# IMPROVEMENTS AND ADJUSTEMENTS OF EUROPEAN POLICY THROUGH THE APPLICATION OF THE "MORE FOR MORE" PRINCIPLE AND PARTNERS' MUTUAL ACCOUNTABILITY

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### INTRODUCTION

The European Neighbourhood Policy was introduced in 2004 after the EU was enlarged with ten new member states¹ with the aim of avoiding the creation of new borders and establishing, deepening and extending cooperation, partnership and bilateral relations with sixteen countries to the Eastern and Southern borders of the European Union. The sixteen countries include: Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, the Republic of Moldova, Morocco, the occupied Palestinian territory, Syria, Tunisia and Ukraine (European Commission, 2006). All the countries have privileged relationship with the EU based on sharing common vision of building democratic and prosperous societies.

The European Neighbourhood Policy (ENP) should not be understood as an enlargement tool. It does not mark the beginning of the accession negotiation process nor does it offer the participating countries the possibility of accession at all. The primary goal of the European Neighbourhood Policy is to bring Europe and its neighbouring partners closer to each other and to enhance achieving mutual interests and

<sup>&</sup>lt;sup>1</sup> The 2004 enlargement of the European Union was the largest single expansion of the European Union, the countries that joined the EU were: Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia (European Commission, 2006)

benefits. "The ENP supports political and economic reforms in sixteen of Europe's neighbouring countries as a means of promoting peace, stability and economic prosperity in the whole region. It is designed to give greater emphasis than previously to bilateral relations between the EU and each neighbouring countries" (European Commission, 2013). Its objectives are to promote and support good and democratic governance and socioeconomic development in its immediate neighbourhood through:

- Closer political relations
- Support to meet the EU standards
- Partial economic integration
- Assistance with economic and social reforms



Map 1: Territorial coverage of the ENP members

Since it was launched, the European Neighbourhood Policy has enabled the EU and its partners to cooperate in a number of areas ranging from the economy, trade and employment, education, innovation and research to the environment and energy efficiency. The ENP has brought significant changes and improvements to the partner countries, which, among others, include development of democracy and the rule of law, recognition and protection of human rights, introduction of market economy principles, sustainable development, enhanced people-to-people contacts and educational exchange. In addition to providing necessary support to the neighbouring countries, this partnership has been very beneficial for the EU as number one trading partner for most of these countries. Economic boost, inclusive growth and job creation as well as better-managed movements and exchange of students and workers have been interests of all partners.

Even though the results and achievements have been considerable and of mutual benefit to all parties, further improvement is still needed. One of the very clear signals that the ENP needs to be revised, modified and improved was regime change and following democratic reforms in the neighbourhood which required prompter, more flexible and better-adjusted response and support by the EU.

The Lisbon Treaty has allowed the EU to enhance cooperation with its neighbours and to shape its foreign policy so as to include a wide range of issues, but in a more cohesive and efficient manner. All of this was an impetus to the revision of the ENP in the summer of 2010. A new approach was to "strengthen the partnership between the EU and the countries and societies of the neighbourhood: to build and consolidate healthy democracies, pursue sustainable economic growth and manage cross-border links" (European Commission, 2010). Within the process of improving the relations with the neighbours, providing better adjusted and targeted support the European Neighbourhood Policy (ENP) will be replaced with the European Neighbourhood Instrument (ENI) from 2014 which will provide increased support, accompanied with stricter conditions and closer progress monitoring, to the sixteen countries at the Southern and Eastern borders of the European Union.

