

# The European Neighbourhood Policy (ENP)

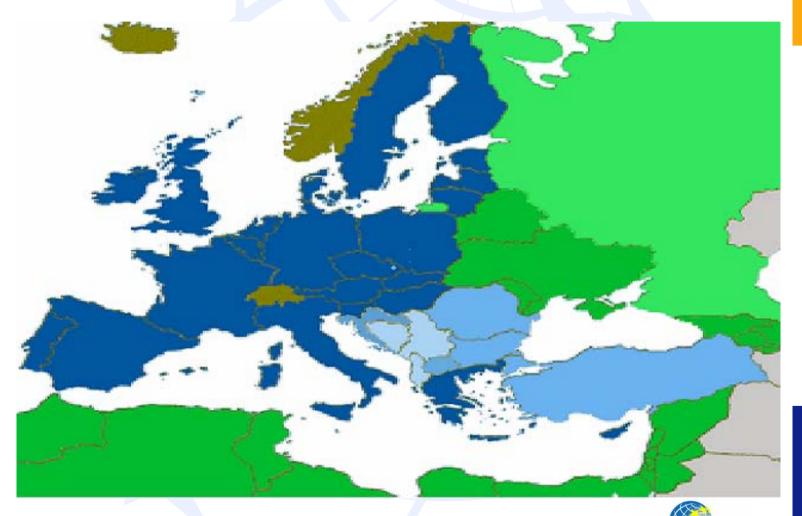
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# The EU and its neighbours





#### Different neighbours, different relations

- EFTA / EEA
- Candidate Countries (Bulgaria, Romania, Turkey, Croatia, former Yugoslav Republic of Macedonia)
- "Potential candidates" (Albania, Bosnia and Herzegovina, Montenegro, Serbia including Kosovo) – Stabilisation and Association process
- Neighbours European Neighbourhood Policy



### Which neighbours?

The **immediate** neighbours of the enlarged EU ... but <u>not</u> countries with an accession perspective (Bulgaria, Romania, Turkey, Western Balkans ...)

- Israel, Jordan, Moldova, Morocco, the Palestinian Authority, Tunisia, Ukraine (partner countries with Agreements in force in 2004, so ENP Action Plans negotiated in 2004, adopted in early 2005)
- Armenia, Azerbaijan, Egypt, Georgia, Lebanon
   (new ENP partners or those whose Agreements entered into force later, so ENP Action Plans negotiated during 2005-06, nearly finished)
- Algeria (latest Agreement to enter into force preparing ENP Country Report)
- Belarus, Libya, Syria (no Agreements in force prerequisite for ENP benefits)

Not the Russian Federation, with whom the EU instead has a Strategic Partnership



#### Russian Federation

Not included in the European Neighbourhood Policy. Instead, a **Strategic Partnership** based on 4 "common spaces" on which Road Maps were agreed in May 2005:

- economic (incl. environment and energy) promote integration via market opening, regulatory convergence, trade facilitation, infrastructure
- freedom, security and justice JLS, human rights and fundamental freedoms
- external security partnership on security issues and crisis management
- research and education (incl. cultural) capitalise on strong intellectual and cultural heritage



#### ENP: Aims and principles

- A new intensified relationship between the enlarged EU and its neighbours
- Not about enlargement but <u>is</u> about mutual interest in supporting reform and modernisation, with the goal of promoting mutual prosperity, stability and security
- Responds to countries' needs & efforts (differentiation)
- Partnership-for-reform
- Joint ownership (agreed priorities)



#### ENP: Common values & interests

#### Good governance, prosperity, stability & security:

- Democracy, human rights, rule of law
- Market economy and sustainable development
- Sectoral reforms
- Joint response to common challenges e.g. prosperity gaps, migration, crime, environment, health, terrorism ...



# Development of the ENP

2002-2003	Thinking "beyond" enlargement (Wider Europe / New Neighbourhood)
2003-2004	Commission proposals, adopted by (European) Council
2004	ENP Strategy Paper First 7 ENP Country Reports
2005	Adoption and beginning implementation of first 7 ENP Action Plans, preparation of 5 more
2006	Adoption of next 5 ENP Action Plans, continue/start implementation of all 12, preparation of ENP Country Report on Algeria First ENP Progress Report (December)

### ENP: Content of the policy

- Focus: A joint agenda to manage our common space (EU neighbourhood)
- Aim: Promote good governance and reform
- Offer: progressive economic integration, deepening political co-operation
- Based on: specific values and common interests
- Assistance for: agreed reform objectives, economic and social development & cross-border cooperation



