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44

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Published with the support of the European Commission

EuroMeSCopaper . 44

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September 2005

This paper was produced with the financial assistance of the European Commission. The text is the sole responsibility of the authors and in no way reflects the official opinion of the Commission.

EuroMeSCo papers are published with the support
of the European Commission by the EuroMeSCo Secretariat at the IEEI
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Introduction

The idea of a European Neighbourhood Policy (ENP) was not unexpected when it was first presented in the Commission few years ago. Indeed, it seemed as an obvious and natural step forward in developing EU foreign policy. Many felt that the EU should have a single coherent policy for its near neighbourhood, and towards its Mediterranean partners. It seemed rational to have a new, fresh policy for a United Europe and, moreover, there appeared to be a genuine need for a policy that involved those that remained outside the EU, but for which the EU is an important partner. However, there is some distance between a policy idea and a functioning policy, which poses real life challenges. This paper examines the most important issues and tests that the ENP will face in the near future.

The first part focuses on the complexities of the interrelationship between the establishment and creation of the ENP and the inclusion of eight Central and two Southern European states in the 2004 enlargement. The ENP is doubtless a consequence of the enlargement, offering an alternative to membership. However, the ENP raises a number of questions: there is the inbuilt paradox that the ENP was established because of the enlargement but as an alternative to future enlargement; and second, there are conceptual issues like the motives for the ENP to include Azerbaijan, but none of the Western Balkan countries?

The second part looks at the ENP in the context of the EU Common Foreign and Security Policy (CFSP). This is essential to clarify the place of ENP in the foreign policy of the EU. The institutional set up of the CFSP and the ENP is examined, as are current decision making mechanisms and their ability to ensure smooth policy management; further, this section analyzes the coherence of ENP and CFSP objectives and values. It appears that a basic dilemma has not been addressed by the ENP creators: how can a state be European and a neighbour of Europe at the same time?

The third part examines the political challenges facing the ENP: the many different interests of member, candidate and ENP partner states, which generates difficulties for the Commission; the different and contradictory perceptions and definitions of the ENP and its goals, which also affects coherence. The specific position of Poland, the sixth largest EU country, is also assessed, as like other Eastern European members states, its historical baggage shapes the ENP. Indeed, these states are arguably the reason for the existence of the ENP.

The fourth part focuses on the need to reorganise ENP, notably a new institutional arrangement for the arsenal of sticks and carrots, as conditionality has not worked. The case of Belarus examined here shows that it is not an example of efficient conditionality, but rather of the inability of the EU to act. This section also addresses the long term interest of the European public in their neighbourhood, as the success of the ENP ultimately depends on public support.

The main concluding points are that the EU needs a coherent policy for its closest neighbours, and that the states that benefit from ENP should be selected according to objective criteria. Finally, there are recommendations made about how the current state of affairs can be improved to ensure that the ENP meet the high expectations it has generated.

I. The European Neighbourhood Policy and the EU Enlargement Process

1.1. ENP Background: Enlargement and Neighbourhood – "Invisible Problem" Throughout Accession

The problems facing the ENP are present from its origins. The idea of setting up a single, comprehensive framework for relations with all neighbouring countries was put forward by the Department General of the European Commission for Enlargement in the "Wider Europe" communiqué[1] soon after the conclusion of most recent accession negotiations and at the time of the confirmation of the future accession of South-eastern European countries and Turkey. The ENP became a regular element in all agreements with non-candidate countries thereafter, showing its links to enlargement. With ENP the Commission sends an important signal to the European public about the limit on further enlargement, and gives non-candidates an apparently privileged status.

However, when seen in the context of continuing enlargement, the ENP falls short of meeting the expectations of either European institutions, EU citizens or neighbouring states. First, the package that complements the enlargement process is politically unfeasible if pursued at the current pace. In the medium term the ENP can define the extent of further enlargement, making some states "neighbours" rather than "candidates". Candidate countries (Bulgaria and Romania) were omitted from the ENP from the outset, for instance. However, ENP has not prevented speculation about further enlargement, and moreover has been subject to changes in light of political developments. First, the Western Balkans was put on the "accession track" and all EU funds targeting that area were then considered "pre-accession finance". Second, the definition of neighbourhood was based less on objective, geographic or cultural criteria than on the logic of enlargement or shaped by political expediency. Three states of the Caucasus were brought into the ENP during the second major drafting of the policy document, which demonstrated the multiplicity of policy objectives: Georgia was clearly the target of the extension as it had demonstrated not only the most stable record of interest in European integration but could also be lauded as an example of democratisation; Armenia's unilateral declarations of interest in closer ties with Europe were important as well. However, the inclusion of Azerbaijan is puzzling: unlike its two neighbours, it does not border on EU accession candidate Turkey, and it is the only one of the three to be classified as "not free" by the Freedom House ranking.