### THE EUROPEAN NEIGHBOURHOOD INSTRUMENT (ENI)

Based on accomplishments, experiences and lessons-learned of the European Neighbourhood and Partnership Instrument (ENPI), the European Neighbourhood Instrument (ENI) is to contribute to facilitating bilateral relations between the EU and its partners and bring concrete and visible benefits to each party. The ENI aims at providing increased and better-targeted support to the partner countries in the areas identified as key priorities—political reforms, economic integration, good governance, respect of human rights and freedoms and better mobility of people. Moreover, cooperation and dialogue will be intensified on a number of sectoral issues and implementation of the reforms processes. The reforms focus at the institutional capacity building, inclusive socioeconomic growth, enhanced dialogue in the key policy areas and among all concerned stakeholders, bigger number of foreign investments and subsequently increased socio-economic growth, employment boost and poverty reduction.

The new approach is to ensure the following:

 Greater support to partners' efforts in democracy building and sustaining, strengthening the rule of law, human rights respects and fundamental freedoms

Taking into consideration differences in progress the partners countries have made in regards with political reforms and democratic transition, the EU will adjust tools and support to specific needs and capacities of individual partners, adapt levels of EU support to partners according to progress in political reforms and democratic transition (European Commission, 2011). A special attention will be paid to cooperation and partnership with civil society as an integral and indispensible part of each properly functioning democracy and a key channel through which citizens can have their voice heard and take part in decision-making processes, particularly on the issues of their direct interest and concern.

Greater support to inclusive and sustainable economic growth and development

The economic sector in the neighbouring countries remains quite underdeveloped. A number of people is severely stricken with poverty and social exclusion, unemployment, particularly among youth is high while women are greatly excluded from political and economic life. The primary objectives are therefore stimulating economic growth, attracting foreign direct investments (FDIs), simplifying procedures to be able to start a business and developing small and medium enterprises. Strengthening the rule of law, good governance and fighting corruption are closely linked and are one of the main prerequisites for economic prosperity.

# Strengthening trade ties

Taking into consideration that the majority of the countries in the neighbourhood heavily rely on the EU both in terms of export and import, mutually beneficial and all-encompassing trade agreements between the EU and each of the partner countries are crucially important. Since trade is key for economic recovery and growth, the EU will be working on two tracks to boost trade in goods and services—conducting negotiations on Deep and Comprehensive Free Trade Areas with interested and capable partners and continued development of trade concessions particularly in the sectors that have the most potential to ensure economic boost of the partner countries. The other direction is towards economic integration of the region, which will ensure that trade ties among the partner countries themselves are improved and that they develop economic networks and community. Such a community would form a very solid basis for introducing a common regulatory framework, greater exchange of goods and services and better market access among the partner countries themselves and with the EU as well.

# • Intensifying political and security co-operation

The existence and continuation of conflicts in the neighbourhood seriously affect the stability of the region, the security of the EU as well as the economic interests of both partners. The persistence of the Israeli-Palestinian conflict and other conflicts in the Middle East, in the South Caucasus, the Republic of Moldova and Western Sahara are having highly negative effects on economies, the implementation of reforms, and people's mobility along with the drain of domestic and international resources. Due to the Lisbon Treaty the EU is able to act more actively in the neighbourhood, but the current and possible upcoming challenges demand that the EU and Member States coordinate their policies and deliver their actions in a more coherent and aligned manner. This will also enable the EU to take more active approach to combating terrorism, organized crime and drugs smuggling, non-proliferation and other security concerns.

# • Enhancing sector cooperation

Renewed ENP envisions strengthened cooperation in specific sectors, which are of mutual importance and benefits to the EU and its partners. In the energy sector, for example, the emphasis will be placed on energy efficiency, relying more on the sources of renewable energy and developing necessary infrastructure, energy security as well as market integration. The environment protection will include a range of areas such as forest and nature, management, air and water pollution, better control of the usage of pesticides, waste management, promoting sustainable usage of natural resources. Cooperation will also be enhanced in agriculture and rural development, urban planning, social and employment policy, maritime and fisheries, transportation and telecommunications, climate change, innovation, research and other. Sector cooperation will be improved through jointly prepared strategies and legislation, as well as concrete measures and projects aimed at solving challenges and problems existing in these areas.