#### How does it work?

- Foreign policy wider than trade or aid or CFSP, uses all relevant instruments, dialogue about entire range of reform issues
- Invigoration of & building upon existing relations
- Selectively using experience from the enlargement process ("Transition Toolbox") e.g. how to support transition and sequence reforms, "twinning" officials & TAIEX (technical assistance)
- Gradual approximation with the acquis communautaire in relevant areas
- Socialisation, "soft power", long-haul policy



#### **ENP Action Plans**

- Key operational instruments
- Country-specific, tailor-made political documents
- Jointly defining agenda on political and economic reforms
- Short & medium-term **priorities** (3-5 years)
- Guidance for assistance programming



#### ENP Action Plans - main areas

Same chapters in all, content is specific to each country:

- Political dialogue and reform
- Economic and social cooperation and development
- Trade related issues, market and regulatory reform
- Co-operation on Justice, Freedom and Security
- Sectors: Transport, energy, information society, environment, research and development
- Human dimension: People-to-people contacts, civil society, education, public health



#### Building on existing framework

#### ENP builds on:

- existing legal and institutional agreements (Association Agreements, Partnership and Co-operation Agreements, Barcelona Process ...): details at <a href="http://ec.europa.eu/comm/external\_relations/ceeca/pca/index.htm">http://ec.europa.eu/comm/external\_relations/ceeca/pca/index.htm</a> & http://ec.europa.eu/comm/external\_relations/euromed/med\_ass\_agreem nts.htm
- established instruments (Association and Co-operation Councils, Committees, sub-Committees) as mechanisms for promoting and monitoring implementation of Action Plans

Bringing lessons learned e.g. prioritisation and sequencing



# ENP and the EuroMediterranean Partnership

- Same general objectives. ENP complements the EuroMed Partnership, which continues to be the key multilateral element of EU relations with our Mediterranean neighbours
- ENP offers additional <u>bilateral</u> incentives and opportunities
- Differentiated rather than multilateral, new tools and methods (precise reform goals and steps, regulatory harmonisation)
- Example: EuroMed envisages trade integration, focusing on tariff issues, ENP goes beyond to offer economic integration, inclusion in networks, regulatory alignment etc
- ENP helps to realise the potential of the EuroMed Partnership



# ENP and Regional Cooperation

- Reinforcing existing regional / sub-regional cooperation and providing framework for its development
- Developing cross-border cooperation, involving local and regional authorities (and e.g. Euroregions), as well as nongovernmental actors
- Regional organisations can bring added value by transferring experience and know-how, helping with capacity-building and contacts, supporting cooperation among grass-roots organisations on wide range of issues
- Ensure complementarity, coherence and coordination



# EC financial support

#### Until 2007:

- 2000-06: €8.4bn (MEDA €5,3bn, TACIS €3,1bn)
- Plus EIB lending (€6.5bn Mediterranean, €600m Eastern Europe)
- 2004-2006: Neighbourhood Programmes (cross-border)

#### 2007 onwards:

#### **European Neighbourhood & Partnership Instrument (ENPI)**

- Approx €12bn for 2007-2013 (+32% increase)
- Much more flexible, policy-driven instrument
- Supporting priorities agreed in the ENP Action Plans
- Simplified approach for cross-border co-operation
- Technical assistance for institutional capacity-building
- **EIB** lending



#### Added value of ENP

- Focus on immediate neighbourhood as special category of external relations
- Increased scope and intensity of relations, covering and combining all policy fields and instruments (all pillars)
- Encouragement of reforms and development (economic, political, social, institutional)
- New forms of financial and technical assistance offering elements not offered to other "third countries"



#### Economic effects?

Still early to quantify but, properly implemented, should contribute, directly & indirectly, to **sustainable growth** in partner countries:

- Incentives and support for economic and social reforms → better macroeconomic environment, long-term anchor for stability
- Facilitating poverty reduction and modernisation of public services
- Facilitating structural reforms, policy dialogue, improved regulatory framework, institutional modernisation, subregional connections and integration → conducive to investment & growth



#### Conclusions

- Key EU foreign policy priority in political and financial terms
- An ambitious enhanced political framework for EU relations with neighbours
- Of mutual, long-term interest
- What can we achieve ?
  - ... a matter of political will!



#### **ENP** Website

Dedicated web site on Europa server under "Commission – Europe in the World", containing all documents:

http://ec.europa.eu/comm/world/enp

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