crisis. Until the country signs an agreement with IMF, there will be no financial support from EU. In reality this means, that the assistance will come not earlier than in March 2016, after the election of the president of the country. A difficult winter is ahead, the Russian Federation by all means puts pressure on the region and the citizen's believe in the association with the EU decreases day by day.

It is important to look at the macro-economic indicators to see the economic performance of the EaP countries.



Tabel 1. Development of the GDP volume, 2003-2013

Source: Eurostat (online data codes: enpr\_ecnagdp and nama\_gdp\_k)

As shown below all 6 countries recorded a much faster expansion in economic activity, compared to the EU-28. Azerbaijan and Belarus experience the

biggest increase in GDP. The key economic statistics presented in the compact guides of the Eurostat<sup>9</sup> illustrate the situation until 2014. We should take into account that in 2015 both the EU and the EaP countries were even more influenced by the financial economic crisis, regional and the refugee crisis.

GDP per capita in the EU-28 averaged EUR 25 700 per inhabitant in 2013, which is much bigger than the GDP per capita in any of the EaP countries. From the figure above, we see that the lowest GDP per capita has Republic of Moldova, of less than EUR 2000. Azerbaijan, a rich in oil country even though has the highest GDP from the EaP countries, has 4 times less than EU-28 average.

This data shows us the huge difference that exists between the EU-28 and the EaP countries and how accurate should be the economic measures and policies applied. Unfortunately, the differentiation criteria does not work accordingly and the expected results are delayed.

6 000 5 000 4 000 3 000 2 000 1 000 0 Belarus Ukraine Georgia Moldova Azerbaijan Armenia (2) (1) (3) 2003 2013 (1) 2013: provisional. 2) 2013: Eurostat estimate Estimated using the average population without Transnistria.

Table 2. GDP per capita, 2003-2013

Source: Eurostat (online data code: enpr ecnagdp)

## Conclusion

Concluding, the European Commissioner for European Neighbourhood Policy and Enlargement Negotiations, Johannes Hahn in his speech in front of the European Parliament from 30 September 2014, shows his determination for helping the countries that signed the Association Agreement/DCFTA "I am determined to ensure Ukraine, Georgia and Moldova get all the support they need to make their own democratic choices, and to undertake the necessary political and economic reforms." This means that there is still support for the Eastern Partnership

<sup>9</sup> http://ec.europa.eu/eurostat/documents/4031688/6192590/KS-04-14-896-EN-N.pdf/12402a59-85a2-479a-afe8-21cee7cdc738

Project. In my opinion, there should be a clear position from all the member states concerning the neighbours, both from South and East. Some reforms have been undertaken by the countries. In 6 EaP countries the internal political situation is externally dictated and influenced to some extent. The geopolitical issues are a matter that should be tackled at the EU level. Despite the problems, it is needed bravery to continue the reforms. In the last Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the regions it is expressed a soft position towards Russia: "The EU's relations with the Russian Federation have deteriorated as a result of the illegal annexation of Crimea and Sebastopol and the destabilisation of eastern Ukraine. There are several issues pertaining to the region on which constructive cooperation would be helpful in terms of addressing common challenges and exploring further opportunities, when conditions allow". 10 The introduced term of "constructive cooperation" leads us to the idea that a communication strategy should be enforced and conducted in order to address the ambiguities in the perception of the EaP, majorly by important Eastern actors such as the Russian Federation. And finally, we can't have feasible reforms unless there is strong local ownership and adjustment to the local patterns. Here I underline again the application of the "differentiation" and "more for more" principle. And even more important, for continuing the successful implementation of the EaP, there is a strong need in defining the strategy and objectives concerning the geopolitical issues.

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