# · Mobility and migration

Contacts between people precondition progress in each area is among the focal activities of the ENP. They are an imperative in the services, business and trade sectors, education<sup>2</sup> and exchange of ideas for research innovation. Labour mobility is a field where the EU and neighbouring countries have overlapping interests.<sup>3</sup> Moreover, the EU's immediate neighbourhood is usually where most of irregular migrants are coming from. Therefore, intensified cooperation on tightening border control and security, reducing illegal entries and smuggling of people and goods is among priorities. On its side, the EU will continue with the process of visa facilitation or liberalization for the partner countries. In regards with mobility and migration, the objective of the ENP is to enable better organizing and management of legal migration so as to have maximally positive effects on development, better border management accompanied with asylum and effective law enforcement.

A major tool for translating the set goals and objectives into concrete steps are bilateral ENP actions plans, which are agreed between the EU and a partner country. The content of the Action Plans varies from country to country depending on the needs, priorities capacities of a partner country. However, common areas all Action Plans contain are the following:

- Political dialogue and democratic reforms
- Social development and economic prosperity
- Cooperation on justice, liberty and security

<sup>&</sup>lt;sup>2</sup> Several educational and research programs such as Erasmus Mundus, Tempus, Youth in Action and Marie Curie for which participants from the neighbouring countries are eligible have greatly contributed to intellectual and academic exchange, the mobility of students, teachers, researches and innovators, and the modernization of university education in their home countries.

<sup>&</sup>lt;sup>3</sup> Many EU countries have ageing population and workforce, which will sooner or later cause lack of skilled workers and experts in certain areas. At the same time, a great number of young, educated workers are unemployed in the neighbourhood and they could find employment in the EU. What needs to be paid attention is that such a policy does not cause brain drain and negatively affects the partner countries (European Commission, 2011). See also Mohay's, Bánáti's and Nadjivan's papers and Tarrósy's Introduction about migration-related questions in: Tarrósy, I. – Milford, S. (2013). Challenges for the European Union in the Next Decade. A View from the Danube Region. Publikon Books, Pécs.

- Trade, market and regulatory reform
- The human dimension which refers to contacts and relations between people, civil society, education and public health

Depending on the progress achieved in the target areas, the neighbouring partner are provided with:

- Increased assistance by the EU
- Better access to the market
- Enhanced integration into European programs, projects and networks
- Improved cooperation along the EU's land and maritime borders

The EU has described these bilateral Action Plans as "partnerships for reforms" since they provide each partner country to decide on which areas it is going to cooperate with the EU and up to which extent (European Commission, 2013).

# FOUNDING PRINCIPLES AND KEY ELEMENTS OF EUROPEAN NEIGHBOURHOOD INSTRUMENT

Simplification, coherence and value-orientation are the major features of the EU's new approach to the partners in the neighbourhood. As already mentioned, the EU will insist that reforms undertaken in each country reflect commitment to building democratic societies and respecting universal rights, values and freedoms (European Commission, 2011). The renewed European Neighbourhood Instrument is based on the following principles and elements:

- More for more principle—the EU will considerably increase its support
  to those partners that are truly committed to democratic values and are
  actively implementing a wide range of reforms and processes aimed at
  democratization;
- Differentiation of partners—it will ensure cooperation with a range of
  different partners that will enable better translation of joint initiatives
  into concrete actions and steps and adjusting assistance and support to
  fully respond to the needs of the partner countries;