It can be argued that while a comprehensive "neighbourhood" framework does not adequately account for the past relations of various countries with the EU or their adherence to values that are fundamental to the Union and its Member States, the policy package is nonetheless a coherent tool for managing relations with all neighbours. On this view, ENP provides a single conceptual basis for EU foreign policy towards a clearly defined group of states, distinct from that towards accession candidates and more distant third states. M. Emerson captured this by calling ENP the "friendly Monroe doctrine" of the EU[2]. The "Wider Europe" communiqué envisioned the creation of a "circle of friends" to stabilize the large area around the enlarged EU. In the policy documents, it was assumed that the Union would apply the same set of standards to all neighbours, and that the depth of relations with the Union would depend primarily on the actions of neighbouring states.

If these announcements are taken seriously, the ENP would constitute a significant departure in historical EU relations with its neighbours. A very striking break would be evident in the Commonwealth of Independent States (CIS) where Union policies had been widely criticized for lack of focus, their reactive character and limited impact. Despite the erosion of the democratisation and market reform gains of the early 1990s throughout the CIS (particularly stark with the consolidation of authoritarian rule in Belarus), the Union failed to give a clear unified message to the governments of the states of the region. A key problem lay in the parallel diplomacy conducted towards the CIS by Union institutions and the member States. On the one hand, bilateral relations of large EU states with the Russian Federation were based on *realpolitik* international security and strategic economic considerations (making Russia one of Europe's key energy suppliers). On the other hand, the Commission played a key role in ties with smaller CIS states, emphasizing the technical aspects of assistance, disarmament and internal stability. Those two tracks not only involved different actors (member States vs. the Commission), but were also based on contrasting policy objectives and instruments. EU-Russian relations were founded on the principle of virtual non-interference in Russian internal affairs. The most striking expression of this rule was the reserve with which EU institutions or Member States criticized the conduct of the Russian military in the Northern Caucasus. In turn, the EU was much more active in attempting to solve the Transnistrian conflict or in promoting democratic liberties in Belarus.

1. Commission of the European Communities, *Communication from the Commission to the Council and the European Parliament*, COM (2003) 104, Brussels, 11.03.2003.

2. Emerson, Michael, 2002, "The Wider Europe as the European Union's Friendly Monroe Doctrine," *Policy Brief 27*, Brussels: Centre for European Policy Studies.

ENP failed to break with tradition of parallel relations and instead reinforced the notion of "double standards" in the EU treatment of its East European neighbours. Rather than adopt a single set of principles along the entire EU border, the Commission caved in to Russia's insistence on negotiating a separate framework. The agreement on "four areas" was customized to the preferred intergovernmental mode of relations, severely limiting the scope for fundamental Union values to spread to Russia. Moreover, this solution was inappropriate for relations with other neighbours with whom the Commission was willing and able to adopt a leadership role.

In conclusion, the shortcomings of current neighbourhood policies stems from the myopic vision of Central and Eastern Europe in terms of the priority of accession and the acknowledgment of the special position of Russia in the CIS. First, this meant that the impact of enlargement on neighbours was viewed separately from the requirements of enlargement. Second, by adopting a model of accession negotiations in which the Commission dealt with each candidate separately, the EU failed to perceive the links between results of negotiations with individual candidates. Enlargement proceeded on the assumption that it was not necessary to consult with neighbouring states about the impact of accession. Finally, the needs of neighbouring states were deemed secondary to those of new member states, as shown by the separation of (TACIS) funding for the CIS states and much larger (PHARE) pre-accession financing. In short, although the expressed rationale for ENP was objective (geographical), the way in which it was communicated and implemented reinforced the existing view that the neighbourhood policy was secondary to enlargement. Moreover, by excluding countries deemed to be eligible for future accession (Turkey and the Western Balkans) or countries with which the Union dealt with on a more partner-like basis (Russia) ENP came to be seen as a "second-best" option, particularly for the CIS countries of Europe and the Caucasus.

1.2. ENP Conceptual Problems and its Relationship to Continuing Enlargement

The fact that ENP was founded to complement enlargement has created a series of fundamental problems for that policy. As long as the geographical scope of future enlargements remains undefined, the EU will have to justify why some countries are just in the "neighbourhood" and not on a "pre-accession" track. This is likely to exacerbate regional conflicts rather than stabilize the area around the EU. It is not hard to imagine that, with the neighbourhood programmes seen as alternatives to membership, the EU may have to justify offering membership to Turkey and denying Armenia the accession track.

It is apparent that the division between long-term neighbours and potential EU members is a result of the "path-dependency" of earlier EU decisions to engage in certain areas, rather than the outcome of a current analysis of socioeconomic indicators. This generates paradoxes in EU self-perceived foreign-policy objectives: the commitment to the sub-regional integration in Western Balkans, for example, is based on the success and need to maintain the Stability Pact. The Union has concluded that its considerable and ongoing presence in the area was essential for peace and development there. However, what is overlooked is the period prior to 1995, when the Union was passive and incoherent *vis-à-vis* Yugoslavia, failing to prevent the largest bloodbath of the continent's post-war history. On the other hand, the EU remains cautious about integrating the CIS countries that are interested in accession (Armenia, Georgia, Moldova or the Ukraine). This is the case even though these states need external conflict-resolution assistance (Transnistria, Nagorny Karabakh or Abkhazia), and have already proved capable of finding peaceful solutions to their conflicts.

