



Getting on the Right Track: The EU Eastern Partnership

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The EU's Eastern Partnership with the Ukraine, Moldova, Georgia, Armenia, Belarus and Azerbaijan has now been in place for two years. But the EU is not looking eastwards much these days – it is looking inwards to tackle the aftermath of the financial crisis, and south to the Arab Spring. At the same time, the enthusiasm of the Eastern partners seems to be fading. The EU Commission's recent review of the European Neighborhood Policy points in the right direction but if the partnership is to make any sense, it is necessary to make it more attractive.

On 25 May 2011 the EU Commission and the High Representative presented a strategic review of the European Neighbourhood Policy: 'A New Response to a Changing Neighbourhood'.

The Commission concedes that the results of the European Neighbourhood Policy till now have been limited, and that the policy employed so far has been too rigid. However, the newly proposed policy to a large extent builds on the existing one, with only limited new accents:

- There should be increased weight on contacts with civil society organisations and on 'deep democracy'. For that purpose a 'European Endowment for Democracy' and a 'Civil Society Facility' should be established.
- There should be increased weight on the principle of conditionality: More for more – and less for less.
- The EU should engage more in solving protracted conflicts.
- There should be more differentiation, better tailored instruments and greater flexibility to accommodate the different situation of each of the partner countries.

The review also recommends enhanced sectorial cooperation; simplification of procedures for programming and implementation of EU financial support; increased participation of partner countries in EU programmes, projects and agencies; increased exchange of students within existing programmes; strengthened political dialogues; and more money ... but only 1.24 billion euros for the whole Neighbourhood.

POLICY RECOMMENDATIONS

To revive the Eastern Partnership, the Eastern Partnership Summit on 29-30 September 2011 should result in a clear and strong European vision for the partner countries.

The principle of conditionality should be applied carefully on the basis of clear criteria and benchmarks to avoid isolation of any partner country.

Increased EU engagement in protracted conflicts should only be considered once the political will and necessary capabilities of the EU have been established.

Targeted visa freedom should be granted to businessmen and students from partner countries.

Partner countries should be granted increased EU market access for agricultural and metal products to provide them with short term and visible benefits that encourage them to further strengthen their relations with the EU.

The EU should engage more strongly and rapidly to civil society in partner countries and should do so with greater flexibility and support. Clear criteria and procedures for the European Endowment for Democracy and Civil Society Facility should be developed fast to support 'deep democratisation'.



TWO YEARS OF EASTERN PARTNERSHIP Progress, Stagnation and Backlashes

The EU has fundamental strategic interests in its eastern neighbourhood. These include stable democracies, efficient border control to prevent illegal migration and cross-border crime, reliable and stable transport of energy, well-functioning economies as a basis for trade and economic cooperation, and cooperation on environmental protection and sustainable growth.

With the Partnership, the EU tries to politically associate the eastern countries to the EU as closely as possible – and through reform and transition it tries to integrate them economically as deeply as possible. But some of the partners are hesitant or even opposed to economic reform, democracy, human rights and the rule of law, and they are not clearly resolved to integrate with the EU, whereas others have ambitions of EU membership. In such circumstances, what strategy should the EU use to promote stability, security, democracy and prosperity?

So far experience with the Partnership is mixed: progress, stagnation and even backlashes have taken place. There are significant differences between the progress and involvement of the different eastern partners. Some countries have made meaningful progress in the field of democracy and human rights but they lag behind in terms of economic reforms. Others have made good progress in the field of economic reform but falter in the area of democracy, human rights and rule of law. Corruption, poverty and semi-authoritarian regimes are still overall challenges. On the EU side, burdensome and time-consuming administrative demands, cumbersome procedures and insufficient incentives hinder rapid progress and are dampening the momentum.

The EU has initiated negotiations with some partner countries on Association Agreements, and Deep and Comprehensive Free Trade Agreements. The negotiations take place at different paces with different countries. Some visa facilitation agreements have been concluded, but visa liberalisation remains a very sensitive area. Altogether more could and should be done to realize rapid and tangible results from the Partnership.

Many of these initiatives point in the right direction if the Partnership is to become more attractive, but they do lead to some discussion.

CHALLENGES

Conditionality

The principle of conditionality means, in simple terms, that 'to get, you also have to give'. In the case of the Eastern Partnership, the EU is challenged to develop a rather more sophisticated way of applying this principle than done so far, with a more individual but still objective and transparent approach to each country.

Importantly, the EU should also stick to an ambition of both engagement by the EU and transformation towards democracy by the partner countries. If stability does not build on democracy it will not be durable in the long run, so conditionality in combination with support to and engagement in civil society – 'deep democratisation', as the Commission calls it – seems a promising way forward.

Last but not least: to be realistic, the EU Commission should be clear about where the additional financial means to fund a higher degree of EU engagement should come from at this time with no present prospect of budget increases.

Some general problems with the principle of conditionality

The principle of conditionality has been used by the EU for several years, but not always very consistently. Although it seems rather undisputed as a principle on the EU side, there has been a lack of clear, overall criteria and too many priorities. In some cases considerations which are irrelevant to the subject in question – for instance political or geographic ones – have also made the use of conditionality untransparent and arbitrary. Such opacity should be avoided and individual approaches should build on the same basic rules to apply in all cases.

Thus, the principle may be undisputed, but the application is not. The idea of 'more for more' becomes complicated when the second 'more' can mean 'more democracy but less economic reform'. What should be the overall judgment on performance in this case? And who will be the judge?