- Promoting closer links with EU internal instruments and policies this element aims at provide the neighbouring countries and their populations with opportunities to take active part and contribute to the EU internal programs that include support to civil society organizations, youth programs, student exchange and other. A special focus will be placed on pooling the funds from internal and external instruments of the EU budget, simplifying funding procedures and enhancing efficiency of the assistance;
- Reducing the complexity and length of the programming process—this
  element is to ensure that the aid provided reaches the beneficiary ENP
  countries in a prompter and less complex manner and to ensure that
  support and assistance are directed to the areas where they are mostly
  needed. The implementation provisions will also be simplified and
  mainstreamed within a new Implementing Regulation which refers to
  all EU external assistance instruments;
- Streamlining the scope of the ENI—even though the objectives of the ENI will not be much different from the ENPI they will be more emphasized and more closely monitored. The objectives will include recognition and respect of human rights and freedoms, freedom of expression and independent media, as well as economic growth, sustainable development and gradual integration into the EU internal market. New and strengthened security measures will also be introduced and special attention will be paid to prevention and settlement of conflicts. Support will be provided to more frequent people-to-people contacts and exchange, cooperation and partnership in the sectors of common concern and more interaction between civil societies. In order to successfully translate the set objectives into practice, the EU will produce action plans for each area and in consultations with the partners;
- Amending the provisions on the Cross-Border Cooperation (CBC) programs—the main objectives of these CBCs is to strengthen cooperation between the European Union and its partner countries in the border areas. Issues such as secure borders, irregular migration, common seas and rivers can be solved only through joint, cross-

border initiatives and programs. The CBC programs will also focus on economic prosperity, while the new provisions are aimed at ensuring faster implementation and better efficiency that will positively reflect on both EU and its partners in the border areas;

• Responding to the evolving relationship with Russia—amending provisions on Russia's eligibility for ENI funding is to confirm a specific status Russia has as the EU's neighbour and strategic partner. According to the new ENI Russia remains eligible for participation and funding within cross-border and regional cooperation programs, while bilateral cooperation will be considered from 2014 within the new Partnership Instrument (PI).4

The renewed neighbourhood policy is primarily founded on the "more for more" principle meaning that the EU will increase its support, both technical and financial, for achievement of the set goals and objectives, but the results and improvements also have to be far more visible and tangible. In brief, the output will need to justify and correspond to the input. The new phase of partnership and cooperation will actually focus on a fewer policy areas, but will target impact increase. The "more for more" principle means that only those partners which demonstrate and repeatedly prove commitment and willingness to embark on political reforms and democracy strengthening will be entitled to the most rewarding benefits of the EU neighbourhood policy. At the moment, the neighbouring countries are on different levels of democratic maturation (or the 'completeness' of democracy). While some of them are implementing reforms aimed at deep and stable democracy at a rather fast pace, some of them are severely lagging behind. The uneven progress in democratic reforms requires the EU to strictly scrutinize this process, keep using high standards and assess the commitment to reforms in a rigorous manner.

<sup>&</sup>lt;sup>4</sup> Partnership Instrument (PI) is a major innovation of the 2014-2020 external instruments package, whose budget amounts to 1.13 billion Euros. It aims to promote and facilitate the interests of the Union by supporting external dimension of internal policies (e.g. research and innovation, competitiveness, people's mobility and migration) and to tackle some of the common challenges (e.g. global warming and climate change, environmental protection, energy security and efficiency etc.)

The EU's support will be directly conditioned by the pace and success of internal reforms. The increased support will be provided through funds for socio-economic development e.g. increased funding by the European Investment Bank (EIB) and better access to markets, attracting foreign investments, institution building, enhanced mobility and others. However, closely linked to the "more for more" principle is the 'less for less' principle which means that the EU will have strict treatment of the governments that do not respect human rights and democratic principles. In such cases it will increase support to civil society. The principle of "more for more" will also be incorporated in the new funding scheme for the period 2014-2020 (Ioannides – Schinas, 2012).

