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The New European neighbourhood policies require a differentiated and politically driven approach

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Abstract :

In 2003 the Communication *Wider Europe* set out the European Neighbourhood Policy as follows: "the EU should aim to develop a zone of prosperity and a friendly neighbourhood – a 'ring of friends' – with whom the EU enjoys close, peaceful and co-operative relations. In return for concrete progress demonstrating shared values and effective implementation of political, economic and institutional reforms, including in aligning legislation with the *acquis*, the EU's neighbourhood should benefit from the prospect of closer economic integration with the EU. To this end, Russia, the countries of the Western NIS (Belarus, Moldova, Ukraine, Armenia, Georgia, Azerbaijan) and the Southern Mediterranean should be offered the prospect of a stake in the EU's Internal Market and further integration and liberalisation to promote the free movement of – persons, goods, services and capital (four freedoms)."

We can see from reading this text 12 years later a level of ambition that now seems unrealistic (notably the approximation of legislation with the *community acquis*), a European offer was also oriented towards Russia which the latter declined. The text also reflects an undifferentiated vision that ignores significant differences between the subsets of countries that comprise the neighbourhood, emphasis being placed on values (since the Treaty states that neighbourhood relations are based on European values).

Since this text was drafted, a radically new geopolitical situation has emerged, typified by the Arab uprisings and a new Russian domestic and foreign policy. Even though this explains by and large the present issues experienced by the European neighbourhood policy, this new context should not mask the successes and the shortfalls of the latter. We might legitimately wonder about the rationale behind this geographic premise whereby all neighbouring countries enjoyed the same lay out and the same outlook simply because they were close by.

MIXED RESULTS FOR WHICH THE EU IS RESPONSIBLE ONLY IN PART

In terms of the agreements that have been signed the result is a positive one. Since 2003 the European Union has signed several major agreements with its neighbours: Association Agreements with Ukraine, Moldova, Georgia, mobility partnerships, visa facilitation agreements, various technical agreements that notably help to support infrastructure projects and the sharing of know-how.

Regarding rule of law, the record has been a mixed one. The perception of corruption may be one indicator in this respect. In all neighbouring countries, except for in Georgia, increased between 2003 and 2013 according to the Transparency International ranking. Between 2007 and 2015 business climate improved in most neighbouring countries; however only three feature amongst the 50 countries deemed to be the most virtuous in this regard in 2015 (Georgia, Israel, Armenia). In terms of interactions the result is also positive.

The neighbouring countries are amongst the first in terms of Schengen Visa requests. Russia is by far the leading country in this. Ukraine follows in second place. Belarus, depicted as an isolated country, asks for more Schengen Visas than Turkey – a country that is engaged in membership negotiations.

From an economic point of view the share of the European Union in the exports of neighbouring countries remains high but the liberalisation of trade with the countries in the Southern Mediterranean (more advanced than in the East) has had limited impact for the time being in terms of the economic fabric of the partner countries.

THE POLITICAL CHAPTER OF THE ENP COULD BE ENHANCED

Originally the European Neighbourhood Policy was voluntarily presented as a measure to help towards modernisation and not as a political instrument. "*The neighbourhood policy is not an instrument per se to prevent conflict or a mechanism to settle conflict,*" (Benita Ferrero-Waldner). With its initiative in Ukraine however Russia has re-politicized the neighbourhood policy.

Advantage was found in adhering simply to technical issues. Some Member States' determination to politicise the Commission's work in the South Mediterranean has led to a series of impediments that technical dialogue helped circumvent. Taking inspiration from the philosophy of Jean Monnet and Robert Schuman, and even institutionalising the practical solidarity thereby created, allows for cooperation that is disconnected from conflicts that are due to last.

The Ukrainian crisis has however shown the limits to this approach. Moreover, the creation of the EEAS and of the grouping of neighbourhood and enlargement issues in the same portfolio at the Commission derive from a tacit observation in Brussels: the Neighbourhood Policy is a geopolitical issue. And the lessons have to be drawn from that.

ADJUSTING OUTCOMES TO THE EU AND ITS

PARTNERS' CAPABILITIES

The objective of integration via the markets seems ambitious. Progress in this area has been limited. On the one hand the European Union can of course boast low tariff barriers and an asymmetrical policy of openness. However the aim is to achieve mutual trade liberalisation with the adoption of a major share of the *community acquis* by the Member States (including some directives for which some Member States enjoy an opt-out clause). Nothing shows that free-trade agreements are the answer to everything.

Although Russia's responsibility in the triggering and the continuation of the conflict in Ukraine cannot be understated, it does encourage thought about one of the neighbourhood policy's goals, i.e. extending internal market standards. An ambition like this, which would be logical in an enlargement process seems to be excessive in terms of a country like Ukraine which has not only to contend with its Soviet past but also with domestic fracture and security issues.