The stabilization objective is impeded by two problems that are apparent in the original ENP design. First, the exclusion of Russia and the adoption of a high-level dialogue between Brussels and Moscow prevent the establishment of a single set of standards throughout the post-Soviet space. This makes the introduction of EU policies to all the segments of the external frontier problematic (raising the issue of coordinating various Union strategies on the borders between Russia and the EU, or between Russia and Belarus and Ukraine). Second, negotiating an issue with Russia that is presented as non-negotiable in accession talks with East European states or in the Action Plans with other CIS neighbours can be interpreted as EU double standards and weaken the Commission's credibility as a guardian of the treaties. This impression is reinforced by the continued preference of the larger member States of the Union to conduct separate talks with Russia without consulting with Union institutions. Finally, the ENP is eroded as a platform for regulating relations with all EU neighbours when either the

explicit or implicit agreements between the Commission or Member States, on the one hand, and the Russian government on the other precede and affect the issues at stake in relations between the EU and other CIS states.

One area of EU inconsistency is its visa policy. At the very outset of accession negotiations, the Commission made it clear that the candidates from Central and Eastern Europe would have to introduce visas for CIS citizens far in advance of joining the EU, and that the ability to prevent illegal immigration would be among the key conditions for membership. The policy was communicated as obligatory, and the two countries that objected to early imposition of visas on their eastern frontier (Hungary and Poland – the policy would affect, among others, the citizens of Belarus and Ukraine) were severely criticized by the Commission. Candidate states were discouraged from seeking bilateral solutions despite a consensus among the experts that unmitigated introduction of Schengen-type visas for borders cutting across shared historical, cultural and economic borders would have and adverse impact on local communities[3].

The contrasting EU response to the issue of Kaliningrad, a Russian "exclave" in the enlarged EU territory, revealed how far member States and EU institutions were willing to accommodate Russian concerns. Although field research indicates that most Kaliningrad residents favour access to the EU and not to the Russian mainland, and although the primary obstacle was the insufficient availability of national passports, Russia's arguments of the precedence of sovereignty and national legislation over European norms (arguments made in the tone of entitlements) were accepted. Negotiations over Kaliningrad were completed in 2003 and established a precedent that foreshadowed the difference between EU-Russian relations and EU relations with other CIS states (like the Ukraine). While the candidate states were encouraged to disregard earlier bilateral agreements with non-EU neighbours when the *acquis* was a stake, the Commission and some member States accommodated Russian demands and put pressure on Lithuania, a candidate state, to adopt temporary measures outside the scope of the Schengen *acquis* (the so-called facilitated travel documents).

The case of Kaliningrad confirms the incoherence and limitations of the single neighbourhood framework in Eastern Europe. The ENP was designed to address several problems resulting from the clash between the eastern enlargement process and the interests of neighbouring states, but the primacy of established state-to-state relations with Russia and the weakness of CFSP has left little room for a more "Community" based solution like the ENP. Little attention was paid to the notion of neighbourhood until the completion of the eastern enlargement process. One reason for this is that this was the first post-Cold War enlargement in which new members bordered states that the EU did not want as members. The enlargement to Finland, Sweden and Austria in 1995 also raised no question of "cutting across a bloc" of states as the offer was open to all Scandinavian states. But in 1995 the EU was much less integrated than the Union that has emerged since the Amsterdam Treaty, which, *inter alia*, incorporates the Schengen Convention into the acquis. By contrast, the eastern enlargement was predicated on the notion of "differentiation" rather than on "reaching out" to neighbours. Not only was the neighbourhood a shifting concept, but there was a decision in 1998 to open accession negotiations with the Czech Republic but not Slovakia, and with Estonia but not Latvia, and the impact of accession on the non-candidates was not settled definitely either. Moreover, as the only non-candidate state bordering on the Union after 1995 was Russia, there was little incentive to set up a multilateral neighbourhood policy.

II. The European Neighbourhood Policy and the Common Foreign and Security Policy

2.1. The Institutional Hybrid

Theoretically, the ENP should contribute to shape CFSP. The latter, considered the most important step towards a political Union, was first initiated with the Treaty of Maastricht. To this day, CFSP has failed to live up to its name and from the 1990s it lacked serious instruments to attain the goals set out in the current Article 11 Treaty on the European Union. The ENP aimed to respond to the largest ever EU enlargement of 2004, but it was also the first real tool of EU foreign policy, as confirmed in the Constitutional Treaty.

Unfortunately the idealistic vision of a single coherent foreign policy failed to materialize long before disagreements among member states over the US intervention in Iraq in 2002. The primary problem was and remains the institutional framework of the EU, which ultimately hampers any attempts to establish a coherent policy. The Council-based High Representative for CFSP (first called "Mister Europe") generally failed to produce an effective foreign policy (with a few memorable exceptions as towards the Orange Revolution in the Ukraine in 2004). It is important that the linkage to the Council limits the High Representative's influence on policy-making in the second most important EU institution, the Commission. Various institutional details have an impact on CFSP coherence: the Commissioners and respective Directorates-General responsible for trade, external relations, developmental aid, humanitarian assistance and enlargement all contribute to the foreign policy of the Union. The EU neighbourhood policy has been created within the framework of the Commission institutional set up, through the Directorate Generals responsible for the external relations and enlargement. After the 2004 election of a new Commission, the ENP became a part of the portfolio of Commissioner Benita Ferrero-Waldner of Austria, whose primary focus is external relations.