Another essential principle of the new policy is enhanced mutual accountability of both EU and partner countries and more interactive and open policy dialogue. Accountability on the partners' side lies in their commitment and ability to facilitate the process of internal reforms, drafting new constitutions, establishing new institutions and implementing other aspects of democratic transformation. On the other hand, the EU needs to provide the necessary support and know-how to its partners to achieve much higher level of democracy, progress and stability in their countries. In this regards, the EU's acts and responses will need to be delivered in a prompter and more decisive manner. Commitment to building and strengthening neighbourly relations are among key criteria for confirming and maintaining the EU's role and credibility as a main player at the international level. In addition, the European Neighbourhood Instrument aims to ensure that relations between the EU and partner countries correspond to the level of partners' reform pace, capacities and ambitions and to further strengthen the link between policy and assistance. It should ensure better flexibility, put in place tailor-made relations and provide support adjusted to the specific country circumstances of each partner.

The renewed neighbourhood policy also places a significant emphasis on the differentiation of partners, which besides the government needs to include civil society, academic community, business and private sector and media in policy formulation and implemention. The new ENP places partnership with civil society at its core, recognizing it as a driver of democratic change, equality and inclusiveness and overall socio-economic prosperity (European Commission, 2013). Emphasis on increasing support to civil society organizations and activists is also due to serious and persistent obstacles they are dealing with such as limited freedom of movement, freedom of association and speech, lawsuits against NGO leaders and representatives, special authorization procedures of the foreign financial assistance etc. "The EU has continued to live up to its commitment to work with civil society, national parliaments and other key stakeholders such as social partners and business, to ensure that reform objectives agreed with partner countries are a true reflection of their societies' concerns and aspirations" (European Commission, 2013).

The novelty on the EU's side is that the ENPI foresees stronger engagement and advocates for noticeable increase in the frequency of interactions between the neighbouring partners and other EU institutions, namely the European Parliament, the Committee of Regions and the European Economic and Social Committee.

The revised policy is to contribute to ensuring a more coherent approach and deepening bilateral relations of the EU with sixteen partner countries on the Eastern and Southern borders. The scope of the ENI refers to the implementation, monitoring and evaluation of the partnership and association agreements, promotion of good governance and equitable socio-economic development. The ENP still remains "the basis on which the EU works with its neighbours to achieve the closest possible political association and the greatest possible degree of economic integration".<sup>5</sup>

# CONCLUSION

The European Union recognizes potentials existing in the neighbourhood that can be of mutual benefit and interest for all the partners, which include,

The EU's commitment to the new European Neighbourhood Instrument is also underpinned by the increased financial support to the partner countries. Namely, the proposed budget for the new ENI amounts to 18.2 billion Euro for the period 2014-2020. This represents a considerable increase compared to the budget of the previous ENPI instrument, which show the importance the EU assigns to the ENP in the foreign policy and external actions of the EU (European Commission, 2013).

but are not limited to, economic integration and trade, the exchange of qualified labour force, joint research and innovation projects, finding solutions for energy efficiency and security, to name a few major areas and sectors. The EU is highly aware of many cross-border challenges and threats such as terrorism, environmental protection, irregular migration and human trafficking, which require active involvement of all the parties concerned. Moreover, the region is still unstable and faced with various unsettled conflicts. All of this is a requirement and impetus for the EU's continued and strengthened support, partnership and involvement in the region.

Almost a decade ago some of the Eastern and Southern neighbours started a process of transition while some of them have joined this process just recently. Both need the EU's support and assistance to conduct this process and make necessary advancements. While it is primary their own interest to continue with the reforms, the EU's interest to promote its founding values and principle of democracy, rule of law and good governance, the respect for human rights, market economy and sustainable development are of equal importance. The renewed approach to the European Neighbourhood Policy is a confirmed commitment on behalf of the EU of its support and interest in the neighbourhood which was clearly reiterated by the European Commission and other institutions: "We now intend to pursue our consultations with our neighbours on the best way to translate this new approach into each individual partnership. The challenges are many, and fully meeting them may take time. What we are aiming for together is a democratic, prosperous and stable region where more than 800 million people can live, work and shape their own country's future, confident that their freedom, their dignity and their rights will be respected" (European Commission, 2013).

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