We lack hindsight to assess the impact of the Association Agreements adopted under the Eastern Partnership. Some studies forecast a slightly positive impact, others negative consequences. The Euro-Mediterranean case does not allow for the development of any significant advantage for the neighbouring economies. In sum, not only is the advantage of the association agreements spread over time (due to transitory periods) but also uncertain. At the same time alignment with the *community acquis* is put forward to the partner countries without any specific political outlook and without any significant financial assistance.

The association offered to Ukraine via this agreement is the final stage before entering the European Economic Area (EEA) which links the European Union to Iceland, Liechtenstein and Norway. For its part the Union also promises to open its market further, a prospect that was pushed to the fore during the first weeks of the crisis.

Might a less ambitious approach not be preferable?

The method adopted for the liberalisation of the visa regime seems to be better adapted. The process has been gradual, spread out in stages, the completion of which has been governed by precise criteria.

The ambiguity surrounding the European Neighbourhood Policy's goals helps to protect unity between the Member States, to not discourage sensitive European aspirations in some neighbouring countries and to avoid the repetition of a Turkish scenario in which the Union has found itself trapped because of the successive promises it has made. The issue remains however of whether the Eastern Partnership is the first step towards membership or does it come under the Union's external action? It might be preferable to dissipate this ambiguity, not to request the adoption of the *community acquis* on the part of our neighbouring States and to agree on working programmes in a limited number of areas deemed to be a priority by those involved.

RETHINKING FINANCIAL ASSISTANCE

The amount and means of financial assistance contrast with declared ambitions. From the time of independence to 2013 Ukraine received around 130 million €/year [1]. In the end the sum given to all of the partners in the European Neighbourhood Policy covering the period 2014-2020 will total around 15 billion €, i.e. the amount received by France as part of the Cohesion Policy over the same period [2].

In the end the fact that the Neighbourhood Policy is modelled on the enlargement policy in terms of its methodology, whilst it does not enjoy the political framework and the financing that goes with a membership process, indicates that clarification of what the Neighbourhood Policy is trying to achieve is required: an accelerated extension of the internal market or the introduction of prioritised action that is adapted to each partner State?

Limiting oneself to a small number of priorities might of course enhance the clarity and credibility of the Neighbourhood Policy.

STEPPING UP DIFFERENTIATION

Two types of differentiation are necessary. On the one hand, the partner countries not comparable to the candidate States of Central Europe in the 1990s. Ukraine in 2015 is not the Poland of 1990. National identity has not been formed according to the same criteria, the relationship with Russia is not the same, the issue of the State emerges in different ways simply because Ukraine, like all of the countries in the eastern neighbourhood was only a Soviet Republic over the past decades.

On the other hand the partner countries are very different from one another. The eastern partnership emerged in response to the Euro-Mediterranean partnership. However, what added value can there be in grouping the countries in the eastern partnership under one roof? Moldova's government project is one of neutrality, Ukraine hopes to join NATO. Armenia has relinquished the signature of the association agreement. Kazakhstan (which is not part of the eastern partnership) wishes to strengthen its trade relations with the EU. Belarus relies on its geographical position to balance its dependency on Moscow via "protected" relations with the EU, thereby enhancing an independence that is lacking in linguistic and identity substrata. The regional approach does however have its advantages. It encourages competition between partners (Moldova/Georgia, Morocco/Tunisia), it develops joint cooperation instruments, it structures regional dialogue on cross-border issues. More than the overall framework of the European Neighbourhood Policy, which is greatly nuanced by the relationship made by the Union with each of its partners, the intermediary level (Eastern Partnership, Union for the Mediterranean) emerges as a superfluous bureaucratic instrument.

MANAGING INTERDEPENDENCE WITH RUSSIA

The Treaty on Eurasian Economic Union between Russia, Kazakhstan and Belarus on the one hand, association agreements on the other – although former President of the Commission Romano Prodi, who launched the European Neighbourhood Policy,

1. In March 2014, European assistance totalling 11 billion € was agreed and the IMF (to which European States make massive contributions) allocated 17 billion €. However, the share of loans in this is high, including strictly European aid. The 11 billion € includes 3 EBRD loans (5 billion), also from the EIB (up to 3 billion) and the EU (1.6 billion), since aid from the EIB and the EBRD is also subject to certain conditions.

2. Regarding assistance the figures are simple: ENP over the period 2014-2020 : 15.4 billion for 16 countries (Russia apart) in comparison with 11.2 billion in 2007-2013. In comparison with the period covering 2014-2020 : 78 billion for Poland under the Cohesion Policy (to be nuanced since it contributes to the European budget but the balance is still greatly advantageous); 15.9 billion for France (idem); 11.7 billion for IPA : Balkans and Turkey (4.4 billion).