This institutional imbalance is deepened by the fact that actions undertaken by the EU within the CFSP framework (or the second pillar) are initiated by member states only. This means that CFSP is demand-driven. When member states do not seek Javier Solana's presence, they simply fail to invite him claiming that the issue in question concerns a state or states and not the Union as a whole. This happens even if Solana's presence would enhance Union foreign policy coherence. This was apparent during early EU negotiations with Iran over its nuclear program, when the British-French-German troika worked without the High Representative. By contrast, when a crisis erupted in the Ukraine after the elections in 2004, Poland immediately asked Mister Europe for assistance. Together with Solana, presidents Kwaśniewski (Poland) and Adamkus (Lithuania) successfully intervened in the Orange Revolution crisis and it is probable that without their missions to Kiev there may have been more bloodshed in Europe. This was in fact the first EU foreign policy success. However, this very positive action was initiated by Poland because it needed to gain legitimacy (the "Europe mandate" helped Kwaśniewski to dampen Russian accusations of Polish interference in the domestic affairs of the Ukraine).

If Council (hence, High Representative) actions are political, driven by demands from member states, the Commission's starting point is the opposite. ENP actions are not driven by politics but by the Commission bureaucracy. This was apparent from the outset. Even the creation of the policy arose from the Commission and received limited support (or was sceptically viewed) by the potential partners. Generally, new ENP initiatives are presented hierarchically from the top down (by the Commission to the partners).

In sum, current ENP/CFSP political and institutional dynamics are incoherent and sometimes even contradictory as there is insufficient coordination between the various actors concerned (the directorates general responsible for external policies and the High Representative). EU decision-makers were aware of this, which is why the ENP became part of primary law in the draft Constitutional Treaty (a first), which aimed to improve decision-making structures. Unfortunately, after the French and Dutch referenda on the Constitution, and the 16-17 June 2005 European Council decision to postpone the ratification period, serious doubts remain as to the future of ENP/CFSP institutional mechanisms.

2.2. ENP Implementation of Values and Objectives and CFSP

Values and aims present another problem for the CFSP/ENP framework. Among the primary objectives of CFSP (in accordance with Article 11 TEU), are the protection of common values, basic common interests, the security of the EU and international security and peace, international cooperation, as well as democracy, the rule of law and human rights. The ENP is not an effective tool to ensure that CFSP fulfils that mandate for three main reasons. First, it does not respond adequately to the different goals and objectives of partner countries, but rather attempts to fit them

3. See P. Kazmierkiewicz, 2003, *Turning Threats into Opportunities: Impact of the Expansion of Schengen* Acquis *on the New Borderlands*, Warsaw: Institute of Public Affairs.

into a framework which is either not sufficiently ambitious (as in the Ukraine) or out of touch with domestic socio-political realities (as in Libya). Second, ENP lessens the significance of promoting EU primary objectives to its neighbourhood and limits the norm-setting effect that is clearly at work in the enlargement process. Third, TACIS and MEDA, which were created and defined before the establishment of the ENP, fail to contribute to the attainment of the same objectives.

One of main reasons for creating the ENP was to define what the Union wanted from its partners. To date the ENP has only performed economic, social and societal projects but it has not had a norm creating function. One thing that became apparent after the 2004 enlargement (even more visible after the French and Dutch referenda of 2005) is that the Union cannot enlarge for ever. Until 2004, enlargement was the best tool that the Union had to influence and even create non-EU state policies. The EU acted as a powerful magnet for Central and Eastern Europe and the two Mediterranean countries that joined the Union in 2004. These states transformed their policies and domestic laws to adapt to Union requirements. With its decision not to enlarge to certain states, the EU has lost its most important source of leverage over any given neighbouring state. This is clear in the ongoing debate on Turkish accession. Many European states and decision-makers fear that if the Union refuses to take in Ankara, it will loose the ability to promote Union and CFSP objectives in Turkey. On the other hand, an equally great number fear Turkish membership will mean the end of the Union.

The ENP was designed to respond to such fears, by engaging Europe's neighbours without promising accession, but it has largely failed to meet CFSP objectives. The ENP will be inconsistent if it asks more of some states than others. If Georgia, Moldova, the Ukraine and Lebanon succeed with reform and require a different kind of assistance from the EU to promote democracy, a core EU value, what should be the policy towards other ENP partner states? The need to differentiate between states in this respect raises the question of consistency. The enlargement may act as a positive example, as the Commission annually checks whether the applicant countries have complied with EU democratic and economic standards. One possibility is that a Copenhagen Criteria model for ENP states could be worked out to select ENP partner state, alongside a norm-setting mechanism in ENP partner countries. These goals are desirable, but very difficult to achieve. Given the heterogeneity of the ENP partner states, the varying histories and cultures, at least two problems come to mind: first, a basic difference between the ENP and the accession is that the accession countries were deeply committed to change, whereas most ENP partner states are not (they stand to gain so little when compared to the gains of accession); second, to be a member a state must be "European" and espouse "European" values, but the southern Mediterranean ENP partners are not European and some regimes in the region claim that democracy is a new form a Western imperialism. How should the EU promote its values in such unfriendly circumstances?