Furthermore, when 'more' is understood as 'progress', this is often difficult to quantify. If clear criteria and benchmarks do not exist, there is a risk that the judgment of the scale of progress will be made on a rather *ad hoc* and perhaps subjective basis by member states and EU institutions.

If positive conditionality may be disputed, negative conditionality may be even more so. In the case of the eastern partners, the 'less for less' principle runs the risk of countering the very idea of the Eastern Partnership by pushing away countries instead of bringing them closer to the EU. Punishing countries with less funds, less support or even sanctions, is not likely to serve the aims of promoting democracy, reform or integration. Isolation instead



Photo: Ukraine.Odessa. Railway station terminal. © Pavlitsrak-Alexei/TAR-TASS/Corbis

To get the EU Eastern Partnership on the right track it is necessary to make it more attractive for both the eastern countries – Ukraine, Moldova, Georgia, Armenia, Belarus and Azerbaijan – and for the EU member countries.

of engagement will not increase the influence of the EU and assist forces positive to reforms. Negative conditionality with the present insufficient, limited and rather ineffective EU toolbox is likely to have no (positive) effect.

The 'more for more' or 'stick and carrot' policy is also not likely to have any major effect if neither the stick nor the carrot have sufficient weight. To more than one of the eastern partners neither the incentives – the much vaunted three M's of 'money, market access and mobility' – nor the sanctions are sufficient to have an impact on their courses of direction.

Even though the application of the principle may be disputed, no one would argue that the EU should ignore standards of democracy, reform and human rights. The challenge is to strike the right balance between demands in this field and the wish to promote stability, democracy and prosperity.

Differentiation

The Commission has identified a need for more differentiation between the countries in the Eastern Partnership. Traditionally, the EU has used fixed models and 'one size fits all' agreements. But such agreements are not suitable for the different situations, challenges and levels of ambition in each of the partner countries. The question is whether the EU is ready to and whether it is capable of developing several individual models.

Examples of 'one size fits all' solutions are the so-called 'Association Agreements' and 'Deep and Comprehensive Free Trade Agreements'. However, they may not be the right kinds of agreement to offer to all partner countries. Some may not wish for this kind of relation with the EU or may not be ready to pay the short and medium-term price for long-term benefits.

An alternative to this might be less ambitious, more tailored models, fitted to the individual needs and wishes of each partner country and with the prospect of quick application. This could be an incentive to further elaborate and deepen the relations between the EU and the countries in question.

In any case, an underlying principle must be that it is up to each partner country to decide whether and at what pace they will approach the EU – and the EU will adapt to this and not discriminate on grounds of differences in the levels of ambition.

Protracted Conflicts

The review of the European Neighbourhood Policy demands an increased EU responsibility in solutions to protracted conflicts in the East. However, it remains to be seen whether the political will and the ability to speak with one voice exists among member states to take on such a responsibility – and whether the EU has the necessary capabilities in this respect.



It should also be considered that the protracted conflicts and the EU's eastern neighbourhood as a whole form part of a geopolitical power game involving actors such as Russia, the USA, China, Turkey and Iran. With the new European External Action Service (EEAS), the EU needs to develop a unified and determined security approach to protracted conflicts. Likewise, due consideration should be given to the handling of Russia. Any positive prospects of an increased EU role in protracted conflicts will need to engage Russia in a constructive manner to avoid Russian blockage of any increased engagement.

Civil Society

The Arab Spring has demonstrated the potential for change that can come from civil society. In the review the EU Commission identifies a need for the EU to engage more strongly in the promotion of democracy – so-called 'deep democracy' – and to reach out to non-governmental actors. New means such as a 'European Endowment for Democratization' and a 'Civil Society Facility' are being introduced – but there is an almost complete lack of information about the specific objectives or the procedures around such initiatives and how they should be financed.

A fundamental challenge to the EU is how to support reforms within regimes which are hostile to reform and democracy. Short and medium-term reforms which are necessary for democracy in the long run may put pressure on existing non-democratic regimes who would feel threatened by such a development. The relative stability provided by semi-authoritarian regimes may also be at stake in a period of transformation to democracy and reform. The EU should face these dilemmas with open eyes and make bold decisions.

'Enlargement Lite'

The EU Commission's review of the European Neighbourhood Policy only contains a rather vague reference to art. 49 of the Lisbon Treaty, which states that every European state can apply for membership of the EU. However, enlargement is not in the cards and in that respect it may not be useful that so much of the concept, the means and the wording reflect former enlargement policies. This – together with the lack of a clear vision for the Partnership as such – leaves us with a rather unspecific idea of the objective of the 'europeanization' which the partner countries are expected to undergo – that is, a 'political and economic integration which is as deep as possible'. The purpose of fulfilling the *aquis communautaire* so far has been to qualify for participation in the EU's internal market and to obtain EU membership but in this case there is no perspective of membership and the prospect of full participation

in the internal market has been left in doubt. This raises the question whether using the norms and standards of the *aquis* is the appropriate approach.

It should also be borne in mind that not all partners have expressed a desire for membership – only the Ukraine, Georgia and Moldova have explicitly done so. To some of the eastern partners the main objective in relation to the EU seems to be to obtain support to secure their sovereignty, autonomy, territorial integrity and independence.

Against this background, it would perhaps be more useful, fair, realistic and clear to develop new concepts and ways of association, taking into consideration that membership is not, presently, on the table for the eastern partners. The EU could then develop a new model of integration for the eastern partners for instance in the form of a gradual extension of the European Economic Area to comprise the eastern countries. Or the EU could or perhaps even should develop a whole new institutional framework of integration without the burdensome adoption of all EU norms and standards.

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