Country per country and thematic details are adopted for three years only (2014-2017). These figures can vary significantly according to different criteria over the period. Allocations planned for 2014-2020: Algeria 270 million €; Armenia : 300; Azerbaijan : 150; Belarus : 140; Egypt : 220 (2014-2015 only); Georgia : 700; Jordan : 650 ; Lebanon : 350; Libya : 130; Moldova : 700; Tunisia : 800, Morocco : 1.4 billion. For the neighbourhood the allocations per country will be completed with regional programmes, cross-border cooperation programmes, programmes to which the neighbourhood countries and others are eligible (Erasmus for example). In sum to see who benefited from what in the package of 15.4 billion we shall have to wait until 2020 and even 2022.

saw a possibility of creating a “circle of friends” in this, in reality the European continent is now divided between two competing, incompatible regional integration processes (except if Russia and the EU sign a free-trade agreement).

The EU-Russia partnership has hardly produced any convincing results and the disputes between the EU and Russia have grown, notably regarding energy. Involving Russia in the European Neighbourhood Policy is justified and prior, deeper geopolitical thought would have helped convince the Russian elites that the neighbourhood policy is not at all oriented towards containment. There should be nothing to prevent trilateral dialogue between the EU-Kyiv-Moscow regarding the movement of goods and people. This option was put forward by former Ukrainian President Viktor Yanukovich in 2013 and was rejected by the EU, until the impact of the liberalisation of trade between the EU and Russia on Russia itself was highlighted by European Commissioner Johannes Hahn at the beginning of 2015.

The success of dialogue like this supposes however that Moscow agrees not to view the European continent as an area in which to launch zero sum games. In the wake of EU-Russia dialogue, the implementation of the core of the association agreement (ALECA) signed by Kyiv was postponed until 1st January 2016 but Russia has raised objections about the very existence of this type of agreement. In the energy sector “a three-way dialogue”, initiated by Gunther Oettinger, has led to a provisional agreement over the gas conflict between Russia and Ukraine. However no long term settlement has been found.

In Russia’s case, which is insisting on its differences with other countries on the continent, the mutual relationship with the EU has always run into trouble because the EU intended to base this on its own standards [3]. Russia’s view of the EU’s activities is one of extension of its own normative field in all areas. But the EU is still a vital partner to Russia (economy, energy, security and identity). Hence the issue at stake in the European Union’s view is to adopt an approach that makes more room for its interests, and not

only for its values, in a more geopolitical manner in terms of managing interdependence; Europe’s interest still lies in Russia’s modernisation. Since Germany has even had to say goodbye to its Ostpolitik the re-establishment of a balance of power is a prerequisite to dialogue (sanctions, dissuasive military reassurance). It is not a question of “normalisation” but the upkeep of firm dialogue, which reflects the unity of European views that will help to limit the risk of disaster.

PROPOSE RATHER THAN EXPORT THE CORPUS OF EUROPEAN VALUES AND STANDARDS

By ratifying the Council of Europe’s European Charter of Regional or Minority Languages in 2003, Ukraine found that it was obliged to protect and encourage (via a law passed in 2012) Russian, officially a minority language but which in fact forms a majority language in some regions. By repealing this law (before immediately re-introducing it) during the events in the Maidan, the Ukrainian authorities risked appearing to be against minority linguistic rights included in a Council of Europe document that neither Russia nor 11 Member States of the EU have ratified.

THE SOUTH AND THE SOUTH EAST

The States lying to the South and South East of the European Union are all in a more or less critical state of transition. The European policy (beyond the migratory issue which is structural [4]) now has to adapt to extremely contrasted national realities ranging from democratic maturity in Tunisia to civil war in Syria.

A case by case approach is required; this would be extremely selective since it would be based on requests by governments interested in cooperation with the EU. This notably means supporting successful transition; i.e. working towards the political settlement of the most serious crises. A “supply policy” is now out of the question and it has become one of “demand” in which the European Union lends an ear to the needs of these societies

3. Refer to the audience of Fiodor Loukianov, House of Lords, *The EU and Russia: before and beyond the crisis in Ukraine*, 30th Oct. 2014

4. *Agenda for Immigration*, European Commission, 13th May 2015

and also accepts a method of differentiation. In both instances – smooth transition or long term crisis – the accent should be placed on the training of young people (studies, grants), especially in the States in crisis where viable, representative institutions will have to be rebuilt.

Addressing emergencies in the short term is part of a long term strategy. An example: in Libya [5], the legal government (Tobruk) is expecting action on the part of the EU at present in the following areas: support to the so-called DDR process (disarmament, demobilisation and reintegration); support to the democratic process (beyond the ongoing mediation); construction of a State in a country in which – in the past – only the oil industry functioned properly and in which there was no State structure; help to effect economic reform (starting with the restructuring of the budget and the diversification of fiscal resources); finally tangible assistance in two areas – education and healthcare.

In conclusion the European Union must now base its action on the observation of a diverse

neighbourhood and on its interests as much as its values. It has to think about its neighbourhood from a geopolitical point of view in order to avoid becoming a “sleepwalker”.

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5. Interview with Mohamed Dayri, Libyan Foreign Minister, 6th May 2015