Further, there is the problem of the need for a "common value denominator". Given national differences the "common denominator" is likely to be the lowest common denominator and if the lowest common denominator is very low some countries may reject it for that very reason. States that perceive the ENP as a first step towards full membership may have a particularly hard time accepting standards that are lower than theirs. This will be particularly the case if the current draft regulation on the ENP financial instrument passes with the proposed provision that a country is subject to only one EU financial mechanism. Potential applicant states with easier access to EU financial resources would only stay in the ENP if it becomes a means path towards full membership (like the Partnership for Peace in NATO). But this would annul the initial aim of the ENP: to limit future enlargements. It should also be asked whether the lowest common value denominator would be acceptable by the EU. If it failed to meet CFSP requirements would the EU reject it as ineffective and look for better ways to pursue security, democracy, the rule of law and prosperity in its closest neighbourhood? If so, the EU will have a hard time making the ENP effective.

There is another value related question. Supposing the Union and the ENP partners agree to a universal package of standards and objectives. There would always be one or more parties that would find the standards unacceptable; or one partner or more might fail to meet the standards. What would the consequences be? On the one hand, it would be important for the EU and CFSP to continue all security, stability and prosperity projects; but on the other, they should be halted for the sake of consistency. The EU would need a precise and transparent system of sanctions

in case partners fail to comply with set standards. More generally, this applies to the efficiency of all policies that make use of political conditionality.

Despite the difficulties, such standards and transparency could be achieved with dedication. Our view is that the issue of values can be resolved through a principle of heterogeneity. The EU should seek to promote its values through a regional, if not individual, approach. There should be different mechanisms, methods and mid-term goals for Eastern Europe and for the Western Mediterranean or the Middle East although long term aims should be the same for all parties. Second, as regards norms-setting, the ENP should focus more on standard-setting ultimately leading to the creation of a large free trade zone (the aim of the Barcelona Process as well). Then each state might adopt increasingly "European" standards becoming increasingly "European", which would contribute enormously to the stability of neighbouring regions and also contribute to meeting CFSP aims.

III. Political Reality and the ENP

3.1. Different Perceptions of the ENP

All political creations must face reality and the ENP – thus far mostly a reality on paper – is no exception. Created by European Commission bureaucrats it positively showed that Europe needed a single coherent global policy for the neighbours that could not hope to become full members of the Union. With hindsight, however, it would seem that the ENP lacks the capacity to address the specific needs and issues of the neighbouring states and individual EU member states. Confronted with reality, the simple idea appears to be either wrong or in need of reformulation. We feel that the reasons for the EU to establish a neighbourhood policy were justified, but that the ENP as it is now is not an efficient tool for Union *realpolitik* for three fundamental reasons. First, the policy assumes that equal standards are applied to all the ENP partner countries when *de facto* standards vary from state to state. This is the first reality that the ENP needs to face. ENP partner countries have very little in common. As a matter of fact the only thing that unites them (from Morocco to Azerbaijan and Palestine to Belarus), is that they are close to united Europe. Everything else divides them. They have different cultures, political systems, histories, statehood traditions, economies and language groups. If the ENP is not flexible enough to take these differences on board, it is doomed to failure. But flexibility cannot be achieved at the expense of depth. Without an in-depth goal the policy will also fail.

The states vary also according to their needs and perception of the ENP. Eastern European member states, even if not seeking full membership, perceive the ENP as a means to work towards a political and economic transition. Countries like Georgia and Ukraine seek assistance to strengthen their weak democracies and fragile new statehood. The ENP enables them to develop stronger ties with Europe and for many citizens of these states the EU is the only alternative to the past (communist dictatorship and Russian domination) or the present they know (economic chaos and instability). In policy terms they would expect ENP to help create a free market zone and to lift visa and European university entrance restrictions.

Southern ENP partners have different expectations. Democratic assistance is possibly welcomed only by some opposition movements in the region (some opposition movements do not want the EU to interfere). Certainly the enduring Syrian, Egyptian or Libyan regimes would not welcome a clear linkage between political transformation and economic support (particularly through ENP, as they will be eligible to receive assistance only from one policy instrument, in their case either European Neighbourhood and Partnership Instrument or developmental aid). Hence, the ENP needs attractive instruments for these states in order to keep them in the ENP.

Second there is the EU, which now has 25 member states. They are all "European" but political tensions are inevitable within such a large family, with each member having its own interests, some of them common to others, but other contradictory (such as the status of Gibraltar). In the context of the ENP different EU member states have different objectives and sometimes pursue parallel policies. It is practically impossible to find a single member state that is equally interested in all the ENP states: the southern EU states and France tend to lean southwards, and the Central and Eastern European states tend to lean towards the former Soviet republics. So while each group of states and each of the states individually are important partners for the Commission, they are also political competitors for/against specific issues at stake. Lack of stable support from a majority of member states for short and long term ENP aims negatively influences the actions of the Commission. Moreover, as already

noted above, the division of power among institutions and the very nature of the ENP within the complex framework of the CFSP make it highly vulnerable to member state actions.

A third and final political ENP constraint is that it was created as an alternative to full membership. Some states are "Europe's Neighbours" and others have no title at all (Norway, Iceland, Switzerland, the Balkan states and Turkey). The latter are very close EU partners and are either candidates for full membership or potential candidates, for whom the path towards the EU remains open. The states that have been offered partnership within the ENP face a "no" if they ever considered applying for membership but the treaties clearly state that any European state can apply for membership under certain conditions. What "European" means remains an open question, but there are certainly states in the ENP that are European. How can a country be European and Europe's neighbour at the same time? How can the door be closed to Europe's European neighbours without contradicting the treaties? This is the logic of the ENP and the European Union will have to face this dilemma.

3.2. ENP from the Perspective of the New Member States

All the contradictions inherent the ENP as it is today do not obviate the need for an EU policy to address the needs of its neighbourhood. Among the key stakeholders are the EU states that have shown an interest in deepening the Union's relations with some of neighbours and chose to rally the support with other interested member States. Such states are wary of traditional power politics in which transparency is sacrificed by exclusiveness, values are secondary to interests, and the regional agenda is set by a small circle of influential states. This wariness is shared by several new EU member states from Central and Eastern Europe, the post-Soviet foreign policy of which has focused on preventing the recreation of spheres of influence or the creation of new divisions. Integration into Euro-Atlantic institutions (NATO and the EU) has been a natural step for almost all the countries of the region to achieve collective security. However, the progressive enlargement of these institutions has not removed all significant threats to security of the East European states.

States perceive two major categories of security threats: first, their decision to integrate with the Euro-Atlantic security architecture (including NATO accession) was resisted by Russian policy-makers who did not hide their hostility to the idea in public statements and even with attempts to tall or block integration through direct pressure (including economic blackmail in the form of tampering with the supply of energy) and multilateral diplomatic action. Opposition was consistently voiced to the entry of the Czech Republic, Hungary and Poland, later the Baltic States, and now to the Ukraine. Secondly, the rapid and profound contraction of the CIS economies at considerable human cost has increased poverty, especially in peripheral regions. The successor states of the Soviet Union have found themselves hard pressed to resolve these domestic crises while dealing with difficult interstate questions (loss of economic ties, debt settlement or frontier demarcation). Resistance to privatization of key sectors of the economy, the resilience of informal networks, and rampant corruption rendered attempts to reintegrate struggling economies and state structures futile at best. The Rose and Orange Revolutions and the continuation of the Lukashenka regime exposed the threats of top-down integration schemes, which aimed to consolidate authoritarian political systems and non-transparent "crony capitalist" arrangements.

Due to persisting threats to genuine geopolitical independence and socioeconomic cohesion of the states in the region between the enlarged EU and Russia, some of the new EU member states maintain that their security depends on resolving these vital neighbourhood issues. Their enthusiasm for a coherent "Community" based foreign policy for the entire western CIS region is based on their perception of the nature of regional security threats and their belief that state-to-state diplomacy would be counterproductive. Thus, the need for a genuine EU policy for the eastern neighbourhood is apparent in the continued systemic instability in the region arising from Russia's competing vision of international relations. In particular, Russian opposition to the enlargement of Euro-Atlantic institutions to Eastern Europe and its sometimes overt support for authoritarian regimes in the CIS has been construed by the new EU member states as part of the Kremlin's strategy to establish a "grey zone" between the EU and Russia that is vulnerable to destabilization and may fall back into the direct Russian sphere of influence.

Poland's foreign policy very much reflects this view. The geopolitical orientation of Polish foreign policy should not come as a surprise given the country's historical vulnerability to the regional balance of power (in the last 250 years it was only independent for 75 years, with long breaks in state continuity). Warsaw's experience of encirclement by hostile powers and abandonment by Western allies (most notably during the Second World War) underlies the consensus that foreign policy should be about reconciliation with neighbours and regional collective security arrangements. It was often repeated that "there is no free Poland without free Ukraine" during the Orange Revolution, and specifically at a ceremony in Lviv marking reconciliation[4].

The foreign policy of independent Poland since 1989 is based on a national neighbourhood policy that could serve as an inspiration for the EU in the western CIS. Two features in particular represent a possible improvement on over the current EU practice: first, the principle of parallel relations with Russia and other neighbours, and, second, the prominence given to democratic values and cooperation with local civil societies. Poland was the first country to recognize independence of the Ukraine while maintaining relations with Moscow, and over the last 15 years Warsaw has repeatedly made it clear that equal distance ought to be kept from Russia and other CIS states and that at no point should the independence of any state be compromised by relations with the Kremlin. Poland found, however, that high-level state-to-state relations were insufficient and the authorities and non-governmental sector engaged in grassroots diplomacy with the country's direct neighbours. It was recognised that cultural and historical proximity could be turned into assets as long as day-to-day communication were maintained through economic and personal contacts. These contacts are valued not so much for themselves (although reconciliation between nations is a great achievement) but as conduits for the transfer of values. Upon reflection, several Polish observers of the Ukrainian presidential elections of 2004 concluded that their active involvement in defence of democratic procedures would not have been as credible among Ukrainians had it not been for the Polish policy of friendly borders and openness to Ukrainian travellers and workers.

Poland presented its neighbourhood policy in a Foreign Ministry "non-paper" outlining the concept of the Eastern Dimension of EU foreign policy [5]. The document stated the main objective of EU policy towards the western CIS should be "abolishing the existing division lines through assistance and closer co-operation with the adjacent countries that should be based on the common values and interests". Further, it stated that "co-operation with Eastern European states should be gradual and made conditional on their progress in democratic reforms, respect of human and minority rights and other values that the Union is based on, respect of standards recognised by the international community in international relations, building democratic institutions and market economy, improving governance as well as fighting corruption". It is also noted, however, "the conditionality principle should be applied evenly to relations with all Eastern European neighbours, neither discriminating nor favouring any of them". That latter clause was invoked later not only towards Belarus, but also as regards media freedom or human rights in the Ukraine and Russia.

Poland encountered various difficulties in the pursuit of these policy objectives that are useful for the ENP. First, a careful balancing act was needed to meet the two, sometimes conflicting objectives of establishing contacts with a neighbouring country to ensure its exposure to European values, and strict conditionality and sanctions for norm-breakers. This balance shaped Polish policy towards Belarus as the latter was increasingly ostracised by the EU. Although Warsaw introduced certain restrictions, it limited sanctions as it perceived itself to be the country's only remaining "window on Europe". At the same time, Poland called for continued assistance for Belarusian regions, civil society and its democratic opposition. Second, Poland realised that to be effective it required the backing of other states of the Union, particularly as its vision was contested by the privileged relationship between France and Germany and Russia (which was criticised for overlooking breaches of human rights and according secondary status to the Ukraine or Belarus or even for acquiescing in the recreation of the Russian sphere of influence in the CIS). Polish concerns were shared for geopolitical reasons by the Baltic States and for ideological reasons by the Scandinavian countries. The apex of Poland's efforts to create a coalition to support the "Eastern dimension of EU Foreign Policy" occurred with the various mediation missions to Kyiv in November 2004, involving the presidents of Poland and Lithuania and Javier Solana. By stressing the European aspect of the mission, Polish diplomats were saying that European integration reinforces good neighbourhood and is under no circumstances mutually exclusive.

4. Former-President Lech Walesa in Kyiv in November 2004, and President Yushchenko in Lviv on 24 June 2005.

5. *Non-paper with Polish Proposals Concerning Policy Towards New Eastern Neighbours after EU Enlargement*, presented on 21 February 2003. Available at http://www.msz.gov.pl/ .

The lessons from the Polish experience may be of use to shape a new ENP, although this means that some aspects of the policy will have to be fundamentally revised. Equal basic standards for all neighbours as the basis for conditionality is central, and disparate policies of nation-states that undermine the cohesion and credibility of European foreign policy must give way to solutions that are acceptable to the majority of EU members, with a particular focus on the states bordering Europe's neighbours. Finally, ENP should not preclude closer integration with neighbouring states that are willing to internalise European norms and comply with EU standards. However, as the next section shows, a technocratic mode of governance is unsustainable and any decisions to integrate neighbours more closely with the Union must be adopted through consultation among all stakeholders.

IV. Future ENP Challenges

4.1. The ENP and EU Conditionality

To be a key international political entity the EU needs an appropriate institutional set up. To date, the Union's most important "carrot" in international relations has been EU membership, which has promoted countries to voluntarily undergo fundamental changes in order to prepare for the accession. The Union has no other carrots, but it has no sticks either. The creation of the ENP was meant to change that. It was the first attempt to create a carrot to replace that of membership, which would influence not only the policies but also the socio-economic structures of non-member neighbours.

Unfortunately, ENP has largely failed to meet the challenge, as has European conditionality more generally towards its close neighbours. It has been claimed that the quasi-frozen relations with Belarus proves that the Union is serious about its values and eschews close ties with those who violate them. But the Belarusian case actually proves the opposite: Belarus is not an example for effective conditionality but rather a perfect illustration of the inability of the EU to act. For over a decade of rule by Lukashenka Europe has done little to facilitate a transition from a Soviet-style regime towards a free market democracy, to constrain Lukashenka's actions against his domestic and foreign opponents, or to produce a coherent policy towards Belarus because of Minsk's important neighbour, Russia. Russian support for the Belarusian leader makes the role of the EU more difficult and also introduces chaos to EU actions.

Thus, Europe is not capable of producing a policy because it does not know what it wants from Belarus: cold war style security or free market democracy. The first is provided by strong rule by Lukashenka with firm support from Moscow; the second may create instability, which is highly unwelcome is the post 9/11 world. When the crisis erupted in neighbouring Ukraine in 2004 there were voices from within the EU saying that the Union should not interfere, either because it was a Russian zone of influence, or because EU involvement in Eastern Europe would only serve the interests of the United States, and that Europe's first objective in the East was security.

In this context, it is difficult to expect coherence and determination in a neighbourhood policy that ultimately aims to give Belarus what it most needs: membership of the family of free nations with stable democracies. This is the only real path towards security in the former Soviet Union region. However, the Union has encountered serious difficulties in establishing a Radio Free Europe-style radio station, for example. EU financial assistance for Belarus remains unused. TACIS money (and that of other programmes, including the European Neighbourhood and Partnership Instrument in the future) remains unspent given the Belarusian government's unwillingness to cooperate. It has little incentive to do so as long as it has the backing of Russia, and particularly as some EU member states only want to see the current leader out of power.

The Belarusian case shows that the ENP cannot serve the aims of the EU. ENP policies, institutional arrangements and aims need to be rethought. First, the primary objective of the ENP needs to be clearly defined: if not membership, then what? What happens if some ENP partners want full EU membership? Second, countries must be made to meet certain specific requirements set by the Union in cooperation with target countries. A new "Copenhagen criteria" list is necessary, perhaps not to participate in the ENP, although criteria should be met before the ENP primary objective is accomplished. Third, ENP actions should include norm and standard-setting objectives. The aim would not be to include the entire *acquis* but its most important elements should become part of national law.

4.2. Limited Public Interest in the ENP

A new decision-making process is also necessary. The reversal of the grand top-down project of the Constitutional Treaty after the French and Dutch referenda foreshadows the fate of the ENP. It cannot be simply formulated within the offices of Union bureaucrats. If the ENP is not to fall prey to misconceptions or domestic politics it must be forged through a profound dialogue between EU officials, member states, partner countries and EU and non-EU civil societies. Admittedly, the ENP has met with little public resistance, partly because of the way it was born and its discourse. Opponents of enlargement could even see ENP as an alternative to membership that pre-emptively responds to neighbours' calls for closer ties. Given its somewhat belated and hasty launch people might conclude that the policy is temporary and tactical, serving to compensate disgruntled neighbours excluded from the accession process.

Throughout the process of enlargement since Maastricht the issue of the ultimate frontiers of the EU was left unaddressed. Indeed, possible EU intervention in the Western Balkans and the opening of negotiations with Turkey created the impression of an ever-enlarging EU. The logic of stabilizing the neighbourhood through enlargement was an argument against defining the neighbourhood in fixed terms. However, opposition to further enlargement and a technocratic discussion of fundamental questions for the future of the EU as expressed by the French and Dutch referenda may show the ENP in a different light. Although ENP was initially seen as a complement to enlargement (managing its technical externalities and putting off the difficult question of further enlargement), it may become a useful alternative to enlargement by offering the "privileged partnership" postulated by the opponents of accession of states such as Turkey. Thus the ENP could be used to work out relations that are closer than those established with distant countries but that have no membership prospects.

Final Thoughts

The French and Dutch referenda have revealed the failure of the dominant technocratic top-down approach to European governance, a classic example of which is the ENP. ENP bears the hallmarks of bureaucratic policy design (dependence on past programmes, the absence of long-term vision, lack of member state political support, and potential conflicts with other EU agendas such as enlargement or CFSP, a huge gap between what is on offer and the expectations of many neighbouring states and societies). ENP could be dismissed as a typical product of inertia and muddling through and thus unlikely to fulfil its broad aims. But this conclusion underestimates existing demands for a working neighbourhood policy, a demand that becomes increasingly apparent as European citizens and a growing number of neighbouring states call for clear statements about the extent to which the EU is willing and able to commit to its direct neighbourhood. Policy documents must rise to the challenge presented, and the current framework must be coherent in terms of aims and in relations to other EU policies. This is not merely a technical exercise, but one that must take into account the complex policy environment in which European neighbourhood strategies must be designed and implemented, and should involve all the key stakeholders, including member states, neighbouring states, the European public and the EU institutions.

The fact that the ENP falls short of expectations among important segments of the European public and neighbouring states reflects the shortcomings of EU policy towards is direct neighbourhood. Equivocation over the long-term enlargement horizon and over the choice of instruments to secure the interests and values of the EU in relations with all its neighbouring states is symptomatic of the lack of consensus among EU member States about EU foreign policy. The ENP represents the lowest common denominator and was designed "backwards", uniting disparate threads of Union policies *vis-à-vis* its neighbours. It is now apparent that this process of aggregation of different policies has produced a framework that is riddled with contradictions and pleases nobody. The European public, which is largely sceptical of further enlargement or about the transfer of EU funds outside the Union, will find in the ENP the technocratic approach to foreign policy where the definition of priorities, the choice of geographic areas or the evaluation of impact are neither transparent or participatory. The neighbouring states that are interested in closer EU integration will resent the policy package as a thinly-disguised surrogate for membership and will point to the inconsistency and arbitrariness of the policy, which claims to be comprehensive but excludes EU "strategic" relations with Russia. Finally, the organisations and individuals that are concerned about the role of fundamental Union values in foreign policy (most notably, human rights, democratic participation or media freedom) will take the policy to task for allowing the EU to assist illiberal regimes while failing to enforce fundamental values.

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